

CHRISTIAN CONNECTIONS FOR INTERNATIONAL HEALTH

Financial Statements
With Independent Auditors' Report

December 31, 2021 and 2020

CHRISTIAN CONNECTIONS FOR INTERNATIONAL HEALTH

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Christian Connections for International Health
Alexandria, Virginia

Opinion

We have audited the accompanying financial statements of Christian Connections for International Health, which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Christian Connections for International Health as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Christian Connections for International Health and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Christian Connections for International Health's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Board of Directors
Christian Connections for International Health
Alexandria, Virginia

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Christian Connections for International Health's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Christian Connections for International Health's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Capin Crouse LLP

New York, New York
July 28, 2022

**CHRISTIAN CONNECTIONS
FOR INTERNATIONAL HEALTH**

Statements of Financial Position

	December 31,	
	2021	2020
ASSETS:		
Cash and cash equivalents	\$ 351,559	\$ 751,136
Accounts receivable	-	22,189
Grant receivable	329,403	-
Prepaid expenses and other assets	11,973	14,939
Total Assets	\$ 692,935	\$ 788,264
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable	\$ 130,429	\$ 21,317
Accrued expenses	95,281	71,339
Deferred membership dues	135	9,317
Refundable advance	33,587	-
Total Liabilities	259,432	101,973
Net Assets:		
Without donor restrictions	329,563	148,649
With donor restrictions	103,940	537,642
Total Net Assets	433,503	686,291
Total Liabilities and Net Assets	\$ 692,935	\$ 788,264

See notes to financial statements

CHRISTIAN CONNECTIONS FOR INTERNATIONAL HEALTH

Statements of Activities

	Year Ended December 31,					
	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Grant revenue	\$ -	\$ 1,232,458	\$ 1,232,458	\$ -	\$ 1,222,739	\$ 1,222,739
Contributions	308,788	64,000	372,788	199,267	20,000	219,267
Conference revenue	11,961	-	11,961	25,531	-	25,531
Organization dues and registration fees	46,856	-	46,856	43,015	-	43,015
Other income	4	-	4	12	-	12
	<u>367,609</u>	<u>1,296,458</u>	<u>1,664,067</u>	<u>267,825</u>	<u>1,242,739</u>	<u>1,510,564</u>
RECLASSIFICATIONS:						
Satisfaction of purpose restrictions	1,730,160	(1,730,160)	-	824,849	(824,849)	-
	<u>1,730,160</u>	<u>(1,730,160)</u>	<u>-</u>	<u>824,849</u>	<u>(824,849)</u>	<u>-</u>
EXPENSES:						
Subgrantee	862,986	-	862,986	290,819	-	290,819
Salaries and employee benefits	788,952	-	788,952	587,278	-	587,278
Consulting and contracted services	155,327	-	155,327	114,553	-	114,553
Office supplies and other	60,394	-	60,394	39,428	-	39,428
Travel and client relations	27,501	-	27,501	11,504	-	11,504
Annual conference	21,695	-	21,695	4,230	-	4,230
	<u>1,916,855</u>	<u>-</u>	<u>1,916,855</u>	<u>1,047,812</u>	<u>-</u>	<u>1,047,812</u>
Change in Net Assets	180,914	(433,702)	(252,788)	44,862	417,890	462,752
Net Assets, Beginning of Year	148,649	537,642	686,291	103,787	119,752	223,539
Net Assets, End of Year	<u>\$ 329,563</u>	<u>\$ 103,940</u>	<u>\$ 433,503</u>	<u>\$ 148,649</u>	<u>\$ 537,642</u>	<u>\$ 686,291</u>

See notes to financial statements

CHRISTIAN CONNECTIONS FOR INTERNATIONAL HEALTH

Statements of Cash Flows

	Year Ended December 31,	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (252,788)	\$ 462,752
Bad debt expense	6,150	8,490
Gain on forgiveness of Paycheck Protection Program loan	-	(81,851)
Changes in:		
Accounts receivable	16,039	(22,024)
Grant receivable	(329,403)	-
Prepaid expenses and other assets	2,966	-
Accounts payable	109,112	19,652
Accrued expense	23,942	16,910
Deferred membership dues	(9,182)	5,871
Refundable advance	33,587	-
Net Cash Provided (Used) by Operating Activities	(399,577)	409,800
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Paycheck Protection Program loan	-	81,851
Change in Cash and Cash Equivalents	(399,577)	491,651
Cash and Cash Equivalents, Beginning of Year	751,136	259,485
Cash and Cash Equivalents, End of Year	\$ 351,559	\$ 751,136
Supplemental disclosure:		
Paycheck Protection Program loan	\$ -	\$ 81,851

See notes to financial statements

CHRISTIAN CONNECTIONS FOR INTERNATIONAL HEALTH

Notes to Financial Statements

December 31, 2021 and 2020

1. NATURE OF ORGANIZATION:

Christian Connections for International Health (CCIH) is a Christian health organization, exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code), and is not a private foundation under Section 509(a) of the Code.

