

FOOTBRIDGE INC.

FINANCIAL STATEMENTS

For the Year Ended December 31, 2022



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INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To Management
Footbridge, Inc.
Winston-Salem, North Carolina

Management is responsible for the accompanying financial statements of Footbridge, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement 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. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

We are not independent with respect to Footbridge, Inc.

Cannon & Company, P.C.

Winston-Salem, North Carolina
December 22, 2023

FOOTBRIDGE, INC.
STATEMENT OF FINANCIAL POSITION
December 31, 2022

	<u>Total</u>
ASSETS	
CURRENT ASSETS	
Cash	\$ 145,149
Inventory	<u>94,448</u>
TOTAL CURRENT ASSETS	<u>239,597</u>
NONCURRENT ASSETS	
Investments	15,997
Property and equipment	<u>209,675</u>
TOTAL NONCURRENT ASSETS	<u>225,672</u>
TOTAL ASSETS	<u><u>\$ 465,269</u></u>
NET ASSETS	
Without donor restrictions	\$ 445,269
With donor restrictions	<u>20,000</u>
TOTAL NET ASSETS	<u><u>\$ 465,269</u></u>

FOOTBRIDGE, INC.

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES			
Admin donations	\$ 47,224	\$ -	\$ 47,224
Child sponsorship	32,385	-	32,385
College sponsorship	14,805	-	14,805
Dental clinic donations	23,731	5,000	28,731
Dental equipment donations	51,966	-	51,966
Dental network donations	4,500	-	4,500
Fundraising income	6,000	-	6,000
Maintenance fee	5,060	-	5,060
Miscellaneous education donations	4,469	-	4,469
Mission trip donations	1,993	-	1,993
Togo vocational school	1,200	-	1,200
Net assets released from restrictions	5,000	(5,000)	-
TOTAL REVENUES	198,333	-	198,333
EXPENSES			
Program services	113,633	-	113,633
Management and general	119,573	-	119,573
Fundraising	581	-	581
TOTAL EXPENSES	233,787	-	233,787
CHANGE IN NET ASSETS FROM OPERATIONS	(35,454)	-	(35,454)
OTHER INCOME			
Rental income	4,593	-	4,593
Investment income	797	-	797
TOTAL OTHER INCOME	5,390	-	5,390
CHANGE IN NET ASSETS	(30,064)	-	(30,064)
NET ASSETS AT BEGINNING OF YEAR	475,333	20,000	495,333
NET ASSETS AT END OF YEAR	\$ 445,269	\$ 20,000	\$ 465,269

See accompanying notes and accountants' compilation report.

FOOTBRIDGE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2022

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Advertising and marketing	\$ -	\$ 206	\$ -	\$ 206
Contract labor	17,600	-	-	17,600
Dental clinic	34,073	-	-	34,073
Depreciation	-	102,603	-	102,603
Dues and subscriptions	-	155	-	155
Fundraising expense	-	-	581	581
Grant expense	10,438	-	-	10,438
Insurance	-	8,546	-	8,546
Internet and website	-	1,628	-	1,628
Legal and professional services	-	4,237	-	4,237
Meals and entertainment	584	-	-	584
Miscellaneous	-	33	-	33
Office supplies and software	-	850	-	850
Rent and lease expense	1,800	-	-	1,800
Sponsored school fees	47,614	-	-	47,614
Telephone expense	-	1,315	-	1,315
Web processing fees	1,524	-	-	1,524
TOTAL	<u>\$ 113,633</u>	<u>\$ 119,573</u>	<u>\$ 581</u>	<u>\$ 233,787</u>

See accompanying notes and accountants' compilation report.

FOOTBRIDGE, INC.
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Decrease in net assets	\$ (30,064)
Adjustments to reconcile decrease in net assets to net cash provided by operating activities:	
Depreciation expense	102,603
Unrealized loss on investments	41
Changes in:	
Inventory	<u>(55,078)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>17,502</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchases of property and equipment	(86,836)
Purchases of investments, net	<u>(837)</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>(87,673)</u>
NET DECREASE IN CASH	(70,171)
CASH AT BEGINNING OF YEAR	<u>215,320</u>
CASH AT END OF YEAR	<u><u>\$ 145,149</u></u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION	
Cash without donor restrictions	\$ 125,149
Cash with donor restrictions	<u>20,000</u>
	<u><u>\$ 145,149</u></u>

NOTE A – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Footbridge, Inc. (the “Organization”) is a nonprofit organization based in Winston-Salem, North Carolina. Its primary purpose is to provide free dental and medical care around the world since 2014, connecting medical professionals to underserved communities. In 2017, the Organization launched domestic programs providing no-cost dental exams, x-rays and treatment in the Winston-Salem area. The Organization holds several free dental clinics within the Triad area to ensure that those most vulnerable for care have access to desperately needed services. In 2020, the Organization started a Child Sponsorship Program to support the Vogan Christian Academy in Togo, Africa. Each student receives a high-quality education and excellent healthcare in a caring, loving, and supportive atmosphere where they learn about Jesus.

A summary of the Organization’s significant accounting policies follows:

Financial Statement Presentation

The financial statements of the Organization have been prepared on the accrual basis of accounting.

