

**Bountifield International**  
Minneapolis, Minnesota

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Combined Financial Statements  
Auditor's Report  
For the Years Ended  
June 30, 2021 and 2020



**CERTIFIED PUBLIC ACCOUNTANTS**

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### Independent Auditor's Report

Board of Directors  
Bountifield International  
Minneapolis, Minnesota

We have audited the accompanying combined financial statements of Bountifield International which comprise the combined statements of financial position as of June 30, 2021 and 2020, and the related combined statements of activities and changes in net assets, functional expense, and cash flows for the years then ended, and the related notes to the financial statements.

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

Management is responsible for the preparation and fair presentation of these combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined 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 combined financial statements referred to above present fairly, in all material respects, the financial position of Bountifield International as of June 30, 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.

*Carpenter, Evert & Associates, Ltd.*  
Certified Public Accountants

Minneapolis, Minnesota  
March 31, 2022

**BOUNTIFIELD INTERNATIONAL**  
**COMBINED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**  
**FOR THE YEARS ENDING JUNE 30, 2021 AND 2020**

	2021		2020		Total
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	
<b>Support and Revenue:</b>					
Contributions	\$ 511,622	\$ 322,233	\$ 412,856	\$ 574,998	\$ 987,854
Government Grants	489,516	-	340,140	-	340,140
In-Kind Contributions	-	-	57,900	-	57,900
Product Sales	13,932	-	36,449	-	36,449
Investment Income	7,349	-	4,967	-	4,967
Net Assets Released from Restrictions:					
Satisfaction of Purpose Restrictions	587,664	(587,664)	306,472	(306,472)	-
Total Support and Revenue	1,610,083	(265,431)	1,158,784	268,526	1,427,310
<b>Expense:</b>					
Program Services	1,036,934	-	958,319	-	958,319
Support Services:					
Management and General	121,563	-	149,682	-	149,682
Fundraising	99,689	-	165,292	-	165,292
Total Support Services	221,252	-	314,974	-	314,974
Total Expense	1,258,186	-	1,273,293	-	1,273,293
Change in Net Assets From Operations	351,897	(265,431)	(114,509)	268,526	154,017
<b>Other Changes in Net Assets:</b>					
Extraordinary Item-Fraud Loss	(57,193)	-	(68,841)	-	(68,841)
Translation and Other Adjustments	10,906	-	-	-	-
Unrealized (Loss)/Gain in Beneficial Interest in Assets Held by Presbyterian Church (USA) Foundation	-	32,789	-	(4,145)	(4,145)
Change in Net Assets	305,610	(232,642)	(183,350)	264,381	81,031
Net Assets - Beginning of Year	(190,287)	660,810	(6,937)	396,429	389,492
Net Assets - End of Year	\$ 115,323	\$ 428,168	\$ (190,287)	\$ 660,810	\$ 470,523

The accompanying Notes to Financial Statements are an integral part of these statements.

**BOUNTYFIELD INTERNATIONAL**  
**COMBINED STATEMENT OF FUNCTIONAL EXPENSE**  
**FOR THE YEAR ENDED JUNE 30, 2021 WITH COMPARATIVE TOTALS FOR 2020**

	2021				2020	
	Total Program Services	Management & General	Fund- raising	Total Support Services	Total All Services	Total All Services
Salary Expense	\$ 206,218	\$ 27,340	\$ 38,471	\$ 65,811	\$ 272,029	\$ 466,680
Payroll Taxes and Benefits	21,100	2,903	4,402	7,305	28,405	47,817
Total Personnel Costs	227,318	30,243	42,873	73,116	300,434	514,497
Professional Fees	446,834	58,953	15,097	74,050	520,884	302,182
Project Expense	138,222	-	-	-	138,222	78,382
Travel	85,938	1,659	-	1,659	87,597	75,215
Other Expense	33,334	6,886	19,394	26,280	59,614	33,501
Rent	27,860	4,135	8,765	12,900	40,760	59,689
Meetings and Conferences	25,571	44	-	44	25,615	38,932
Interest and Bank Fees	7,368	12,681	956	13,637	21,005	19,624
Insurance	14,439	1,272	3,246	4,518	18,957	26,442
Supplies	9,002	5,483	451	5,934	14,936	29,104
Printing	760	5	6,717	6,722	7,482	3,084
Utilities	6,111	-	-	-	6,111	7,490
Advertising and Promotion	2,799	132	315	447	3,246	7,381
Postage and Shipping	941	70	1,875	1,945	2,886	7,459
In-kind Services	-	-	-	-	-	57,900
Depreciation	10,437	-	-	-	10,437	12,411
Total Expense	\$ 1,036,934	\$ 121,563	\$ 99,689	\$ 221,252	\$ 1,258,186	\$ 1,273,293

The accompanying Notes to Financial Statements  
are an integral part of this statement.

