

**Harvest Bridge  
Financial Statements  
December 31, 2020 and 2019**

**Harvest Bridge  
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**Independent Auditor's Review Report**

Board of Directors  
Harvest Bridge  
Grove City, Pennsylvania

We have reviewed the accompanying statement of financial position of Harvest Bridge (a non-profit organization) as of December 31, 2020 and 2019 and the related statements of activities, functional expenses and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of 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 the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

**Accountant's Responsibility**

Our responsibility is to conduct the reviews in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. 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.

**Accountant's Conclusion**

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

Respectfully submitted,

*Hosack, Specht, Muetzel & Wood LLP*

HOSACK, SPECHT, MUETZEL & WOOD LLP  
Pittsburgh, Pennsylvania  
June 2, 2021

**Harvest Bridge**  
**Statements of Financial Position**  
**December 31, 2020 and 2019**

	December 31,	
	2020	2019
<b>ASSETS</b>		
Current Assets		
Cash	\$ 147,814	\$ 83,363
Contributions Receivable	<u>17,841</u>	<u>29,058</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 165,655</u></u>	<u><u>\$ 112,421</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Accounts Payable	<u>\$ 401</u>	<u>\$ 382</u>
Net Assets		
Without Donor Restriction	138,426	79,117
With Donor Restriction	<u>26,828</u>	<u>32,922</u>
Total Net Assets	<u>165,254</u>	<u>112,039</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 165,655</u></u>	<u><u>\$ 112,421</u></u>

See Accompanying Notes and Independent Accountant's Review Report

**Harvest Bridge  
Statement of Activities  
Year Ended December 31, 2020**

	Without Donor Restriction	With Donor Restriction	Totals
Support			
Contributions	\$ 272,993	\$ 250,205	\$ 523,198
Grants	-	22,900	22,900
Other Income	309	-	309
Net Assets Released from Restrictions	<u>279,199</u>	<u>(279,199)</u>	<u>-</u>
 Total Support	 <u>552,501</u>	 <u>(6,094)</u>	 <u>546,407</u>
Expenses			
Program Services			
Mission Programs	397,242	-	397,242
General and Administrative	57,498	-	57,498
Fundraising	<u>38,452</u>	<u>-</u>	<u>38,452</u>
 Total Expenses	 <u>493,192</u>	 <u>-</u>	 <u>493,192</u>
 Changes in Net Assets	 59,309	 (6,094)	 53,215
 Net Assets - January 1, 2020	 <u>79,117</u>	 <u>32,922</u>	 <u>112,039</u>
 Net Assets - December 31, 2020	 <u>\$ 138,426</u>	 <u>\$ 26,828</u>	 <u>\$ 165,254</u>

See Accompanying Notes and Independent Accountant's Review Report

**Harvest Bridge  
Statement of Activities  
Year Ended December 31, 2019**

	Without Donor Restriction	With Donor Restriction	Totals
Support			
Contributions	\$ 170,909	\$ 294,989	\$ 465,898
Other Income	242	-	242
Net Assets Released from Restrictions	<u>307,752</u>	<u>(307,752)</u>	<u>-</u>
 Total Support	 <u>478,903</u>	 <u>(12,763)</u>	 <u>466,140</u>
Expenses			
Program Services			
Mission Programs	322,686	-	322,686
General and Administrative	54,991	-	54,991
Fundraising	<u>58,921</u>	<u>-</u>	<u>58,921</u>
 Total Expenses	 <u>436,598</u>	 <u>-</u>	 <u>436,598</u>
 Changes in Net Assets	 42,305	 (12,763)	 29,542
 Net Assets - January 1, 2019	 <u>36,812</u>	 <u>45,685</u>	 <u>82,497</u>
 Net Assets - December 31, 2019	 <u>\$ 79,117</u>	 <u>\$ 32,922</u>	 <u>\$ 112,039</u>

