

WHEAT RIDGE MINISTRIES

Financial Statements
With Independent Auditors' Report

June 30, 2017 and 2016

WHEAT RIDGE MINISTRIES

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Wheat Ridge Ministries
Itasca, Illinois

We have audited the accompanying financial statements of Wheat Ridge Ministries, which comprise the statements of financial position as of June 30, 2017 and 2016, 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 audits 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
Wheat Ridge Ministries
Itasca, Illinois

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wheat Ridge Ministries as of June 30, 2017 and 2016, 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

Wheaton, Illinois
November 6, 2017

WHEAT RIDGE MINISTRIES

Statements of Financial Position

| | June 30, | |
|---|----------------------|----------------------|
| | 2017 | 2016 |
| ASSETS: | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 187,226 | \$ 213,460 |
| Short-term investments | 165,679 | 27,668 |
| Other receivables | 53,902 | 40,126 |
| Contributions and planned gifts receivable | 25,000 | - |
| Prepaid expenses | 74,819 | 62,391 |
| | 506,626 | 343,645 |
| Furniture and equipment - net | 23,570 | 22,058 |
| Cash surrender value of life insurance | 14,508 | 42,384 |
| Long-term investments | 10,402,571 | 9,831,976 |
| Funds held in trust by others | 1,567,483 | 1,379,018 |
| | \$ 12,514,758 | \$ 11,619,081 |
| LIABILITIES AND NET ASSETS: | | |
| Current liabilities: | | |
| Accounts payable | \$ 73,673 | \$ 78,664 |
| Accrued expenses | 64,013 | 110,571 |
| Grants payable, current portion | 418,426 | 429,228 |
| | 556,112 | 618,463 |
| Grants payable, net of current portion | 200,661 | 171,651 |
| | 756,773 | 790,114 |
| Net assets: | | |
| Unrestricted: | | |
| Board designated for investments | 8,956,431 | 8,338,881 |
| Net investment in furniture and equipment | 23,570 | 22,058 |
| Undesignated | (929,473) | (893,292) |
| | 8,050,528 | 7,467,647 |
| Temporarily restricted | 843,847 | 710,602 |
| Permanently restricted: | | |
| General and named endowments | 735,857 | 616,020 |
| Walther League Legacy Endowment | 1,038,670 | 1,038,520 |
| Funds held in trust by others - interest in perpetual trusts | 1,089,083 | 996,178 |
| | 2,863,610 | 2,650,718 |
| | 11,757,985 | 10,828,967 |
| Total Liabilities and Net Assets | \$ 12,514,758 | \$ 11,619,081 |

See notes to financial statements

WHEAT RIDGE MINISTRIES

Statement of Activities Year Ended June 30, 2017

| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
|---|---------------------|---------------------------|---------------------------|----------------------|
| SUPPORT AND REVENUE: | | | | |
| Support: | | | | |
| Contributions: | | | | |
| Individuals | \$ 1,348,432 | \$ 409,860 | \$ 36,660 | \$ 1,794,952 |
| Congregations | 50,453 | 2,285 | - | 52,738 |
| Schools | 613 | 1,751 | - | 2,364 |
| Organizations | 18,146 | 1,700 | - | 19,846 |
| Change in value of funds held by others | - | 75,057 | 92,906 | 167,963 |
| Planned gifts | 625,906 | 19,212 | 83,326 | 728,444 |
| | <u>2,043,550</u> | <u>509,865</u> | <u>212,892</u> | <u>2,766,307</u> |
| Revenue: | | | | |
| Investment income | 231,692 | 46,652 | - | 278,344 |
| Net investment gains | 902,897 | 194,887 | - | 1,097,784 |
| Other income | 3,397 | - | - | 3,397 |
| | <u>1,137,986</u> | <u>241,539</u> | <u>-</u> | <u>1,379,525</u> |
| Net assets released from: | | | | |
| Purpose restrictions | <u>618,159</u> | <u>(618,159)</u> | <u>-</u> | <u>-</u> |
| Total support and revenue | <u>3,799,695</u> | <u>133,245</u> | <u>212,892</u> | <u>4,145,832</u> |
| EXPENSES: | | | | |
| Program activities: | | | | |
| Grants and projects | 919,385 | - | - | 919,385 |
| Program education | 758,554 | - | - | 758,554 |
| Program support | 404,619 | - | - | 404,619 |
| | <u>2,082,558</u> | <u>-</u> | <u>-</u> | <u>2,082,558</u> |
| Supporting activities: | | | | |
| Management and general | 344,633 | - | - | 344,633 |
| Fund-raising | 789,623 | - | - | 789,623 |
| | <u>1,134,256</u> | <u>-</u> | <u>-</u> | <u>1,134,256</u> |
| Total expenses | <u>3,216,814</u> | <u>-</u> | <u>-</u> | <u>3,216,814</u> |
| Change in Net Assets | 582,881 | 133,245 | 212,892 | 929,018 |
| Net Assets, Beginning of Year | <u>7,467,647</u> | <u>710,602</u> | <u>2,650,718</u> | <u>10,828,967</u> |
| Net Assets, End of Year | <u>\$ 8,050,528</u> | <u>\$ 843,847</u> | <u>\$ 2,863,610</u> | <u>\$ 11,757,985</u> |

