

BRIDGE OF HOPE – GREATER DENVER

FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2021

(See Independent Accountants' Review Report)

TABLE OF CONTENTS

Independent Accountants' Review Report	2-3
Financial Statements	
Statements of Financial Position	4
Statements of Activities	5
Statements of Functional Expenses	6
Statements of Cash Flows	7
Notes to Financial Statements	8-15



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Independent Accountants' Review Report

To the Board of Directors
Bridge of Hope - Greater Denver

We have reviewed the accompanying financial statements of Bridge of Hope - Greater Denver (a nonprofit organization), which comprise the statement of financial position as of March 31, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Accountants' Responsibility

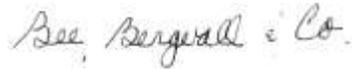
Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Summarized Comparative Information

We previously compiled Bridge of Hope - Greater Denver's financial statements for the year ended March 31, 2020. We did not audit or review those financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We did not express an opinion, a conclusion, nor provide any assurance on those financial statements. The summarized comparative information presented herein as of and for the year ended March 31, 2020 is derived from those financial statements.



Bee, Bergvall & Company, P.C.
Certified Public Accountants

Warrington, PA
December 15, 2021

Bridge of Hope - Greater Denver

Statements of Financial Position

March 31, 2021 and 2020

	<u>ASSETS</u>	
	<u>2021</u>	<u>2020</u>
Current Assets		
Cash and cash equivalents	\$ 242,388	\$ 141,284
Accounts receivable	-	125
Grants receivable	-	34,886
Prepaid expenses and other current assets	<u>16,811</u>	<u>9,585</u>
Total Current Assets	<u>259,199</u>	<u>185,880</u>
Investments	<u>216,686</u>	<u>205,557</u>
TOTAL ASSETS	<u>\$ 475,885</u>	<u>\$ 391,437</u>

	<u>NET ASSETS</u>	
Current Liabilities		
Paycheck Protection Program loan	\$ <u>17,700</u>	\$ <u>-</u>
Total Current Liabilities	<u>17,700</u>	<u>-</u>
Net Assets		
Without donor restrictions	445,185	356,551
With donor restrictions	<u>13,000</u>	<u>34,886</u>
Total Net Assets	<u>458,185</u>	<u>391,437</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 475,885</u>	<u>\$ 391,437</u>

See accompanying notes and Independent Accounts' Review Report

Bridge of Hope - Greater Denver

Statements of Activities

For the Year Ended March 31, 2021
With Comparative Totals for the Year Ended March 31, 2020

	<u>Without Donor</u> <u>Restriction</u>	<u>With Donor</u> <u>Restriction</u>	<u>Total</u> <u>2021</u>	<u>Total</u> <u>2020</u>
Support and Revenue				
Individual contributions	\$ 309,220	\$ -	\$ 309,220	\$ 190,354
Church contributions	35,657	-	35,657	34,525
Corporate contributions	44,149	-	44,149	36,452
Foundation grants	29,500	-	29,500	80,944
Non Profit contributions	6,302	-	6,302	-
Peer to peer contributions	5,459	-	5,459	2,473
Special fundraising events, net	64,376	13,000	77,376	86,992
Investment income	11,113	-	11,113	(3,508)
Released from restriction	<u>34,886</u>	<u>(34,886)</u>	<u>-</u>	<u>-</u>
Total Public Support and Revenue	<u>540,662</u>	<u>(21,886)</u>	<u>518,776</u>	<u>428,232</u>
Expenses				
Program Expenses				
Program services	356,360	-	356,360	280,698
Supporting Services				
Management and general	51,588	-	51,588	28,594
Fundraising	<u>44,080</u>	<u>-</u>	<u>44,080</u>	<u>24,322</u>
Total Expenses	<u>452,028</u>	<u>-</u>	<u>452,028</u>	<u>333,614</u>
Change in Net Assets	88,634	(21,886)	66,748	94,618
Net Assets, Beginning of year	<u>356,551</u>	<u>34,886</u>	<u>391,437</u>	<u>296,819</u>
Net Assets, End of year	<u>\$ 445,185</u>	<u>\$ 13,000</u>	<u>\$ 458,185</u>	<u>\$ 391,437</u>

