



PIONEER BIBLE TRANSLATORS

Financial Statements
With Independent Auditors' Report

December 31, 2020 and 2019

PIONEER BIBLE TRANSLATORS

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Pioneer Bible Translators
Dallas, Texas

We have audited the accompanying financial statements of Pioneer Bible Translators, which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, functional expenses, 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.

Auditors' 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.

Board of Directors
Pioneer Bible Translators
Dallas, Texas

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pioneer Bible Translators as of December 31, 2020 and 2019, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Capin Crouse LLP

Grapevine, Texas
June 14, 2021

PIONEER BIBLE TRANSLATORS

Statements of Financial Position

	December 31,	
	<u>2020</u>	<u>2019</u>
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 7,961,333	\$ 6,269,694
Cash held for others	164,460	191,851
Grants receivable	957,834	1,157,572
Investments	4,258,993	2,837,254
Other assets	241,470	219,791
	<u>13,584,090</u>	<u>10,676,162</u>
Non-current assets:		
Grants receivable	273,619	483,238
Cash held for long-term purposes	691,794	-
Property and equipment-net	4,994,190	5,304,106
	<u>6,960,603</u>	<u>6,787,344</u>
Total Assets	<u>\$ 19,543,693</u>	<u>\$ 16,463,506</u>
LIABILITIES AND NET ASSETS:		
Current liabilities:		
Accounts payable and other liabilities	\$ 171,780	\$ 180,474
Funds held for others	164,460	191,851
	<u>336,240</u>	<u>372,325</u>
Net assets:		
Net assets without donor restrictions	7,535,737	6,925,937
Net assets with donor restrictions	11,671,716	9,165,244
	<u>19,207,453</u>	<u>16,091,181</u>
Total Liabilities and Net Assets	<u>\$ 19,543,693</u>	<u>\$ 16,463,506</u>

See notes to the financial statements

PIONEER BIBLE TRANSLATORS

Statements of Activities

	Year Ended December 31,					
	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Support:						
Contributions	\$ 1,285,201	\$ 14,738,311	\$ 16,023,512	\$ 700,042	\$ 16,290,871	\$ 16,990,913
Federal grant	-	1,101,600	1,101,600	-	-	-
	<u>1,285,201</u>	<u>15,839,911</u>	<u>17,125,112</u>	<u>700,042</u>	<u>16,290,871</u>	<u>16,990,913</u>
Revenue:						
Rental income	52,004	-	52,004	86,332	-	86,332
Interest and dividends	128,955	-	128,955	103,617	-	103,617
Other revenue	129,791	-	129,791	180,973	-	180,973
	<u>310,750</u>	<u>-</u>	<u>310,750</u>	<u>370,922</u>	<u>-</u>	<u>370,922</u>
 Total Support and Revenue	 <u>1,595,951</u>	 <u>15,839,911</u>	 <u>17,435,862</u>	 <u>1,070,964</u>	 <u>16,290,871</u>	 <u>17,361,835</u>
RECLASSIFICATIONS:						
Satisfaction of purpose restrictions	12,084,872	(12,084,872)	-	12,335,986	(12,335,986)	-
Assessment against restricted gifts	1,248,567	(1,248,567)	-	1,522,017	(1,522,017)	-
	<u>13,333,439</u>	<u>(13,333,439)</u>	<u>-</u>	<u>13,858,003</u>	<u>(13,858,003)</u>	<u>-</u>
EXPENSES:						
Program services:						
Bible translation and literacy	10,322,817	-	10,322,817	10,042,832	-	10,042,832
Recruitment and training	318,467	-	318,467	780,262	-	780,262
Missionary care	408,888	-	408,888	417,589	-	417,589
	<u>11,050,172</u>	<u>-</u>	<u>11,050,172</u>	<u>11,240,683</u>	<u>-</u>	<u>11,240,683</u>
Supporting activities:						
Management and general	1,912,467	-	1,912,467	1,924,236	-	1,924,236
Fundraising	1,356,951	-	1,356,951	1,264,121	-	1,264,121
	<u>3,269,418</u>	<u>-</u>	<u>3,269,418</u>	<u>3,188,357</u>	<u>-</u>	<u>3,188,357</u>
 Total Expenses	 <u>14,319,590</u>	 <u>-</u>	 <u>14,319,590</u>	 <u>14,429,040</u>	 <u>-</u>	 <u>14,429,040</u>
 Change in Net Assets	 609,800	 2,506,472	 3,116,272	 499,927	 2,432,868	 2,932,795
 Net Assets, Beginning of Year	 <u>6,925,937</u>	 <u>9,165,244</u>	 <u>16,091,181</u>	 <u>6,426,010</u>	 <u>6,732,376</u>	 <u>13,158,386</u>
 Net Assets, End of Year	 <u>\$ 7,535,737</u>	 <u>\$ 11,671,716</u>	 <u>\$ 19,207,453</u>	 <u>\$ 6,925,937</u>	 <u>\$ 9,165,244</u>	 <u>\$ 16,091,181</u>