See notes to financial statements

WHEAT RIDGE MINISTRIES

Statement of Activities Year Ended June 30, 2016

| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
|---|---------------------|---------------------------|---------------------------|----------------------|
| SUPPORT AND REVENUE: | | | | |
| Support: | | | | |
| Contributions: | | | | |
| Individuals | \$ 1,393,795 | \$ 289,580 | \$ 134,179 | \$ 1,817,554 |
| Congregations | 54,213 | 14,862 | - | 69,075 |
| Schools | 2,328 | 1,270 | - | 3,598 |
| Organizations | 59,427 | 44,184 | 25,350 | 128,961 |
| Change in value of funds held by others | - | 14,637 | (62,920) | (48,283) |
| Planned gifts | 242,720 | (968) | - | 241,752 |
| | <u>1,752,483</u> | <u>363,565</u> | <u>96,609</u> | <u>2,212,657</u> |
| Revenue: | | | | |
| Investment income | 305,849 | 62,906 | - | 368,755 |
| Net investment losses | (536,670) | (115,774) | - | (652,444) |
| Other income | 66,567 | - | - | 66,567 |
| | <u>(164,254)</u> | <u>(52,868)</u> | <u>-</u> | <u>(217,122)</u> |
| Net assets released from: | | | | |
| Purpose restrictions | 666,274 | (666,274) | - | - |
| Total support and revenue | <u>2,254,503</u> | <u>(355,577)</u> | <u>96,609</u> | <u>1,995,535</u> |
| EXPENSES: | | | | |
| Ministry activities: | | | | |
| Grants and projects | 1,295,377 | - | - | 1,295,377 |
| Program education | 712,913 | - | - | 712,913 |
| Program support | 379,273 | - | - | 379,273 |
| | <u>2,387,563</u> | <u>-</u> | <u>-</u> | <u>2,387,563</u> |
| Supporting activities: | | | | |
| Management and general | 481,756 | - | - | 481,756 |
| Fund-raising | 942,223 | - | - | 942,223 |
| | <u>1,423,979</u> | <u>-</u> | <u>-</u> | <u>1,423,979</u> |
| Total expenses | <u>3,811,542</u> | <u>-</u> | <u>-</u> | <u>3,811,542</u> |
| Change in Net Assets | (1,557,039) | (355,577) | 96,609 | (1,816,007) |
| Net Assets, Beginning of Year | <u>9,024,686</u> | <u>1,066,179</u> | <u>2,554,109</u> | <u>12,644,974</u> |
| Net Assets, End of Year | <u>\$ 7,467,647</u> | <u>\$ 710,602</u> | <u>\$ 2,650,718</u> | <u>\$ 10,828,967</u> |

See notes to financial statements

WHEAT RIDGE MINISTRIES

Statement of Functional Expenses Year Ended June 30, 2017

| | Program Activities | | | Supporting Activities | | | | Total |
|--------------------------------|---------------------|-------------------|-------------------|--------------------------|------------------------|-------------------|-----------------------------|---------------------|
| | Grants and Projects | Program Education | Program Support | Total Program Activities | Management and General | Fund-raising | Total Supporting Activities | |
| Salaries | \$ 41,217 | \$ 354,383 | \$ 261,195 | \$ 656,795 | \$ 91,837 | \$ 271,667 | \$ 363,504 | \$ 1,020,299 |
| Employee benefits | 27,786 | 60,076 | 44,555 | 132,417 | 51,110 | 38,015 | 89,125 | 221,542 |
| Payroll taxes | 3,887 | 26,428 | 15,262 | 45,577 | (3,061) | 22,739 | 19,678 | 65,255 |
| Professional services | 14,000 | 65,400 | 30,274 | 109,674 | 58,943 | 97,946 | 156,889 | 266,563 |
| Supplies | - | 1,364 | - | 1,364 | 22,752 | 679 | 23,431 | 24,795 |
| Telephone | - | 4,887 | 1,819 | 6,706 | 677 | 4,759 | 5,436 | 12,142 |
| Postage & shipping | 591 | 35,281 | 4,517 | 40,389 | 2,931 | 65,697 | 68,628 | 109,017 |
| Occupancy | - | 27,254 | 30,449 | 57,703 | 6,673 | 29,603 | 36,276 | 93,979 |
| Public information | 4,962 | 101,994 | - | 106,956 | 5,142 | 142,479 | 147,621 | 254,577 |
| Local transportation | - | 30 | - | 30 | - | - | - | 30 |
| Conferences & meetings | 62,062 | 76,299 | 6,819 | 145,180 | 70,999 | 80,504 | 151,503 | 296,683 |
| Subscriptions & publications | - | 49 | 53 | 102 | 284 | 146 | 430 | 532 |
| Organization dues | 459 | 45 | 970 | 1,474 | 3,135 | 2,390 | 5,525 | 6,999 |
| Grants & projects | 764,421 | - | - | 764,421 | - | - | - | 764,421 |
| Equipment rental & maintenance | - | 73 | 3,178 | 3,251 | 19,906 | 27,453 | 47,359 | 50,610 |
| Insurance | - | 2,877 | 3,166 | 6,043 | 12,787 | 3,250 | 16,037 | 22,080 |
| Depreciation | - | 2,114 | 2,362 | 4,476 | 518 | 2,296 | 2,814 | 7,290 |
| | <u>\$ 919,385</u> | <u>\$ 758,554</u> | <u>\$ 404,619</u> | <u>\$ 2,082,558</u> | <u>\$ 344,633</u> | <u>\$ 789,623</u> | <u>\$ 1,134,256</u> | <u>\$ 3,216,814</u> |

