

HOPE BEYOND BRIDGES

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019

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Calvin K. Tang CPA

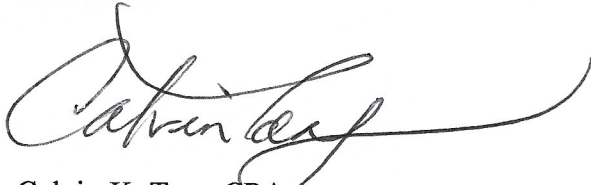
INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors and Management
Hope Beyond Bridges

I have compiled the accompanying financial statements of Hope Beyond Bridges (a non-profit organization), which comprise the statement of financial position as of DECEMBER 31, 2019, and the related statements of activities and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

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.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

A handwritten signature in black ink, appearing to read "Calvin Tang", with a long, sweeping horizontal line extending to the right.

Calvin K. Tang CPA

Spring, Texas
May 12, 2020

HOPE BEYOND BRIDGES

**STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2019**

(with comparative amounts at December 31, 2018)

	2019	2018
ASSETS		
Current Assets		
Cash	\$ 64,253	\$ 78,814
Total Current Assets	64,253	78,814
Long-term Assets		
Properties, Plants, and Equipment (net)	5,197	10,167
Total Long-term Assets	5,197	10,167
Total Assets	\$ 69,450	\$ 88,981
LIABILITIES AND NET ASSETS		
Current Liabilities		
Account Payables	\$ 5,034	\$ 6,326
Other Payables	60	147
Total Current Liabilities	5,094	6,473
Total Liabilities	5,094	6,473
Net Assets		
Without Donor Restrictions	61,102	78,790
With Donor Restrictions	3,254	3,718
Total Net Assets	64,356	82,508
Total Liabilities and Net Assets	\$ 69,450	\$ 88,981

See notes to financial statements

HOPE BEYOND BRIDGES

**STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2019**

(with summarized totals for year ended December 31, 2018)

	2019			2018 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
Revenue				
Contributions & Donations	\$ 98,572	\$ 1,115	\$ 99,687	\$ 126,350
Events	65,244	-	65,244	65,551
Sales	2,250	-	2,250	-
Interest Income	2	-	2	2
Others	628	-	628	-
Total Revenue	<u>166,696</u>	<u>1,115</u>	<u>167,811</u>	<u>191,903</u>
Expenses				
Events	31,292	-	31,292	26,151
Programs	115,638	1,579	117,217	120,057
Fundraising	19,985	-	19,985	14,266
Administrative Expense	17,469	-	17,469	11,407
Total Expense	<u>184,384</u>	<u>1,579</u>	<u>185,963</u>	<u>171,881</u>
Change in Net Assets	<u>\$ (17,688)</u>	<u>\$ (464)</u>	<u>\$ (18,152)</u>	<u>\$ 20,022</u>

HOPE BEYOND BRIDGES

STATEMENT OF FUNCTIONAL EXPENSES
 YEAR ENDED DECEMBER 31, 2019
 (with summarized totals for year ended December 31, 2018)

	2019				2018				
	Program Services		Support Services		Program Services		Support Services		
	Harvey	Hygiene Kits	Homeless Ministries	Total	Management and General	Fundraising	Total	Total Expenses	Total
Payroll	\$ -	\$ -	\$ 72,000	\$ 72,000	\$ 4,022	\$ 4,000	\$ 8,022	\$ 80,022	\$ 80,022
Employee Benefit	-	-	-	-	6,708	-	6,708	6,708	5,884
Vehicle Maintenance	-	-	4,669	4,669	-	-	-	4,669	5,306
Travel Expenses	-	-	3,775	3,775	-	-	-	3,775	5,870
Depreciation	-	-	2,485	2,485	2,485	-	2,485	4,970	5,745
Bank Fee	-	-	-	-	25	-	25	25	8
Charitable Contributions	-	-	958	958	-	14	14	972	1,750
Branding & Communication	-	-	-	-	-	9,864	9,864	9,864	2,623
Office Equipment	-	-	1,142	1,142	271	-	271	1,413	479
Professional Fees	-	-	-	-	1,689	-	1,689	1,689	3,333
Dues & Subscriptions	-	-	649	649	139	3,270	3,409	4,058	2,639
Event Expenses	-	-	475	475	-	32,892	32,892	33,367	29,646
Material and Supplies	1,579	8,853	8,469	18,901	-	-	-	18,901	15,857
Insurance	-	-	2,825	2,825	960	-	960	3,785	3,523
Meals & Entertainment	-	1	1,001	1,002	945	171	1,116	2,118	577
Miscellaneous	-	-	24	24	31	200	231	255	34
Office Supplies	-	-	1,228	1,228	145	815	960	2,188	1,728
Postage and Mailing Service	-	-	-	-	-	50	50	50	1,306
Printing	-	-	49	49	-	-	-	49	-
Telephone	-	-	787	787	-	-	-	787	37
Professional Development	-	-	83	83	50	-	50	133	658
Rent	-	-	6,165	6,165	-	-	-	6,165	4,856
Total Expense	\$ 1,579	\$ 8,854	\$ 106,784	\$ 117,217	\$ 17,470	\$ 51,276	\$ 68,746	\$ 185,963	\$ 171,881