The Organization reports financial information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restrictions are not restricted by donors, or the donor-imposed restrictions have expired.

Net assets with donor restrictions contain donor-imposed restrictions as follows:

- Contain donor-imposed restrictions that stipulate the resources be maintained permanently, but permit the Organization to use or expend part or all of the income derived from the donated assets for either specified or unspecified purposes.
- Contain donor-imposed restrictions that permit the Organization to use or expend the assets as specified. The restrictions are satisfied either by the passage of time or by actions of the Organization.

Contributions

Gifts of cash and other assets are presented as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor 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 restriction. The Organization recognizes as support without donor restrictions any donor-restricted contributions whose restrictions are met in the same reporting period as received.

**NOTE A – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Cash and Cash Equivalents

For purposes of reporting cash flows, the Organization considers all cash investments purchased with a maturity of three months or less to be cash equivalents.

Inventories

Inventories are carried at the lower of cost or market, with cost determined using the specific identification method and consisting of dental supplies.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair market values (based on publicly quoted market prices) in the statement of financial position. Realized and unrealized gains and losses are included in the change in net assets in the statement of activities.

Property and Equipment

Property and equipment are carried at cost and are depreciated under straight-line and accelerated methods over the estimated useful lives.

Revenue Recognition

Revenue is recognized when earned. Contributions are recognized when cash, or other assets, or an unconditional promise to give is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

Expense Allocation

The costs of providing program and support services have been summarized on a functional basis in the statement of activities and functional expenses. Accordingly, certain costs have been allocated between the program and supporting services benefited on a reasonable basis that is consistently applied by management. Directly identifiable expenses are charged to the appropriate programs and supporting services. Expenses related to more than one function are charged to program and supporting services on the basis of estimates made by management.

**NOTE A – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Liquidity

The Organization has \$239,597 of financial assets available to meet cash needs for general expenditures within one year of the Statement of Financial Position date, as noted in the current assets section of the statement. None of the current financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the Statement of Financial Position date.

The Organization maintains financial assets, consisting of cash and short-term investments, on hand to meet its normal operating expenses based on its annual budget. Operating expenses are compared to budgeted expenses on a monthly basis and financial assets on hand are adjusted as necessary.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Organization is an exempt organization under Section 501(c)(3) of the United States Internal Revenue Code. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

The Organization's Forms 990, *Return of Organization Exempt from Income Tax*, are subject to examination by the Internal Revenue Service, generally for three years after they are filed.

Advertising

The Organization expenses advertising costs as they are incurred. Advertising expense was \$206 in 2022.

Fair Value Measurements

FASB ASC 820, Fair Value Measurements and Disclosures, defines fair value as the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. The fair value should be calculated based on assumptions that market participants would use in pricing the asset or liability, not on assumptions specific to the entity.

**NOTE A – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

The fair value of financial assets and liabilities is measured according to the Fair Value Measurements and Disclosures topic of the FASB Accounting Standards Codification. Fair value is required to be evaluated and adjusted according to the following valuation techniques.

Level 1—Fair value is determined using quoted market prices in active markets for identical assets and liabilities.

Level 2—Fair value is determined using quoted market prices in active markets for similar assets and liabilities.

Level 3—Fair value is determined using unobservable market prices in a market that is typically inactive.

Subsequent Events

Management has evaluated subsequent events through the report date, the date the financial statements were available to be issued.

NOTE B – CASH AND CASH EQUIVALENTS

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts, and management believes it is not exposed to any significant credit risk on cash. At December 31, 2022, the Organization did not have bank deposits which exceeded federally-insured limits.

NOTE C - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31, 2022:

Dental equipment	\$ 704,686
Less accumulated depreciation	<u>(495,011)</u>
	<u>\$ 209,675</u>

Depreciation expense charged to operations was \$102,603 for the year ended December 31, 2022.

FOOTBRIDGE, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE D – INVESTMENTS

Investments, stated at fair value, consisted of the following at December 31, 2022:

	<u>Cost Basis</u>	<u>Fair Market Value</u>	<u>Unrealized Gain</u>
Cash and cash equivalents	\$ 5	\$ 5	
Equities	<u>13,750</u>	<u>15,992</u>	
	<u>\$ 13,755</u>	<u>\$ 15,997</u>	<u>\$ 2,242</u>
Unrealized loss for the year			\$ (41)
Dividend income			985
Investment expenses			<u>(147)</u>
Total investment income			<u>\$ 797</u>

NOTE E - FAIR VALUE MEASUREMENTS

The Organization’s investments recorded at fair value have been categorized based upon a fair value hierarchy as described in the Organization’s significant accounting policies in Note A. The following table presents information about the Organization’s investments at December 31, 2022:

	<u>Fair Market Value</u>	<u>Markets for Identical Assets (Level 1)</u>	<u>Observable Inputs (Level 2)</u>	<u>Unobservable Inputs (Level 3)</u>
Cash and cash equivalents	\$ 5	\$ 5	\$ -	\$ -
Equities	<u>15,992</u>	<u>15,992</u>	<u>-</u>	<u>-</u>
	<u>\$ 15,997</u>	<u>\$ 15,997</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE F – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes at December 31, 2022:

Subject to expenditure for specific purpose:

Dental clinics	<u>\$ 20,000</u>
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