



**CHRISTIANS IN COMMERCE INTERNATIONAL**

FINANCIAL STATEMENTS

DECEMBER 31, 2021





# CHRISTIANS IN COMMERCE INTERNATIONAL

## FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

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## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Christians in Commerce International

We have reviewed the accompanying financial statements of Christians in Commerce International, which comprise the statement of financial position as of December 31, 2021 and the related statements of activities, functional expenses, and cash flows for the year 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.

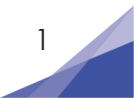
### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of 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 review engagement 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 Christians in Commerce International and to meet our ethical responsibilities, in accordance with relevant ethical requirements related to our review.





## Accountant's Conclusion

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

*CalibreCPAGroup, PLLC*

Bethesda, MD  
November 18, 2022



# CHRISTIANS IN COMMERCE INTERNATIONAL

## STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2021

### Assets

#### Assets

Cash and cash equivalents	\$ 327,847
Investments	<u>1</u>
Total assets	<u>\$ 327,848</u>

### Liabilities and Net Assets

#### Liabilities

Accounts payable	\$ 3,139
Note payable	54,442
Payroll liabilities	<u>12,901</u>
Total liabilities	<u>70,482</u>

#### Net assets

Without donor restrictions	219,282
With donor restrictions	<u>38,084</u>
Total net assets	<u>257,366</u>

Total liabilities and net assets	<u>\$ 327,848</u>
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See accompanying notes to financial statements.  
See Independent Accountant's Review Report.



## CHRISTIANS IN COMMERCE INTERNATIONAL

### STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue</b>			
Membership gifts	\$ 335,463	\$ 7,010	\$ 342,473
Annual conference	9,400	-	9,400
Uganda projects	-	6,900	6,900
Donations	609	-	609
Chapter income			
Challenge Weekends and Chapter meetings	40,020	-	40,020
Donations	7,352	-	7,352
Other	1,430	-	1,430
Interest and dividends	2,486	-	2,486
Net depreciation of investments	(85)	-	(85)
Net assets released from restrictions	15,231	(15,231)	-
Total revenue	<u>411,906</u>	<u>(1,321)</u>	<u>410,585</u>
<b>Expenses</b>			
Program services	359,973	-	359,973
Management and general	59,239	-	59,239
Fund raising	33,796	-	33,796
Total expenses	<u>453,008</u>	<u>-</u>	<u>453,008</u>
<b>Change in net assets</b>	(41,102)	(1,321)	(42,423)
<b>Net assets</b>			
Beginning of year	<u>260,384</u>	<u>39,405</u>	<u>299,789</u>
End of year	<u>\$ 219,282</u>	<u>\$ 38,084</u>	<u>\$ 257,366</u>

See accompanying notes to financial statements.  
See Independent Accountant's Review Report.



## CHRISTIANS IN COMMERCE INTERNATIONAL

### STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2021

	<u>Program Services</u>	<u>Management and General</u>	<u>Fund Raising</u>	<u>Total Expenses</u>
Salaries and employee benefits	\$ 173,998	\$ 47,408	\$ 21,365	\$ 242,771
Payroll taxes	12,484	1,092	2,029	15,605
Rent and occupancy	6,090	1,218	812	8,120
Chapter expense	21,939	320	9,227	31,486
Mission	51,865	512	-	52,377
Worklight	12,374	421	-	12,795
Conferences and meetings	19,917	56	-	19,973
Donations and contributions	22,118	-	-	22,118
Professional fees and outside services	3,818	3,800	17	7,635
Newsletter	20,810	-	3	20,813
Insurance	1,994	776	-	2,770
Office expenses	7,026	3,467	223	10,716
Travel	2,698	-	-	2,698
Miscellaneous	<u>2,842</u>	<u>169</u>	<u>120</u>	<u>3,131</u>
Total	<u>\$ 359,973</u>	<u>\$ 59,239</u>	<u>\$ 33,796</u>	<u>\$ 453,008</u>

See accompanying notes to financial statements.  
See Independent Accountant's Review Report.



