

**Central Ohio Youth for Christ, Inc.  
Subsidiaries and Affiliates**

**June 30, 2019 and 2018**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of  
Central Ohio Youth for Christ, Inc., Subsidiaries and Affiliates

We have audited the accompanying consolidated financial statements of Central Ohio Youth for Christ, Inc. Subsidiaries and Affiliates (a nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related consolidated statements of activities, changes in consolidated net assets without donor restrictions, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Central Ohio Youth for Christ, Inc. Subsidiaries and Affiliates as of June 30, 2019 and 2018, and the changes in its net assets, changes in consolidated net assets without restrictions, its cash flows, and its functional expenses for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Westerville, Ohio  
October 18, 2019

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS OF JUNE 30, 2019 AND 2018**

	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 314,329	\$ 479,593
Cash and cash equivalents - restricted	545,876	-
Accounts receivable, net	261,262	172,716
Grants receivable	56,273	40,005
Rent receivable	40,994	41,390
Pledges receivable, net	450,395	83,008
Pledges receivable - related, net	84,658	-
Employee advance	-	541
Prepaid expenses	50,388	61,199
Vehicle inventory	51,592	87,680
	1,855,767	966,131
Total current assets		
Fixed Assets		
Land	354,253	354,253
Buildings	8,338,880	8,332,880
Furniture	81,886	104,292
Machinery & equipment	554,223	537,578
Trucks and autos	50,000	57,600
Accumulated depreciation	(1,794,220)	(1,599,006)
	7,585,022	7,787,596
Total fixed assets		
Other Assets		
Note receivable	4,226,000	4,226,000
Pledges receivable, net	599,317	-
Pledges receivable - related, net	399,623	-
Construction in progress	2,744	-
Real estate held for sale (net of accumulated depreciation of \$64,533, as of 6/30/18)	-	271,475
Deposits	27,699	2,699
	5,255,383	4,500,173
Total other assets		
<b>TOTAL ASSETS</b>	<b>\$ 14,696,172</b>	<b>\$ 13,253,900</b>

The accompanying notes are an integral part of these financial statements

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS OF JUNE 30, 2019 AND 2018**

	<b>2019</b>	<b>2018</b>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	\$ 81,882	\$ 53,586
Credit card payable	16,838	9,219
Current portion of notes	521,301	29,692
Current portion of capital leases	6,283	5,127
Accrued expenses	<u>112,202</u>	<u>153,721</u>
Total current liabilities	738,507	251,345
Long term liabilities		
Notes payable, net	10,110,164	10,372,307
Capital leases payable, net	<u>25,511</u>	<u>31,794</u>
Total long term liabilities	10,135,675	10,404,101
<b>TOTAL LIABILITIES</b>	<b>10,874,181</b>	<b>10,655,445</b>
<b>NET ASSETS</b>		
Without Donor Restriction:		
Undesignated	2,398,576	2,562,282
Designated by Board	-	-
Noncontrolling interest in subsidiary	<u>(17,555)</u>	<u>(12,375)</u>
Total Without Donor Restriction	2,381,020	2,549,907
With Donor Restrictions	<u>1,440,970</u>	<u>48,547</u>
<b>TOTAL NET ASSETS</b>	<b><u>3,821,990</u></b>	<b><u>2,598,454</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 14,696,172</u></b>	<b><u>\$ 13,253,900</u></b>

The accompanying notes are an integral part of these financial statements

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<b>Without Donor Restriction</b>	<b>With Donor Restriction</b>	<b>Total</b>
<b>SUPPORT AND REVENUE</b>			
Public support:			
Contributions	\$ 1,907,460	1,405,570	\$ 3,313,030
Revenue:			
Grants	288,153	21,277	309,430
Program fees and product sales	360,411		360,411
Counseling	604,335		604,335
Grants receivable	713,849		713,849
Rental income	269,000		269,000
Special events, net of expenses	357,525		357,525
Other income	5,531		5,531
Gain (Loss) on asset sales	95,938		95,938
Interest income	226,025		226,025
Total revenue	2,920,767	21,277	2,942,044
Total public support and revenue	4,828,227	1,426,847	6,255,074
Net assets released from restrictions	34,424	(34,424)	-
	4,862,651	1,392,423	6,255,074
<b>EXPENSES</b>			
Program services	3,706,728		3,706,728
Management and general	887,554		887,554
Fund raising	437,257		437,257
Total expenses	5,031,538	-	5,031,538
Increase in consolidated net assets	(168,887)	1,392,423	1,223,536
Add: Net loss attributable to the noncontrolling interest	5,180		5,180
Increase (decrease) in net asset attributable to Central Ohio Youth For Christ and Subsidiaries	(163,707)	1,392,423	1,228,716
Net assets at beginning of year	2,562,283	48,547	2,610,830
Net assets at end of year	\$ 2,398,577	\$ 1,440,970	\$ 3,839,547