See notes to financial statements

WHEAT RIDGE MINISTRIES

Statement of Functional Expenses Year Ended June 30, 2016

| | Program Activities | | | Supporting Activities | | | Total | |
|-----------------------------------|---------------------------|----------------------|--------------------|--------------------------------|------------------------------|-------------------|---------------------|-----------------------------------|
| | Grants and Projects | Program Education | Program Support | Total Program Activities | Management and General | Fund- raising | | Total Supporting Activities |
| Salaries | \$ 211,234 | \$ 300,803 | \$ 228,029 | \$ 740,066 | \$ 123,004 | \$ 379,790 | \$ 502,794 | \$ 1,242,860 |
| Employee benefits | 31,899 | 72,458 | 64,289 | 168,646 | 54,812 | 36,367 | 91,179 | 259,825 |
| Payroll taxes | 9,316 | 21,180 | 19,988 | 50,484 | 6,992 | 24,955 | 31,947 | 82,431 |
| Professional services | 2,545 | 38,598 | 13,091 | 54,234 | 104,777 | 98,068 | 202,845 | 257,079 |
| Supplies | 1,267 | 5,022 | 443 | 6,732 | 46,155 | 3,524 | 49,679 | 56,411 |
| Telephone | - | 4,911 | 2,207 | 7,118 | 662 | 5,905 | 6,567 | 13,685 |
| Postage & shipping | 1,733 | 42,497 | 3,262 | 47,492 | 7,449 | 96,010 | 103,459 | 150,951 |
| Occupancy | - | 22,487 | 30,139 | 52,626 | 8,678 | 32,005 | 40,683 | 93,309 |
| Public information | 8,759 | 130,619 | - | 139,378 | 2,325 | 181,457 | 183,782 | 323,160 |
| Local transportation | 300 | 518 | 244 | 1,062 | 22 | 380 | 402 | 1,464 |
| Conferences & meetings | 168,096 | 70,062 | 8,398 | 246,556 | 89,483 | 50,088 | 139,571 | 386,127 |
| Subscriptions & publications | 399 | - | 7 | 406 | 1,105 | 80 | 1,185 | 1,591 |
| Organization dues | 224 | 295 | 920 | 1,439 | 5,532 | 622 | 6,154 | 7,593 |
| Grants & projects | 859,605 | - | - | 859,605 | - | - | - | 859,605 |
| Equipment rental & maintenance | - | - | 3,600 | 3,600 | 19,043 | 33,285 | 52,328 | 55,928 |
| Insurance | - | 2,012 | 2,697 | 4,709 | 11,155 | (2,386) | 8,769 | 13,478 |
| Depreciation | - | 1,451 | 1,959 | 3,410 | 562 | 2,073 | 2,635 | 6,045 |
| | <u>\$ 1,295,377</u> | <u>\$ 712,913</u> | <u>\$ 379,273</u> | <u>\$ 2,387,563</u> | <u>\$ 481,756</u> | <u>\$ 942,223</u> | <u>\$ 1,423,979</u> | <u>\$ 3,811,542</u> |

See notes to financial statements

WHEAT RIDGE MINISTRIES

Statements of Cash Flows

| | Year Ended June 30, | |
|---|---------------------|----------------|
| | 2017 | 2016 |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Reconciliation of change in net assets to net cash used in operating activities: | | |
| Change in net assets | \$ 929,018 | \$ (1,816,007) |
| Adjustments to reconcile change in net assets to net cash used in operating activities: | | |
| Depreciation | 7,290 | 6,045 |
| Gain on sale of investments | (367,393) | (112,693) |
| Net unrealized (gains) losses on investments | (730,391) | 765,137 |
| Loss on disposal of equipment | - | 2,143 |
| Decrease in value on cash surrender value of life insurance | 28,073 | 39,728 |
| Contributions restricted for endowments | (119,986) | (159,529) |
| Changes in: | | |
| Other receivables | (13,776) | 44,529 |
| Contributions and planned gifts receivable | (25,000) | 110,000 |
| Interest receivable and prepaid expenses | (12,428) | 21,265 |
| Funds held in trust by others | (188,465) | 132,788 |
| Accounts payable and accrued expenses | (51,549) | 64,652 |
| Grants payable | 18,208 | (46,252) |
| Net Cash Used in Operating Activities | (526,399) | (948,194) |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Purchase of investments | (3,326,722) | (2,620,673) |
| Proceeds from sale of investments | 3,715,898 | 3,336,175 |
| Premiums paid on life insurance policies | (197) | (1,323) |
| Purchase of furniture and equipment | (8,800) | (18,028) |
| Net Cash Provided by Investing Activities | 380,179 | 696,151 |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Proceeds from contributions restricted for endowments | 119,986 | 159,529 |
| Net Cash Provided by Financing Activities | 119,986 | 159,529 |
| Net Change in Cash and Cash Equivalents | (26,234) | (92,514) |
| Cash and Cash Equivalents, Beginning of Year | 213,460 | 305,974 |
| Cash and Cash Equivalents, End of Year | \$ 187,226 | \$ 213,460 |
| SUPPLEMENTAL DISCLOSURES: | | |
| Disposal of fully depreciated equipment | \$ 3,616 | \$ - |

See notes to financial statements

WHEAT RIDGE MINISTRIES

Notes to Financial Statements
June 30, 2017 and 2016

1. NATURE OF ORGANIZATION:

Wheat Ridge Ministries (WRM) is a nonprofit organization that helps health and human care initiatives get off the ground by providing the initial funding and support they need to thrive. WRM's dedication to serve others comes from our Christian faith. Affiliated with the Lutheran Church, WRM believes that just as Jesus Christ served others, WRM too is called to help others experience a more abundant life. WRM partners with congregations, nonprofit organizations, and Lutheran agencies to carry out its mission: "Lutherans seeding new ministries of health and hope in the name of the healing Christ."