**BOUNTIFFIELD INTERNATIONAL**  
**COMBINED STATEMENT OF FUNCTIONAL EXPENSE**  
**FOR THE YEAR ENDED JUNE 30, 2020**

	Total Program Services	Support Services			Total All Services
		Management & General	Fund- raising	Support Services	
Salary Expense	\$ 349,455	\$ 35,393	\$ 81,832	\$ 117,225	\$ 466,680
Payroll Taxes and Benefits	34,569	4,774	8,474	13,248	47,817
<b>Total Personnel Costs</b>	<b>384,024</b>	<b>40,167</b>	<b>90,306</b>	<b>130,473</b>	<b>514,497</b>
Professional Fees	215,077	68,451	18,654	87,105	302,182
Project Expense	75,807	2,575	-	2,575	78,382
Travel	72,059	2,795	361	3,156	75,215
Other Expense	11,628	5,469	16,404	21,873	33,501
Rent	42,727	4,614	12,348	16,962	59,689
Meetings and Conferences	36,123	1,305	1,504	2,809	38,932
Interest and Bank Fees	6,562	11,080	1,982	13,062	19,624
Insurance	21,877	1,187	3,378	4,565	26,442
Supplies	3,894	11,197	14,013	25,210	29,104
Printing	1,154	36	1,894	1,930	3,084
Utilities	7,125	226	139	365	7,490
Advertising and Promotion	3,734	36	3,611	3,647	7,381
Postage and Shipping	6,217	544	698	1,242	7,459
In-kind Services	57,900	-	-	-	57,900
Depreciation	12,411	-	-	-	12,411
<b>Total Expense</b>	<b>\$ 958,319</b>	<b>\$ 149,682</b>	<b>\$ 165,292</b>	<b>\$ 314,974</b>	<b>\$ 1,273,293</b>

The accompanying Notes to Financial Statements are an integral part of this statement.

BOUNTFIELD INTERNATIONAL  
COMBINED STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2021 AND 2020

<u>ASSETS</u>	<u>2021</u>	<u>2020</u>
Current Assets:		
Cash and Cash Equivalents	\$ 496,986	\$ 499,831
Accounts Receivable	-	46,932
Pledges Receivable-Current	27,500	-
Inventory	-	18,552
Prepaid Expense	59,756	43,032
Total Current Assets	<u>584,242</u>	<u>608,347</u>
Beneficial Interest In Assets Held by the Presbyterian Church (USA) Foundation	147,711	114,922
Security Deposits	8,055	10,021
Pledges Receivable-Net-Noncurrent	11,021	-
Property - Net	<u>-</u>	<u>9,092</u>
 TOTAL ASSETS	 <u>\$ 751,029</u>	 <u>\$ 742,382</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Accounts Payable	\$ 55,495	\$ 61,604
Accrued Salaries and Vacation	12,082	21,006
Other Accrued Expenses	59,057	28,504
Deferred Revenue	-	1,242
Notes Payable-Line of Credit	80,904	79,603
Total Current Liabilities	<u>207,538</u>	<u>191,959</u>
PPP SBA Loan	<u>-</u>	<u>79,900</u>
Total Liabilities	<u>207,538</u>	<u>271,859</u>
Net Assets:		
Without Donor Restrictions		
Undesignated	126,229	(179,381)
Cumulative Translation Adjustment	(10,906)	(10,906)
Total Without Donor Restrictions	<u>115,323</u>	<u>(190,287)</u>
With Donor Restrictions	<u>428,168</u>	<u>660,810</u>
Total Net Assets	<u>543,491</u>	<u>470,523</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 751,029</u>	 <u>\$ 742,382</u>

The accompanying Notes to Financial Statements  
are an integral part of these statements.