See accompanying notes and Independent Accounts' Review Report

Bridge of Hope - Greater Denver

Statements of Functional Expenses

For the Year Ended March 31, 2021

With Comparative Totals for the Year Ended March 31, 2020

	2021				2020
	Program <u>Services</u>	Management <u>& General</u>	<u>Fundraising</u>	<u>Total</u>	<u>Total</u>
Payroll and related expenses					
Salaries	\$ 82,278	\$ 28,954	\$ 36,071	\$ 147,303	\$ 98,115
Contract labor	600	-	-	600	5,793
Payroll taxes	7,568	2,597	3,217	13,382	8,261
Other expenses					
Advertising	-	440	889	1,329	629
Dues and subscriptions	406	2,009	149	2,564	4,280
Event related expenses	117	-	-	117	642
In-kind support	130,939	-	-	130,939	113,480
Insurance	2,033	2,630	892	5,555	1,979
Legal and accounting	-	5,937	-	5,937	4,100
Office supplies and postage	925	4,838	499	6,262	2,402
Other	216	202	37	455	401
Participant supplies	3,610	-	-	3,610	295
Payments to affiliates	-	1,836	-	1,836	1,836
Participant rental assistance	119,244	-	-	119,244	74,659
Participant emergency funds	2,350	-	-	2,350	4,182
Telephone	1,712	267	423	2,402	1,530
Training	1,225	238	66	1,529	4,906
Travel and meals	<u>3,137</u>	<u>1,640</u>	<u>1,837</u>	<u>6,614</u>	<u>6,124</u>
Total Functional Expenses	<u>\$ 356,360</u>	<u>\$ 51,588</u>	<u>\$ 44,080</u>	<u>\$ 452,028</u>	<u>\$ 333,614</u>

See accompanying notes and Independent Accounts' Review Report

Bridge of Hope - Greater Denver

Statements of Cash Flows

For the Years Ended March 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 66,748	\$ 94,618
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized loss in investments	(8,623)	6,720
Net change in assets and liabilities:		
Accounts receivable	125	(124)
Grants receivable	34,886	(34,886)
Prepaid expenses and other current assets	(7,226)	(9,585)
Paycheck Protection Program loan	17,700	-
Net cash provided by operating activities	<u>103,610</u>	<u>56,743</u>
Cash Flows from Investing Activities		
Purchase of investments	(7,489)	(222,193)
Sale of investments	4,983	9,916
Net cash provided by (used in) investing activities	<u>(2,506)</u>	<u>(212,277)</u>
Net increase (decrease) in cash	<u>101,104</u>	<u>(155,534)</u>
Cash		
Beginning of year	<u>141,284</u>	<u>296,818</u>
End of year	<u>\$ 242,388</u>	<u>\$ 141,284</u>

See accompanying notes and Independent Accounts' Review Report

Bridge of Hope - Greater Denver

Notes to Financial Statements

March 31, 2021

NOTE 1. Summary of Significant Accounting Policies

Organization: Bridge of Hope - Greater Denver (the Organization), is a non-profit organization located in Denver, Colorado, whose mission is to engage Christian faith communities in ending family homelessness through neighboring relationships that demonstrate Christ's love.

Basis of Accounting: The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Comparative Information: The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting policies generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended March 31, 2020, from which the summarized information was derived.

Cash Equivalents: The Organization considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents.

Investments: Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their quoted fair values in the Statements of Financial Position. Unrealized gains and losses are included in the change in net assets. Donated investments are reflected as contributions at their market values at the date of receipt. Interest earnings, realized gains and losses, and unrealized gains and losses are reported as investment income.

Receivables: Receivables are estimated to be fully collectible and no allowance for bad debts has been provided. If a receivable is determined to be uncollectible, it will be charged directly to operation in the year that determination is made. Receivables are considered to be delinquent when they are 90 days past their due date.

Prepaid Expenses: Rent and services are included in prepaid expenses for all items paid in advance.

Bridge of Hope - Greater Denver

Notes to Financial Statements

March 31, 2021

NOTE 1. Summary of Significant Accounting Policies (Continued)

Net Assets: Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, a board-designated endowment.

Net Assets With Donor Restrictions - Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. There are no net assets with donor restrictions.

Revenue Recognition: The Organization receives from a variety of revenue streams. The policy for the material revenue streams is discussed below.

