PEER Servants, Inc.

Financial Statements and Independent Auditor's Report

December 31, 2024

PEER Servants, Inc.

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Independent Auditor's Report

To the Board of Directors
PEER Servants, Inc.

Opinion

We have audited the financial statements of PEER Servants, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PEER Servants, Inc. as of December 31, 2024, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of PEER Servants, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 the 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 PEER Servants, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 auditor's 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 GAAS 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 GAAS, 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 PEER Servants, Inc.'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 PEER Servants, Inc.’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.

Report on Summarized Comparative Information

We have previously audited PEER Servants, Inc.’s December 31, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 24, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Nash CPAs LLC

Nash CPAs LLC

Norwood, MA
June 10, 2025

PEER Servants, Inc.

Statement of Financial Position

December 31, 2024
with Comparative Totals December 31, 2023

ASSETS

Current Assets	**2024**	**2023**
Cash and cash equivalents	$ 847,954	$ 634,190
Prepaid expenses	924	924
Total current assets	848,878	635,114
Other Assets		
Notes receivable	50,000	50,000
Right of use assets	25,588	38,252
Total other assets	75,588	88,252
Total Assets	$ 924,466	$ 723,366

LIABILITIES AND NET ASSETS

Current Liabilities		
Accounts payable and accrued expenses	$ 11,476	$ 10,983
Accrued payroll	3,664	1,983
Operating lease liabilities, current	13,181	12,664
Total current liabilities	28,321	25,630
Long Term Liabilities		
Operating lease liabilities, net of current	12,407	25,588
Total long term Liabilities	12,407	25,588
Total Liabilities	40,728	51,218
Net Assets		
Net assets without donor restrictions	387,968	435,269
Net assets with donor restrictions	495,770	236,879
Total net assets	883,738	672,148
Total Liabilities and Net Assets	$ 924,466	$ 723,366

The accompanying notes are an integral part of the financial statements.

PEER Servants, Inc.

Statement of Activities

December 31, 2024
with Comparative Totals December 31, 2023

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	**2024** Total	**2023** Total
Revenue and Support				
Grants and Contributions	$ 754,314	$ 407,638	$ 1,161,952	$ 1,002,652
Interest income	11,577		11,577	8,598
Released from restriction	148,747	(148,747)	-	-
Total revenue and support	914,638	258,891	1,173,529	1,011,250
Expenses				
Program services	858,476	-	858,476	806,128
Fundraising	47,117	-	47,117	34,633
Admin	56,346	-	56,346	43,992
Total expenses	961,939	-	961,939	884,753
Change in net assets	(47,301)	258,891	211,590	126,497
Change in Net Assets	(47,301)	258,891	211,590	126,497
Net Assets at Beginning of Year	435,269	236,879	672,148	545,651
Net Assets at End of Year	$ 387,968	$ 495,770	$ 883,738	$ 672,148

The accompanying notes are an integral part of the financial statements.

PEER Servants, Inc.

Statement of Functional Expenses

December 31, 2024
with Comparative Totals December 31, 2023

	Administration	Fundraising	Program Services	**2024** Total	**2023** Total
Expenses					
Bank charges	$ 1,355	$ 8,360	$ -	$ 9,715	$ 9,628
Grant expenses	-	-	736,866	736,866	678,337
Insurance	419	400	1,085	1,904	2,348
Occupancy	3,211	3,065	8,320	14,596	13,522
Office expenses	5,166	-	-	5,166	4,973
Other expenses	1,291	5,983	3,346	10,620	9,520
Postage and delivery	331	316	858	1,505	1,420
Printing and reproduction	275	263	713	1,251	1,359
Professional fees	14,200	-	-	14,200	11,000
Salaries and related expenses	29,627	28,280	76,760	134,667	124,836
Staff development	144	138	374	656	520
Telephone	327	312	848	1,487	1,611
Travel	-	-	29,306	29,306	25,679
Total Expenses	$ 56,346	$ 47,117	$ 858,476	$ 961,939	$ 884,753

The accompanying notes are an integral part of the financial statements.

PEER Servants, Inc.

Statement of Cash Flows

December 31, 2024
with Comparative Totals December 31, 2023

Cash Flows from Operating Activities	**2024**	**2023**
Change in net assets	$ 211,590	$ 126,497
Adjustments to reconcile change in net assets to net cash provided by Operating activities:		
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	493	59
Accrued payroll	1,681	-
Net Cash Provided from Operating Activities	213,764	126,556
Net Increase in Cash and Cash Equivalents	213,764	126,556
Cash and Cash Equivalents - Beginning	634,190	507,634
Cash and Cash Equivalents - Ending	$ 847,954	$ 634,190

The accompanying notes are an integral part of the financial statements.

