SEEJESUS

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2020

(See Independent Auditors' Report)

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BEE BERGVALL & CO.
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Independent Auditors' Report

The Board of Directors
seeJesus
Telford, Pennsylvania

Report on the Financial Statements
We have audited the accompanying financial statements of seeJesus (a non-profit organization), which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of seeJesus as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the seeJesus's 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 26, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Bee, Bergvall & Co.

Bee, Bergvall & Co., P.C.
Certified Public Accountants

Warrington, PA
March 10, 2021

seeJesus

Statements of Financial Position

June 30, 2020 and 2019

ASSETS	2020	2019
Current Assets		
Cash and Cash Equivalents	$ 726,705	$ 566,857
Investments	100,105	-
Accounts Receivable	21,059	22,105
Pledge Receivable	15,000	15,000
Inventory - Books and Videos	88,214	86,584
Total Current Assets	951,083	690,546
Pledge Receivable - Noncurrent	15,000	15,000
Property and Equipment, Net	17,515	25,500
TOTAL ASSETS	$ 983,598	$ 731,046
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	$ 128	$ 460
Payroll Payable	11,318	12,686
Compensated Absences	7,316	9,051
Royalty Advances	100,895	120,000
Paycheck Protection Program Loan	197,400	-
Total Current Liabilities	317,057	142,197
Net Assets		
Without Donor Restrictions	257,519	336,094
With Donor Restrictions: Purpose Restrictions	409,022	252,755
Total Net Assets	666,541	588,849
TOTAL LIABILITIES AND NET ASSETS	$ 983,598	$ 731,046

See independent auditors' report and accompanying notes to the financial statements

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Statements of Activities

For the Year Ended June 30, 2020
With Summarized Comparative Totals for the Year Ended June 30, 2019

	Without Donor Restrictions	With Donor Restrictions	2020	2019
Public Support and Revenue				
Contributions	$ 457,809	$ 901,438	$ 1,359,247	$ 1,358,992
Royalties	71,278	-	71,278	68,405
Seminars and On-line Events	57,267	-	57,267	68,211
Speaking Fee Income	17,967	-	17,967	7,575
Investment Income	1,093	-	1,093	1,068
Miscellaneous Income	2,225	-	2,225	6,767
Net Product Sales	47,272	-	47,272	58,133
Net Assets Released from Restrictions	745,171	(745,171)	-	-
Total Public Support and Revenue	1,400,082	156,267	1,556,349	1,569,151
Expenses				
Program Services	1,226,292	-	1,226,292	1,171,712
Management and General	145,908	-	145,908	141,649
Fundraising	106,457	-	106,457	120,773
Total Expenses	1,478,657	-	1,478,657	1,434,134
Change in Net Assets	(78,575)	156,267	77,692	135,017
Net Assets, Beginning of Year	336,094	252,755	588,849	453,832
Net Assets, End of Year	$ 257,519	$ 409,022	$ 666,541	$ 588,849

See independent auditors’ report and accompanying notes to the financial statements

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Statements of Functional Expenses

For the Year Ended June 30, 2020
With Summarized Comparative Totals for the Year Ended June 30, 2019

	Program Services	Management and General	Fundraising	2020	2019
Payroll and Related Costs					
Salaries and Wages	$ 815,746	$ 98,405	$ 50,730	$ 964,881	$ 889,575
Employee Benefits	69,995	1,738	5,045	76,778	82,476
Pension	16,942	2,663	1,178	20,783	18,710
Payroll Taxes	42,441	7,528	2,471	52,440	49,220
Total Salary and Related Costs	945,124	110,334	59,424	1,114,882	1,039,981
Other Expenses					
Ministry Update Letter	15,546	-	1,727	17,273	12,997
Board of Directors	-	1,119	-	1,119	2,100
Communications	7,853	937	1,601	10,391	9,592
Depreciation	3,992	1,996	1,996	7,984	7,984
Development	23,109	-	23,252	46,361	38,980
Financial Services Fees	9,247	14,155	-	23,402	22,604
Insurance	4,309	2,263	-	6,572	6,050
Leadership and Staff Development	22,900	-	-	22,900	11,145
Marketing	27,663	-	-	27,663	28,200
Miscellaneous	11,615	-	-	11,615	4,545
Office Supplies and Expense	29,604	14,804	14,802	59,210	61,772
Podcasts	4,263	-	-	4,263	347
Product Research	8,823	-	-	8,823	18,724
Product Gifts	4,095	-	-	4,095	6,443
Professional Fees	-	300	300	600	7,968
Seminars	72,783	-	1,448	74,231	102,803
Travel	30,224	-	1,907	32,131	48,379
Website	5,142	-	-	5,142	3,520
Total Other Expenses	281,168	35,574	47,033	363,775	394,153
Total Functional Expenses	$ 1,226,292	$ 145,908	$ 106,457	$ 1,478,657	$ 1,434,134