**BOUNTIFIELD INTERNATIONAL**  
**COMBINED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
<u>Increase (Decrease) in Cash and Cash Equivalents</u>		
Cash Flows from Operating Activities:		
Change in Net Assets	\$ 72,968	\$ 81,031
Total Adjustments	<u>(130,946)</u>	<u>(1,578)</u>
Net Cash Provided by Operating Activities	(57,978)	79,453
Cash Flows from Investing Activities:		
None	-	-
Cash Flows from Financing Activities:		
Proceeds from Issuance of Notes Payable	<u>55,133</u>	<u>104,900</u>
Net Increase in Cash and Cash Equivalents	(2,845)	184,353
Cash and Cash Equivalents - Beginning of Year	<u>499,831</u>	<u>315,478</u>
Cash and Cash Equivalents - End of Year	<u>\$ 496,986</u>	<u>\$ 499,831</u>

The accompanying Notes to Financial Statements  
are an integral part of these statements.



**BOUNTFIELD INTERNATIONAL**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

1. **Summary of Significant Accounting Policies**

**Basis of Combination**

The combined financial statements of Bountifield International (the Organization) include the accounts of Bountifield US (a Minnesota nonprofit corporation), Compatible Technology International, Inc. (a Minnesota corporation), Bountifield Senegal (A Senegal limited liability company) and Bountifield Malawi (A Malawi limited liability company). All material inter-organizational transactions have been eliminated.

**Organizational Purpose**

Bountifield International is a postharvest technology solutions provider for smallholder farmers in Africa, helping the most vulnerable process their food more efficiently and bring their crops to market.

The Organization currently has programs in Senegal, Malawi and Kenya to increase local, nutritious food supply in communities. The Organization is partnering with local manufacturing and distribution enterprises in Africa, and with African farmers to introduce tools and training to process millet, sorghum and peanuts for consumption and sale.

**Fund Accounting**

In order to observe the limitation and restrictions placed on resources available to the Organization, the accounts are maintained in accordance with the principles of fund accounting. This is the procedure whereby resources are classified for accounting and reporting purposes into net asset groupings established according to their nature and restriction. A description of the groupings is as follows:

**Net Assets without Donor Restrictions** – Net assets available for use in general operations and not subject to donor-imposed 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. The Organization reports contributions restricted by donors as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

**Cash and Cash Equivalents**

For purposes of the statements of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

BOUNTFIELD INTERNATIONAL  
NOTES TO COMBINED FINANCIAL STATEMENTS  
JUNE 30, 2021 AND 2020

1. Summary of Significant Accounting Policies (continued)

Accounts Receivable and Doubtful Accounts

The Organization extends credit to its customers on terms it establishes for individual customers. Receivables are recorded at amounts billed and are generally due when billed. Amounts outstanding for more than 30 days are considered delinquent. Accounts receivable are generally uncollateralized and the Organization does not charge interest on accounts receivable balances. Accounts receivable balances are reviewed on a periodic basis and delinquent receivables are written off when they are considered uncollectible. Accounts are stated net of an allowance for doubtful accounts of \$-0- for both years ended June 30, 2021 and 2020.

Inventory

Inventory consists of products sold by the Organization and is valued at the lower of cost (weighted average cost) or net realizable value.

Furniture and Equipment

All expenditures over \$3,000 for furniture and equipment are capitalized at cost. Contributed items are recorded at fair market value at date of donation. Depreciation is provided through the use of the straight-line method.

Revenue and Revenue Recognition

The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

A portion of the Organization's revenue is derived from a governmental grant, which is conditioned upon certain performance requirements and/ or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. No refundable advances exist for the years ended June 30, 2021 and 2020. \$0 at June 30, 2021 and \$591,110 at June 30, 2020 has not been recognized as government contributions because the eligible expenditures have not yet been incurred.

The Organization received a \$79,900 PPP loan in March 2020 and recorded it as debt per FASB ASC 470 in the year ending June 30, 2020. The Organization received a second \$55,177 PPP loan in the year ended June 30, 2021. Both loans were forgiven and included in Governmental Grants in the year ended June 30, 2021 per ASC 958-605.

