

**BRIDGE OF HOPE  
HARRISONBURG-ROCKINGHAM**

**FINANCIAL REPORT**

**March 31, 2022**

## **BOARD OF DIRECTORS**

Wanda Hamilton  
Deborah Raynes  
Malachi Bontrager  
Kimberly Copeland  
Mark Metzler Sawin  
Greg Dycus  
Tammy Tomlinson  
Deirdre Longacher Smeltzer  
Courtney Teague  
Debra Price  
Isaiah Mejah  
Anthony Hayes

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## INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors  
Bridge of Hope Harrisonburg-Rockingham  
Harrisonburg, Virginia

Management is responsible for the accompanying financial statements of Bridge of Hope Harrisonburg-Rockingham (a nonprofit organization), which comprise the statements of financial position (modified cash basis) as of March 31, 2022 and 2021, and the related statements of activities and changes in net assets (modified cash basis) and functional expenses (modified cash basis) for the years then ended, and the related notes to the financial statements in accordance with the modified cash basis of accounting, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We have performed the compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

*Brown, Edwards & Company, L.L.P.*

CERTIFIED PUBLIC ACCOUNTANTS

Harrisonburg, Virginia  
June 17, 2022

**BRIDGE OF HOPE  
HARRISONBURG-ROCKINGHAM**

**STATEMENTS OF FINANCIAL POSITION (MODIFIED CASH BASIS)  
March 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
CURRENT ASSETS		
Cash	\$ 230,504	\$ 189,344
Investments	<u>262,186</u>	<u>11,826</u>
Total assets	<u>\$ 492,690</u>	<u>\$ 201,170</u>
<b>NET ASSETS</b>		
Net assets without donor restriction	<u>\$ 492,690</u>	<u>\$ 201,170</u>
Total net assets	<u>\$ 492,690</u>	<u>\$ 201,170</u>

See accompanying notes and independent accountant's compilation report.

**BRIDGE OF HOPE  
HARRISONBURG-ROCKINGHAM**

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
(MODIFIED CASH BASIS)**

**Years Ended March 31, 2022 and 2021**

	<b>2022</b>	<b>2021</b>
REVENUES AND OTHER SUPPORT WITHOUT DONOR RESTRICTION		
Contributions	\$ 335,638	\$ 92,073
Event revenue	66,309	62,400
Grants	19,033	34,654
Investment income	1,614	1,162
Net assets released from restriction	3,800	9,575
Total revenues and other support without donor restriction	426,394	199,864
EXPENSES		
Program services	88,488	76,929
Management and general	20,327	12,574
Fundraising	26,059	30,320
Total expenses	134,874	119,823
Increase in net assets without donor restriction	291,520	80,041
NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	3,800	9,575
Net assets released from restriction	(3,800)	(9,575)
Change in net assets with donor restrictions	-	-
Change in net assets	291,520	80,041
NET ASSETS, beginning	201,170	121,129
NET ASSETS, ending	\$ 492,690	\$ 201,170

See accompanying notes and independent accountant's compilation report.

**BRIDGE OF HOPE  
HARRISONBURG-ROCKINGHAM**

**STATEMENTS OF FUNCTIONAL EXPENSES (MODIFIED CASH BASIS)  
Year ended March 31, 2022**

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Business registration and other fees	\$ -	\$ 441	\$ -	\$ 441
Payroll and accounting services	-	2,075	-	2,075
Office equipment & repairs	520	-	-	520
Office rent	5,600	-	-	5,600
Books, subscriptions and reference	62	-	-	62
Postage and mailing services	6,936	-	-	6,936
Supplies	622	-	-	622
Telecommunications	663	-	-	663
Insurance	2,348	2,347	-	4,695
Special events	-	-	7,834	7,834
General fundraising	-	-	852	852
Other costs	-	-	4,893	4,893
Website development	17	-	-	17
Staff and mentor training	3,185	-	-	3,185
Payroll	37,989	14,527	12,480	64,996
Travel	1,307	-	-	1,307
Conference, convention and meetings	1,767	-	-	1,767
Client rental	27,472	-	-	27,472
Bank, paypal and credit card fees	-	937	-	937
	<u>\$ 88,488</u>	<u>\$ 20,327</u>	<u>\$ 26,059</u>	<u>\$ 134,874</u>

See accompanying notes and independent accountant's compilation report.