The accompanying notes are an integral part of these financial statements

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	<b>Without Donor Restriction</b>	<b>With Donor Restriction</b>	<b>Total</b>
<b>SUPPORT AND REVENUE</b>			
Public support:			
Contributions	\$ 2,650,433	\$34,896	\$ 2,685,329
Revenue:			
Grants	206,259	500	206,759
Program fees and product sales	519,203		519,203
Counseling	508,366		508,366
Grants receivable	586,612		586,612
Rental income	266,316		266,316
Special events, net of expenses	222,184		222,184
Other income	13,153		13,153
Interest income	215,414		215,414
Total revenue	<u>2,537,507</u>	<u>500</u>	<u>2,538,007</u>
Total public support and revenue	5,187,940	35,396	5,223,335
Net assets released from restrictions	<u>12,834</u>	<u>(12,834)</u>	<u>-</u>
	5,200,774	22,562	5,223,335
<b>EXPENSES</b>			
Program services	3,561,809		3,561,809
Management and general	1,056,813		1,056,813
Fund raising	271,242		271,242
Total expenses	<u>4,889,864</u>	<u>-</u>	<u>4,889,864</u>
Increase in consolidated net assets	310,910	22,562	333,472
Add: Net loss attributable to the noncontrolling interest	6,675		6,675
Increase (decrease) in net asset attributable to Central Ohio Youth For Christ and Subsidiaries	<u>317,585</u>	<u>22,562</u>	<u>340,147</u>
Net assets at beginning of year	2,244,698	25,985	2,270,683
Net assets at end of year	<u>\$ 2,562,283</u>	<u>\$ 48,547</u>	<u>\$ 2,610,830</u>

The accompanying notes are an integral part of these financial statements

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**CHANGES IN CONSOLIDATED NET ASSETS WITHOUT DONOR RESTRICTIONS**  
**FOR THE YEARS ENDED JUNE 30, 2019 and 2018**

	<b>Total</b>	<b>Controlling Interest</b>	<b>Noncontrolling Interest</b>
Balance at July 1, 2017	\$ 2,238,997	\$ 2,244,697	\$ (5,700)
Excess (deficit) of revenues over expenses	310,910	317,585	(6,675)
Balance at June 30, 2018	<u>\$ 2,549,907</u>	<u>\$ 2,562,282</u>	<u>\$ (12,375)</u>
Excess (deficit) of revenues over expenses	(168,887)	(163,707)	(5,180)
Balance at June 30, 2019	<u><u>\$ 2,381,020</u></u>	<u><u>\$ 2,398,576</u></u>	<u><u>\$ (17,555)</u></u>

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2019 AND 2018**

	<b>2019</b>	<b>2018</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Increase (Decrease) in Consolidated Net Assets	\$ 1,223,536	\$ 333,472
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Property contribution to others	-	18,098
(Gain) Loss on asset disposition	(95,938)	-
Depreciation	219,219	222,165
Amortization of loan costs	25,146	25,146
Donated property received	-	(597,400)
Decrease/(increase) in current assets:		
Accounts receivable	(88,547)	75,047
Grant receivable	(16,268)	11,855
Rent receivable	396	(23,068)
Pledges receivable	(1,450,985)	23,192
Vehicle inventory	36,088	41,285
Prepaid expenses	10,811	1,917
Other assets	541	6,599
Deposits	(25,000)	-
Increase/(decrease) in current liabilities:		
Accounts payable	28,296	23,529
Credit cards payable & line of credit	7,620	2,560
Accrued expenses	(41,518)	(7,280)
	<u>(166,604)</u>	<u>157,116</u>
Net cash provided by (used by) operating activities	(166,604)	157,116
<b>CASH FLOWS TO INVESTMENT ACTIVITIES</b>		
Proceeds on disposal of fixed assets	190,093	-
Purchase of fixed assets	(16,645)	(32,000)
Construction in progress	(2,744)	-
	<u>170,704</u>	<u>(32,000)</u>
Net cash used by investment activities	170,704	(32,000)
<b>CASH FLOWS TO FINANCING ACTIVITIES</b>		
Payments on notes payable	(118,360)	(164,290)
Borrowing on notes payable	500,000	140,000
Capital lease payment	(5,127)	(4,115)
	<u>376,513</u>	<u>(28,405)</u>
Net cash provided by (used by) financing activities	376,513	(28,405)
Net decrease in cash & cash equivalents	380,613	96,711
CASH BEGINNING OF YEAR	479,593	382,883
CASH & EQUIVALENT AT END OF YEAR	<u>\$ 860,205</u>	<u>\$ 479,593</u>