PEER Servants, Inc.

Notes to Financial Statement

December 31, 2024

(1) Summary of Significant Accounting Policies

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The significant accounting policies followed by PEER Servants, Inc. (the Organization) are described below to enhance the usefulness of the financial statements to the reader.

Nature of Activities

The organization was founded in 1988 as Christian Technical Support and changed its name to PEER Servants in 2004 and PEER Servants, Inc. in 2022. As of December 31, 2024, the organization is a nonprofit corporation located in Wakefield, Massachusetts.

The organization envisions both the materially poor and non-poor experiencing and extending the kingdom of heaven on earth by being transformed economically, socially, and spiritually. Its mission is to transform lives by partnering for economic empowerment and renewal and does this by partnering with indigenous Christian organizations in materially poor countries which seek to be and develop agents of transformation in their communities. The organization's staff and volunteers, striving to follow Christ, work closely with these global partners in a mutually enriching relationship to provide services that support their journey to becoming sustainable organizations transforming the lives of thousands of families.

Basis of Presentation

The statement of activities reports all changes in net assets, including changes in net assets without donor restrictions from operating activities. Operating revenues consist of those monies received and other contributions attributable to the Organization's ongoing efforts.

Standards of Accounting and Reporting

The Organization's net assets (excess of its assets over liabilities) and its revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

The statement of financial position presents two classes of net assets (net assets without donor restrictions and net assets with donor restrictions) and the statement of activities displays the change in each class of net assets. The classes of net assets applicable to the Organization are presented as follows:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions. Net assets without donor restrictions consist of assets and contributions available for the support of operations. These net assets may be designated for specific purposes by management or the Board of Directors. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or law. Net assets that are subject to donor-imposed stipulations that are satisfied in the same period are included in net assets without donor restrictions.

Net Assets With Donor Restrictions - Net assets that are subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or passage of time. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Cash and Cash Equivalents

The Organization considers all highly liquid investments purchased with an original maturity of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash equivalents.

The Organization maintains its cash balances at multiple financial institutions located in Massachusetts. The cash balances are insured by the Federal Deposit Insurance Corporation. At times these balances may exceed the federal insurance limits; however, the Organization has not experienced any losses with respect to its bank balances in excess of government provided insurance.

Management believes that no significant concentration of credit risk exists with respect to those cash balances as of December 31, 2024.

Revenue Recognition

The Organization earns revenue as follows:

Grants – The organization receives funding from various grantors for direct and indirect program costs associated with specific programs and projects. Various grants are subject to certain barriers as outlined in the agreement. Revenue is recognized as the barrier is met. For unconditional grants, revenue is recognized as contribution revenue that increases net assets with donor restrictions at the time the grant is received or pledged, and the funds are released from restriction when the restriction has been met. Conditional grants that contain a performance barrier and a right of release are only recognized as revenue if and when the specified conditions are met.

Contributions - In accordance with ASC Sub Topic 958-605, *Revenue Recognition*, the Organization must determine whether a contribution (or a promise) is conditional or unconditional for transactions deemed to be a contribution. A contribution is considered to be a conditional contribution if an agreement includes a barrier that must be overcome and either a right of return of assets or a right of release of a promise to transfer assets exists. Indicators of a barrier include measurable performance-related barrier or other measurable barrier, a stipulation that limits discretion by the recipient on the conduct of an activity and stipulations that are related to the purpose of the agreement. Topic 958 prescribes that the Organization should not consider probability of compliance with the barrier when determining if such awards are conditional and should be reported as conditional grant advance liabilities until such conditions are met. Substantially all of the Organization's revenue is derived from its activities in Massachusetts.

During the year ended December 31, 2024, the Organization derived approximately 99% of its total revenue from institutions and individual donors and less than 1% for miscellaneous other income. All revenue is recorded at the estimated net realizable amounts.

Fundraising Expense

Fundraising expense relates to the activities of raising general and specific contributions to the Organization and promoting special events. Fundraising expenses as a percentage of total contribution and special event revenue was 4% for the year ended December 31, 2024. The ratio of expenses to amounts raised is computed using actual expenses and related revenue on an accrual basis**.**

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are allocated to programs and supporting services. Administration expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Payroll and associated costs are allocated to functions based upon time studies. Occupancy costs are allocated based upon a percentage of salary which approximates usage.

Use of Estimates

In preparing the Organization's financial statements in conformity with GAAP, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the 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.