WRM accomplishes its mission in three ways: provides seed grants to congregations and organizations starting new human care initiatives; convenes and connects leaders in key topic areas to collaborate and share knowledge; and promotes resources that aid the growth of new human care ministries.

Currently, grants are made under these grant programs:

GrantsPlus: Considers requests for new health and human care programs sponsored by congregations, agencies and emerging nonprofit organizations. Grant awards range from \$5,000 to \$50,000 payable over two to three years. The program will expect grant recipients to participate in capacity building opportunities that would strengthen the sustainability of their program.

Joshua Grants: Considers requests from Lutheran congregations, organizations and agencies committed to launching new ministries of health and hope in their community. This program will award one-year matching grants ranging from \$1,000 to \$5,000.

Emerging Leader Grants: One-time grants of up to \$5,000 over one year or \$10,000 over two years for a human care ministry project designed and led by young adult leaders in the Lutheran community. In addition to the grant, participants receive professional consultation and feedback from Wheat Ridge staff to assist in implementing an innovative and feasible project, participate in a gathering of other Emerging leaders, and are promoted within the Wheat Ridge community. These grants are awarded quarterly.

Crowdfunding Grants: WeRaise, a Christian crowdfunding platform from WRM, helps organizations engage their online community to support new inspired ideas that meet community needs and bring health, hope and healing.

Select Grants: From time to time, WRM will fund a limited number of projects outside of the above competitive grant programs that promote its seeding mission. These grants may be initiated by a donor or a member of the WRM staff.

WRM derives the major portion of its support from the generous gifts of individuals, congregations, schools, and other organizations, and from investment earnings. WRM's endowment funds include those designated by the Board of Directors for investment (funds from the sale of the Lutheran Sanatorium in Wheat Ridge, Colorado, plus a portion of subsequent planned gifts), the Walther League Legacy Endowment (assets from the Walther League merger, plus additional gifts), and general and named endowments.

WHEAT RIDGE MINISTRIES

Notes to Financial Statements

June 30, 2017 and 2016

1. NATURE OF ORGANIZATION, continued:

WRM is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code (Code) and comparable Illinois state law, and contributions to it are tax deductible within the limitations prescribed by the Code. WRM has been classified as a publicly supported organization that is not a private foundation under section 509(a) of the Code.

2. SIGNIFICANT ACCOUNTING POLICIES:

BASIS OF ACCOUNTING

The financial statements of WRM have been prepared using the accrual basis of accounting. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates. The more significant accounting policies are summarized below.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include checking and money market accounts. Certain items that meet the definition of cash equivalents but are part of the larger pool of investments are included in short-term investments. These accounts from time to time may exceed federally insured limits; however, WRM has not experienced any loss on these accounts and does not believe it is exposed to any significant risk.

INVESTMENTS

Long-term investments are reported at fair value. Fair values for investment securities are based on quoted market prices, where available. If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments. Unrealized gains and losses are included in net investment gains (losses). Financial instruments that potentially subject WRM to credit risk consist principally of interest bearing bonds, notes and common stocks. WRM maintains a diversified portfolio of investments and it has placed its portfolio with two investment managers. One manager manages fixed income securities and equity securities using a value style. The other manager manages equity securities using a growth style.

CONTRIBUTIONS RECEIVABLE

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using the five-year average return for a short/intermediate bond fund applied to the years in which the promises are expected to be received. Amortization of the discount is included in contribution revenues in the statements of activities. The allowance for uncollectible amounts is provided for contributions receivable estimated as uncollectible. Planned gifts are recorded as income at the time WRM has an established right to the gift and the proceeds are measurable.

WHEAT RIDGE MINISTRIES

Notes to Financial Statements

June 30, 2017 and 2016

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

FURNITURE AND EQUIPMENT

Expenditures for furniture and equipment in excess of \$500 are recorded at cost. Donated assets to be used in the ministry are capitalized at their fair market value on the date of the gift. Depreciation is recorded using the straight-line method based on estimated useful lives of five years.

FUNDS HELD IN TRUST BY OTHERS

WRM has several arrangements whereby a donor has established a term or perpetual trust that is administered by a third party. WRM is a designated beneficiary and has the irrevocable right to receive the income earned on the trust assets for the term or in perpetuity. Annual distributions from the trusts are reported as unrestricted investment income, or, if restricted by the donor, in temporarily restricted investment income. For perpetual trusts, adjustments to the amount reported as an asset, based on an annual review using the same basis as was used to measure the asset initially, are recognized as permanently restricted change in value of perpetual trusts. For term trusts, adjustments to the amount reported as an asset, based on an annual review using the same basis as was used to measure the asset initially, are recognized as temporarily restricted change in value of funds held for others. The amount reported on the statements of financial position represents WRM's share of the fair value of the assets in the trust as of the fiscal year end.

WRM is also the remainder beneficiary of several split-interest agreements which are held by others. The related income from these arrangements that have been restricted by the donors has been recorded as temporarily restricted or permanently restricted. The recorded value on the statements of financial position is the actuarial present value of WRM's future interest in the split-interest agreements.

The portion of funds held in trust by others, which are restricted in perpetuity, totaled \$1,089,083 and \$996,178 as of June 30, 2017 and 2016, respectively, and are included in permanently restricted net assets in the statements of financial position.

GRANTS PAYABLE AND EXPENSE

Grant expense and the related grant payable are recorded when the grants are approved and grantees are notified of the award. Grants are made for the purposes described in Note 1.

NET ASSETS

Net assets and changes therein are reported as follows:

Unrestricted net assets are those currently available for ministry purposes under the direction of the Board of Directors, those designated by the Board for a specific use and those invested in furniture and equipment.