See notes to the financial statements

PIONEER BIBLE TRANSLATORS

Statement of Functional Expenses

Year Ended December 31, 2020

	Program Services	Supporting Activities		Total
		Management and General	Fundraising	
Salaries and payroll taxes	\$ 7,215,256	\$ 1,309,860	\$ 899,416	\$ 9,424,532
Travel	822,689	34,053	146,519	1,003,261
Grant expense	827,983	-	-	827,983
Employee benefits	652,691	86,031	53,541	792,263
Professional fees	298,689	131,407	105,647	535,743
Depreciation	380,911	-	-	380,911
Occupancy and utilities	262,655	105,487	651	368,793
Office expenses	249,613	60,890	37,278	347,781
Communications	156,516	141,621	27,705	325,842
Other expenses	80,460	25,111	74,497	180,068
Professional development and training expenses	102,709	18,007	11,697	132,413
Total expenses	\$ 11,050,172	\$ 1,912,467	\$ 1,356,951	\$ 14,319,590
Percentage of total expenses	77.2%	13.4%	9.5%	100%

See notes to the financial statements

PIONEER BIBLE TRANSLATORS

Statement of Functional Expenses

Year Ended December 31, 2019

	Program Services	Supporting Activities		Total
		Management and General	Fundraising	
Salaries and payroll taxes	\$ 6,762,440	\$ 1,289,579	\$ 823,137	\$ 8,875,156
Travel	1,500,123	66,184	165,046	1,731,353
Employee benefits	647,670	73,446	43,142	764,258
Grant expense	738,935	-	-	738,935
Office expenses	302,188	83,374	34,326	419,888
Depreciation	372,252	20,681	20,681	413,614
Professional fees	206,606	107,078	40,156	353,840
Occupancy and utilities	252,559	98,952	5	351,516
Communications	152,154	137,161	19,688	309,003
Other expenses	160,181	28,097	109,531	297,809
Professional development and training expenses	145,575	19,684	8,409	173,668
Total expenses	\$ 11,240,683	\$ 1,924,236	\$ 1,264,121	\$ 14,429,040
Percentage of total expenses	77.9%	13.3%	8.8%	100%

See notes to the financial statements

PIONEER BIBLE TRANSLATORS

Statements of Cash Flows

	Year Ended December 31,	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 3,116,272	\$ 2,932,795
Adjustments to reconcile change in net assets net cash provided (used) by operating activities:		
Depreciation	380,911	413,613
Unrealized gains on investments	(35,180)	(15,371)
Gains on sale of property and equipment	(21,288)	(17,294)
Forgiveness of Paycheck Protection Program loan	(1,101,600)	-
Contributions restricted for long-term purposes	(691,794)	-
Change in operating assets and liabilities:		
Grants receivable	409,357	(1,640,810)
Other assets	(21,679)	36,801
Accounts payable	(8,694)	(59,759)
Net Cash Provided by Operating Activities	2,026,305	1,649,975
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(1,395,689)	(888,096)
Proceeds from sale of investments	9,130	822,287
Proceeds from sales of property and equipment	21,288	9,540
Purchases of property and equipment	(70,995)	(147,531)
Net Cash Used by Investing Activities	(1,436,266)	(203,800)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from government loan	1,101,600	-
Proceeds from contributions restricted for long-term purposes	691,794	-
Net Cash Provided by Financing Activities	1,793,394	-
Net Change in Cash, Cash Equivalents and Cash held for Long-term Purposes	2,383,433	1,446,175
Cash, Cash Equivalents and Cash held for Long-term Purposes, Beginning of Year	6,269,694	4,823,519
Cash, Cash Equivalents and Cash held for Long-term Purposes, End of Year	\$ 8,653,127	\$ 6,269,694
The following table provides a reconciliation of cash, cash equivalents, and cash held for long-term purposes:		
Cash and cash equivalents	\$ 7,961,333	\$ 6,269,694
Cash held for long-term purposes	691,794	-
	\$ 8,653,127	\$ 6,269,694
SUPPLEMENTAL DISCLOSURE:		
Noncash forgiveness of Paycheck Protection Program loan	\$ 1,101,600	\$ -

See notes to the financial statements

PIONEER BIBLE TRANSLATORS

Notes to Financial Statements

December 31, 2020 and 2019

1. NATURE OF ORGANIZATION:

Pioneer Bible Translators (PBT) is a Texas nonprofit organization classified as a 501(c)(3) religious organization by the United States Internal Revenue Service. As such, it is exempt from U.S. federal and state income tax, and contributions by the public are deductible for income tax purposes.

