

**Harvest Bridge
Financial Statements
December 31, 2022 and 2021**

**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, 2022 and 2021 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 promulgated by the Accounting and Review Services Committee of 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.

We are required to be independent of Harvest Bridge and to meet our ethical responsibilities in accordance with the relevant ethical requirements related to our review.

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 6, 2023

Harvest Bridge
Statements of Financial Position
December 31, 2022 and 2021

	December 31,	
	2022	2021
ASSETS		
Current Assets		
Cash	\$ 188,432	\$ 180,090
Contributions Receivable	22,064	57,262
TOTAL ASSETS	\$ 210,496	\$ 237,352
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts Payable	\$ 309	\$ 124
Net Assets		
Without Donor Restriction	149,016	133,925
With Donor Restriction	61,171	103,303
Total Net Assets	210,187	237,228
TOTAL LIABILITIES AND NET ASSETS	\$ 210,496	\$ 237,352

See Accompanying Notes and Independent Accountant's Review Report

**Harvest Bridge
Statement of Activities
Year Ended December 31, 2022**

	Without Donor Restriction	With Donor Restriction	Totals
Support			
Contributions	\$ 275,654	\$ 369,176	\$ 644,830
Other Income	148	-	148
Net Assets Released from Restrictions	<u>411,308</u>	<u>(411,308)</u>	<u>-</u>
 Total Support	 <u>687,110</u>	 <u>(42,132)</u>	 <u>644,978</u>
 Expenses			
Program Services			
Mission Programs	559,673	-	559,673
General and Administrative	70,588	-	70,588
Fundraising	<u>41,758</u>	<u>-</u>	<u>41,758</u>
 Total Expenses	 <u>672,019</u>	 <u>-</u>	 <u>672,019</u>
 Changes in Net Assets	 15,091	 (42,132)	 (27,041)
 Net Assets - January 1, 2022	 <u>133,925</u>	 <u>103,303</u>	 <u>237,228</u>
 Net Assets - December 31, 2022	 <u>\$ 149,016</u>	 <u>\$ 61,171</u>	 <u>\$ 210,187</u>

See Accompanying Notes and Independent Accountant's Review Report

**Harvest Bridge
Statement of Activities
Year Ended December 31, 2021**

	Without Donor Restriction	With Donor Restriction	Totals
Support			
Contributions	\$ 345,729	\$ 346,610	\$ 692,339
Other Income	273	-	273
Net Assets Released from Restrictions	<u>270,135</u>	<u>(270,135)</u>	<u>-</u>
 Total Support	 <u>616,137</u>	 <u>76,475</u>	 <u>692,612</u>
 Expenses			
Program Services			
Mission Programs	518,108	-	518,108
General and Administrative	74,015	-	74,015
Fundraising	<u>28,515</u>	<u>-</u>	<u>28,515</u>
 Total Expenses	 <u>620,638</u>	 <u>-</u>	 <u>620,638</u>
 Changes in Net Assets	 (4,501)	 76,475	 71,974
 Net Assets - January 1, 2021	 <u>138,426</u>	 <u>26,828</u>	 <u>165,254</u>
 Net Assets - December 31, 2021	 <u>\$ 133,925</u>	 <u>\$ 103,303</u>	 <u>\$ 237,228</u>

See Accompanying Notes and Independent Accountant's Review Report

Harvest Bridge
Statement of Functional Expenses
Year Ended December 31, 2022

	Mission Programs	Total Program Services	General and Administrative	Fundraising	Total Support Services	Total Expenses
Grants	\$ 445,591	\$ 445,591	\$ -	\$ -	\$ -	\$ 445,591
Wages	88,879	88,879	44,439	37,603	82,042	170,921
Payroll Taxes and Benefits	5,787	5,787	2,893	2,449	5,342	11,129
Short-Term Trips	16,671	16,671	-	-	-	16,671
Office Expense	691	691	9,487	292	9,779	10,470
Bank and Wire Fees	-	-	10,750	-	10,750	10,750
Direct Mail/Marketing	-	-	-	544	544	544
Postage and Shipping	168	168	84	72	156	324
Printing	1,886	1,886	943	798	1,741	3,627
Insurance	-	-	1,642	-	1,642	1,642
Licenses and Registrations	-	-	350	-	350	350
	<u>\$ 559,673</u>	<u>\$ 559,673</u>	<u>\$ 70,588</u>	<u>\$ 41,758</u>	<u>\$ 112,346</u>	<u>\$ 672,019</u>

