

2015 Annual Report

Growing Together



Executive Summary

In 2015, Serving at the Crossroads completed a decade of service to the people of La Entrada de Copan, Honduras. We continue to follow our mission of offering top quality dental and medical services to this population, and can count over 100,000 people served. This year, we not only strengthened our original projects and services, but found ourselves able to add new ones. We are very excited about the successes at the *Manos Amigas* clinic, and look forward to more in 2016.

Dentistry –

We had 3,561 patients this year, representing 4,194 procedures covering cleaning, extractions, fillings, root canals and preventative care such as sealants, fluoride and periapical treatments.

Clinic dentists performed exams, hygiene, restorations, extractions, and root canals.

U.S. brigades performed oral surgery, endodontics and restorative dentistry, while providing instruction in these procedures to the clinic dentists.

Medical –

10,274 visited the clinic for medical care. The most common conditions encountered were hypertension, diabetes, gastritis, urinary infections, and acute respiratory infections.

60 patients received outpatient surgeries for cysts, scars, ganglia, breast fibroids, hernias, lipomas, circumcisions, varicoceles and polydactylism.

Our clinic is the only facility in the country offering topical oxygen therapy for the treatment of old and difficult-to-heal wounds. Approximately one-third of our patients are diabetic, so wound care is of particular importance. This 12-14-week therapy prevented amputations for 6 patients.

Outreach services –

Teams from Summit in Honduras and Manos Amigas' resident optometric services technician provided outreach services to those who could not come to the clinic. Medical teams visited remote villages, traveling over difficult terrain to bring medical and vision care services to residents. Difficult, but treatable cases requiring specialized tests or evaluation were transported to the clinic for consultation and treatment.

Eye Clinic -

This year 1,749 people received eye exams, which is a new service offered. This is the first time specialized ophthalmologists have come to the clinic. Two U.S. brigade teams performed 67 cataract and 3 oculoplastic surgeries. They also addressed pterygium, tear duct obstructions, tumors and eyelid abnormalities during their visit.

SERVING AT THE CROSSROADS

**FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2015 AND 2014**

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KORENGEL
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Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS
SERVING AT THE CROSSROADS
MEDIA, PENNSYLVANIA

We have audited the accompanying financial statements of Serving at the Crossroads (a nonprofit organization), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities and cash flows for the years 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 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 auditor's 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.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Serving at the Crossroads as of December 31, 2015 and 2014, 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.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of expenses on pages 11 and 12 are presented for the purpose of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 financial statements as a whole.

Umbreit, Krengel & Associates, P.C.

Kennett Square, PA
August 26, 2016

SERVING AT THE CROSSROADS

STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2015 AND 2014

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 327,570	\$ 274,982
Contribution receivable	-	30,000
TOTAL CURRENT ASSETS	\$ 327,570	\$ 304,982
NET ASSETS AND LIABILITIES		
CURRENT LIABILITIES		
Accrued expenses	\$ -	\$ 1,558
TOTAL CURRENT LIABILITIES	-	1,558
NET ASSETS		
Unrestricted	327,319	303,173
Temporarily restricted	-	-
Permanently restricted	251	251
TOTAL NET ASSETS	327,570	303,424
TOTAL NET ASSETS AND LIABILITIES	\$ 327,570	\$ 304,982

See Accountants' Report and Notes to Financial Statements

SERVING AT THE CROSSROADS

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
SUPPORT, REVENUES AND RECLASSIFICATIONS				
Contributions				
Donations	\$ 50,170	\$ -	\$ -	\$ 50,170
In-kind	619,225	-	-	619,225
Fundraising events (net of expenses of \$13,082)	53,542	-	-	53,542
Miscellaneous income	854	-	-	854
Net assets released from restrictions				
Satisfaction of time requirement and program restrictions	-	-	-	-
	<u>723,791</u>	<u>-</u>	<u>-</u>	<u>723,791</u>
Other Income				
Interest and dividend income	45	-	-	45
	<u>45</u>	<u>-</u>	<u>-</u>	<u>45</u>
TOTAL SUPPORT, REVENUES, AND RECLASSIFICATIONS	<u>723,836</u>	<u>-</u>	<u>-</u>	<u>723,836</u>
EXPENSES				
Program costs	692,452	-	-	692,452
General and administrative	6,737	-	-	6,737
Fundraising costs	501	-	-	501
	<u>699,690</u>	<u>-</u>	<u>-</u>	<u>699,690</u>
CHANGES IN NET ASSETS	24,146	-	-	24,146
NET ASSETS AT BEGINNING OF YEAR	<u>303,173</u>	<u>-</u>	<u>251</u>	<u>303,424</u>
NET ASSETS AT END OF YEAR	<u>\$ 327,319</u>	<u>\$ -</u>	<u>\$ 251</u>	<u>\$ 327,570</u>

