

BRIDGE OF HOPE - GREATER DENVER
FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2023

(See Independent Accountants' Review Report)

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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, 2023, 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.

Managements' 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.

We are required to be independent of Bridge of Hope - Greater Denver and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

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 reviewed Bridge of Hope - Greater Denver's financial statements and in our conclusion dated August 25, 2022, stated that based on our review, we were not aware of any material modifications that should be made to the financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended March 31, 2022, for it to be consistent with the reviewed financial statements from which it has been derived.

Bee, Bergvall & Co.

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

Warrington, PA
November 6, 2023

Bridge of Hope - Greater Denver

Statements of Financial Position

March 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
<u>ASSETS</u>		
Current Assets		
Cash and cash equivalents	\$ 281,920	\$ 557,717
Accounts receivable	4,635	-
Prepaid expenses and other current assets	<u>21,301</u>	<u>24,166</u>
Total Current Assets	<u>307,856</u>	<u>581,883</u>
Investments	<u>232,502</u>	<u>46,891</u>
 TOTAL ASSETS	 <u>\$ 540,358</u>	 <u>\$ 628,774</u>

<u>NET ASSETS</u>		
Current Liabilities		
Accounts payable	\$ 3,185	\$ 963
Total Current Liabilities	<u>3,185</u>	<u>963</u>
Net Assets		
Without donor restrictions	523,173	585,511
With donor restrictions	<u>14,000</u>	<u>42,300</u>
Total Net Assets	<u>537,173</u>	<u>627,811</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 540,358</u>	 <u>\$ 628,774</u>

See accompanying notes and independent accountants' review report

Bridge of Hope - Greater Denver

Statements of Activities

For the Year Ended March 31, 2023
With Comparative Totals for the Year Ended March 31, 2022

	<u>Without Donor</u> <u>Restriction</u>	<u>With Donor</u> <u>Restriction</u>	<u>Total</u> <u>2023</u>	<u>Total</u> <u>2022</u>
Support and Revenue				
Individual contributions	\$ 285,767	\$ -	\$ 285,767	\$ 227,869
Church contributions	32,850	-	32,850	36,300
Corporate contributions	29,783	-	29,783	55,523
Foundation grants	28,390	-	28,390	70,660
Non profit contributions	5,600	-	5,600	11,300
Peer to peer contributions	-	-	-	23,051
Government grant	-	-	-	17,700
Donated services	165,278	-	165,278	174,423
Special fundraising events, net	149,536	14,000	163,536	204,597
Investment income	1,931	-	1,931	(11,360)
Other income	375	-	375	-
Released from restriction	42,300	(42,300)	-	-
Total Public Support and Revenue	<u>741,810</u>	<u>(28,300)</u>	<u>713,510</u>	<u>810,063</u>
Expenses				
Program Expenses				
Program services	613,780	-	613,780	531,400
Supporting Services				
Management and general	66,444	-	66,444	46,054
Fundraising	123,924	-	123,924	62,983
Total Expenses	<u>804,148</u>	<u>-</u>	<u>804,148</u>	<u>640,437</u>
Change in Net Assets	(62,338)	(28,300)	(90,638)	169,626
Net Assets, Beginning of year	<u>585,511</u>	<u>42,300</u>	<u>627,811</u>	<u>458,185</u>
Net Assets, End of year	<u>\$ 523,173</u>	<u>\$ 14,000</u>	<u>\$ 537,173</u>	<u>\$ 627,811</u>

See accompanying notes and independent accountants' review report

Bridge of Hope - Greater Denver

Statements of Functional Expenses

For the Year Ended March 31, 2023

With Comparative Totals for the Year Ended March 31, 2022

	<u>2023</u>				<u>2022</u>
	<u>Program</u>	<u>Management</u>	<u>Fundraising</u>	<u>Total</u>	<u>Total</u>
	<u>Services</u>	<u>& General</u>			
Payroll and related expenses					
Salaries	\$ 201,883	\$ 33,976	\$ 85,820	\$ 321,679	\$ 212,483
Contract labor	3,195	788	7,012	10,995	3,700
Payroll taxes	17,847	3,004	7,587	28,438	19,411
Other expenses					
Advertising	-	5	6,864	6,869	5,364
Dues and subscriptions	33	2,206	2,336	4,575	5,309
Event related expenses	1,114	-	-	1,114	928
In-kind support	163,278	-	-	163,278	172,423
Insurance	10,824	1,903	-	12,727	5,076
Legal and accounting	-	8,615	-	8,615	6,618
Office supplies and postage	2,700	10,094	3,536	16,330	9,642
Other	1,509	230	630	2,369	1,584
Participant supplies	6,311	-	-	6,311	8,897
Payments to affiliates	-	1,500	-	1,500	2,336
Participant rental assistance	182,249	-	-	182,249	161,801
Participant emergency funds	7,095	-	-	7,095	5,593
Telephone	2,048	486	913	3,447	3,040
Training	704	190	1,633	2,527	6,750
Travel and meals	12,990	3,447	7,593	24,030	9,482
Total Functional Expenses	<u>\$ 613,780</u>	<u>\$ 66,444</u>	<u>\$ 123,924</u>	<u>\$ 804,148</u>	<u>\$ 640,437</u>