The accompanying notes are an integral part of these financial statements

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<b>Program Service</b>	<b>Supporting Services</b>		<b>Total Expenses</b>
		<b>Management and General</b>	<b>Fund Raising</b>	
Cost of goods sold	\$ 389,035	\$ 1,081	\$ -	\$ 390,116
Personnel expense	2,088,346	406,287	327,069	2,821,702
Residential client expense	82,892	-	-	82,892
Training and development	51,474	523	429	52,426
Travel and meals	19,668	8,746	10,269	38,683
Occupancy expense	386,360	68,405	404	455,169
Office expense	42,615	25,443	22,525	90,584
Professional services	51,402	91,873	57,326	200,602
Supplies	16,560	11,105	14,228	41,893
Dues and licenses	1,538	48,686	100	50,324
Advertising and promotion	17,142	26	3,834	21,002
Insurance - general	4,890	37,592	-	42,481
Contributions	3,000	-	-	3,000
Other expenses	5,969	42	259	6,270
Interest expense	323,850	168,687	-	492,537
Bank fees and charges	6,572	15,252	814	22,639
Total expenses before depreciation	3,491,313	883,749	437,257	4,812,319
Depreciation expense	215,414	3,805	-	219,219
Total expenses	<u>\$ 3,706,728</u>	<u>\$ 887,554</u>	<u>\$ 437,257</u>	<u>\$ 5,031,538</u>

The accompanying notes are an integral part of these financial statements

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	<b>Program Service</b>	<b>Supporting Services</b>		<b>Total Expenses</b>
		<b>Management and General</b>	<b>Fund Raising</b>	
Cost of goods sold	\$ 523,267	\$ 1,484	\$ -	\$ 524,751
Personnel expense	1,754,616	564,716	215,846	2,535,178
Residential client expense	137,288	-	-	137,288
Training and development	34,802	2,159	2,640	39,601
Travel and meals	23,093	10,197	18,623	51,913
Occupancy expense	295,895	60,692	200	356,787
Office expense	47,455	39,198	11,389	98,042
Professional services	88,806	81,925	1,640	172,371
Supplies	21,027	5,292	4,224	30,543
Dues and licenses	6,010	45,263	100	51,373
Advertising and promotion	35,327	970	293	36,590
Insurance - general	5,462	39,094	-	44,556
Contributions	18,098	2,500	-	20,598
Other expenses	33,206	1,503	15,882	50,591
Interest expense	318,713	173,959	-	492,672
Bank fees and charges	10,080	11,503	405	21,988
Penalties	2,860	-	-	2,860
Total expenses before depreciation	3,356,002	1,040,455	271,242	4,667,699
Depreciation expense	205,807	16,358	-	222,165
Total expenses	<u>\$ 3,561,809</u>	<u>\$ 1,056,813</u>	<u>\$ 271,242</u>	<u>\$ 4,889,864</u>

The accompanying notes are an integral part of these financial statements

# CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES

## Notes to Financial Statements

### 1. Purpose of Central Ohio Youth for Christ, Inc. and Subsidiaries and Affiliates

Central Ohio Youth for Christ, Inc. (Organization) was organized in 1981 as an Ohio not-for-profit corporation to participate in the body of Christ in responsible evangelism of youth. The goal of the Organization is to present youths with the person, work and teachings of Christ, disciple them into the church, and provide meaningful and well supervised activities for young people. The Organization is a chartered affiliate of Youth for Christ, USA, with all the rights and privileges incident to that affiliation, including the receipt of tax-deductible contributions as provided under Section 501 (c) (3) of the Internal Revenue Code of 1954. Youth and families are from a variety of ethnic and socio-economic backgrounds in multiple Central Ohio counties. The primary focus of the Organization is Columbus urban youth between the ages of 11 and 19.