See Accountants' Report and Notes to Financial Statements

SERVING AT THE CROSSROADS

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
SUPPORT, REVENUES AND RECLASSIFICATIONS				
Contributions				
Donations	\$ 78,353	\$ -	\$ -	\$ 78,353
In-kind	369,681	-	-	369,681
Fundraising events (net of expenses of \$10,827)	80,664	-	-	80,664
Miscellaneous Income	880			880
Net assets released from restrictions				
Satisfaction of time requirement and program restrictions	-	-	-	-
	<u>529,578</u>	<u>-</u>	<u>-</u>	<u>529,578</u>
Other Income				
Interest and dividend income	60	-	-	60
	<u>60</u>	<u>-</u>	<u>-</u>	<u>60</u>
TOTAL SUPPORT, REVENUES, AND RECLASSIFICATIONS	<u>529,638</u>	<u>-</u>	<u>-</u>	<u>529,638</u>
EXPENSES				
Program costs	427,261	-	-	427,261
General and administrative	5,539	-	-	5,539
Fundraising costs	324	-	-	324
	<u>433,124</u>	<u>-</u>	<u>-</u>	<u>433,124</u>
CHANGES IN NET ASSETS	96,514	-	-	96,514
NET ASSETS AT BEGINNING OF YEAR	<u>206,659</u>	<u>-</u>	<u>251</u>	<u>206,910</u>
NET ASSETS AT END OF YEAR	<u>\$ 303,173</u>	<u>\$ -</u>	<u>\$ 251</u>	<u>\$ 303,424</u>

SERVING AT THE CROSSROADS

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 24,146	\$ 96,514
(Increase) decrease in operating assets		
Contribution receivable	30,000	(30,000)
Prepaid expenses	-	-
Increase (decrease) in operating liabilities		
Accrued expenses	(1,558)	1,558
	52,588	68,072
Net cash provided by operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Net cash provided by financing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Net cash provided (used) by financing activities	-	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	52,588	68,072
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	274,982	206,910
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 327,570	\$ 274,982

See Accountants' Report and Notes to Financial Statements

SERVING AT THE CROSSROADS

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

Serving at the Crossroads is a charitable organization based in Media, Pennsylvania (formerly West Chester, Pennsylvania). Working alongside their non-government organization partner, Manos Amigas, they empower the local Honduran medical community to provide voluntary medical and dental assistance for impoverished citizens in the communities where they reside.

On an ongoing basis, Serving at the Crossroads' intention is to assemble the resources, talents, programs and services that will enable the indigenous population of the de Copan region of Honduras to benefit from the establishment of a health care center. This facility will offer a diversified and multidisciplinary approach to diagnose, treat, educate and care for those it serves so as to give patients hope, invigorate the spirit of the community and enable families to break out of the cycle of poverty and illness that entraps the impoverished.

Its mission is to gather the resources necessary to build, equip and sustain a medical clinic in the town of La Entrada, ensuring that it has a dependable supply chain of medications and services that will be administered by Honduran medical and dental healthcare practitioners empowered to relieve the pain and suffering of impoverished patients and their families.

Basis of Accounting

Serving at the Crossroads follows the provisions of Accounting Standards Codification No. 958 Accounting for Contributions Received and Contributions Made and Financial Statements of Not-for-Profit Organizations. Accounting Standards Codification No. 958 requires the Organization to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. It also requires recognition of contributions, including contributed services meeting certain criteria, at fair values. Accounting Standards Codification No. 958 established standards for general purpose external financial statements of not-for-profit organizations and requires a statement of financial position, a statement of activities, and a statement of cash flows. Accounting Standards Codification No. 958 also requires Organizations to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

SERVING AT THE CROSSROADS**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014****NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)**

The accompanying financial statements of Serving at the Crossroads have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles whereby revenues are recognized when earned and expenditures are recognized when incurred.

Support and Revenue

Revenues and contributions are generally available for unrestricted use in the related year unless specifically restricted by the donor.

Grants and other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Endowment contributions and investments restricted by the donor are reported as permanently restricted support.

Fair Values of Financial Instruments

Serving at the Crossroads in estimating its fair value disclosures for financial instruments uses the following methods and assumptions:

Cash and cash equivalents: The carrying amounts reported in the statement of financial position approximate fair values because of the short maturities of those instruments.

