

Light of Life Ministries, Inc. and Affiliate

Consolidated Financial Statements
and Supplementary Information

Years Ended September 30, 2019 and 2018
with Independent Auditor's Report

MaherDuessel

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LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

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Independent Auditor's Report

Board of Directors
Light of Life Ministries, Inc.

We have audited the accompanying consolidated financial statements of Light of Life Ministries, Inc. (a nonprofit organization) and affiliate, which comprise the consolidated statements of financial position as of September 30, 2019 and 2018, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Light of Life Ministries, Inc. and affiliate as of September 30, 2019 and 2018, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter – Change in Accounting Principle

As described in Note 2 to the financial statements, Light of Life, Inc. adopted ASU 2016-14, *“Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities,”* which amends the requirements for financial statements for nonprofit entities. The amendment changes how a nonprofit organization classifies its net assets and provides information in its financial statements and notes about its financial performance, cash flow, and liquidity, among other requirements. Our opinion is not modified with respect to this matter.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Maher Duessel

Pittsburgh, Pennsylvania
May 7, 2020

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

	2019	2018
Assets		
<hr/>		
Current assets:		
Cash and cash equivalents	\$ 3,286,776	\$ 543,848
Restricted cash, client accounts	35,240	18,581
Grants and accounts receivable	62,806	123,116
Pledges receivable	595,918	-
Inventory	353,997	105,448
Prepaid expenses	179,304	176,454
Total current assets	4,514,041	967,447
Noncurrent assets:		
Pledges receivable, net	736,162	-
Investments:		
Investments, at fair value	1,793,386	2,712,627
Certificates of Deposit	250,000	500,000
Total investments	2,043,386	3,212,627
Property at cost:		
Land	286,864	72,756
Buildings and improvements	3,196,340	3,107,924
Equipment	431,124	406,945
Vehicles	126,351	119,351
Construction in progress	1,372,300	519,751
Total property at cost	5,412,979	4,226,727
Less: accumulated depreciation	1,902,098	1,785,541
Net property	3,510,881	2,441,186
Total noncurrent assets:	6,290,429	5,653,813
Total Assets	\$ 10,804,470	\$ 6,621,260
Liabilities and Net Assets		
<hr/>		
Liabilities:		
Current liabilities:		
Accounts payable	\$ 556,932	\$ 189,869
Restricted cash, client accounts	35,240	18,581
Accrued payroll and payroll taxes	91,404	99,631
Other current liabilities	1,862	-
Total Liabilities	685,438	308,081
Net Assets:		
Without donor restrictions:		
Board-designated	2,523,995	1,001,264
Undesignated	4,903,369	5,298,515
Total without donor restrictions	7,427,364	6,299,779
With donor restrictions	2,691,668	13,400
Total Net Assets	10,119,032	6,313,179
Total Liabilities and Net Assets	\$ 10,804,470	\$ 6,621,260

See accompanying notes to consolidated financial statements.

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

CONSOLIDATED STATEMENTS OF ACTIVITIES

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

	2019	2018
Net Assets Without Donor Restrictions:		
Support and revenues:		
Contributions	\$ 5,545,887	\$ 5,445,343
Government grants and user fees	151,233	130,014
In-kind and food contributions	1,174,711	1,021,438
Capital campaign	441,800	-
Special events	411,541	334,610
Program fees	27,562	17,360
Rental income	-	28,400
Interest income	73,233	43,129
Dividend income	24	4,300
Miscellaneous	22,813	1,902
Unrealized gain (loss) on investments	6,984	(13,724)
Released from restrictions	1,210,688	344,688
Total support and revenues	9,066,476	7,357,460
Expenses:		
Program:		
Mission	5,528,631	5,155,217
Management and general	573,771	489,100
Fundraising	1,836,489	1,477,665
Total expenses	7,938,891	7,121,982
Change in Net Assets Without Donor Restrictions	1,127,585	235,478
Net Assets With Donor Restrictions:		
Grants/contributions	213,552	345,167
Capital campaign	3,675,404	-
Net assets released from restrictions	(1,210,688)	(344,688)
Change in Net Assets With Donor Restrictions	2,678,268	479
Change in Net Assets	3,805,853	235,957
Net Assets:		
Beginning of year	6,313,179	6,077,222
End of year	\$ 10,119,032	\$ 6,313,179

See accompanying notes to consolidated financial statements.

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED SEPTEMBER 30, 2019

	Totals	Mission Program	Management and General	Fundraising
Direct expenses:				
Salaries	\$ 2,555,712	\$ 1,969,810	\$ 267,293	\$ 318,609
Benefits	858,955	669,424	79,798	109,733
Food	667,501	666,026	8	1,467
In-kind donation expense	470,643	470,643	-	-
Building and occupancy costs	389,520	381,170	4,586	3,764
Depreciation	116,557	105,285	6,338	4,934
Client costs	378,864	378,864	-	-
Insurance	51,366	45,399	4,022	1,945
Professional fees	25,624	-	25,624	-
Vehicle and travel	57,245	50,341	5,664	1,240
Telephone	92,285	71,483	10,161	10,641
Equipment	128,265	108,155	8,420	11,690
Supplies	62,930	56,780	5,067	1,083
Training	50,235	21,366	20,719	8,150
Postage	36,103	709	1,090	34,304
Direct mail	780,052	56,071	-	723,981
Contracted services	582,852	168,096	67,231	347,525
Advertising	30,463	-	-	30,463
Special events	147,114	-	-	147,114
Program donations	276,454	273,404	-	3,050
Miscellaneous	180,151	35,605	67,750	76,796
Total expenses	<u>\$ 7,938,891</u>	<u>\$ 5,528,631</u>	<u>\$ 573,771</u>	<u>\$ 1,836,489</u>

See accompanying notes to consolidated financial statements.