See independent auditors' report and accompanying notes to the financial statements

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Statements of Cash Flows

For the Year Ended June 30, 2020 and 2019

	2020	2019
Cash Flows from Operating Activities		
Change in Net Assets:	$ 77,692	$ 135,017
Adjustments to Reconcile Change in Net Assets		
to Net Cash Provided by (Used In) Operating Activities		
Depreciation	7,984	7,984
(Gains) Losses on Securities	(91)	-
(Increase) Decrease In:		
Accounts Receivable	1,046	(6,872)
Pledges Receivable	-	(30,000)
Inventory	(1,630)	(12,369)
Increase (Decrease) In:		
Accounts Payable	(332)	(17)
Payroll Payable	(1,368)	1,776
Compensated Absences	(1,735)	2,620
Royalty Advances	(19,105)	-
Net Cash Provided by (Used In) Operating Activities	62,461	98,139
Cash Flows from Investing Activities		
Purchases of investments	(100,013)	-
Purchase of Equipment	-	(7,724)
Net Cash Provided by (Used In) Investing Activities	(100,013)	(7,724)
Cash Flows from Financing Activities		
Payroll Protection Program Loan Proceeds	197,400	-
Net Cash Provided by (Used In) Financing Activities	197,400	-
Net Increase (Decrease) in Cash and Cash Equivalents	159,848	90,415
Cash and Cash Equivalents - Beginning of Year	566,857	476,442
Cash and Cash Equivalents - End of Year	$ 726,705	$ 566,857

See independent auditors' report and accompanying notes to the financial statements

NOTE 1. Summary of Significant Accounting Policies

Organization: seeJesus (the Organization), was incorporated in the Commonwealth of Pennsylvania on April 30, 1999. The mission of the Organization is to help people see and reflect the life, death, and resurrection of Jesus through our discipleship resources and training.

The goal of the Organization is to conduct courses in order to reach a post-modern world with a relational, as opposed to a purely logical or theological, apologetic. Its long-term purpose is to design, write and market bible curriculum for small groups within the Church for both evangelism and discipleship that reaches a post-modern world that is increasingly secular and a Church that is increasingly untaught.

Accounting Basis and Presentation: The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under this basis, revenues are recognized when earned and expenses are recognized when incurred. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for use in general operations and are not subject to donor restrictions.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Comparative Information: The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting policies generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2019, from which the summarized information was derived.

NOTE 1. Summary of Significant Accounting Policies (Continued)

Income Tax Status: The Organization qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code; therefore, no provision for federal or state income taxes is included in the accompanying financial statements. The Organization is not classified as a private foundation. The Organization's federal tax returns are subject to audit by taxing authorities. The Organization's returns open audit periods are for the fiscal years ending June 30, 2017 - 2019.

Cash and Cash Equivalents: The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Investments: 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.

Fair Value of Financial Instruments: The Organization follows Fair Value Measurements as required by the FASB Standards Codification, which applies to reported balances that are required or permitted to be measured at fair value under an existing accounting pronouncement. The Codification emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumption that market participants would use in pricing the asset or liability and establishes a fair value hierarchy.

The fair value hierarchy consists of three levels of inputs that may be used to measure fair value as follows:

Level 1 - Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access.