Temporarily restricted net assets are those contributed with donor stipulations for specific operating purposes or programs or those with time restrictions. They are not currently available for use in WRM's ministries until commitments regarding their use have been fulfilled.

Permanently restricted net assets are those restricted by donors in perpetuity as endowments or perpetual trusts.

WHEAT RIDGE MINISTRIES

Notes to Financial Statements
June 30, 2017 and 2016

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

SUPPORT, REVENUE AND RECEIVABLES

Contributions are recorded when cash is received or when ownership of donated assets is transferred. Contributions restricted by the donor for a specific purpose are recorded as support in the temporarily restricted class of net assets until funds have been expended by WRM for the purposes specified. Upon satisfaction of the restriction or lapsing of time restriction, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Contributions restricted by the donor in perpetuity are recorded as support in the permanently restricted class of net assets. Income distributions from these funds are reported as investment income that increases unrestricted or temporarily restricted net assets.

PROMISES TO GIVE

WRM receives indications of intent to support the ministry that are commitments to provide monthly, quarterly or annual gifts of a specified amount. These commitments are open ended and subject to unilateral change by the donor. Because the commitments do not express a term or period, the amount of the commitment is not measurable. Considering these factors, these commitments are not considered to be unconditional promises to give and are not recognized prior to receipt of the contribution.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing program and supporting activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program and supporting activities benefited.

WRM incurred joint costs of \$217,044 and \$278,409 in 2017 and 2016, respectively, for informational materials that included fund-raising appeals. Of those costs, 87.5% were allocated to fund-raising and 12.5% to program education.

RECLASSIFICATION

Certain prior year amounts have been reclassified to conform with current year presentation.

UNCERTAIN TAX POSITIONS

The financial statement effects of a tax position taken or expected to be taken are recognized in the financial statements when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. Interest and penalties, if any, are included in expenses in the statements of activities. As of June 30, 2017 and 2016, WRM had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

WRM files information tax returns in the U.S. and various states. WRM is generally no longer subject to U.S. federal and state income tax examinations by tax authorities for years before 2014.

WHEAT RIDGE MINISTRIES

Notes to Financial Statements
June 30, 2017 and 2016

3. LONG-TERM INVESTMENTS:

Long-term investments at June 30 consist of the following:

| | Cost | Market Value | Unrealized Appreciation (Depreciation) |
|-------------------------------------|--------------|---------------|--|
| Year ending June 30, 2017: | | | |
| Common Stocks | 3,167,542 | 3,791,956 | \$ 624,414 |
| Mutual Funds - Growth | 1,904,512 | 1,985,766 | 81,254 |
| Mutual Funds - International Growth | 2,400,199 | 2,825,117 | 424,918 |
| Fixed Income Fund | 1,794,258 | 1,799,732 | 5,474 |
| Total | \$ 9,266,511 | \$ 10,402,571 | \$ 1,136,060 |
| Year ending June 30, 2016: | | | |
| Common Stocks | \$ 3,360,029 | \$ 3,683,997 | \$ 323,968 |
| Mutual Funds - Growth | 1,766,915 | 1,763,373 | (3,542) |
| Mutual Funds - International Growth | 2,356,603 | 2,440,278 | 83,675 |
| Fixed Income Fund | 1,942,760 | 1,944,328 | 1,568 |
| Total | \$ 9,426,307 | \$ 9,831,976 | \$ 405,669 |

Investment income at year end consists of the following for the years ended June 30:

| | 2017 | 2016 |
|------------------------------|--------------|--------------|
| Interest and dividends | \$ 315,315 | \$ 406,649 |
| Realized gains | 367,393 | 112,693 |
| Unrealized gains (losses) | 730,391 | (765,137) |
| | 1,413,099 | (245,795) |
| Less: Investment expenses | (36,971) | (37,894) |
| Net investment income (loss) | \$ 1,376,128 | \$ (283,689) |

WHEAT RIDGE MINISTRIES

Notes to Financial Statements
June 30, 2017 and 2016

4. CONTRIBUTIONS AND PLANNED GIFTS RECEIVABLE:

WRM had unconditional promises to give that were due through 2017. Because the receivables are expected to be collected within one year, no present value discount was established as of June 30, 2017. All amounts are considered fully collectible so no allowance is considered necessary.

The net amount of this receivable is based on an estimate of future cash flows at June 30,:

| | 2017 | 2016 |
|--------------------------|-----------|------|
| Contributions receivable | \$ 25,000 | \$ - |

5. FURNITURE AND EQUIPMENT:

Furniture and equipment consist of the following:

| | 2017 | 2016 |
|-------------------------------|-----------|-----------|
| Furniture and equipment | \$ 98,423 | \$ 93,238 |
| Leasehold improvements | 4,672 | 4,672 |
| | 103,095 | 97,910 |
| Less accumulated depreciation | (79,525) | (75,852) |
| | \$ 23,570 | \$ 22,058 |

6. GRANTS PAYABLE:

As described in Note 1, WRM annually makes grants to various organizations. These grants are payable over a number of years. The grants are scheduled to be paid as follows:

| <u>Fiscal year ending June 30,</u> | |
|------------------------------------|------------|
| 2018 | \$ 418,426 |
| 2019 | 189,000 |
| 2020 | 25,500 |
| | 632,926 |
| Less present value discount | (13,839) |
| Less current portion | (418,426) |
| | \$ 200,661 |

Long-term grants payable have been discounted to present value using a discount rate of 3.20% as of June 30, 2017.