Product Sales are recognized as revenue when the performance obligation of providing services are met.

**BOUNTIFIELD INTERNATIONAL**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

1. Summary of Significant Accounting Policies (continued)

Revenue and Revenue Recognition (continued)

The following provides information about significant changes in Deferred Revenue ended June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Deferred Revenue – Beginning of Year	\$ 1,242	\$ 20,883
Revenue recognized that was included in deferred revenue at the beginning of the year	(1,242)	(20,883)
Increases in deferred revenue due to cash received during the year	-	<u>1,242</u>
Deferred Revenue– End of Year	<u>\$ -</u>	<u>\$ 1,242</u>

Promises-To-Give (Pledges Receivable)

Unconditional promises-to-give are recognized in the period the promises are made. Conditional promises-to-give are recognized when the conditions on which they depend are substantially met, that is, when the conditional promise becomes unconditional.

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 at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Tax

The Organization has a tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and has adopted *Accounting for Uncertainty in Income Taxes*, ASC 740-10. The policy is to evaluate uncertain tax positions, at least annually, for the potential for income tax exposure from unrelated business income or from loss of nonprofit status. The Organization continues to operate consistent with its original exemption application and each year takes the necessary actions to maintain its exempt status. It has been classified as an organization that is not a private foundation under the Internal Revenue Code and charitable contributions by donors are tax deductible. In compliance with its exempt status, the Organization annually files a Return of Organization Exempt From Income Tax (Form 990).

Functional Allocation of Expense

Expenses are recorded in functional categories when incurred. In certain cases, allocations of expenses between categories must be made. When allocations are required, they are based on the best estimates of management.

**BOUNTIFIELD INTERNATIONAL**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

2. Financial Instruments

Subsequent Events

The Organization has evaluated the effect that subsequent events would have on the combined financial statements through March 31, 2022, which is the date the combined financial statements were available to be issued.

Significant Concentrations of Credit Risk

The Organization provides services from the Twin Cities to locations throughout the world. Receivable's are due from domestic and international individuals and institutions.

Concentrations of Credit Risk Arising from Cash Deposits in Excess of Insured Limits

At June 30, 2021 the Organization held funds at a local financial institution in excess of federally insured limits.

3. Contingencies and Uncertainties

The COVID-19 outbreak in the United States has caused business disruption through both mandated and voluntary suspension of operations. While many of the closings have re-opened, there are still uncertainties if there will be future disruptions due to additional outbreaks. Therefore, the Organization expects this matter may impact its future operating results, but reasonable estimates cannot be made at this time.

4. Pledges Receivable

The balances of pledges receivable as of June 30, 2021 are due as follows:

Due in the Year Ending June 30,

2022		\$ 27,500
2023		<u>12,500</u>
		40,000
Less Discount at 6.5%		<u>1,479</u>
<b>Net Pledges Receivable</b>		<b><u>\$ 38,521</u></b>

5. Property

The Organization owned the following as of:

	June 30,		
	2021	2020	Estimated Useful Lives
Vehicles	\$ 52,367	\$ 49,740	5-7 Years
Less Accumulated Depreciation	<u>52,367</u>	<u>40,648</u>	
	<u>\$ -</u>	<u>\$ 9,092</u>	

**BOUNTIFFIELD INTERNATIONAL**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

5. Property (continued)

Depreciation expense of \$10,437 and \$12,411 was recorded for the years ended June 30, 2021 and 2020, respectively.

6. Beneficial Interest in Assets Held by the Presbyterian Church (USA) Foundation

The Organization has an irrevocable beneficial interest to the annual income from assets donated to the Presbyterian Church (USA) Foundation. The assets are held in a fund under the control of the Presbyterian Church (USA) Foundation and are invested in a balanced growth mutual fund. They will continue to receive the annual income earned by these assets so long as it continues its current work and maintains an exemption from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The original value of the donated assets was \$145,694. The fair value of the fund was \$147,711 and \$114,922 at June 30, 2021 and 2020, respectively.

7. Fair Value

The Organization adopted Financial Accounting Standards Board Accounting Standards Codification Topic 820 Fair Value Measurements and Disclosures ("ASC 820"). In accordance with ASC 820, "fair value" is defined as the price that an organization would receive upon selling an investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. Various inputs are used in determining the value of investments. ASC 820 established a three-tier hierarchy of inputs to establish a classification of fair value measurements for disclosure purposes.