Level 2 - Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 - Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

NOTE 1. Summary of Significant Accounting Policies (Continued)

Fair Value of Financial Instruments: (continued)

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Concentrations of Credit Risk: Financial instruments that potentially expose the Organization to concentrations of credit risk consist principally of cash and cash equivalents, and investments. The Organization principally utilizes a regional bank and investment companies to maintain its operating cash accounts and investments. At times, such balances may be in excess of the $250,000 FDIC insurance limit or $500,000 SIPC insurance for investments, not including market losses, thus exposing the Organization to a loss in the amount of the excess. As of June 30, 2020 amounts exceeded FDIC insurance limits by $98,380.

Use of 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 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.

*Reclassification*s: Certain prior year amounts have been reclassified to conform to the current year format.

Inventory: Inventory consists of books, CD's, DVD's, manuals, discussion guides and binders. Inventory is recorded using the average cost method.

Receivables: Receivables are stated as the amount management expects to collect from outstanding balances so as to provide a measure of credit losses and doubtful accounts. Management provides for probably uncollectible amounts through a provision for bad debt expenses and an adjustment to a valuation allowance based on its assessment of the current status of individual receivables. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to the applicable receivable account. Balances are considered past due one day after due date. Amounts recorded as receivable also include royalty receivable. Royalty receivable is recognized as books are sold and do not have a past due date.

NOTE 1. Summary of Significant Accounting Policies (Continued)

Pledges Receivable: Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Promises to give are recorded at fair value, which is estimated as net realizable value if expected to be collected in one year and discounted future cash flows if expected to be collected in more than one year. No allowance for uncollectible amounts was deemed necessary. Conditional promises to give are recognized when the conditions on which they depend are substantially met. For the year ended June 30, 2020 pledges receivable consisted of:

Receivable in less than one year	$ 15,000
Receivable in one to five years	15,000
Total unconditional pledges receivable	$ 30,000

Property and Equipment: Property and equipment are recorded at cost if purchased and fair value if donated. Depreciation has been calculated on the straight-line method over the estimated useful lives of the assets of the related assets, which is five years. Depreciation expense for the year was $7,984. Capital items are recorded as fixed assets when their cost, or donated value, exceeds $2,500. At June 30, 2020 property and equipment consisted of the following:

	Cost	Accumulated Depreciation	Net
Office Furniture & Equipment	$ 39,925	$ (22,410)	$ 17,515

Contributions: Contributions received are recorded as restricted support, depending on the existence or nature of any donor restriction. Donor-restricted support is reported as an increase in restricted net assets depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or when the purpose of the restriction is accomplished), the restricted net assets are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Donated Services: Volunteers periodically donate their time to the Organization's program services and fundraising activities. An amount has not been recognized in the accompanying statements of activities for these volunteer efforts because they did not meet the requirements for recognition.

NOTE 1. Summary of Significant Accounting Policies (Continued)

Compensated Absences: The Organization allows employees to carry over certain paid time off. Upon separation, for employees in good standing, the accumulated paid time off will be paid for any current year accrued PTO not yet taken.

Allocation of Functional Expense: Allocation of expenses to program, fundraising, and management and general expense is done by the direct assignment to programs using these costs under the supervision of management. Expenses that are incurred for more than one function, such as a program service, is allocated based on content of the program by function. Salaries and related expenses are allocated based on estimates of time and effort. Office and related expenses are allocated based on use of space.

New Accounting Pronouncement - *ASU No. 2014-09 (Topic 606): Revenue From Contracts With Customers*: This Statement is effective for fiscal years beginning after December 15, 2018. The objective of this Statement is to provide a more robust framework for addressing revenue issues, to improve comparability of revenue recognition standards across entities, and provide more useful information to the users of the financial statements through improved disclosure requirements. This Statement will be implemented in the fiscal year ended June 30, 2021.

New Accounting Pronouncement - *ASU 2016-02, Leases (Topic 842)*: ASU 2016-02 substantially changes current accounting procedures regarding lease accounting and offers specific accounting guidance for lessees, lessors and sale-leaseback transactions. ASU 2016-02 establishes a right-of-use (“ROU”) model that requires lessees to record a ROU asset and lease liability in the statement of financial position for all leases with terms longer than 12 months (the standard may optionally be applied to leases with term of 12 months or less). Leases will be classified as either finance leases or operating leases depending on the characteristics of the lease; consistent with current accounting procedures, the recognition, measurement and presentation of expenses and cash flows arising from the lease will depend on the lease classification. This Statement is expected to be implemented in the fiscal years ended June 30, 2022.