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED SEPTEMBER 30, 2018

	Totals	Mission Program	Management and General	Fundraising
Direct expenses:				
Salaries	\$ 2,389,384	\$ 1,927,875	\$ 235,088	\$ 226,421
Benefits	717,529	575,723	73,576	68,230
Food	773,020	772,901	60	59
In-kind donation expense	261,345	261,345	-	-
Building and occupancy costs	410,554	398,477	7,226	4,851
Depreciation	123,503	113,270	5,785	4,448
Client costs	409,300	408,963	326	11
Insurance	60,628	53,243	4,956	2,429
Professional fees	25,441	3,108	22,333	-
Vehicle and travel	53,181	47,550	369	5,262
Telephone	64,729	52,013	5,940	6,776
Equipment	64,285	56,535	1,677	6,073
Supplies	44,911	40,545	2,536	1,830
Training	25,245	19,881	4,262	1,102
Postage	5,332	257	734	4,341
Direct mail	731,294	65,439	16,546	649,309
Contracted services	449,677	147,045	76,597	226,035
Advertising	95,757	556	50	95,151
Special events	95,813	-	-	95,813
Program donations	192,391	192,191	-	200
Miscellaneous	128,663	18,300	31,039	79,324
Total expenses	<u>\$ 7,121,982</u>	<u>\$ 5,155,217</u>	<u>\$ 489,100</u>	<u>\$ 1,477,665</u>

See accompanying notes to consolidated financial statements.

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

	2019	2018
Cash Flows From Operating Activities:		
Change in net assets	\$ 3,805,853	\$ 235,957
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	116,557	123,503
Net unrealized (gain) loss on investments	(6,984)	13,724
Change in:		
Grants and accounts receivable	60,310	(14,620)
Pledges receivable	(1,332,080)	-
Inventory	(248,549)	(93,095)
Prepaid expenses	(2,850)	(6,636)
Accounts payable	367,063	17,248
Accrued payroll and payroll taxes	(8,227)	(17,922)
Other current liabilities	1,862	-
Total adjustments	(1,052,898)	22,202
Net cash provided by (used in) operating activities	2,752,955	258,159
Cash Flows From Investing Activities:		
Purchase of investments	(2,521,698)	(2,736,855)
Sale of investments	3,697,923	2,823,889
Receipt of loan receivable	-	150,385
Purchase of property, equipment, and improvements	(1,186,252)	(328,424)
Net cash provided by (used in) investing activities	(10,027)	(91,005)
Net Increase (Decrease) in Cash and Cash Equivalents	2,742,928	167,154
Cash and Cash Equivalents:		
Beginning of year	543,848	376,694
End of year	\$ 3,286,776	\$ 543,848

See accompanying notes to consolidated financial statements.

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

1. Organization

Light of Life Ministries, Inc. was incorporated in 1952 as a faith-based Non-Profit Pennsylvania Corporation to provide food for the hungry, shelter for the homeless, and life transforming recovery services to people in need who desire to change their lives. Programs and services include counseling, job and life skills training, recovery courses, referrals for mental health care, and other supportive services. Light of Life Ministries, Inc.'s mission is to act as caregiver, advocate, and leader on behalf of the poor, hungry, and homeless in Greater Pittsburgh, and to serve as the region's organization of choice for urban mission work. As part of the mission, Light of Life Ministries, Inc. believes all citizens need to be made aware of the plight of the hungry, homeless, and troubled people of the area. Light of Life Ministries, Inc. is supported primarily by donor contributions located in Southwestern Pennsylvania.

L2 Community Support (L2CS) is a nonprofit publicly supported, charitable corporation incorporated under the laws of the Commonwealth of Pennsylvania. L2CS began operations in July 2016. L2CS is governed by a five-member Board of Directors. The Board of Directors is appointed by a majority of the Board of Directors of Light of Life Ministries, Inc, a Pennsylvania Nonprofit Corporation, and no member may serve on the Board of Directors without being so appointed. Light of Life is considered a separate, but related nonprofit and is considered to have a controlling financial interest in L2CS as a result of its ability to appoint all of the Board of Directors of L2CS. L2CS services the needs of the poor and homeless by providing emergency shelter, housing, and residential services to the homeless and persons with chronic mental illness. Residential services include, but are not limited to, teaching and assisting eligible individuals how to live independently in the community, how to prepare meals, budget money, and manage medications. Light of Life Ministries, Inc. provides services and rental space to L2CS so it can conduct its charitable activities, and all budgetary arrangements between the two organizations are overseen and approved by Allegheny County, Pennsylvania.