PBT represents an international outreach organization dedicated to completing the task of world evangelization through Bible translation for every language.

PBT's objective is to recruit, train, and equip men and women to advance the Kingdom of God in specific areas of the world. This is carried out through evangelizing, discipling, church planting (where needed), and existing missions support. PBT assists in the educational, scientific, and religious development of the minority and tribal peoples of the world by developing a written form of their languages. To accomplish this, PBT engages in translating and printing the Scriptures in the various languages and by aiding in literacy and educational, scientific, and religious training.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of PBT have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

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 and disclosures at the date of the financial statements and during the reporting period. Actual results could differ from those estimates. Significant estimates in these financial statements include the allocation of expenses on a functional basis, the value of donated goods and services, and estimated useful lives of long-lived assets.

PRINCIPLES OF REPORTING WORLD WIDE MINISTRY

The financial statements report the worldwide ministries of PBT, including material assets, liabilities, net assets, revenues, and expenses of its fields of service around the world.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash, checking, savings, and money market accounts. These accounts may, at times, exceed the federally insured limits. At December 31, 2020 and 2019, PBT's cash balances exceeded federally insured limits by approximately \$7,200,000 and \$4,000,000, respectively. PBT has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

PIONEER BIBLE TRANSLATORS

Notes to Financial Statements

December 31, 2020 and 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

CASH HELD FOR LONG-TERM PURPOSES

Cash held for long-term purposes consists of donor-restricted contributions for capital purposes.

GRANTS RECEIVABLE

Grants receivable are amounts due from grant agreements to fund program activities. Management believe 100% of these receivables will be collected and has not established an allowance for doubtful accounts. The majority of these grants will be received in the next fiscal year, thus any discount would be immaterial to the financial statements.

INVESTMENTS

Investments consist of certificates of deposit, treasury bills, bonds, equities and fixed income securities. Certificates of deposit and treasury bills have original maturity dates exceeding 90 days and are recorded at cost plus accrued interest. Interest earned from investments are recorded in the statements of activities in the year it is earned as interest and dividends.

PROPERTY, EQUIPMENT, AND DEPRECIATION

Assets capitalized as property and equipment are recorded at cost or, if donated, at market value on the date of donation. PBT capitalizes assets with a cost basis of \$5,000 or greater. Depreciation is recorded on the straight-line basis over the following estimated useful lives:

Buildings	18 to 25 years
Furniture, fixtures, and equipment	5 to 10 years
Vehicles	3 to 5 years

NET ASSETS

The financial statements report amounts by class of net assets:

Net assets without donor restrictions are currently available for operations under the direction of the board or resources invested in property and equipment.

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

PIONEER BIBLE TRANSLATORS

Notes to Financial Statements

December 31, 2020 and 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

SUPPORT, REVENUE, RECLASSIFICATIONS, AND EXPENSES

Revenue is recognized when earned and support when contributions are made, which may be when cash is received, unconditional promises are made, or ownership of donated assets is transferred to PBT.

PBT reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated amounts. When a stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as satisfaction of purpose restrictions.

Contributions are charged an administrative assessment in order to offset the general fund's administrative costs. Each year, amounts are transferred from missionary and project funds to the general fund, ranging from 3% to 10%, and reported as reclassifications in the statements of activities.

Motivation for giving results as God moves on the hearts of individuals. It views faith promises as an expression of a desire to give based on God's future provision. Faith promises received are not recognized as contributions in the financial statements as all conditions rest with the donor, and the donor reserves the right to modify the promise.

Gifts of property and equipment are classified as net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are recognized when the donated or acquired long-lived assets are placed in service.

Donated services are recognized for those services that improve or enhance property and equipment (as contributions and increases to the basis of property and equipment) or for those that require specialized skills (as contributions and expenses). Amounts are valued at equivalent local labor rates in the area of the country where the services were provided.

Expenses are recorded when costs are incurred.