The Organization recognizes contributions when cash, securities or other assets and unconditional promises to give, is received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Unconditional promises to give are recorded as received. Unconditional promises to give which are due in future years are recorded as contributions with donor restrictions at the present value of their net realizable value. Conditional promises to give are not included as support until such time as the condition is substantially met. However, the Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished) in the reporting period in which the revenue is recognized.

Income from foundations and grantors are unconditional grants, some with restrictions, and revenue is recognized when earned.

Bridge of Hope - Greater Denver

Notes to Financial Statements

March 31, 2021

NOTE 1. Summary of Significant Accounting Policies (Continued)

Revenue Recognition: (continued)

The Statement of Activities presents the gross amounts of revenues and expenses from special events. The portion of a special event payment that represents the amount in excess of any direct benefit that the donor receives is recognized as contributions. The portion representing the cost of the direct benefit to the donors is reported as a reduction of gross special events revenue on the Statement of Activities and on the Statement of Functional Expenses.

Donated Services and Materials: Donated materials, services, and other noncash assets are reflected as contributions in the accompanying statements of activities at their estimated fair market value on the date received. Donated materials included the following for the year ended March 31, 2021:

Video Streaming Services	\$ 10,000
Tax Services	1,500
Professional Services	130,939
Items for Auction	13,200
Stock	<u>5,010</u>
Total	<u>\$ 160,649</u>

The Organization receives significant volunteer time for help in fundraising and in completing various office and administrative duties. No values have been assigned to these donated services, as they do not meet the criteria of recognition under FASB 116.

In the fiscal year ending March 31, 2021, the Organization began recognizing a value for their neighboring volunteers as donated services as the training required classified the work performed as professional and therefore met the criteria of recognition under FASB 116. An adjustment of \$113,480 was made to both donation income and in-kind support expense for the year ended March 31, 2020 to reflected those donated services.

Federal Income Tax: The Organization is exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization is not a private foundation as defined in Sections 170 and 509 of the Internal Revenue Code.

Bridge of Hope - Greater Denver

Notes to Financial Statements

March 31, 2021

NOTE 1. Summary of Significant Accounting Policies (Continued)

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications: Certain reclassifications of amounts previously reported have been made to the accompanying consolidated financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously reported net assets.

Functional Allocation of Expenses: The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The Statements of Functional Expenses present the natural classification detail of expenses by function. Accordingly, costs have been allocated among the programs and supporting services benefited. Certain expenses require allocation between program and support services on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and taxes, contract labor, insurance, office supplies and postage, payments to affiliates, telephone, training, travel and meals. All other expenses were allocated based on the program or supporting service directly benefited.

Advertising Costs: Advertising costs are expensed as incurred.

Subsequent Events: The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through the date of this report, which is the date the financial statements were available to be issued. No items were noted which required adjustment to or disclosure in the financial statements.

Bridge of Hope - Greater Denver

Notes to Financial Statements

March 31, 2021

NOTE 1. Summary of Significant Accounting Policies (Continued)

New Accounting Pronouncement: ASU No. 2018-13 (Topic 820), Fair Value Measurement: The new guidance is intended to improve the effectiveness of disclosures in the notes to financial statements. The objective of these disclosure requirements is to provide financial statement users with information about assets and liabilities measured at fair value in the statement of financial position or disclosed in the notes to the financial statements regarding (1) the valuation techniques and inputs used to develop fair value measurements, including the related judgments and assumptions made, (2) the uncertainty in the fair value measurements as of the reporting date, and (3) how changes in the measurements impact the performance and cash flows of the entity. The Organization's financial statements reflect the application of this guidance for the year ending March 31, 2021. The implementation had no effect on net assets and the adoption did not impact previously issued financial statements.

Future Accounting Pronouncements: ASU No. 2016-02 (Topic 842), Leases: This standard substantially changes current principles of lease accounting and offers specific accounting guidance for lessees, lessors and sale-leaseback transactions. ASU 2016-02 establishes a right-of-use ("ROU") model that requires lessees to record a ROU asset and lease liability in the statement of financial position for all leases with terms longer than 12 months (the standard may optionally be applied to leases with term of 12 months or less). Leases will be classified as either finance leases or operating leases depending on the characteristics of the lease; consistent with current generally accepted accounting principles, the recognition, measurement and presentation of expenses and cash flows arising from the lease will depend on the lease classification. This standard will be implemented in the fiscal year ending 2022. The Organization is currently evaluating this new standard and the impact it will have on its financial statements.