The September 30, 2019 and 2018 consolidated financial statements of Light of Life Ministries, Inc. and Affiliate (Corporation) include the following corporations: Light of Life Ministries, Inc. and L2CS. During the years ended September 30, 2019 and 2018, Light of Life Ministries, Inc. contributed \$360,796 and \$609,444, respectively, to L2CS to support L2CS operations until the grant revenue was received. These contributions, as well as all significant inter-entity balances and transactions, have been eliminated in consolidation.

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

2. Summary of Significant Accounting Policies

Basis of Presentation

The accrual basis of accounting is followed by the Corporation as applicable to not-for-profit organizations. Accordingly, revenues and support are recorded when earned and expenses are recognized when the liabilities are incurred.

The Corporation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions:

Net assets without donor restrictions are the net assets that are not subject to donor-imposed stipulations. Certain net assets in the amount of \$2,523,995 and \$1,001,264 for the year ended September 30, 2019 and 2018, respectively, without donor restrictions, have been designated by the Board of Directors (Board) for discretionary purposes.

Net assets with donor restrictions are the net assets that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature and result from contributions or other inflows of assets limited by donor stipulations that either expire by the passage of time or can be fulfilled and removed by actions of the Corporation pursuant to those stipulations. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources are maintained in perpetuity. The Corporation does not have any net assets with donor restrictions held in perpetuity for the years ending September 30, 2019 and 2018.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Corporation considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

Restricted Cash – Funds Held for Clients

Funds held for clients include cash and cash equivalents of \$35,240 and \$18,581 for September 30, 2019 and 2018, respectively. These funds represent clients' personal funds held on their behalf and provided to the clients as needed. An offsetting liability is recorded for these funds, as the Corporation is only the custodian of these funds.

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

Grants and Accounts Receivable

Grants and accounts receivable represent amounts due from funding sources for eligible expenditures incurred prior to reimbursement. Management has determined that no allowances were considered necessary at September 30, 2019 and 2018. All receivables are expected to be collected in one year.

Pledges Receivable

Pledges receivable are recorded as without donor restrictions and with donor restrictions and are recorded at fair value. When estimating the fair value of the pledge's receivable, management considers each pledge instrument individually. The relationship with the donor, the donor's history of making timely payments, and the donor's overall creditworthiness are considered and incorporated into a fair value measurement computed using present value techniques.

Investments

Investments are recorded at their fair value. Donated marketable securities and other non-cash donations are recorded as contributions at their estimated fair values at the date of donation.

Land, Buildings and Improvements, and Equipment

Land, buildings and improvements, and equipment are stated at cost, less accumulated depreciation. Acquisitions of property and equipment in excess of \$2,000 are capitalized. Maintenance, repairs, and acquisitions less than \$2,000 are charged to expense. Depreciation is computed over the estimated useful lives of the assets using the straight-line method. Donated equipment is recorded at fair value at the time of donation. Depreciation expense was \$116,557 and \$123,503 for the years ended September 30, 2019 and 2018, respectively.

Inventory

Inventory, which consist of undistributed donated clothing and toiletries for the homeless ministry, are reported at amounts that approximate fair value on the date of donation. The Corporation values the clothing at the average local thrift store price and toiletries are valued at the price per pound established by Feeding America.

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

Revenue Recognition

Revenue from government grants, user fees, and program service fees are recognized at the time the services are performed. Contributions are recognized as revenue when they are received or unconditionally pledged.

The Corporation reports gifts of cash and the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

The Corporation reports gifts of land, buildings, and equipment as support without donor restriction unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how these long-lived assets must be maintained, the Corporation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributions of services shall be recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The Corporation benefits from many hours of donated services that do not meet these criteria of revenue recognition yet are vital to the Corporation.

Income Taxes

Light of Life Ministries, Inc. and L2CS are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and have been classified as organizations that are not private foundations. Light of Life Ministries, Inc. and L2CS annually file a Form 990 as applicable.

Cost Allocation Plan

All expenses not charged directly to a program are allocated per the Corporation's cost allocation plan. The cost allocation plan uses direct expenses, hours of service, number of computers, square footage, and other sources as a basis in developing the cost allocation plan.

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Risk Factors

The Corporation's main source of revenue is earned through contributions from the Allegheny County (County) area. Thus, economic and demographic influences of individuals, corporations, and foundations in the County area have a substantial impact on the Corporation's operations. Additionally, the Corporation receives revenue from governmental grants and contracts. These governmental grants and contracts are entered into annually and could be significantly changed based upon government spending patterns.

Adopted Accounting Standard

The requirement of the following Financial Accounting Standards Board (FASB) standard was adopted for the financial statements:

For the year ended September 30, 2019, the Corporation adopted ASU 2016-14, "*Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*," which aims to improve how a nonprofit organization classifies its net assets and provides information in its financial statements and notes about its financial performance, cash flow, and liquidity. The implementation of this standard was applied retrospectively to the comparative amounts presented for the year ended September 30, 2018.

Beginning net assets for 2019 and 2018 that were previously reported as unrestricted have been reflected as net assets without donor restrictions. Beginning net assets for 2019 and 2018 that were previously reported as temporarily restricted and permanently restricted have been reflected as net assets with donor restrictions.

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

Pending Accounting Standards Updates

FASB has issued standards to the FASB Accounting Standards Codification that will become effective in future years as shown below. Management has not yet determined the impact of these standards on the Corporation's financial statements.