WHEAT RIDGE MINISTRIES

Notes to Financial Statements
June 30, 2017 and 2016

7. PENSION:

WRM is a participant in a defined contribution pension plan administered through the Lutheran Church - Missouri Synod Concordia Plan Services, Concordia Retirement Plan. All employees are eligible to participate in the plan. Employer contributions for the years ended June 30, 2017 and 2016, were \$86,633 and \$99,997, respectively.

8. LEASE COMMITMENT:

As of June 30, 2017, WRM rents office space and equipment under the terms of leases that expire between July 2020 and February 2021. The office space lease includes base monthly payments starting at \$7,540 with annual increases throughout the life of the lease and a five month rent abatement period. The equipment lease has monthly payments of \$297.

Minimum lease commitments are as follows:

| | | |
|--|------|------------|
| | 2018 | \$ 99,322 |
| | 2019 | 101,716 |
| | 2020 | 104,110 |
| | 2021 | 10,562 |
| | | \$ 315,710 |

Lease expense for the years ended June 30, 2017 and 2016, amounted to \$93,979 and \$93,309, respectively.

9. TEMPORARILY RESTRICTED NET ASSETS:

Temporarily restricted net assets consist of the following:

| | 2017 | 2016 |
|--|------------|------------|
| Time restriction: | | |
| Funds held in trust by others | \$ 478,400 | \$ 382,840 |
| Contributions and planned gifts receivable | 25,000 | - |
| Purpose restriction: | | |
| Unspent earnings on permanently restricted endowment funds | 218,842 | 156,052 |
| Program activities | 121,605 | 171,710 |
| | \$ 843,847 | \$ 710,602 |

10. FAIR VALUE MEASUREMENTS:

WRM has adopted the *Fair Value Measurement and Disclosure* topic of the FASB Accounting Standards Codification. These standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

WHEAT RIDGE MINISTRIES

Notes to Financial Statements
June 30, 2017 and 2016

10. FAIR VALUE MEASUREMENTS, continued:

The valuations for the hierarchy are determined as follows:

Level 1 - Quoted market prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in active markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

WRM uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, WRM measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are used only when Level 1 or Level 2 inputs are not available.

Fair values of assets measured on a recurring basis at June 30, 2017 and 2016, are as follows:

| | <u>Fair Value</u> | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
|---|-----------------------------|-----------------------------|----------------------------|--------------------------|
| June 30, 2017: | | | | |
| Common stock: | | | | |
| Materials | \$ 154,133 | \$ 154,133 | \$ - | \$ - |
| Consumer | 784,832 | 784,832 | - | - |
| Health care | 446,041 | 446,041 | - | - |
| Energy | 155,357 | 155,357 | - | - |
| Financial | 582,074 | 582,074 | - | - |
| Industrials | 429,383 | 429,383 | - | - |
| Information technology | 777,341 | 777,341 | - | - |
| Real Estate | 218,723 | 218,723 | - | - |
| Utilities | 244,072 | 244,072 | - | - |
| Mutual funds: | | | | |
| Growth funds | 4,810,883 | 4,810,883 | - | - |
| Fixed income funds | 1,799,732 | 1,799,732 | - | - |
| Cash surrender value of life insurance | 14,508 | - | 14,508 | - |
| Total investments | <u>10,417,079</u> | <u>10,402,571</u> | <u>14,508</u> | <u>-</u> |
| Funds held in trust by others: | | | | |
| Perpetual trusts | 1,089,083 | - | 1,089,083 | - |
| Beneficial interests in charitable remainder unitrusts | 478,400 | - | - | 478,400 |
| Total funds held in trust by others | <u>1,567,483</u> | <u>-</u> | <u>1,089,083</u> | <u>478,400</u> |
| Total assets at fair value | <u><u>\$ 11,984,562</u></u> | <u><u>\$ 10,402,571</u></u> | <u><u>\$ 1,103,591</u></u> | <u><u>\$ 478,400</u></u> |

WHEAT RIDGE MINISTRIES

Notes to Financial Statements
June 30, 2017 and 2016

10. FAIR VALUE MEASUREMENTS, continued:

| | <u>Fair Value</u> | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
|---|----------------------|---------------------|---------------------|-------------------|
| June 30, 2016: | | | | |
| Common stock: | | | | |
| Materials | \$ 225,279 | \$ 225,279 | \$ - | \$ - |
| Consumer | 885,291 | 885,291 | - | - |
| Health care | 455,582 | 455,582 | - | - |
| Energy | 188,688 | 188,688 | - | - |
| Financial | 666,983 | 666,983 | - | - |
| Industrials | 339,840 | 339,840 | - | - |
| Information technology | 644,686 | 644,686 | - | - |
| Utilities | 277,648 | 277,648 | - | - |
| Mutual funds: | | | | |
| Growth funds | 4,203,651 | 4,203,651 | - | - |
| Fixed income funds | 1,944,328 | 1,944,328 | - | - |
| Cash surrender value of life insurance | 42,384 | - | 42,384 | - |
| Total investments | <u>9,874,360</u> | <u>9,831,976</u> | <u>42,384</u> | <u>-</u> |
| Funds held in trust by others: | | | | |
| Terminal trusts | 49,340 | - | 49,340 | - |
| Perpetual trusts | 996,178 | - | 996,178 | - |
| Beneficial interests in charitable remainder unitrusts | 333,500 | - | - | 333,500 |
| Total funds held in trust by others | <u>1,379,018</u> | <u>-</u> | <u>1,045,518</u> | <u>333,500</u> |
| Total assets at fair value | <u>\$ 11,253,378</u> | <u>\$ 9,831,976</u> | <u>\$ 1,087,902</u> | <u>\$ 333,500</u> |

The following is a reconciliation of charitable remainder unitrusts for which significant unobservable inputs (Level 3) were used in determining value:

| | <u>Beneficial Interests in Charitable Remainder Unitrusts</u> |
|-----------------------------|---|
| Balance as of June 30, 2015 | \$ 402,400 |
| Change in value | <u>(68,900)</u> |
| Balance as of June 30, 2016 | 333,500 |
| Change in value | <u>144,900</u> |
| Balance as of June 30, 2017 | <u>\$ 478,400</u> |

WHEAT RIDGE MINISTRIES

Notes to Financial Statements
June 30, 2017 and 2016

10. FAIR VALUE MEASUREMENTS, continued:

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:

Level 1

Common stock, mutual funds and exchange traded funds are carried at fair value based on quoted market prices.