See Accompanying Notes and Independent Accountant's Review Report

Harvest Bridge
Statement of Functional Expenses
Year Ended December 31, 2021

	Mission Programs	Total Program Services	General and Administrative	Fundraising	Total Support Services	Total Expenses
Grants	\$ 449,939	\$ 449,939	\$ -	\$ -	\$ -	\$ 449,939
Wages	60,369	60,369	48,558	22,312	70,870	131,239
Payroll Taxes and Benefits	4,255	4,255	3,342	1,535	4,877	9,132
Short-Term Trips	1,323	1,323	-	-	-	1,323
Office Expense	497	497	9,596	183	9,779	10,276
Bank and Wire Fees	-	-	9,111	-	9,111	9,111
Direct Mail/Marketing	-	-	-	3,848	3,848	3,848
Postage and Shipping	204	204	164	76	240	444
Printing	1,484	1,484	1,193	548	1,741	3,225
Insurance	-	-	1,646	-	1,646	1,646
Supplies	37	37	30	13	43	80
Licenses and Registrations	-	-	375	-	375	375
	<u>\$ 518,108</u>	<u>\$ 518,108</u>	<u>\$ 74,015</u>	<u>\$ 28,515</u>	<u>\$ 102,530</u>	<u>\$ 620,638</u>

See Accompanying Notes and Independent Accountant's Review Report

Harvest Bridge
Statements of Cash Flows
Years Ended December 31, 2022 and 2021

	December 31,	
	2022	2021
Operations		
Increase (Decrease) in Net Assets	\$ (27,041)	\$ 71,974
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by Operating Activities		
(Increase) Decrease in Contributions Receivable	35,198	(39,421)
Increase (Decrease) in Accounts Payable and Accrued Expenses	185	(277)
Net Cash Provided by Operating Activities	8,342	32,276
Net Increase in Cash	8,342	32,276
Cash - Beginning of Year	180,090	147,814
Cash - End of Year	\$ 188,432	\$ 180,090

See Accompanying Notes and Independent Accountant's Review Report

Harvest Bridge
Notes to Financial Statements
December 31, 2022 and 2021

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
December 31, 2022 and 2021

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, 2022 and 2021, 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 2019.

Harvest Bridge
Notes to Financial Statements
December 31, 2022 and 2021

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, 2022 and 2021, 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, 2022	December 31, 2021
Support for Pastors	\$ 20,960	\$ 48,973
Women's Empowerment	5,796	1,171
Bibles for South Asian Christians	20,955	20,956
Community Development and Poverty Alleviation	1,973	1,433
Misc. Ministries	-	23,413
Child Sponsorship	23	23
Children's Education	-	90
Other	<u>11,464</u>	<u>7,244</u>
	<u>\$ 61,171</u>	<u>\$ 103,303</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, 2022, are:

Financial Assets:	
Cash	\$ 188,432
Contributions Receivable	<u>22,064</u>
Total Financial Assets	210,496
Less: Financial assets held to meet donor-imposed Restrictions:	
Donor-Restricted Funds (See Note 5)	<u>(61,171)</u>
Amount Available for General Expenditures within One Year	<u>\$ 149,325</u>

Harvest Bridge
Notes to Financial Statements
December 31, 2022 and 2021

As shown above, the Organization has \$149,325 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, 2022, the grants of \$445,591 as shown in the statement of functional expenses were for the following purposes:

Church Planting and Evangelism	\$ 253,622
Disaster Relief and Rehabilitation	69,445
Poverty Alleviation	72,244
Child Sponsorship	28,350
Other Children's Programs	8,752
Pastor Education	<u>13,178</u>
	<u>\$ 445,591</u>

During the year ended December 31, 2021, the grants of \$449,939 as shown in the statement of functional expenses were for the following purposes:

Church Planting and Evangelism	\$ 202,282
Disaster Relief and Rehabilitation	167,076
Poverty Alleviation	41,900
Child Sponsorship	19,180
Other Children's Programs	13,349
Social Enterprise	<u>6,152</u>
	<u>\$ 449,939</u>

Note 8 - Concentrations

During the years ended December 31, 2022 and 2021, the Organization received approximately 29% and 23%, respectively, of its total support from one contributor. 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.

Note 9 - Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 6, 2023, the date the financial statements were available to be issued.