ASU 2014-09, "*Revenue from Contracts with Customers (Topic 606)*," is effective for the Corporation's financial statements for the year beginning after December 15, 2018. This standard provides a single, comprehensive revenue recognition model for all contracts with customers, and contains principles to determine the measurement of revenue and timing of when it is recognized.

ASU 2016-02, "*Leases (Topic 842)*," is effective for the Corporation's financial statements for the year beginning after December 15, 2020. This standard will require lessees to recognize assets and liabilities on the statement of financial position for the rights and obligations created by all leases with terms of more than twelve months. Disclosures also will be required by lessees to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

ASU 2016-13, "*Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*," is effective for the Corporation's financial statements for the year beginning after December 15, 2022 (as amended by ASU 2018-19). This standard requires a financial asset (or a group of financial assets) measured at amortized cost basis to be presented at the net amount expected to be collected. This includes loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash.

ASU 2016-18, "*Statement of Cash Flows (Topic 230): Restricted Cash*," is effective for the Corporation's financial statements for the year beginning after December 15, 2018. This standard requires that the statement of cash flows explain the change during the period in the total cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents.

ASU 2018-08, "*Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)*," is effective for the Corporation's financial statements for the year beginning after December 15, 2018. This standard provides guidance for characterizing grants and similar contracts with government agencies and others as reciprocal

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

transactions (exchanges) or nonreciprocal transactions (contributions) and distinguishing between conditional and unconditional contributions.

ASU 2018-13, "*Changes to the Disclosure Requirements for Fair Value Measurement (Topic 820)*," is effective for the Corporation's financial statements for the year beginning after December 15, 2019. This standard removes and modifies certain fair value hierarchy leveling disclosures.

Subsequent Events

Subsequent events have been evaluated through the Independent Auditor's Report date, which is the date the financial statements were available to be issued.

3. Description of Programs and Supporting Services

The following is a description of the Corporation's main programs and supporting services:

Mission Programs

The Corporation operates a long-term (12 months or more) recovery program for men, women, and children, in addition to outreach services that provide for the direct care of the needy and homeless populations. These include: a comprehensive recovery program consisting of transitional housing, counseling, education, work training, individual case management, and health care referrals; and Samaritan ministries providing meals, emergency shelter, chapel services, and community outreach. The goal of these programs is to equip people to transform their lives and function as productive employees, competent parents, and healthy, self-sufficient citizens to the greatest extent possible.

4. Deposits

Cash is held in banks that carry FDIC insurance. Book balance and bank balance of all cash and cash equivalents at September 30, 2019 are \$3,322,016 and \$3,510,512, respectively. Of the bank balance of \$3,510,512, \$813,213 was insured by the FDIC. Book balance and bank balance of all cash and cash equivalents at September 30, 2018 are \$562,429 and \$586,862, respectively. Of the bank balance of \$586,862, \$402,271 was insured by the FDIC. It is the opinion of management that the solvency of the financial institutions is not of particular concern at this time.

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

5. Investments, at Fair Value

The fair value of the investments as of September 30, 2019 and 2018 is \$1,793,386 and \$2,712,627, respectively.

The total returns on investments for the years ended September 30, 2019 and 2018 are summarized below:

	<u>2019</u>	<u>2018</u>
Interest and dividend income	\$ 73,257	\$ 47,429
Unrealized gain (loss)	<u>6,984</u>	<u>(13,724)</u>
Investment gain (loss) recognized	<u>\$ 80,241</u>	<u>\$ 33,705</u>

Accounting principles generally accepted in the United States of America establish a fair value hierarchy that prioritizes the inputs used to determine fair value and requires the Corporation to classify assets and liabilities carried at fair value based on observability of these inputs. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three levels of fair value hierarchy defined by the topic are:

Level 1: Quoted prices are available in active markets for identical assets or liabilities as of the reported date. Financial assets utilizing Level 1 inputs include active exchange-traded equity securities.

Level 2: Pricing inputs are other than the quoted prices in active markets, which are either directly or indirectly observable as of the reported date. The nature of these assets and liabilities includes items for which quoted prices are available but traded less frequently and items that are fair-valued using other financial instruments, the parameters of which can be directly observed.

Level 3: Assets and liabilities that have little to no pricing observability as of the reported date. These items do not have two-way markets and are measured using management's best estimate of fair value, where the inputs into the determination of fair value require significant management judgment or estimation. Level 3 inputs include all inputs that do not meet the requirements of Level 1 or Level 2.

The Corporation had no investments using Level 3 inputs at September 30, 2019 and 2018.

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

The following table sets forth by level, within the fair value hierarchy, the Corporation's assets at fair value as of September 30, 2019 and 2018:

	2019			2018		
	Total	Level 1	Level 2	Total	Level 1	Level 2
Mutual funds	\$ 539,544	\$ 539,544	\$ -	\$ -	\$ -	\$ -
Equity	842	842	-	1,815	1,815	-
Cash and cash alternatives:						
Money market	497	497	-	313,349	313,349	-
Certificates of deposit	1,252,503	-	1,252,503	2,397,463	-	2,397,463
Total	\$ 1,793,386	\$ 540,883	\$ 1,252,503	\$ 2,712,627	\$ 315,164	\$ 2,397,463

Investments include various certificates of deposit. The certificates of deposit are FDIC insured. The certificates of deposit bear interest ranging from 2.40% to 2.60%. There are penalties for early withdrawal; however, any penalty for early withdrawal would not have a material effect on the financial statements.