## CHRISTIANS IN COMMERCE INTERNATIONAL

### STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2021

#### Cash flows from operating activities

Cash received from gifts, contributions, and fees	\$ 343,168
Cash received from donations	609
Cash received from Chapters	48,802
Cash received from interest and dividends	2,486
Cash paid to employees and for payroll taxes	(245,475)
Cash paid to vendors and service providers	<u>(191,493)</u>
Net cash used for operating activities	<u>(41,903)</u>

#### Cash flow from investing activities

Proceeds from the sale of investments	<u>15,605</u>
Net cash provided by investing activities	<u>15,605</u>

#### Cash flow from investing activities

Loan proceeds from Paycheck Protection Program loan	<u>54,442</u>
Net cash provided by investing activities	<u>54,442</u>

#### Change in cash and cash equivalents

28,144

#### Cash and cash equivalents

Beginning of year	<u>299,703</u>
End of year	<u>\$ 327,847</u>

See accompanying notes to financial statements.  
See Independent Accountant's Review Report.





## CHRISTIANS IN COMMERCE INTERNATIONAL

### NOTES TO FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2021

#### NOTE 1. ORGANIZATION

Christians in Commerce International (the Organization) is a not-for-profit organization exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is considered to be an organization other than a private foundation. The purpose of the organization is to encourage and equip Christian people to apply and to live their faith in the workplace.

#### NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Method of Accounting** - The accompanying financial statements have been prepared using the accrual basis of accounting. Under this basis, revenue is recognized when earned and expenses are recognized when incurred.

**Basis of Presentation** - Financial statement presentation follows the recommendations of U.S. generally accepted accounting principles in accordance with Financial Accounting Standards Board Accounting Standards Codification (ASC), *Not-for-Profit Entities - Presentation of Financial Statements*. Under those principles, the Organization is required to report information regarding its financial position and activities according to two classes of net assets - net assets without donor restrictions and net assets with donor restrictions.

**Cash and Cash Equivalents** - Cash consists of monies held in demand deposit and money market accounts. Cash equivalents are all highly liquid investments with initial maturity dates of three months or less.

**Investment Valuation and Income Recognition** - Investments are reported at fair value. Investments consist of corporate stock which is valued based on quoted prices of identical investments on the active markets in which they are traded.

Purchases and sales of securities are recorded on a trade-date basis. Interest and dividend income are recorded on an accrual basis. Net appreciation (depreciation) includes the Organization's gains and losses on investments bought and sold, as well as held during the year.

**Property and Equipment** - Property and equipment is carried at cost. Computers and office equipment are being depreciated over a three-year period using the straight-life method.



## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Paycheck Protection Program** - In May 2021, the Organization received a Paycheck Protection Program (PPP) loan in the amount of \$54,442, made available under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The organization recorded a note payable and will recognize income from debt forgiveness when the loan obligation is legally released. The loan was forgiven on September 29, 2022, and the amount of income from debt forgiveness will be recognized during the year ended December 31, 2022, in the amount of \$54,442.

**Net Assets** - Net assets are reported in two distinct classes as follows:

*Net assets without donor restrictions* - These net assets are available to finance the general operations of the Organization. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, and the purposes specified in its organizing documents.

*Net assets with donor restrictions* - These net assets result from contributions and other inflows of assets, the use of which by the Organization is limited by donor-imposed time or purpose restrictions that are either temporary or perpetual.

**Revenue Recognition** - Revenue is derived from both exchange transactions and contribution transactions. Revenue from exchange transactions is recognized when control of promised goods or services is transferred to our members and customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services. All goods and services are transferred at a point in time. Payments are generally required in advance and are reported as deferred revenue until the related revenue is recognized. Unconditional contributions are recognized upon receipt of cash or other assets, or when a donor promises to transfer cash or other assets in the future. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return or release, are not recognized until the conditions on which they depend have been substantially met.