Income Taxes

The Organization qualifies as an Organization formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code (IRC) and is generally not subject to income tax. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization is not a private foundation under Section 509(a)(1)

Management has analyzed the tax position taken by the Organization and has concluded that as of December 31, 2024, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. Accordingly, these financial statements do not reflect a provision for income taxes and the Organization has no other tax positions which much be considered for disclosure.

Generally, The Organization's information/tax returns remain open for possible federal income tax examination for three years after the filling date. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since December 31, 2021 remain open.

Operating Lease

The Organization leases certain office space. The determination of whether an arrangement is a lease is made at the lease's inception. Under ASC 842, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

Operating leases are included in right of use ("ROU") assets and operating lease liabilities in our statements of financial position.

Operating Lease– continued

ROU assets represent our right to use an underlying asset for the lease term, and lease liabilities represent our obligation to make lease payments. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization uses the implicit rate when it is readily determinable. Since the Organization's lease does not provide an implicit rate, to determine the present value of lease payments, management uses the Organization's incremental borrowing rate based on the information available at lease commencement. ROU assets also includes any lease payments made and excludes any lease incentives. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization's lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise the option.

Summarized Financial Information for 2023

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Also, the financial statements do not include a full presentation of the statement of functional expenses, as certain prior year summarized comparative information is presented in total but not by functional classification. In addition, the financial statements do not include full financial statement disclosures for the prior year. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2023, from which the summarized information was derived.

(2) Note Receivable

PEER Servants, Inc. has a $50,000 loan agreement with Invest-Credit S.R.L., a micro-finance institution based in Chisinau Moldova, to assist Invest-Credit in its objective of stimulating successful, ethical businesses in Moldova. The loan was issued in February 2022 and had a 24-month repayment period with a zero percent interest rate. PEER Servants agreed to defer payment until 2026. As of December 31, 2024, the outstanding balance was $50,000. Management has not discounted the loan as any discount was deemed immaterial.

(3) Contributed Services - unaudited

During 2024, the Organization utilized the assistance of 250 volunteers who served approximately 18,000 hours assisting the Organization in administrative and program functions. In accordance with U.S. GAAP, no amounts have been reflected in the financial statements in connection with these volunteered services provided to the Organization.

(4) Grants to other Organizations

The Organization makes grants to other organizations that the Organization partners with, in order to achieve its mission. These organizations use the funds to run microfinance, education, youth empowerment, healthcare, and food/water security programs in various countries. The Organization budgets for these grants but is not obligated to fund the grants to other organizations in the event that revenues are insufficient to cover these budgeted grants. During the year ended December 31, 2024, the Organization made grants to other organizations in the amount of $736,866.

(5) Net Assets with Donor Restrictions

Net assets with donor restrictions consist of resources available to meet future obligations, but only in compliance with the restrictions specified by donors.

Net assets with donor restrictions are restricted for the following purposes or periods at December 31, 2024.

Subject to expenditure for specified purpose		
Chapter Relations	$	4,784
Guatemala		23,375
India		19,567
Moldova		70,000
Peru		40,037
Philippines		25,190
South Sudan		61,427
Uganda		63,000
Volunteer Relations		64,030
Sri Lanka		20,000
Zambia		20,320
Gen Partner Program		84,039
Total net assets with donor restriction	$	495,770

Net assets released from restrictions during 2024 were $148,747, of which, $148,747 were from program restrictions for a specified purpose.

(6) Operating Lease

The Organization leases its main operating facility under a noncancelable lease classified as an operating lease. Monthly lease payments are $1,160. The Organization discounted the lease using the risk-free rate of 4.01%. The lease expires in November 2026. The Company has 23 payments remaining.

The following is a maturity analysis of the annual undiscounted cash flows of the operating lease liabilities as of December 31:

2025	$	13,920
2026		12,760

The lease cost and other required information for the year ended December 31, 2024, are:

Lease cost	$	26,680
Less: interest		(1,092)
Present value of lease liabilities	$	25,588

(7) Liquidity and Availability of Resources

The following reflects the Organization's financial assets as of December 31, 2024, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year from the statement of financial position date:

Financial assets at December 31, 2024:		
Cash and cash equivalents	$	847,954
Total		847,954
Less amounts unavailable for general expenditures within one year, due to:		
Time and purpose restrictions		(495,770)
Total		(495,770)
Financial assets available to meet cash needs for general expenditures within one year:	$	352,184

The Organization is supported by unrestricted and restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization 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 the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

(8) Subsequent Events

The Organization has performed an evaluation of subsequent events through June 10, 2025, which is the date the Organization's financial statements were available to be issued. No material subsequent events have occurred since December 31, 2024 that required recognition or disclosure in these financial statements.