6. Pledge Receivable

The Pledge receivables are as follows at September 30, 2019:

Years ending September 30	Amount
2020	\$ 595,918
2021	519,007
2022	101,385
2023	69,385
2024	54,385
	1,340,080
Less - allowance for uncollectability	(8,000)
	<u>\$ 1,332,080</u>

Financial instruments, including pledges receivable, are valued under the fair market value hierarchy as Level 1, Level 2, and Level 3, as previously discussed in Note 5. As the Corporation's pledges receivable have no significant observable inputs, they are all classified as Level 3.

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

The following table summarizes the changes in fair values associated with Level 3 pledges receivable:

Beginning of the year balance	\$ -
Pledges Committed	1,807,861
Collection of pledges	<u>475,781</u>
End of the year balance	<u>\$ 1,332,080</u>

Pledges receivable of \$1,314,274 of the total \$1,332,080 relates to the Corporation's Capital Campaign for Homeless Recovery for the year ended September 30, 2019. Uncollectible pledges receivable are expected to be minimal and, therefore, an allowance for uncollectible pledges receivable of \$8,000 is recorded as of September 30, 2019. There was no pledges receivable related to the Capital Campaign for Homeless Recovery for the year ended September 30, 2018.

7. Certificates of Deposit

Investments for the year ended September 30, 2019 includes one certificate of deposit in the amount of \$250,000 with original maturity of 18 month. Investments for the year ended September 30, 2018 includes two certificates of deposit in the amount of \$500,000 with original maturity of 18 months. The certificates of deposit are FDIC insured. The certificates of deposit bear interest at 1.80%. There is a penalty for early withdrawal; however, any penalty for early withdrawal would not have a material effect on the financial statements.

8. Pension Plan

The Corporation has a voluntary-contributory defined contribution retirement plan (retirement plan) covering substantially all of its employees. The Corporation will match an employee deferral up to 4%, although the employee can defer any amount up to IRS limits. Expenses under the retirement plan for the years ended September 30, 2019 and 2018 were \$66,627 and \$43,539, respectively.

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

9. In-kind Donations

The Corporation receives in-kind donations of food and supplies that are used to support its various activities. The estimated fair value of these items is reported as support and expense in the period in which the food and supplies are provided.

The Corporation also received an in-kind donation of the former Executive Director's services for the year ended September 30, 2018. The estimated fair value of the service is reported as support and expense in the period in which the service is provided.

10. Net Assets With Donor Restrictions

Net assets with donor restrictions held for purpose restrictions for September 30, 2019 and 2018 consist of:

	<u>2019</u>	<u>2018</u>
Chaplaincy	\$ 2,146	\$ -
Education and employment	676	-
Food	9,217	-
Capital campaign - building project	2,679,629	10,600
Men's Recovery	-	2,800
	<u>\$ 2,691,668</u>	<u>\$ 13,400</u>

Net assets of \$1,210,688 and \$344,688 were released from donor restrictions during the fiscal years ended September 30, 2019 and 2018, respectively, by incurring expenses satisfying the restricted purpose.

11. Designations of Net Assets Without Donor Restrictions

Net assets without donor restrictions are available to support the Corporation's operations and may be used at the discretion of the Corporation's Board. The Board has designated a portion of the net assets without donor restrictions for building and program expansion. At September 30, 2019 and 2018, the amount designated for building and program expansion was \$2,523,995 and \$1,001,264, respectively.

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

12. Contingencies

The Corporation is currently receiving revenue under grants and contracts from governmental agencies. Certain of these grants and contracts provide for retroactive repayments of any unexpended revenue based upon an audit of the Corporation's costs of providing the services. Management is of the opinion that adjustments, if any, would not be significant.

13. Fixed Assets

	<u>September 30, 2018</u>	<u>Additions</u>	<u>Deletions</u>	<u>September 30, 2019</u>
Land	\$ 72,756	\$ 214,108	\$ -	\$ 286,864
Buildings and improvements	3,107,924	88,416	-	3,196,340
Equipment	406,945	24,179	-	431,124
Vehicles	119,351	7,000	-	126,351
Construction in progress	519,751	856,572	(4,023)	1,372,300
	<u>4,226,727</u>	<u>1,190,275</u>	<u>(4,023)</u>	<u>5,412,979</u>
Accumulated depreciation	<u>(1,785,541)</u>	<u>(116,557)</u>	<u>-</u>	<u>(1,902,098)</u>
	<u>\$ 2,441,186</u>	<u>\$ 1,073,718</u>	<u>\$ (4,023)</u>	<u>\$ 3,510,881</u>

	<u>September 30, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>September 30, 2018</u>
Land	\$ 72,756	\$ -	\$ -	\$ 72,756
Buildings and improvements	3,077,634	30,290	-	3,107,924
Equipment	387,573	19,372	-	406,945
Vehicles	93,098	26,253	-	119,351
Construction in progress	267,242	285,882	(33,373)	519,751
	<u>3,898,303</u>	<u>361,797</u>	<u>(33,373)</u>	<u>4,226,727</u>
Accumulated depreciation	<u>(1,662,038)</u>	<u>(123,503)</u>	<u>-</u>	<u>(1,785,541)</u>
	<u>\$ 2,236,265</u>	<u>\$ 238,294</u>	<u>\$ (33,373)</u>	<u>\$ 2,441,186</u>

Construction in progress for the year ended September 30, 2019 and 2018 related to construction and improvements for the Madison Avenue and Ridge Avenue Properties. Depreciation expense for the year ended September 30, 2019 and 2018, was \$116,557 and \$123,503, respectively.