Subsequent Events: The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through the date of this report, which is the date the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

NOTE 2. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Financial assets at year end:	
Cash and cash equivalents	$ 726,705
Investments	100,105
Accounts receivable	21,059
Pledges receivable	30,000
Total financial assets	877,869
Less amounts not available to be used within one year	
Long term pledges	(15,000)
Financial assets not available to used within one year	(15,000)
Financial asset available to meet general expenditures	$ 862,869

As part of our liquidity management plan, we invest cash in excess of daily requirements in short-term investments, checking, and savings accounts.

NOTE 3. Investments

The following table represents the Organization's fair value hierarchy for those investments, excluding money market funds, measured at fair value on a recurring basis as of June 30, 2020:

	Level 1
Investments	
Short-Term Bond Fund	$ 100,105

Investment income (loss) consists of the following for the year ended June 30, 2020:

Interest and Dividend	$ 1,002
Unrealized Gain (Loss)	91
Total	$ 1,093

NOTE 4. Office Lease

The Organization currently leases space for its administrative offices from a church. The lease term is for 3 years from January 1, 2018 to December 31, 2020. The rate is $1,000 per month in 2018, $1,150 per month in 2019, and $1,300 per month in 2020. Either party may terminate the lease by giving the other party 6-months written notice. For the year ended June 30, 2020 the lease expenses was $14,850.

NOTE 5. Net Product Sales

Net product sales consisted of:

Sales:	
Product Sales	$ 95,555
Shipping	5,669
Total Sales	101,224
Cost of Sales:	
Cost of Goods Sold	22,756
Book Selling Expense	31,196
Total Cost of Sales	53,952
Net Product Sales	$ 47,272

NOTE 6. Line of Credit

The Organization has established a line of credit with a bank in the amount of $40,000 collateralized by all corporate assets. The line of credit is payable on demand and currently carries an annual interest rate of 6% at year end. There was no outstanding balance due on this line of credit at year end.

NOTE 7. Retirement Plan

The Organization funded a simplified employee pension plan in order to provide retirement benefits for all employees. The Organization contributes up to a 3% match for qualified participants. Contributions to the retirement accounts for the year ended June 30, 2020 was $20,783.

NOTE 8. Net Assets With Donor Restrictions

Net assets with donor restrictions were available for the following purposes:

POJ International	$	18,986
Latin America Coordinator		10,782
Central America Coordinator		30,410
Development Director		41,821
European Coordinator		17,400
Student Ministries Coordinator		63,825
West Coast		51,763
seeJesus Trainer		7,866
Adults with Disabilities		79,333
Arabic Project		41,123
Special Projects		3,773
Writing Projects		41,940
Net Assets With Donor Restrictions	$	409,022

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of other events specified by donors. Purpose for which restrictions were accomplished:

A Praying Life	$	99,946
POJ International		75,540
South America Trainer		1,220
Latin America Coordinator		30,640
Central America Coordinator		30,498
Development Director		48,179
European Coordinator		6,075
Student Ministries Coordinator		116,629
West Coast		145,056
seeJesus Trainer		35,893
Adults with Disabilities		51,503
Arabic Project		53,497
Special Projects		16,019
Writing Projects		34,476
Total Net Assets Released	$	745,171

NOTE 9. Risks and Uncertainties

The current economic, employment and social conditions created by the COVID-19 virus has caused significant volatility in the U.S. and international markets. There is significant uncertainty around the breadth and duration of business disruptions related to COVID-19.

The Organization received loan proceeds in the amount of approximately $197,400 under the Paycheck Protection Program, (“PPP”), established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”). Under the Act, there is a possibility for a portion of the loans to be forgiven if certain conditions are met. The unforgiven portion of the PPP loan is payable over two years at an interest rate of 1%, with deferral payments for the first six months. The Organization intends to use the proceeds for purposes consistent with the PPP. While the Organization currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan, the Organization is unable to determine the amount of loan forgiveness at this time.