Level 2

Cash surrender value of life insurance: The fair value of the cash surrender value of life insurance policies is based on WRM's share of the cash surrender value of the respective life insurance policy as represented by the insurance company.

Funds held in trust by others: The fair values of terminal and perpetual trusts are based upon WRM's share of trust assets including certificates of deposit, mutual funds and other publicly traded investments and corporate bonds.

Level 3

Fair values for the beneficial interests in charitable remainder trusts are determined by calculating the present value of the future distributions expected to be received, using published life expectancy tables and a 4.88% discount rate.

11. ENDOWMENT FUNDS:

WRM's endowment consists of 14 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Trustees of WRM has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, WRM classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

WHEAT RIDGE MINISTRIES

Notes to Financial Statements
June 30, 2017 and 2016

11. ENDOWMENT FUNDS, continued:

In accordance with UPMIFA, WRM considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the organization and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the organization
7. The investment policies of the organization

Endowment net asset composition by type of fund as of June 30, 2017:

| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
|--|--------------|---------------------------|---------------------------|---------------|
| Donor restricted endowment funds | \$ - | \$ 218,842 | \$ 1,774,527 | \$ 1,993,369 |
| Board designated endowment funds | 8,956,431 | - | - | 8,956,431 |
| Total endowment funds | \$ 8,956,431 | \$ 218,842 | \$ 1,774,527 | \$ 10,949,800 |
| Endowment net assets, beginning of year | \$ 8,338,881 | \$ 156,053 | \$ 1,654,540 | \$ 10,149,474 |
| Investment return: | | | | |
| Interest and dividend income | 215,905 | 46,652 | - | 262,557 |
| Net gains (realized and unrealized) | 902,897 | 194,887 | - | 1,097,784 |
| Total investment return | 1,118,802 | 241,539 | - | 1,360,341 |
| Contributions | 16,748 | | 119,987 | 136,735 |
| Amounts appropriated for expenditure | (518,000) | (178,750) | - | (696,750) |
| | 617,550 | 62,789 | 119,987 | 800,326 |
| Endowment net assets, end of year | \$ 8,956,431 | \$ 218,842 | \$ 1,774,527 | \$ 10,949,800 |

WHEAT RIDGE MINISTRIES

Notes to Financial Statements
June 30, 2017 and 2016

11. ENDOWMENT FUNDS, continued:

Endowment net asset composition by type of fund as of June 30, 2016:

| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
|---|--------------|---------------------------|---------------------------|---------------|
| Donor restricted endowment funds | \$ - | \$ 156,053 | \$ 1,654,540 | \$ 1,810,593 |
| Board designated endowment funds | 8,338,881 | - | - | 8,338,881 |
| Total endowment funds | \$ 8,338,881 | \$ 156,053 | \$ 1,654,540 | \$ 10,149,474 |
| Endowment net assets, beginning of year | \$ 9,076,261 | \$ 310,934 | \$ 1,495,011 | \$ 10,882,206 |
| Investment return: | | | | |
| Interest and dividend income | 291,440 | 62,906 | - | 354,346 |
| Net losses (realized and unrealized) | (536,670) | (115,774) | - | (652,444) |
| Total investment return | (245,230) | (52,868) | - | (298,098) |
| Contributions | 14,033 | - | 159,529 | 173,562 |
| Amounts appropriated for expenditure | (506,183) | (102,013) | - | (608,196) |
| | (737,380) | (154,881) | 159,529 | (732,732) |
| Endowment net assets, end of year | \$ 8,338,881 | \$ 156,053 | \$ 1,654,540 | \$ 10,149,474 |

Following is a description of amounts classified as permanently restricted net assets (endowment only):

| | June 30, | |
|---|--------------|--------------|
| | 2017 | 2016 |
| Permanently restricted net assets: | | |
| The portion of perpetual endowment funds that is required to be retained permanently either by explicit donor stipulations or by UPMIFA | \$ 1,774,527 | \$ 1,654,540 |

WHEAT RIDGE MINISTRIES

Notes to Financial Statements
June 30, 2017 and 2016

11. ENDOWMENT FUNDS, continued:

Funds with deficiencies: From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires WRM to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in unrestricted net assets. In the past, these deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new permanently restricted contributions and continued appropriation for certain programs that were deemed prudent by the Board. There was \$0 in deficiencies as of both June 30, 2017 and 2016.

Return objectives and risk parameters: WRM has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period as well as board-designated funds. Under this policy, as approved by the Board, the endowment assets are invested in a manner that is intended to produce results that exceed the increase or decrease in the CPI while assuming a moderate level of investment risk. WRM expects its endowment funds, over time, to provide an average rate of return of approximately 5 percent above CPI annually. Actual returns in any given year may vary from this amount.