Bridge of Hope - Greater Denver

Notes to Financial Statements

March 31, 2021

NOTE 1. Summary of Significant Accounting Policies (Continued)

Future Accounting Pronouncements (continued)

ASU No. 2020-07 (Topic 958), Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets: This standard changes the presentation and disclosure requirements of contributed nonfinancial assets. The term nonfinancial asset includes fixed assets, use of fixed assets or utilities, materials and supplies, intangible assets, services, and unconditional promises of those assets. The standard requires that contributed nonfinancial assets be presented as a separate line item in the statement of activities and additional disclosures will be presented, including disaggregation of amounts, qualitative information, and valuation techniques and inputs be disclosed that were used to arrive at the fair value of the contributed nonfinancial asset. This standard will be implemented in the fiscal year ending 2023. The Organization is currently evaluating this new standard and the impact it will have on its financial statements.

NOTE 2. Liquidity and Availability

Financial assets available for general expenditure, that is without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise cash and cash equivalents in the amount of \$242,388.

It is the Organization's liquidity plan to maintain assets in the form of cash so that assets are available as needed.

NOTE 3. Concentration of Credit Risk

The Organization's financial instruments that are exposed to concentrations of credit risk consist primarily of cash. The Organization places its cash and temporary cash investments with high credit quality institutions. At times such investments may be in excess of the FDIC insurance limit. As of March 31, 2021, the Organization was not in excess of these insurance limits.

NOTE 4. Assets with Donor Restrictions

Net assets with donor restrictions are restricted for a special event which will take place in the fiscal year ending March 31, 2022.

Bridge of Hope - Greater Denver

Notes to Financial Statements

March 31, 2021

NOTE 5. Fair Value Measurements and Disclosure

The Organization follows Fair Value Measurements as required by the FASB Standards Codification, which applies to reported balances that are required or permitted to be measured at fair value under an existing accounting pronouncement. The Codification emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumption that market participants would use in pricing the asset or liability and establishes a fair value hierarchy.

Fair Value of Financial Instruments: The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

Level 1 - Inputs that utilized quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 - Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 - Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The primary uses of fair value measures in the Organization's financial statements are: recurring measurement of short term investments.

Bridge of Hope - Greater Denver

Notes to Financial Statements

March 31, 2021

NOTE 5. Fair Value Measurements and Disclosure (Continued)

The following table represents the Organization's fair value hierarchy for those investments, excluding money market funds, measured at fair value on a recurring basis as of March 31, 2021:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 216,686	\$ -	\$ -	\$ 216,686
Total	<u>\$ 216,686</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 216,686</u>

NOTE 6. Special Events

The Organization had special events for the year ended March 31, 2021 as follows:

	Golf			
	<u>Gala Night</u>	<u>Tournament</u>	<u>Other</u>	<u>Total</u>
Sales	\$ -	\$ 14,400	\$ -	\$ 14,400
Contributions	72,608	40,243	-	112,851
Less Direct Expenses	<u>(29,280)</u>	<u>(20,595)</u>	<u>-</u>	<u>(49,875)</u>
Total	<u>\$ 43,328</u>	<u>\$ 34,048</u>	<u>\$ -</u>	<u>\$ 77,376</u>

NOTE 7. Refundable Advance Liability - Paycheck Protection Program

In 2020, the Organization received a loan proceeds in the amount of \$17,700 pursuant to the Paycheck Protection Program (PPP) administered by the United States Small Business Administration (SBA) and authorized by the Keeping American Worker's Employed and Paid Act, which is part of the Coronavirus Aid, Relief, and Economic Security Act (CARES), enacted on March 27, 2020. The loan was subsequently forgiven in May of 2021. Accordingly, the award will be reported as a government grant in the statement of activities for the fiscal year ending March 31, 2022.

NOTE 8. Risks and Uncertainties

In December 2019, a novel strain of coronavirus (COVID-19) surfaced. The spread of COVID-19 around the world has caused significant volatility in the United States. There is significant uncertainty around the breadth and duration of business disruptions related COVID-19.