The three-tier hierarchy of inputs is summarized in the three broad levels listed below:

- Level 1 – Quoted prices in active markets for identical investments.
- Level 2 – Other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – Significant unobservable inputs.

The following is a summary of the inputs used to determine the fair value at:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
June 30, 2021:				
Beneficial Interest in Assets Held by the Presbyterian Foundation	\$ <u>-</u>	\$ <u>-</u>	\$ <u>147,711</u>	\$ <u>147,711</u>
June 30, 2020:				
Beneficial Interest in Assets Held by the Presbyterian Foundation	\$ <u>-</u>	\$ <u>-</u>	\$ <u>114,922</u>	\$ <u>114,922</u>

**BOUNTIFFIELD INTERNATIONAL**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

8. Notes Payable-Line of Credit

The breakdown of notes payable was as follows as of:

	June 30,	
	2021	2020
6.5% line-of-credit loan dated September 28, 2015 from Propel Nonprofits. Interest is paid monthly with the unpaid principal due January 31, 2022. Secured by all business assets.	\$ 80,904	\$ 79,603
Portion Due Within One (1) Year	80,904	79,603
Long-term Portion	\$ -	\$ -

9. Net Assets With Donor Restrictions

The purpose of net assets with donor restrictions is to account for funds received but not yet spent for the purpose intended by the donor. Net assets with donor restrictions included the following as of:

	June 30,	
	2021	2020
<u>Restrictions that Expire:</u>		
Agro-Processing Technology Businesses in Kenya Study FY21-FY23	\$ 214,515	\$ 400,750
Groundnut Innovations in Malawi and Tanzania	23,521	-
Development of Technologies in Malawi and Tanzania	20,841	29,760
Peanut Sheller Research	6,580	97,687
Thresher in Senegal and Malawi	-	15,214
Other	-	2,477
Other	15,000	-
<u>Restrictions in Perpetuity</u>		
Endowment	147,711	114,922
	\$ 428,168	\$ 660,810

10. In-kind Contributions

The Organization records in-kind contributions at fair market value at date of donation. In-kind contributions included the following as of:

	June 30,	
	2021	2020
Technology, Research and Development Services	\$ -	\$ 57,900

**BOUNTIFFIELD INTERNATIONAL**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

11. Leased Facilities

Rental commitments under a noncancelable lease for office space in effect at June 30, 2021 total \$12,502. The future annual rental commitments are as follows:

<u>Due in the Year Ending June 30,</u>	
2022	<u>\$ 12,502</u>

Rental expense was \$40,760 and \$59,689 for the years ended June 30, 2021 and 2020, respectively.

12. Liquidity and Availability

The following represents the Organization's financial assets as of:

	<u>June 30,</u>	
	<u>2021</u>	<u>2020</u>
Financial Assets:		
Cash and Cash Equivalents	\$ 496,986	\$ 499,831
Accounts Receivable	-	46,932
Pledges Receivable	<u>27,500</u>	<u>-</u>
Total Financial Assets	524,486	546,763
Less: Assets not available to be used within one year:		
Net Assets With Donor Restrictions	428,169	660,810
Net Assets With Restrictions to be met within a year	<u>(269,437)</u>	<u>(545,888)</u>
Total Assets not available to be used within one year	<u>158,732</u>	<u>114,922</u>
Financial assets available for general expenditures within one year	<u>\$ 365,754</u>	<u>\$ 431,841</u>

The Organization has certain net assets with donor restrictions limited to use which are available for general expenditure within one year in the normal course of operations. Accordingly, these assets have been included in the qualitative information above for financial assets to meet general expenditures within one year.

As part of their liquidity plan, the Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

**BOUNTIFIELD INTERNATIONAL**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**JUNE 30, 2021 AND 2020**

**13. Extraordinary Item-Fraud Loss**

In the year ending June 30, 2021 it was determined that certain expenses in Bountifield Malawi could not be verified. A forensic audit was conducted for the years ended June 30, 2021 and 2020 by an independent firm located in Malawi which found \$57,193 and \$68,841 of expenses, respectively, that they considered fraudulent.