Short-term and endowment investments: The fair values of investments are based on quoted market prices for those or similar investments.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. This will affect the reported amounts of assets and liabilities, 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. Accordingly, actual results could differ from these estimates.

SERVING AT THE CROSSROADS**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014****NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)****Cash and Cash Equivalents**

The Organization considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents.

Income Taxes

On November 3, 2003, Serving at the Crossroads was granted an exemption from federal income taxes as a non-profit corporation under Internal Revenue Code (IRC) Section 501(c)(3). This exemption was in effect during an Advanced Ruling Period, which ended on December 31, 2009. On April 22, 2010, the Internal Revenue Service issued a final determination classifying the Organization as a publically supported organization under Internal Revenue Code (IRC) Section 501(c)(3).

The Organization's Forms 990, Return of Organization Exempt from Income Tax for years ending 2013, 2014 and 2015 are subject to examination by the IRS, generally for three years after they were filed.

Functional Allocation of Expenses

The cost of providing the various programs and supporting services of Serving at the Crossroads have been summarized on the functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and support services benefited.

NOTE 2 – DONATED MATERIALS AND SUPPLIES

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, that are provided by individuals possessing those skills, and that would typically need to be purchased if not provided by donation, are also recorded at their fair values in the period received. During the years ended December 31, 2015 and 2014, medical equipment, medical and office supplies, furniture and fixtures and professional services that Serving at the Crossroads acquired by gift amounted to \$619,225 and \$369,681, respectively.

SERVING AT THE CROSSROADS**NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015 AND 2014****NOTE 3 – CONCENTRATION OF CREDIT RISK FOR CASH HELD IN BANK**

The Organization maintains cash balances in one (at December 31, 2015 and 2014) local bank, which is insured by the Federal Deposit Insurance Corporation up to \$250,000. Cash at this institution did at times exceed the federally insured limits during the years ended December 31, 2015 and 2014. At December 31, 2015 and 2014 the uninsured balance was \$69,319 and \$14,584, respectively.

NOTE 4 – SUBSEQUENT EVENTS

As required by the Subsequent Events Topic of the FASB ASC, the Organization has evaluated those events and transactions that occurred after the statement of financial position date of December 31, 2015 through August 26, 2016, the date the financial statements were available to be issued and determined there were no other items to be disclosed.

SERVING AT THE CROSSROADS
SUPPLEMENTAL INFORMATION
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
PROGRAM COSTS				
Medical supplies, drugs and services	\$ 671,316	\$ -	\$ -	\$ 671,316
Medical equipment and repairs	13,005	-	-	13,005
Auto expenses	-	-	-	-
Freight and shipping	-	-	-	-
Travel	8,131	-	-	8,131
TOTAL PROGRAM COSTS	\$ 692,452	\$ -	\$ -	\$ 692,452
GENERAL AND ADMINISTRATIVE COSTS				
Office supplies and postage	\$ 2,214	\$ -	\$ -	\$ 2,214
Outreach	250	-	-	250
Professional fees	4,000	-	-	4,000
Web hosting fees	273	-	-	273
TOTAL GENERAL AND ADMINISTRATIVE COSTS	\$ 6,737	\$ -	\$ -	\$ 6,737
FUNDRAISING COSTS				
Miscellaneous fundraising costs	\$ 501	\$ -	\$ -	\$ 501

See Accountants' Report and Notes to Financial Statements

SERVING AT THE CROSSROADS
SUPPLEMENTAL INFORMATION
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
PROGRAM COSTS				
Medical supplies, drugs and services	\$ 409,294	\$ -	\$ -	\$ 409,294
Medical equipment and repairs	9,784	-	-	9,784
Auto expenses	604	-	-	604
Freight and shipping	1,357	-	-	1,357
Travel	6,222	-	-	6,222
TOTAL PROGRAM COSTS	<u>\$ 427,261</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 427,261</u>
GENERAL AND ADMINISTRATIVE COSTS				
Office supplies and postage	\$ 1,278	\$ -	\$ -	\$ 1,278
Professional fees	3,800	-	-	3,800
Web hosting fees	461	-	-	461
TOTAL GENERAL AND ADMINISTRATIVE COSTS	<u>\$ 5,539</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,539</u>
FUNDRAISING COSTS				
Miscellaneous fundraising costs	\$ 324	\$ -	\$ -	\$ 324
TOTAL FUNDRAISING COSTS	<u>\$ 324</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 324</u>