HOPE BEYOND BRIDGES

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018
(with comparative amounts for year ended December 31, 2018)

	<u>2019</u>	<u>2018</u>
Cash Flows from Operating Activities		
Change in net assets	\$ (18,152)	\$ 20,022
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	4,970	5,745
Changes in operating assets and liabilities	(1,379)	2,485
Total Adjustments	<u>3,591</u>	<u>8,231</u>
Net Cash Provided (Used) by Operating Activities	<u>(14,561)</u>	28,253
Net Increase (Decrease) in Cash	(14,561)	28,253
Cash, Beginning of Year	78,814	50,561
Cash, End of Year	<u><u>\$ 64,253</u></u>	<u><u>\$ 78,814</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE A – NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Hope Beyond Bridges (HBB), a 501(c)(3) non-profit organization, provides meals and hygiene items for the homeless in Houston, Texas. Its mission is to bring hope to the homeless through developing lasting relationships and sharing the grace and love of Jesus Christ. HBB is supported primarily through donor contributions and fundraising activities.

Summary of Significant Accounting Policies

1. Revenue Recognition

HBB records earned revenues on an accrual basis. In addition, it records as revenue the following types of contributions, when they are received unconditionally at their fair value: cash, promises to give, and gifts of other assets. Conditional contributions are recognized as revenue when the conditions on which they depend have been substantially met.

HBB records contributions as with donor restrictions if they are received with donor stipulations that limit their use either through purpose or time restrictions. When donor restriction expires, i.e., when a time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions.

2. Contributed Services

Many individuals volunteered their time and performed a variety of tasks that assist HBB in preparing meals and the distribution of meals and hygiene items. HBB received approximately 4,000 volunteer hours per year. However, in the year ending December 31, 2019, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

3. Basis of Presentation and Use of Estimates

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United State of America (“USGAAP”), which requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

NOTES TO FINANCIAL STATEMENTS – continued

4. Property and Equipment

HBB capitalizes all property and equipment purchased or donated with a cost of \$5,000 or more. Property and equipment are depreciated using the straight-line method.

5. Change in Accounting Principle

On January 1, 2019, HBB adopted new guidance regarding the Presentation of Financial Statements for Not-for-profit Entities (ASU 2016-14). This guidance requires HBB to collapse the three-category classification of net assets into two categories: with donor restrictions and without donor restrictions. In addition, the new guidance requires HBB to make certain expanded disclosures relating to (1) the liquidity of financial assets, and (2) expenses by both their natural and functional classification in one location in the financial statements. As a result of implementing this standard, prior year amounts of temporarily and permanently restricted net assets were combined as net assets with donor restrictions.

Net Asset Presentation

- a) Without donor restrictions – consist of resources available for the general support of HBB’s operations. They may be used at the discretion of HBB’s management and Board of Directors.
- b) With donor restrictions – consist of amounts restricted by donors to be used for specific activities or at some future date, or which require HBB to maintain in perpetuity. When a donor restriction expires, i.e., when a time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions.

6. Income Taxes

HBB is a not-for-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

7. Investments

Under SFAS No. 124, Accounting for Certain Investments Held by Not-for-Profit Organizations, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

NOTES TO FINANCIAL STATEMENTS – continued

8. Cash and Cash Equivalents

For purposes of the statements of cash flows, HBB considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

NOTE B – RESTRICTIONS ON NET ASSETS

Substantially all of the restrictions on net assets at the end of 2019 related to funds raised to provide meals and hygiene items to people displaced by Hurricane Harvey.

NOTE C – PROMISES TO GIVE

For the year ending December 31, 2019, HBB has no unconditional or conditional promises to give.

NOTE D – INVESTMENTS

For the year ending December 31, 2019, HBB has no investment.

NOTE E – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	<u>2019</u>
Vehicles	\$ 40,217
Accumulated depreciation	<u>(35,020)</u>
	\$ 5,197

NOTE F – LONG TERM DEBT

For the year ending December 31, 2019, HBB has no long term debt.