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

14. Unemployment Compensation Reserve

The Corporation has elected to self-insure against its unemployment claims and has entered into an unemployment savings program with First Nonprofit, LLC. The Corporation makes quarterly payments into its unemployment savings plan as directed by First Nonprofit, LLC and uses the funds to create a reserve from which unemployment claims are paid when incurred. The Corporation is responsible for all claims up to a maximum of \$75,000, First Nonprofit, LLC is responsible for all claims exceeding \$75,000, up to a maximum of \$225,000.

The balance in the reserve account was \$56,300 at September 30, 2019 and \$53,267 at September 30, 2018 and earns interest on the average quarterly balance of approximately 2%. The balance is included in prepaid expenses on the statements of financial position. When the Corporation has claims in excess of the reserve account, the Corporation is charged an interest rate of 2%. The Corporation has the option to withdraw the reserve funds from the plan at their discretion.

15. Lines of Credit

The Corporation has two operating lines of credit with two regional financial institutions: one for \$350,000 and one for \$100,000, with interest rates of 6.00% and 5.75%, respectively. Additionally, the Corporation entered into a line of credit agreement in July 2019 to defray certain costs of renovation and construction to the building and premises located at Madison Avenue, for \$3,000,000, with the interest rate of 4.00%. As of September 30, 2019 and 2018, the outstanding balance of the line of credits was \$0.

16. Transactions with Family Guidance, Inc.

On June 30, 2016, the Corporation entered into a credit and financial support agreement with Family Guidance, Inc., a 501 (c)(3) operating in the Pittsburgh market with similar programs as the Corporation, in which Family Guidance, Inc. may borrow up to \$600,000 from the Corporation to be split evenly between contributions and loans. This agreement ended on February 28, 2018 and the agreement was not formally extended. As of September 30, 2018 the loan was fully paid off. The loan was secured by Family Guidance, Inc.'s escrow account from proceeds of the sale of capital assets as described in the credit and financial support agreement. The Corporation supported Family Guidance, Inc. financially through donations of \$225,000 and \$175,000 for the years ended September 30, 2019 and 2018, respectively.

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

In addition, the Corporation provides administrative and fundraising services to Family Guidance, Inc. for expenses as incurred under a management agreement entered into on June 30, 2016. Family Guidance, Inc. incurred approximately \$121,000 and \$106,000 in expenses related to the management agreement for the years ended September 30, 2019 and 2018, respectively. As of September 30, 2019 and 2018, Family Guidance, Inc. owed approximately \$17,000 and \$50,000, respectively, for expenses incurred.

Family Guidance, Inc. also entered into a one-year lease agreement with the Corporation beginning June 30, 2016 for the use of the Corporation's property. Lease rental income for this operating lease is \$2,366 per month. The lease was extended until June 30, 2018, at which time the lease payments were month to month until September 30, 2018. As of September 30, 2018, Family Guidance, Inc. no longer pays rent to the Corporation.

Family Guidance, Inc. and the Corporation remain two separate entities as of September 30, 2019. The two companies have agreed to end their affiliation effective September 30, 2020.

17. Liquidity and Availability

The Corporation manages its liquid resources by focusing on fundraising efforts to ensure the entity has adequate contributions and grants to cover the programs that are being conducted. The Corporation prepares very detailed budgets and has been very active in fundraising as well as cost management to ensure the entity remains liquid. Additionally, as noted in Footnote 15, the Corporation has three lines of credit on which it can draw.

The following reflects the Corporation's financial assets (cash and cash equivalents, grants and accounts receivable, pledged receivable, and investments) as of September 30, 2019, expected to be available within one year to meet the cash needs for general expenditures:

Financial assets, at year-end	\$ 6,725,048
Less: those unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions:	
Designated by the Board	(2,523,995)
Restricted by donor with purpose restrictions	<u>(2,691,668)</u>
Financial asset available to meet cash needs for general expenditures within one year	<u>\$ 1,509,385</u>

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED SEPTEMBER 30, 2019 AND 2018

18. Subsequent Event

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closing of various non-essential services. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings. The Corporation continues to operate all programs deemed to be essential services needed to promote the general welfare of homeless persons. The related financial impact on the Organization and duration cannot be reasonably estimated at this time.