See accompanying notes and independent accountants' review report

Bridge of Hope - Greater Denver

Statements of Cash Flows

For the Years Ended March 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities		
Change in net assets	\$ (90,638)	\$ 169,626
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized (gain) loss in investments	(752)	1,829
Donated stock	-	(10,120)
Net change in assets and liabilities:		
Accounts receivable	(4,635)	-
Prepaid expenses and other current assets	2,865	(7,355)
Accounts payable	2,222	963
Paycheck Protection Program loan	-	(17,700)
Net cash provided by operating activities	<u>(90,938)</u>	<u>137,243</u>
Cash Flows from Investing Activities		
Purchase of investments	(423,428)	(1,661,536)
Sale of investments	<u>238,569</u>	<u>1,839,622</u>
Net cash provided by (used in) investing activities	<u>(184,859)</u>	<u>178,086</u>
Net increase (decrease) in cash	<u>(275,797)</u>	<u>315,329</u>
Cash		
Beginning of year	<u>557,717</u>	<u>242,388</u>
End of year	<u>\$ 281,920</u>	<u>\$ 557,717</u>

See accompanying notes and independent accountants' review report

Bridge of Hope - Greater Denver

Notes to Financial Statements

March 31, 2023

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, 2022, 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, insurance and services are included in prepaid expenses for all items paid in advance.

Bridge of Hope - Greater Denver

Notes to Financial Statements

March 31, 2023

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, 2023

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. Amounts received that are designated for future events are reported as net assets with donor restriction. When event occurs restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

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.

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 payroll taxes, insurance, telephone and travel. All other expenses were allocated based on the program or supporting service directly benefited.

Bridge of Hope - Greater Denver

Notes to Financial Statements

March 31, 2023

NOTE 1. Summary of Significant Accounting Policies (Continued)

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.

Recent 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 was implemented in the fiscal year ending 2023, with no effect.

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 was implemented in the fiscal year ending 2023, resulting in enhanced disclosure. See Note 8.

Bridge of Hope - Greater Denver

Notes to Financial Statements

March 31, 2023

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 \$286,555.

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, 2023, 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, 2024.

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.

Bridge of Hope - Greater Denver

Notes to Financial Statements

March 31, 2023

NOTE 5. Fair Value Measurements and Disclosure (Continued)

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.

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, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual Funds	\$ 232,502	\$ -	\$ -	\$ 232,502
Total	<u>\$ 232,502</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 232,502</u>

Bridge of Hope - Greater Denver

Notes to Financial Statements

March 31, 2023

NOTE 6. Special Events

The Organization had special events for the year ended March 31, 2023 as follows:

	<u>Golf</u>		
	<u>Gala Night</u>	<u>Tournament</u>	<u>Total</u>
Sales	\$ 7,020	\$ 16,320	\$ 23,340
Contributions	173,182	76,044	249,226
Less Direct Expenses	<u>(80,666)</u>	<u>(28,364)</u>	<u>(109,030)</u>
Total	<u>\$ 99,536</u>	<u>\$ 64,000</u>	<u>\$ 163,536</u>

NOTE 7. Related Party

The Organization offers rental assistance for those in need. For the year ending March 31, 2023, a few apartments in which rental assistance was provided were rented from an apartment building owned by a business belonging to a board member. Amounts included in participant rental assistance expenses for the fiscal year ending March 31, 2023 totaled \$12,683. In addition, another board member rented a condominium to a participant in the amount of \$16,077. Both were below market rate.

NOTE 8. Contributions of Nonfinancial Assets

Donated facilities, services and materials have been reflected in the financial statements at fair value as both contributions and corresponding expenses, and consisted of the following for the years ended March 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Video Streaming Services	\$ -	\$ 2,000
Labor - staffing and clean-up	1,000	-
Food	-	7,000
Rental Space	6,000	6,000
Giveaway Items	1,000	2,826
Tax Services	2,000	2,000
Professional Services	163,278	172,423
Items for Auction	13,072	20,309
Automobiles	-	5,085
Stock	-	10,120
Total	<u>\$ 186,350</u>	<u>\$ 227,763</u>

Bridge of Hope - Greater Denver

Notes to Financial Statements

March 31, 2023

NOTE 8. Contributions of Nonfinancial Assets (Continued)

Event labor, rental space, and administrative services are all recorded at fair market value and are not monetized.

Items for auction are valued, by the executive director, at their estimated fair market value and are monetized.

Professional services are valued by multiplying the number of hours served by the market rate using information obtained online and are used in programs.