See Accompanying Notes and Independent Accountant's Review Report

**Harvest Bridge**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2020**

	Mission Programs	Total Program Services	General and Administrative	Fundraising	Total Support Services	Total Expenses
Grants	\$ 341,274	\$ 341,274	\$ -	\$ -	\$ -	\$ 341,274
Wages	46,706	46,706	34,758	27,155	61,913	108,619
Payroll Taxes and Benefits	4,479	4,479	3,333	2,604	5,937	10,416
Short-Term Trips	2,114	2,114	-	-	-	2,114
Office Expense	603	603	8,254	350	8,604	9,207
Bank and Wire Fees	-	-	7,399	-	7,399	7,399
Direct Mail/Marketing	-	-	-	5,241	5,241	5,241
Special Events	-	-	-	1,899	1,899	1,899
Postage and Shipping	451	451	336	263	599	1,050
Printing	1,095	1,095	815	637	1,452	2,547
Insurance	-	-	1,641	-	1,641	1,641
Supplies	520	520	387	303	690	1,210
Licenses and Registrations	-	-	575	-	575	575
	<u>\$ 397,242</u>	<u>\$ 397,242</u>	<u>\$ 57,498</u>	<u>\$ 38,452</u>	<u>\$ 95,950</u>	<u>\$ 493,192</u>

See Accompanying Notes and Independent Accountant's Review Report

**Harvest Bridge**  
**Statement of Functional Expenses**  
**Year Ended December 31, 2019**

	Mission Programs	Total Program Services	General and Administrative	Fundraising	Total Support Services	Total Expenses
Grants	\$ 247,685	\$ 247,685	\$ -	\$ -	\$ -	\$ 247,685
Wages	60,044	60,044	33,216	34,493	67,709	127,753
Payroll Taxes and Benefits	7,078	7,078	3,915	4,066	7,981	15,059
Short-Term Trips	6,232	6,232	-	-	-	6,232
Office Expense	201	201	7,827	115	7,942	8,143
Bank and Wire Fees	-	-	5,704	-	5,704	5,704
Direct Mail/Marketing	-	-	-	1,292	1,292	1,292
Special Events	-	-	-	18,025	18,025	18,025
Training, Seminars and Conferences	-	-	-	99	99	99
Postage and Shipping	1,150	1,150	636	661	1,297	2,447
Printing	231	231	128	133	261	492
Insurance	-	-	3,329	-	3,329	3,329
Supplies	65	65	36	37	73	138
Licenses and Registrations	-	-	200	-	200	200
	<u>\$ 322,686</u>	<u>\$ 322,686</u>	<u>\$ 54,991</u>	<u>\$ 58,921</u>	<u>\$ 113,912</u>	<u>\$ 436,598</u>

See Accompanying Notes and Independent Accountant's Review Report



**Harvest Bridge**  
**Statements of Cash Flows**  
**Years Ended December 31, 2020 and 2019**

	December 31,	
	2020	2019
Operations		
Increase in Net Assets	\$ 53,215	\$ 29,542
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities		
Decrease in Contributions Receivable	11,217	12,108
Increase (Decrease) in Accounts Payable and Accrued Expenses	19	(2,932)
Net Cash Provided by Operating Activities	64,451	38,718
Net Increase in Cash	64,451	38,718
Cash - Beginning of Year	83,363	44,645
Cash - End of Year	\$ 147,814	\$ 83,363

See Accompanying Notes and Independent Accountant's Review Report

**Harvest Bridge**  
**Notes to Financial Statements**  
**December 31, 2020 and 2019**

**Note 1 - Nature of Operations**

Harvest Bridge (the Organization) is a not-for-profit corporation located in Grove City, Pennsylvania. The Organization's mission is to equip South Asian Christians to serve their communities more effectively. With the Organization's assistance, people and their communities in South Asia are transformed by the love of Christ.

Harvest Bridge works closely with other organizations in the design, implementation, monitoring and reporting of projects which align with the Organization's mission.

**Note 2 - Summary of Significant Accounting Policies**

A. Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

B. Basis of Presentation

Financial statement presentations follow the recommendations of the Financial Accounting Standards Board in its Financial Accounting Standards Codification (ASC 958) *Not-for-Profit Entities*. Under ASC 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions. Accordingly, the net assets of the Organization are classified and reported as follows:

Net Assets Without Donor Restrictions

Net assets without donor restrictions are resources available to support operations. The only limits on the use of these net assets are the broad limits resulting from the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net Assets With Donor Restrictions

Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor's instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature; the Organization must continue to use the resources in accordance with the donor's instructions.

The Organization's unspent contributions are included in this class if the donor limited their use.

**Harvest Bridge**  
**Notes to Financial Statements**  
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When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of the time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

C. 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. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates.

D. Support

Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions.

When a restriction expires (that is when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Expenses are reported as decreases in net assets without donor restrictions.

E. Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Accounting principles generally accepted in the United States of America require the Organization's management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken a position that is uncertain. An uncertain position is defined as one in which there is a 50% or greater likelihood that the position will not be sustained upon examination by a taxing authority. Management has analyzed the tax positions taken by the Organization and has concluded that as of December 31, 2020 and 2019, there are no uncertain tax positions taken or expected to be taken. The Organization has recognized no interest or penalties related to uncertain tax positions. The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes the Organization is no longer subject to income tax examinations for years prior to 2017.

**Harvest Bridge**  
**Notes to Financial Statements**  
**December 31, 2020 and 2019**

**Note 3 - Functional Allocation of Expense**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted. The expenses that are allocated primarily include wages, payroll taxes and benefits, which are allocated on the basis of estimates of time and effort.

**Note 4 - Concentration of Risk**

The Organization maintains cash balances in banks which are insured by the Federal Deposit Insurance Corporation for up to \$250,000. At December 31, 2020 and 2019, all of the Organization's cash balances were insured.

**Note 5 - Restrictions on Net Assets**

Net assets with donor restrictions are available for the following purposes as of:

	December 31, 2020	December 31, 2019
Support for Pastors	\$ 14,121	\$ 20,173
Women's Empowerment	10,111	-
Bibles for South Asian Christians	-	5,188
Community Development and Poverty Alleviation	-	2,804
Ministry	1,220	2,715
Child Sponsorship	23	1,298
Other	<u>1,353</u>	<u>744</u>
	<u>\$ 26,828</u>	<u>\$ 32,922</u>

**Note 6 - Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2020, are:

Financial Assets:

Cash	\$ 147,814
Contributions Receivable	<u>17,841</u>
Total Financial Assets	165,655
Less: Financial assets held to meet donor-imposed Restrictions:	
Donor-Restricted Funds (See Note 5)	<u>(26,828)</u>
Amount Available for General Expenditures within One Year	<u>\$ 138,827</u>

**Harvest Bridge**  
**Notes to Financial Statements**  
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As shown above, the Organization has \$138,827 available to cover general expenditures within one year. Furthermore, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. It should also be noted that grant expenditures are typically not authorized until contributions are received. Thus, the Organization has available funds to cover any short-term cash needs.

**Note 7 - Grants**

During the year ended December 31, 2020, the grants of \$341,274 as shown in the statement of functional expenses were for the following purposes:

Church Planting and Evangelism	\$ 178,928
Relief and Development Projects	114,057
Child Sponsorship	23,445
Other Children's Programs	13,024
Pastor Education	2,080
Gypsy and Tribal Outreach	7,808
Social Enterprise	<u>1,932</u>
	<u>\$ 341,274</u>

During the year ended December 31, 2019, the grants of \$247,685 as shown in the statement of functional expenses were for the following purposes:

Church Planting and Evangelism	\$ 158,410
Relief and Development Projects	41,007
Other Children's Programs	12,042
Child Sponsorship	16,295
Pastor Education	5,583
Gypsy and Tribal Outreach	11,045
Social Enterprise	<u>3,303</u>
	<u>\$ 247,685</u>

**Note 8 - Concentrations**

During the years ended December 31, 2020 and 2019, the Organization received approximately 34% of its total support from two contributors. A significant reduction in the level of such support, if this were to occur, may have an adverse effect on the Organization's ability to continue its program and activities.

**Harvest Bridge**  
**Notes to Financial Statements**  
**December 31, 2020 and 2019**

**Note 9 - Paycheck Protection Program**

The Organization received loan proceeds in the amount of \$22,900 under the Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the period.

Subsequent to year end, the PPP loan amount was forgiven in full and will be shown as With Donor Restriction - Grant Revenue as the proceeds of the grant were restricted for particular costs and purposes. As the funds were forgiven, the funds were released from donor restriction in full.

**Note 10 - Risks and Uncertainties**

These financial statements were issued in the midst of domestic and global uncertainty surrounding the COVID-19 pandemic. During this time, the Organization has received certain governmental assistance (see Note 9) and continues to evaluate its options under various assistance programs. However, the ultimate outcome of the pandemic and its effects on the financial position and activities of the Organization cannot be determined at this time. Management expects that the Organization will continue to effectively navigate through this difficult period.

**Note 11 - Subsequent Events**

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 2, 2021, the date the financial statements were available to be issued.