CURRENCY CONVERSION

Each field receives cash in U.S. Dollars that is converted into local currency. The exchange rate provided by the local bank is used for all expenses incurred with those funds. As a result, PBT has currency gains and losses reported in the statements of activities. Fixed assets purchased with local currency are revalued annually in accordance with PBT's depreciation policies. Total currency conversion gains (losses) of (\$7,427) and \$15,274, were included in expenses for the years ended December 31, 2020 and 2019, respectively. Due to immateriality, these are reported as part of expenses for both years.

PIONEER BIBLE TRANSLATORS

Notes to Financial Statements

December 31, 2020 and 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

ALLOCATION OF EXPENSES

The costs of providing the various program services and supporting activities have been summarized on a functional basis in the statements of activities. Accordingly, salaries and wages have been allocated on the basis of time and effort; depreciation and facility expenses have been allocated on the basis of square footage used. All other expenses were allocated based upon the functional nature of the underlying expenses.

JOINT ACTIVITIES

Joint activities were conducted that included requests for contributions as well as program services and/or management and general functions. Those activities included promotional mailings, missionary furloughs, and other informational activities. Of the total joint costs, costs attributable to missionaries on furlough, in training, and new recruits were \$1,323,904 and \$720,527 for the years ended December 31, 2020 and 2019, respectively. Total joint costs consist of the following:

	Year Ended December 31,	
	2020	2019
Program services	\$ 1,043,051	\$ 521,524
Management and general	109,586	51,493
Fund-raising	171,267	147,510
	<u>\$ 1,323,904</u>	<u>\$ 720,527</u>

ADVERTISING EXPENSES

Advertising expenses are expensed as incurred. Advertising expenses were approximately \$71,400 and \$57,600 for the years ended December 31, 2020 and 2019, respectively.

PIONEER BIBLE TRANSLATORS

Notes to Financial Statements

December 31, 2020 and 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

FOREIGN OPERATIONS

In connection with its international ministry, PBT maintains offices, Bible translation sites, and other supporting facilities in various countries outside the United States. As of December 31, 2020 and 2019, respectively, current assets in other countries, including cash, receivables, and prepaid expenses, totaled \$900,587 and \$703,612; property and equipment, net of accumulated depreciation, amounted to \$1,027,942 and \$1,099,958; and liabilities in other countries were \$532,065 and \$351,690. Total overseas support and revenue received from foreign sources amounted to \$99,546 and \$127,383 for the years ended December 31, 2020 and 2019, respectively. Foreign field operations include East Asia and the Pacific, Sub Saharan Africa, Russia, and neighboring states, South Asia, and Europe.

Management has reviewed the assets in other countries and, in its opinion, has determined they are under the control of PBT. For this reason such items are recognized as assets of PBT. However, it should be noted that the political situation in many countries is subject to rapid change. Therefore, the reader should be aware that while management believes the assets are properly stated at the date of this report, subsequent changes could occur that would adversely affect the value of the assets in other countries. In addition, it should be understood that the assets in other countries may not be representative of the amount that would be realized should the assets be sold. Many of the assets were designed to carry out the specific programs of PBT, and might have limited resale potential.

PIONEER BIBLE TRANSLATORS

Notes to Financial Statements

December 31, 2020 and 2019

3. LIQUIDITY AND FUNDS AVAILABLE:

The following reflects PBT's financial assets as of the statement of financial position sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

	Year Ended December 31,	
	2020	2019
Financial assets:		
Cash and cash equivalents	\$ 7,961,333	\$ 6,269,694
Cash held for others	164,460	191,851
Investments	4,258,993	2,837,254
Grants receivable	1,231,453	1,640,810
Cash held for long-term purposes	691,794	-
Financial assets, at year-end	13,616,239	10,939,609
Less those not available for general expenditure within one year:		
Restrictions by donor with time or purpose restrictions	(4,873,693)	(2,454,333)
Restricted by donor for capital projects	(691,794)	-
Grants receivable, not expected to be collected within one year	(273,619)	(483,238)
Funds held for others	(164,460)	(191,851)
	(6,003,566)	(3,129,422)
Financial assets available to meet cash needs for general expenditures within one year	\$ 7,612,673	\$ 7,810,187

As part of PBT'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. As of December 31, 2020 and 2019, PBT has \$9,748,469 and \$7,524,434, respectively, in funds with donor restrictions for missionary, project and branch support. A total of \$4,874,776 and \$5,070,101, respectively, of these funds are considered available to meet needs for general expenditures within one year.