*National conference fees and challenge weekend receipts* - This revenue is comprised of an exchange element based on the fair value of direct benefits provided to donors, and a contribution element for the difference. The exchange element is recognized when the special event takes place. The contribution element is recognized immediately, unless there is a right of return if the event does not take place, in which case the contribution element is recognized when the event takes place.

*Contract balances* - The timing of billings, cash collections, and revenue recognition result in contract assets and contract liabilities associated with revenue from exchange transactions. The Organization does not have any contract assets or liabilities as of the beginning and end of the year ended December 31, 2021.



## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Functional Allocation of Expenses** - The costs of providing the programs and supporting activities of the Organization have been summarized on a functional basis in the statement of functional expenses. Costs that can be specifically identified with a final cost objective are charged directly to that activity. Other costs are allocated among the program and supporting services benefited based on management's best estimates. Salaries and related fringe benefits are allocated based on employee time and effort.

**Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

## NOTE 3. TAX STATUS

The Internal Revenue Service (IRS) has advised that the Organization qualifies under Section 501(c)(3) of the Internal Revenue Code, and is therefore, not subject to tax under present income tax laws. The Organization follows the authoritative guidance relating to accounting for uncertainty in income taxes which provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in a tax return. The Organization performed an evaluation of uncertain tax positions for the year ended December 31, 2021, and determined that there were no matters that would require recognition in the financial statements or that may have an effect on its tax exempt status.

## NOTE 4. LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of its current requirements in a portfolio of investments designed to maximize long-term earnings with acceptable risk to investment principal.

The following table represents the Organization's financial assets available to meet cash needs for general expenditures within one year of December 31, 2021.

Total assets at end of year	\$ 327,848
Less: amounts not available to meet general expenditures	
Other cash and receivables subject to donor-imposed restrictions	<u>(38,084)</u>
Total financial assets available for general expenditure within one year	<u>\$ 289,764</u>

## NOTE 5. INVESTMENTS AND FAIR VALUE MEASUREMENTS

Accounting standards provide the framework for measuring fair value which provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include other significant observable inputs including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2021:

	Total Investment at 12/31/21	Quoted Market Prices For Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Corporate stock	\$ <u>1</u>	\$ <u>1</u>	\$ <u>-</u>	\$ <u>-</u>

Following is a description of the valuation methodology used for assets measured at fair value.

*Corporate stock:* Valued based on quoted market prices as of the last business day of the year.



## NOTE 6. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions from gifts of cash or other assets with donor-imposed restrictions that require that such resources be used in a later period or after a specified date or that the resources be used for a specified purpose. Donor restricted funds are “released from restrictions” when the specified date passes, or amounts are expended for the purpose specified. Unconditional promises to give a contribution in a future year are not available to be spent until the actual contribution is received, and accordingly, are included in net assets with donor restrictions until the contribution is received. Unconditional promises to give are reported as without donor restriction support when the donor’s intention is to support current-period activities.

Net assets with donor restrictions consist of the following at December 31, 2021:

Purpose restricted	
Uganda Conference Center	<u>\$ 38,084</u>

## NOTE 7. SIGNIFICANT UNCERTAINTIES

The COVID-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The extent of the impact of the pandemic on the Organization’s operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on the Organization’s members, employees, and vendors, all of which, at present, cannot be determined. Accordingly, the extent to which the pandemic may impact the Organization’s financial position, changes in net assets, and cash flows is uncertain, and the accompanying financial statements include no adjustments relating to the effects of this pandemic.

## NOTE 8. SUBSEQUENT EVENTS

Subsequent events have been evaluated through November 18, 2022, which is the date the financial statements were available to be issued. This review and evaluation revealed no material event or transaction which would require an adjustment to or disclosure in the accompanying financial statements.