The audited numbers for the year ending June 30, 2020 were restated as follows:

	<u>As Previously Reported</u>	<u>Net Change</u>	<u>As Restated</u>
Professional Fees	\$ 316,274	\$ (14,092)	\$ 302,182
Project Expense	81,248	(2,866)	78,382
Travel	123,247	(48,032)	75,215
Postage and Shipping	11,310	(3,851)	7,459
Extraordinary Item-Fraud Loss	-	68,841	68,841

This situation was dealt with timely, appropriate corrective action including strengthened controls were implemented and the matter was closed.

**14. Cash Flow Operating Adjustments**

Adjustments to reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities are as follows as of:

	<u>June 30,</u>	
	<u>2021</u>	<u>2020</u>
Depreciation	\$ 10,437	\$ 12,411
PPP Loan Forgiveness	(135,077)	-
Unrealized Loss (Gain) in Beneficial Interest in Assets Held by Presbyterian Church (USA) Foundation	(32,789)	4,145
Security Deposit Additions	1,966	(5,402)
Increases (Decreases) in Current Liabilities:		
Accounts Payable	(6,109)	1,849
Accrued Salaries and Vacation	(8,924)	(9,049)
Other Accrued Expenses	30,553	9,075
Deferred Revenue	(1,242)	(19,641)
Decreases (Increases) in Current Assets:		
Accounts Receivable	46,932	(17,370)
Pledges Receivable	(38,521)	15,000
Inventory	18,552	20,280
Prepaid Expenses	(16,724)	(12,876)
Total Adjustments	<u>\$ (130,946)</u>	<u>\$ (1,578)</u>



**ADDITIONAL INFORMATION**



Carpenter, Evert & Associates

Certified Public Accountants

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Statement of Auditor's Responsibility

Board of Directors  
Bountifield International  
St. Paul, Minnesota

We have audited the combined financial statements of Bountifield International as of and for the years ended June 30, 2021 and 2020, and our report thereon dated March 31, 2022, which expressed an unmodified opinion on those combined financial statements, appears on page 1.

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining schedule of financial position and the combining schedule of revenue, expense and changes in net assets of Bountifield International for the year ended June 30, 2021, are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

*Carpenter, Evert & Associates, Ltd.*

Certified Public Accountants

Minneapolis, Minnesota  
March 31, 2022

**BOUNTIFIELD INTERNATIONAL**  
**COMBINING SCHEDULE OF SUPPORT AND REVENUE, EXPENSE AND CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2021**

	Bountifield US	CTI, Inc.	Bountifield Senegal	Bountifield Malawi	Elimination Entries	Total
<b>Support and Revenue:</b>						
Contributions	\$ 833,855	\$ -	\$ -	\$ -	\$ -	\$ 833,855
Government Grants	489,516	-	-	-	-	489,516
Contract Revenue	-	-	292,184	114,751	(406,935)	-
Product Sales	-	-	7,182	6,750	-	13,932
Investment Income	7,349	-	-	-	-	7,349
<b>Total Support and Revenue</b>	<b>1,330,720</b>	<b>-</b>	<b>299,366</b>	<b>121,501</b>	<b>(406,935)</b>	<b>1,344,652</b>
<b>Expense:</b>						
Salary Expense	191,339	-	63,940	16,750	-	272,029
Payroll Taxes and Benefits	20,554	-	7,851	-	-	28,405
<b>Total Personnel Costs</b>	<b>211,893</b>	<b>-</b>	<b>71,791</b>	<b>16,750</b>	<b>-</b>	<b>300,434</b>
Professional Fees	816,990	-	100,401	10,428	(406,935)	520,884
Project Expense	74,305	-	51,116	12,801	-	138,222
Travel	34,871	-	32,487	20,239	-	87,597
Other Expense	25,274	-	34,242	98	-	59,614
Rent	32,763	-	6,520	1,477	-	40,760
Meetings and Conferences	7,584	-	19,631	(1,600)	-	25,615
Interest and Bank Fees	19,403	-	495	1,107	-	21,005
Insurance	10,499	-	8,458	-	-	18,957
Supplies	9,759	-	5,177	-	-	14,936
Printing	6,748	-	-	734	-	7,482
Utilities	283	-	4,321	1,507	-	6,111
Advertising and Promotion	2,274	-	972	-	-	3,246
Postage and Shipping	2,856	-	30	-	-	2,886
Depreciation	-	-	10,437	-	-	10,437
<b>Total Expense</b>	<b>1,255,502</b>	<b>-</b>	<b>346,078</b>	<b>63,541</b>	<b>(406,935)</b>	<b>1,258,186</b>
<b>Change in Net Assets From Operations</b>	<b>75,218</b>	<b>-</b>	<b>(46,712)</b>	<b>57,960</b>	<b>-</b>	<b>86,466</b>
<b>Other Changes in Net Assets:</b>						
Extraordinary Item-Fraud Loss	-	-	-	(57,193)	-	(57,193)
Translation and Other Adjustments	586	-	11,189	(870)	-	10,905
Unrealized (Loss)/Gain in Beneficial Interest In Assets Held by Presbyterian Church (USA) Foundation	32,790	-	-	-	-	32,790
<b>Net Assets - Beginning of Year</b>	<b>108,594</b>	<b>-</b>	<b>(35,523)</b>	<b>(103)</b>	<b>-</b>	<b>72,968</b>
<b>Net Assets - End of Year</b>	<b>848,336</b>	<b>(4,400)</b>	<b>(305,290)</b>	<b>(66,126)</b>	<b>(1,997)</b>	<b>470,523</b>
	<b>\$ 956,930</b>	<b>\$ (4,400)</b>	<b>\$ (340,813)</b>	<b>\$ (66,229)</b>	<b>\$ (1,997)</b>	<b>\$ 583,491</b>