4. GRANTS RECEIVABLE:

Grants receivable consist of:

	December 31,	
	2020	2019
Due in less than one year	\$ 957,834	\$ 1,157,572
Due in one to five years	273,619	483,238
	\$ 1,231,453	\$ 1,640,810

PIONEER BIBLE TRANSLATORS

Notes to Financial Statements

December 31, 2020 and 2019

5. PROPERTY AND EQUIPMENT–NET:

Property and equipment–net consist of:

	December 31, 2020		
	USA	Foreign	Total
Land	\$ 237,371	\$ -	\$ 237,371
Buildings and improvements	4,689,378	2,083,918	6,773,296
Furniture, fixtures, and equipment	116,891	158,020	274,911
Vehicles	-	1,016,976	1,016,976
	5,043,640	3,258,914	8,302,554
Less accumulated depreciation	(1,309,251)	(2,024,946)	(3,334,197)
	3,734,389	1,233,968	4,968,357
Construction in progress	25,833	-	25,833
	\$ 3,760,222	\$ 1,233,968	\$ 4,994,190
	December 31, 2019		
	USA	Foreign	Total
Land	\$ 237,371	\$ -	237,371
Buildings and improvements	4,689,378	2,082,790	6,772,168
Furniture, fixtures, and equipment	132,691	149,672	282,363
Vehicles	-	939,765	939,765
	5,059,440	3,172,227	8,231,667
Less accumulated depreciation	(1,087,150)	(1,899,805)	(2,986,955)
	3,972,290	1,272,422	5,244,712
Construction in progress	25,833	33,561	59,394
	\$ 3,998,123	\$ 1,305,983	\$ 5,304,106

PIONEER BIBLE TRANSLATORS

Notes to Financial Statements

December 31, 2020 and 2019

6. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions consist of:

	December 31,	
	2020	2019
Missionary support balances	\$ 4,949,700	\$ 4,013,459
Projects	4,207,851	2,998,017
Branch funds	590,918	512,958
Building funds	691,794	-
Grants receivable (restricted for projects)	1,231,453	1,640,810
	\$ 11,671,716	\$ 9,165,244

7. FAIR VALUE DISCLOSURES:

PBT uses appropriate valuation techniques to determine fair value based on inputs available. When available, PBT measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 1 inputs indicate there is a quoted market price available for identical assets. Level 2 inputs indicate there are observable inputs other than quoted market prices. Level 3 inputs are unobservable inputs and have the lowest priority and are only used when Level 1 or Level 2 inputs are not available and indicate there are not readily available market prices. Fair value of assets at December 31, 2020, measured on a recurring basis are as follows:

	Total	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Mutual funds	\$ 3,118,804	\$ 3,118,804	\$ -	\$ -
Equities	139,608	139,608	-	-
Fixed income	98,930	98,930	-	-
	3,357,342	\$ 3,357,342	\$ -	\$ -
Investments measured at cost:				
Cash and cash equivalents	901,651			
	\$ 4,258,993			

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Notes to Financial Statements

December 31, 2020 and 2019

7. FAIR VALUE DISCLOSURES, continued:

Fair value of assets at December 31, 2019, measured on a recurring basis are as follows:

	Total	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Equities	\$ 65,934	\$ 65,934	\$ -	\$ -
Bonds	801,050	-	801,050	-
	866,984	\$ 65,934	\$ 801,050	\$ -
Investments measured at cost:				
Cash and cash equivalents	1,970,270			
	<u>\$ 2,837,254</u>			

Following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such instruments pursuant to the valuation hierarchy.

Level 1 Fair Value Measurements

The fair value of equities, mutual funds and exchange traded funds are based on quoted market prices and other relevant information generated by market transactions.

Changes in valuation techniques: None.

8. 403(B) RETIREMENT PLAN:

PBT offers a 403(b) retirement plan for missionaries. This plan is funded solely through salary reductions. Deferrals are not matched by PBT.

9. RISKS AND UNCERTAINTIES:

In March 2020, the World Health Organization declared the outbreak of the COVID-19 as a pandemic which continues to spread throughout the United States. COVID-19 has caused a severe negative impact on the world economy and has contributed to significant declines and volatility in financial markets. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of PBT for future periods. Management is carefully monitoring the situation and evaluating its options as circumstances evolve.

PIONEER BIBLE TRANSLATORS

Notes to Financial Statements

December 31, 2020 and 2019

10. FEDERAL GRANT:

In April 2020, PBT applied for and received a Paycheck Protection Program loan in the amount of \$1,101,600. As of December 31, 2020, PBT received official forgiveness from the SBA. The income has been recorded as federal grant with donor restrictions in the statements of activities.

11. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through June 14, 2021, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.