Strategies employed for achieving objectives: To satisfy its long-term rate-of-return objectives, WRM relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). WRM targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending policies and how the investment objectives relate to spending policy: A WRM board approved policy allows withdrawals from the investment portfolio each year to support operations. The amount withdrawn for the years ended June 30, 2017 and 2016, was based upon 5% of the average market value for a twelve quarter rolling average as of December 31, preceding the fiscal year the withdrawal occurs. Additional withdrawals have been approved by the board in connection with the strategic plan. The actual market value is equal to the net additions to the portfolio since inception increased or decreased by investment earnings over time. This policy is intended to limit spending to an amount that will allow the WRM investment portfolio to grow at a rate that will maintain purchasing power.

12. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through November 6, 2017, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.

SUPPLEMENTAL INFORMATION

**INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTAL INFORMATION**

Board of Directors
Wheat Ridge Ministries
Itasca, Illinois

We have audited the financial statements of Wheat Ridge Ministries as of and for the years ended June 30, 2017 and 2016, and our report thereon dated November 6, 2017, which expresses an unmodified opinion on those financial statements, appears on page 1. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of activities - unrestricted net assets are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Capin Crouse LLP

Wheaton, Illinois
November 6, 2017

WHEAT RIDGE MINISTRIES

Schedule of Activities - Unrestricted Net Assets Year Ended June 30, 2017

| | Operating | Investment | Total Unrestricted |
|---|--------------|--------------|-----------------------|
| SUPPORT AND REVENUE: | | | |
| Support: | | | |
| Contributions: | | | |
| Individuals | \$ 1,348,432 | \$ - | \$ 1,348,432 |
| Congregations | 50,453 | - | 50,453 |
| Schools | 613 | - | 613 |
| Organizations | 18,146 | - | 18,146 |
| Planned gifts | 625,906 | - | 625,906 |
| | 2,043,550 | - | 2,043,550 |
| Revenue: | | | |
| Investment income | 15,787 | 215,905 | 231,692 |
| Net investment gains | - | 902,897 | 902,897 |
| Other income | 3,397 | - | 3,397 |
| | 19,184 | 1,118,802 | 1,137,986 |
| Net assets released from restrictions by satisfaction of restrictions | 618,159 | - | 618,159 |
| Transfers into investments | (195,498) | 195,498 | - |
| Transfers into operations | 696,750 | (696,750) | - |
| | 1,119,411 | (501,252) | 618,159 |
| Total support and revenue and reclassifications | 3,182,145 | 617,550 | 3,799,695 |
| EXPENSES: | | | |
| Ministry activities: | | | |
| Grants and projects | 919,385 | - | 919,385 |
| Ministry communications | 758,554 | - | 758,554 |
| Ministry support | 404,619 | - | 404,619 |
| | 2,082,558 | - | 2,082,558 |
| Supporting activities: | | | |
| Management and general | 344,633 | - | 344,633 |
| Fund-raising | 789,623 | - | 789,623 |
| | 1,134,256 | - | 1,134,256 |
| Total expenses | 3,216,814 | - | 3,216,814 |
| Change in Net Assets | (34,669) | 617,550 | 582,881 |
| Net Assets, Beginning of Year | (871,234) | 8,338,881 | 7,467,647 |
| Net Assets, End of Year | \$ (905,903) | \$ 8,956,431 | \$ 8,050,528 |

WHEAT RIDGE MINISTRIES

Schedule of Activities - Unrestricted Net Assets Year Ended June 30, 2016

| | Operating | Investment | Total Unrestricted |
|---|---------------------|---------------------|-----------------------|
| SUPPORT AND REVENUE: | | | |
| Support: | | | |
| Contributions: | | | |
| Individuals | \$ 1,393,795 | \$ - | \$ 1,393,795 |
| Congregations | 54,213 | - | 54,213 |
| Schools | 2,328 | - | 2,328 |
| Organizations | 59,427 | - | 59,427 |
| Planned gifts | 242,720 | - | 242,720 |
| | <u>1,752,483</u> | <u>-</u> | <u>1,752,483</u> |
| Revenue: | | | |
| Investment income | 14,409 | 291,440 | 305,849 |
| Net investment losses | - | (536,670) | (536,670) |
| Other income | 66,567 | - | 66,567 |
| | <u>80,976</u> | <u>(245,230)</u> | <u>(164,254)</u> |
| Net assets released from restrictions by satisfaction of restrictions | 666,274 | - | 666,274 |
| Transfers into investments | (116,046) | 116,046 | - |
| Transfers into operations | 608,196 | (608,196) | - |
| | <u>1,158,424</u> | <u>(492,150)</u> | <u>666,274</u> |
| Total support and revenue and reclassifications | <u>2,991,883</u> | <u>(737,380)</u> | <u>2,254,503</u> |
| EXPENSES: | | | |
| Ministry activities: | | | |
| Grants and projects | 1,295,377 | - | 1,295,377 |
| Ministry communications | 712,913 | - | 712,913 |
| Ministry support | 379,273 | - | 379,273 |
| | <u>2,387,563</u> | <u>-</u> | <u>2,387,563</u> |
| Supporting activities: | | | |
| Management and general | 481,756 | - | 481,756 |
| Fund-raising | 942,223 | - | 942,223 |
| | <u>1,423,979</u> | <u>-</u> | <u>1,423,979</u> |
| Total expenses | <u>3,811,542</u> | <u>-</u> | <u>3,811,542</u> |
| Change in Net Assets | (819,659) | (737,380) | (1,557,039) |
| Net Assets, Beginning of Year | <u>(51,575)</u> | <u>9,076,261</u> | <u>9,024,686</u> |
| Net Assets, End of Year | <u>\$ (871,234)</u> | <u>\$ 8,338,881</u> | <u>\$ 7,467,647</u> |