SUPPLEMENTARY INFORMATION

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

YEAR ENDED SEPTEMBER 30, 2019

<u>Assets</u>	<u>Light of Life Ministries, Inc.</u>	<u>L2 Community Support</u>	<u>Subtotal</u>	<u>Eliminations</u>	<u>Total</u>
Current assets:					
Cash and cash equivalents	\$ 3,139,263	\$ 147,513	\$ 3,286,776	\$ -	\$ 3,286,776
Restricted cash, client accounts	35,240	-	35,240	-	35,240
Grants and accounts receivable	16,665	46,141	62,806	-	62,806
Pledges receivable	595,918	-	595,918	-	595,918
Inventory	353,997	-	353,997	-	353,997
Prepaid expenses	178,708	596	179,304	-	179,304
Total current assets	<u>4,319,791</u>	<u>194,250</u>	<u>4,514,041</u>	<u>-</u>	<u>4,514,041</u>
Noncurrent assets:					
Pledges receivable, net of allowance	<u>736,162</u>	<u>-</u>	<u>736,162</u>	<u>-</u>	<u>736,162</u>
Investments:					
Investments, at fair value	1,793,386	-	1,793,386	-	1,793,386
Certificates of Deposit	<u>250,000</u>	<u>-</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Total investments	<u>2,043,386</u>	<u>-</u>	<u>2,043,386</u>	<u>-</u>	<u>2,043,386</u>
Property at cost:					
Land	286,864	-	286,864	-	286,864
Buildings and improvements	3,196,340	-	3,196,340	-	3,196,340
Equipment	431,124	-	431,124	-	431,124
Vehicles	126,351	-	126,351	-	126,351
Construction in progress	<u>1,372,300</u>	<u>-</u>	<u>1,372,300</u>	<u>-</u>	<u>1,372,300</u>
Total property at cost	5,412,979	-	5,412,979	-	5,412,979
Less: accumulated depreciation	<u>1,902,098</u>	<u>-</u>	<u>1,902,098</u>	<u>-</u>	<u>1,902,098</u>
Net property	<u>3,510,881</u>	<u>-</u>	<u>3,510,881</u>	<u>-</u>	<u>3,510,881</u>
Total noncurrent assets	<u>6,290,429</u>	<u>-</u>	<u>6,290,429</u>	<u>-</u>	<u>6,290,429</u>
Total Assets	<u><u>\$ 10,610,220</u></u>	<u><u>\$ 194,250</u></u>	<u><u>\$ 10,804,470</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 10,804,470</u></u>

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

YEAR ENDED SEPTEMBER 30, 2019

(Continued)

	Light of Life Ministries, Inc.	L2 Community Support	Subtotal	Eliminations	Total
Liabilities and Net Assets					
Liabilities:					
Current liabilities:					
Accounts payable	\$ 538,751	\$ 18,181	\$ 556,932	\$ -	\$ 556,932
Restricted cash, client accounts	35,240	-	35,240	-	35,240
Accrued payroll and payroll taxes	91,404	-	91,404	-	91,404
Other current liabilities	1,862	-	1,862	-	1,862
Total Liabilities	667,257	18,181	685,438	-	685,438
Net Assets:					
Without donor restrictions:					
Board-designated	2,523,995	-	2,523,995	-	2,523,995
Undesignated	4,727,300	176,069	4,903,369	-	4,903,369
Total without donor restrictions	7,251,295	176,069	7,427,364	-	7,427,364
With donor restrictions	2,691,668	-	2,691,668	-	2,691,668
Total Net Assets	9,942,963	176,069	10,119,032	-	10,119,032
Total Liabilities and Net Assets	\$ 10,610,220	\$ 194,250	\$ 10,804,470	\$ -	\$ 10,804,470

(Concluded)

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

YEAR ENDED SEPTEMBER 30, 2018

Assets	Light of Life Ministries, Inc.	L2 Community Support	Subtotal	Eliminations	Total
Current assets:					
Cash and cash equivalents	\$ 509,419	\$ 34,429	\$ 543,848	\$ -	\$ 543,848
Restricted cash, client accounts	18,581	-	18,581	-	18,581
Grants and accounts receivable	50,127	72,989	123,116	-	123,116
Pledges receivable	-	-	-	-	-
Inventory	105,448	-	105,448	-	105,448
Prepaid expenses	157,435	19,019	176,454	-	176,454
Total current assets	841,010	126,437	967,447	-	967,447
Noncurrent assets:					
Pledges receivable, net of allowance	-	-	-	-	-
Investments:					
Investments, at fair value	2,712,627	-	2,712,627	-	2,712,627
Certificates of Deposit	250,000	250,000	500,000	-	500,000
Total investments	2,962,627	250,000	3,212,627	-	3,212,627
Property at cost:					
Land	72,756	-	72,756	-	72,756
Buildings and improvements	3,107,924	-	3,107,924	-	3,107,924
Equipment	406,945	-	406,945	-	406,945
Vehicles	119,351	-	119,351	-	119,351
Construction in progress	519,751	-	519,751	-	519,751
Total property at cost	4,226,727	-	4,226,727	-	4,226,727
Less: accumulated depreciation	1,785,541	-	1,785,541	-	1,785,541
Net property	2,441,186	-	2,441,186	-	2,441,186
Total noncurrent assets	5,403,813	250,000	5,653,813	-	5,653,813
Total Assets	\$ 6,244,823	\$ 376,437	\$ 6,621,260	\$ -	\$ 6,621,260

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

YEAR ENDED SEPTEMBER 30, 2018

(Continued)