**BRIDGE OF HOPE  
HARRISONBURG-ROCKINGHAM**

**STATEMENTS OF FUNCTIONAL EXPENSES (MODIFIED CASH BASIS)  
Year ended March 31, 2021**

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Business registration and other fees	\$ -	\$ 254	\$ -	\$ 254
Payroll and accounting services	-	900	-	900
Office rent	4,278	-	-	4,278
Books, subscriptions and reference	757	-	-	757
Postage and mailing services	5,434	-	-	5,434
Supplies	1,328	-	-	1,328
Telecommunications	617	-	-	617
Insurance	1,789	1,789	-	3,578
Special events	-	-	4,042	4,042
General fundraising	-	-	588	588
Other costs	-	-	9,379	9,379
Staff and mentor training	2,489	-	-	2,489
Payroll	36,296	8,828	16,311	61,435
Conference, convention and meetings	418	-	-	418
Client rental	23,523	-	-	23,523
Bank, paypal and credit card fees	-	803	-	803
	<u>\$ 76,929</u>	<u>\$ 12,574</u>	<u>\$ 30,320</u>	<u>\$ 119,823</u>

See accompanying notes and independent accountant's compilation report.



**BRIDGE OF HOPE**  
**HARRISONBURG-ROCKINGHAM**  
**NOTES TO FINANCIAL STATEMENTS**  
**March 31, 2022**

**Note 1. Nature of Organization and Significant Accounting Policies**

Nature of Organization:

Bridge of Hope Harrisonburg-Rockingham (the Organization) is a nonprofit organization whose mission is to help homeless and at-risk single mothers attain permanent housing, financial stability through employment, life-changing friendships, and increased self-esteem and growth in areas of holistic living.

Basis of Accounting:

The financial statements of the Organization have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Accordingly, revenue and related assets are recorded when received rather than when earned and certain expenses are recognized when paid rather than when the obligations are incurred. The accompanying financial statements present information regarding the Organization's financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions. The two classes are differentiated based on the existence or absence of donor-imposed restrictions:

**Net Assets without Donor Restrictions** may be designated for specific purposes by action of the Board of Directors or may otherwise be limited by contractual agreements with outside parties. Revenues, gains, and losses that are not restricted by donors are included in this classification. Expenses are reported as decreases in this classification.

**Net Assets with Donor Restrictions** are limited in use by donor-imposed stipulations that expire either by the passage of time or that can be fulfilled by action of the Organization pursuant to those stipulations. Net assets with donor restrictions also includes amounts required by donors to be held in perpetuity; however, generally, the income on these assets is available to meet various operating needs.

Cash:

Cash includes all monies in banks.

Use of Estimates and Assumptions:

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period.

(Continued)

**BRIDGE OF HOPE  
HARRISONBURG-ROCKINGHAM**

**NOTES TO FINANCIAL STATEMENTS**  
**March 31, 2022**

**Note 1. Nature of Organization and Significant Accounting Policies (Continued)**

Investments:

Investments are stated at fair value as determined by quoted market prices. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 2 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the statement of activities. 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.

Income Taxes:

The Organization is incorporated as a nonprofit entity under 501(c)(3) of the Internal Revenue Code and has been granted an exemption from federal income taxes pursuant to Section 501(a) of the Code and is not a private foundation.

COVID-19:

During the past two years, the spread of the COVID-19 coronavirus became a pandemic. While management expects this disruption to be temporary, there is considerable uncertainty around the duration. Therefore, the Organization expects the matter to negatively impact operations; however, the financial impact and duration cannot be estimated at this time.

Subsequent Events:

Management has evaluated subsequent events through June 17, 2022 the date on which the financial statements were available to be issued.

(Continued)

**BRIDGE OF HOPE  
HARRISONBURG-ROCKINGHAM**

**NOTES TO FINANCIAL STATEMENTS  
March 31, 2022**

**Note 2. Investments**

The fair value measurement accounting literature establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs consist of unobservable inputs and have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. As investments consist entirely of one short term income mutual fund that is publicly traded, management has classified all investments using Level 1 inputs.

**Note 3. Net Assets with Donor Restrictions**

Net Assets with Donor Restrictions consist entirely of amounts restricted for assistance to low income individuals.

**Note 4. Liquidity and Availability**

The following table reflects the Organization's financial assets, reduced for amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, assets held for others, or because the governing board has set aside the funds for a specific purpose.

The Organization considers general expenditures to be all expenditures related to its ongoing activities as well as the conduct of services undertaken to support those activities to be general expenditures. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

	<u>2022</u>	<u>2021</u>
Financial assets:		
Cash and cash equivalents	\$ 230,504	\$ 189,344
Investments	<u>262,186</u>	<u>11,826</u>
Total financial assets	<u>\$ 492,690</u>	<u>\$ 201,170</u>