See Statement of Auditor's Responsibility.

BOUNTIFIELD INTERNATIONAL  
COMBINING SCHEDULE OF FINANCIAL POSITION  
JUNE 30, 2021

ASSETS

	Bountifield US	CTI, Inc.	Bountifield Senegal	Bountifield Malawi	Elimination Entries	Total
<b>Current Assets:</b>						
Cash and Cash Equivalents	\$ 493,848	-	\$ 3,138	-	-	\$ 496,986
Pledges Receivable	38,521	-	-	-	-	38,521
Prepaid Expense	476,205	-	-	-	(416,449)	59,756
Total Current Assets	<u>1,008,574</u>	<u>-</u>	<u>3,138</u>	<u>-</u>	<u>(416,449)</u>	<u>595,263</u>
<b>Beneficial Interest in Assets Held by the</b>						
Presbyterian Church (USA) Foundation	147,711	-	-	-	-	147,711
Security Deposits	8,055	-	-	-	-	8,055
Investment in CTI, Inc.	100	-	-	-	(100)	-
Investment in SARL Senegal	-	1,897	-	-	(1,897)	-
<b>TOTAL ASSETS</b>	<u>\$ 1,164,440</u>	<u>\$ 1,897</u>	<u>\$ 3,138</u>	<u>\$ -</u>	<u>\$ (418,446)</u>	<u>\$ 751,029</u>

LIABILITIES AND NET ASSETS

<b>Current Liabilities:</b>	\$ 55,495	-	-	-	-	\$ 55,495
Accounts Payable	12,082	-	-	-	-	12,082
Accrued Salaries and Vacation	59,029	-	28	-	-	59,057
Other Accrued Expenses	80,904	6,297	343,923	66,229	(416,449)	80,904
Notes Payable	207,510	6,297	343,951	66,229	(416,449)	207,538
Total Current Liabilities	<u>528,761</u>	<u>(4,500)</u>	<u>(342,710)</u>	<u>(66,229)</u>	<u>-</u>	<u>115,322</u>
<b>Net Assets:</b>						
Without Donor Restrictions	-	-	-	-	-	-
Undesignated	-	100	1,897	-	(1,997)	-
Cumulative Translation Adjustment	-	-	-	-	-	-
Capital Stock	428,169	-	-	-	-	428,169
With Donor Restrictions	956,930	(4,400)	(340,813)	(66,229)	(1,997)	543,491
Total Net Assets	<u>\$ 1,164,440</u>	<u>\$ 1,897</u>	<u>\$ 3,138</u>	<u>\$ -</u>	<u>\$ (418,446)</u>	<u>\$ 751,029</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>						

See Statement of Auditor's Responsibility.