	Light of Life Ministries, Inc.	L2 Community Support	Subtotal	Eliminations	Total
Liabilities and Net Assets					
Liabilities:					
Current liabilities:					
Accounts payable	\$ 104,101	\$ 85,768	\$ 189,869	\$ -	\$ 189,869
Restricted cash, client accounts	18,581	-	18,581	-	18,581
Accrued payroll and payroll taxes	99,631	-	99,631	-	99,631
Other current liabilities	-	-	-	-	-
	222,313	85,768	308,081	-	308,081
Net Assets:					
Without donor restrictions:					
Board-designated	1,001,264	-	1,001,264	-	1,001,264
Undesignated	5,007,846	290,669	5,298,515	-	5,298,515
	6,009,110	290,669	6,299,779	-	6,299,779
Total without donor restrictions					
With donor restrictions	13,400	-	13,400	-	13,400
	6,022,510	290,669	6,313,179	-	6,313,179
Total Net Assets					
Total Liabilities and Net Assets	\$ 6,244,823	\$ 376,437	\$ 6,621,260	\$ -	\$ 6,621,260

(Concluded)

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

CONSOLIDATING SCHEDULE OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2019

	Light of Life Ministries, Inc.	L2 Community Support	Subtotal	Eliminations	Total
Net Assets Without Donor Restrictions:					
Support and revenues:					
Contributions	\$ 5,545,887	\$ 360,796	\$ 5,906,683	\$ (360,796)	\$ 5,545,887
Government grants and user fees	-	151,233	151,233	-	151,233
In-kind and food contributions	1,174,711	-	1,174,711	-	1,174,711
Capital campaign	441,800	-	441,800	-	441,800
Special events	411,541	-	411,541	-	411,541
Program fees	27,562	-	27,562	-	27,562
Rental income	-	-	-	-	-
Interest income	73,233	-	73,233	-	73,233
Dividend income	24	-	24	-	24
Miscellaneous	14,354	8,459	22,813	-	22,813
Unrealized gain (loss) on investments	6,984	-	6,984	-	6,984
Released from restrictions	1,210,688	-	1,210,688	-	1,210,688
Total support and revenues	8,906,784	520,488	9,427,272	(360,796)	9,066,476
Expenses:					
Program:					
Mission	5,266,722	622,705	5,889,427	(360,796)	5,528,631
Management and general	562,429	11,342	573,771	-	573,771
Fundraising	1,835,448	1,041	1,836,489	-	1,836,489
Total expenses	7,664,599	635,088	8,299,687	(360,796)	7,938,891
Change in Net Assets Without Donor Restrictions	1,242,185	(114,600)	1,127,585	-	1,127,585
Net Assets With Donor Restrictions:					
Grants/contributions	213,552	-	213,552	-	213,552
Capital campaign	3,675,404	-	3,675,404	-	3,675,404
Net assets released from restrictions	(1,210,688)	-	(1,210,688)	-	(1,210,688)
Change in Net Assets With Donor Restrictions	2,678,268	-	2,678,268	-	2,678,268
Change in Net Assets	3,920,453	(114,600)	3,805,853	-	3,805,853
Net Assets:					
Beginning of year	6,022,510	290,669	6,313,179	-	6,313,179
End of year	<u>\$ 9,942,963</u>	<u>\$ 176,069</u>	<u>\$ 10,119,032</u>	<u>\$ -</u>	<u>\$ 10,119,032</u>

LIGHT OF LIFE MINISTRIES, INC. AND AFFILIATE

CONSOLIDATING SCHEDULE OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2018

	Light of Life Ministries, Inc.	L2 Community Support	Subtotal	Eliminations	Total
Net Assets Without Donor Restrictions:					
Support and revenues:					
Contributions	\$ 5,445,343	\$ 609,944	\$ 6,055,287	\$ (609,944)	\$ 5,445,343
Government grants and user fees	-	130,014	130,014	-	130,014
In-kind and food contributions	1,021,438	-	1,021,438	-	1,021,438
Capital campaign	-	-	-	-	-
Special events	334,610	-	334,610	-	334,610
Program fees	17,360	-	17,360	-	17,360
Rental income	28,400	-	28,400	-	28,400
Interest income	43,129	-	43,129	-	43,129
Dividend income	4,300	-	4,300	-	4,300
Miscellaneous	1,902	-	1,902	-	1,902
Unrealized gain (loss) on investments	(13,724)	-	(13,724)	-	(13,724)
Released from restrictions	344,688	-	344,688	-	344,688
Total support and revenues	7,227,446	739,958	7,967,404	(609,944)	7,357,460
Expenses:					
Program:					
Mission	4,919,306	845,855	5,765,161	(609,944)	5,155,217
Management and general	464,064	25,036	489,100	-	489,100
Fundraising	1,464,021	13,644	1,477,665	-	1,477,665
Total expenses	6,847,391	884,535	7,731,926	(609,944)	7,121,982
Change in Net Assets Without Donor Restrictions	380,055	(144,577)	235,478	-	235,478
Net Assets With Donor Restrictions:					
Grants/contributions	345,167	-	345,167	-	345,167
Capital campaign	-	-	-	-	-
Net assets released from restrictions	(344,688)	-	(344,688)	-	(344,688)
Change in Net Assets With Donor Restrictions	479	-	479	-	479
Change in Net Assets	380,534	(144,577)	235,957	-	235,957
Net Assets:					
Beginning of year	5,641,976	435,246	6,077,222	-	6,077,222
End of year	<u>\$ 6,022,510</u>	<u>\$ 290,669</u>	<u>\$ 6,313,179</u>	<u>\$ -</u>	<u>\$ 6,313,179</u>