CCIH began in 1987 as a forum for Christians concerned about global health to discuss areas of mutual interest. Today CCIH is a diverse network of organizations and individuals from across the globe. CCIH's mission is to mobilize and empower their network to promote global health and wholeness from a Christian perspective.

CCIH provides a forum for Christians to share ideas and best practices, pray together, join in fellowship, and form a collective voice to speak up for those without a voice. CCIH advocates for increased commitment and funding for global health services around the world. CCIH is currently the only organization in the world seeking to unite all Christian health ministries - international and local - to promote global health and wholeness.

CCIH serves Christians and others working in global health as it:

- Facilitates networking among Christian organizations and individuals;
- Builds the capacity of Christians working in global health;
- Network with secular and government international health programs;
- Shares information and experiences;
- Promotes inter-agency cooperation;
- Raises awareness and advocates on key international health issues;
- Provides a forum for discussion;
- Promotes Christian health work in developing countries; and
- Engages with students interested in Christian international health.

CHRISTIAN CONNECTIONS FOR INTERNATIONAL HEALTH

Notes to Financial Statements

December 31, 2021 and 2020

2. SIGNIFICANT ACCOUNTING POLICIES:

CCIH prepares its financial statements on the accrual basis of accounting. CCIH uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements. The more significant accounting policies are described below.

CASH, CASH EQUIVALENTS AND CREDIT RISK

Cash and cash equivalents consist of cash held in checking accounts. While CCIH's cash equivalents at times may exceed federally insured limits, CCIH has not experienced any losses on such accounts. CCIH believes it is not exposed to any significant credit risk on these accounts. As of December 31, 2021 and 2020, approximately \$83,300 and \$386,000 was not covered by FDIC insurance, respectively.

DEFERRED REVENUE

Deferred revenue consists of deferred membership dues for 2022 and grant revenue received but not yet earned, shown as a refundable advance. Deferred revenue is recognized when the liability expires.

NET ASSETS

Net assets and changes therein are reported as follows:

Without donor restrictions are amounts currently available for ministry purposes under the direction of the board of directors.

With donor restrictions represent amounts contributed with donor stipulations for specific operating purposes or programs, with time restrictions or not currently available for use until commitments regarding their use have been fulfilled.

CHRISTIAN CONNECTIONS FOR INTERNATIONAL HEALTH

Notes to Financial Statements

December 31, 2021 and 2020

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

CONTRIBUTIONS, REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS

Revenue is recognized when earned and support when contributions are made, which may be when cash is received, unconditional promises are made, or ownership of other assets is transferred to CCIH. Membership revenue is recognized when earned, and unpaid membership revenue is written off as bad debt expense at the end of each fiscal year. CCIH reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated amounts. When a stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as satisfaction of purposes restrictions.

CONCENTRATION OF SUPPORT RISK

During the year ended December 31, 2021, CCIH received 100% of grant revenue from three grantors and approximately 81% of contributions from two donors. During the year ended December 31, 2020, CCIH received 82% of grant revenue from three grantors and approximately 78% of contributions from two donors.

EXPENSES, ALLOCATION OF EXPENSES, ADVERTISING, AND JOINT COSTS

Expenses are reported when costs are incurred and reported on the functional basis in the statements of activities. Accordingly, expenses have been allocated among the various program services and supporting activities benefited. For the years ended December 31, 2021 and 2020, expenses were allocated among the functional categories on the basis of specific identification and estimates of time spent and benefits derived. CCIH incurred approximately \$2,000 and \$5,600 of advertising costs for the years ended December 31, 2021 and 2020, respectively. CCIH incurred no joint costs for the years ended December 31, 2021 and 2020.

CHRISTIAN CONNECTIONS FOR INTERNATIONAL HEALTH

Notes to Financial Statements

December 31, 2021 and 2020

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

EXPENSES, ALLOCATION OF EXPENSES, ADVERTISING, AND JOINT COSTS, continued

The following table presents expenses by both their nature and function for the year ended December 31, 2021:

	Program Services			Supporting Activities			
	Conference	Advocacy, Communications, and Education	Total Program	Management and General	Fundraising	Total Supporting	Total
Subgrantee	\$ -	\$ 862,986	\$ 862,986	\$ -	\$ -	\$ -	\$ 862,986
Salaries and employee benefits	39,160	622,716	661,876	118,128	8,948	127,076	788,952
Consulting and contracted services	-	132,930	132,930	22,397	-	22,397	155,327
Office supplies and other	65	36,297	36,362	23,977	55	24,032	60,394
Travel and client relations	-	27,501	27,501	-	-	-	27,501
Annual conference	21,695	-	21,695	-	-	-	21,695
Total	<u>\$ 60,920</u>	<u>\$ 1,682,430</u>	<u>\$ 1,743,350</u>	<u>\$ 164,502</u>	<u>\$ 9,003</u>	<u>\$ 173,505</u>	<u>\$ 1,916,855</u>

CHRISTIAN CONNECTIONS FOR INTERNATIONAL HEALTH

Notes to Financial Statements

December 31, 2021 and 2020

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

EXPENSES, ALLOCATION OF EXPENSES, ADVERTISING, AND JOINT COSTS, continued

The following table presents expenses by both their nature and function for the year ended December 31, 2020:

	Program Services			Supporting Activities			
	Conference	Advocacy, Communications, and Education	Total Program	Management and General	Fundraising	Total Supporting	
Salaries and employee benefits	\$ 37,767	\$ 401,635	\$ 439,402	\$ 144,290	\$ 3,586	\$ 147,876	\$ 587,278
Subgrantee	-	290,819	290,819	-	-	-	290,819
Consulting and contracted services	9,450	91,853	101,303	13,250	-	13,250	114,553
Office supplies and other	47	11,209	11,256	28,172	-	28,172	39,428
Travel and client relations	-	11,504	11,504	-	-	-	11,504
Annual conference	4,230	-	4,230	-	-	-	4,230
Total	<u>\$ 51,494</u>	<u>\$ 807,020</u>	<u>\$ 858,514</u>	<u>\$ 185,712</u>	<u>\$ 3,586</u>	<u>\$ 189,298</u>	<u>\$ 1,047,812</u>

CHRISTIAN CONNECTIONS FOR INTERNATIONAL HEALTH

Notes to Financial Statements

December 31, 2021 and 2020

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

PAYCHECK PROTECTION PROGRAM LOAN

During the year ended December 31, 2020, CCIH received a Paycheck Protection Program loan administered by the Small Business Administration (SBA) under the U.S. Coronavirus Aid, Relief, and Economic Security (CARES) Act in the amount of \$81,851. This unsecured note, dated May 12, 2020, had a fixed interest rate of 1.00%. The maturity date was October 12, 2021. This loan was able to be forgiven up to the full amount if requirements set by the SBA were met. On December 17, 2020, CCIH received notification of full forgiveness after incurring the full amount for payroll expenses. This amount has been recorded in grant revenue with donor restrictions and then was reclassified to net assets without donor restrictions upon forgiveness notice for the year ended December 31, 2020.

3. AVAILABILITY OF FINANCIAL ASSETS:

The following table reflects CCIH's financial assets reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statements of financial position date.

	December 31,	
	2021	2020
Cash	\$ 351,559	\$ 751,136
Accounts receivable	-	22,189
Grant receivable	329,403	-
Financial assets, end of year	680,962	773,325
Less those unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions:		
Restrictions by donor with time or purpose restrictions	(103,940)	(537,642)
Financial assets available to meet cash needs for general expenditures within one year	\$ 577,022	\$ 235,683

CCIH is substantially supported by contributions and grants, some of which are restricted. Because a donor's restriction requires resources to be used in a particular manner or in a future period, CCIH must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of its liquidity management, CCIH has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

CHRISTIAN CONNECTIONS FOR INTERNATIONAL HEALTH

Notes to Financial Statements

December 31, 2021 and 2020

4. DEFERRED MEMBERSHIP DUES:

The following table provides information about changes in the deferred membership dues:

	December 31,	
	2021	2020
Deferred membership dues, beginning of year	\$ 9,317	\$ 3,446
Revenue recognized that was included in deferred membership dues at the beginning of year	(9,182)	(3,311)
Increase in deferred revenue due to cash received during the period	-	9,182
	\$ 135	\$ 9,317

5. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions consists of the following:

	December 31,	
	2021	2020
Bill & Melinda Gates Foundation	\$ 63,203	\$ 513,374
Cornerstone	40,000	-
UNF	737	6,720
World Relief	-	1,652
Americares	-	15,896
	\$ 103,940	\$ 537,642

CHRISTIAN CONNECTIONS FOR INTERNATIONAL HEALTH

Notes to Financial Statements

December 31, 2021 and 2020

6. EMPLOYEE BENEFITS:

RETIREMENT PLAN

CCIH, effective January 1, 2007, adopted a Simple IRA Plan for their employees. Full time employees are eligible immediately and contribute through payroll deductions. CCIH contributes 3% of the employee's compensation directly to the Plan. Participants are vested immediately in all of their accounts plus actual earnings thereon. For the years ended December 31, 2021 and 2020, retirement plan expenses were approximately \$20,400 and \$13,600, respectively.

HEALTH BENEFITS

CCIH provides health insurance for its employees. CCIH contributes monthly for insurance premiums for its employees. Total payments for CCIH's health insurance premiums amounted to approximately \$34,600 and \$25,400 for the years ended December 31, 2021 and 2020, respectively.

7. RISKS AND UNCERTAINTIES:

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic which continues to spread throughout the United States and has caused disruption through mandated and voluntary closings and/or caused organizations to adapt to performing their work and missions remotely, particularly the conference for CCIH. While the disruptions are currently expected to be temporary, there is considerable uncertainty around the duration and long-term impact. Therefore, the CCIH anticipates that this could have a negative effect on ministry operations, including contributions. However, the extent to which the COVID-19 outbreak will financially impact the CCIH's operations or financial results cannot be reasonably estimated at this time.

8. RELATED PARTY TRANSACTIONS:

CCIH's board members contributed approximately \$4,400 and \$8,600 during the years ended December 31, 2021 and 2020, respectively.

9. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through July 28, 2022, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.