The Organization's personnel conduct the following programs and ministries in response to the Organization's goal:

**Campus Life:** Campus Life is a high school/middle school program designed to reach out to mainstream students. Programs include a weekly club meeting, camps, trips, retreats and mentoring programs.

**Juvenile Justice Ministry:** Juvenile Justice Ministry is an outreach program that targets at-risk teens who are incarcerated or who are in a follow-up phase from incarceration. Programs include chaplaincy, aftercare programs, mentoring, facility-based groups and one-on-one meetings

**City Life:** City Life is the urban ministry outreach of YFC designed to engage urban students with life changing holistic programming to address the extra challenges they face. These programs include job skills, tutoring, life skills, computer labs, sports, Bible studies, retreats, camps, and mentoring programs.

**WellSpring Counseling:** WellSpring Counseling is a professional counseling ministry assisting children, teens, adults, couples and families to face and overcome difficult life issues. WellSpring counselors provide counseling consistent with Biblical core values into real life solutions. Part of the WellSpring vision is to provide this service in strategically accessible areas of the community where Christian counseling is often inaccessible, with scholarship funding for those who typically could not pay.

**Hirelevel Auto:** Hirelevel Auto is a job skills program designed to teach automotive skills in general and job-related soft skills. Students will also learn and practice life skills of customer relations, workplace ethics, money management and conflict resolution.

**Hirelevel Promotions:** Hirelevel Promotions is a job skills training program that also offers entry level employment for urban youth. Promotional items are produced and sold. Students will also learn and practice life skills of customer relations, workplace ethics, money management and conflict resolution.

# CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES

## Notes to Financial Statements

### 1. Purpose of Central Ohio Youth for Christ, Inc., Subsidiaries and Affiliates, continued

**Parent Life:** Parent Life provides educational opportunities for teens that are either pregnant or have children. Classes in parenting, relationships, and life skills are provided. The moms have the opportunity to attend a Bible study, and to be mentored. The staff and volunteers provide free childcare in a safe room while these teens study for their high school diploma or GED in the computer lab next door. The Organization also provides free transportation for those who live close to the City Life Center, and serve lunch for the moms, kids and volunteers.

**Columbus Tutoring Initiative (CTI):** The Columbus Tutoring Initiative is a joint venture between Mission Columbus and Central Ohio Youth for Christ to provide in-school tutoring for elementary-age students whose reading skills fall below their grade level. The CTI works in partnership with churches and businesses to recruit tutors and volunteers willing to lead programs in their local schools. The mission is to ensure that every child is reading at grade level and acquires a love for reading by the end of the program.

**Gracehaven:** Gracehaven is a program developed to eradicate domestic minor sex trafficking and to provide services to minor victims of sex trafficking. Services include prevention training for teens; intervention training for coaches, teachers, youth workers, health care workers, etc.; case management for survivors; residential services for survivors; mentoring matches and optional faith-based programs for survivors; and general advocacy.

### 2. Significant Accounting Policies

#### Basis of Reporting and Presentation

The financial statements of the Organization have been prepared on the accrual basis. The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates. The significant accounting policies followed are described below to enhance the usefulness of the statements to the reader.

The financial statements have been prepared in accordance with Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements for Not-for-Profit Entities, which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of management and the board of directors.

# **CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**

## **Notes to Financial Statements**

### **2. Significant Accounting Policies, continued**

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

#### Principles of Consolidation

Accounting principles generally accepted in the United States of America require that an Organization and its wholly owned subsidiaries, report in a consolidated financial statement. In addition, other Organizations that are controlled by the governing board of the Organization shall be consolidated as affiliates. The consolidated financial statements include the financial statements of Central Ohio Youth for Christ, Inc., Chicago Avenue Financial Literacy Project, LLC (100% owned), WellSpring Counseling, LLC (100% owned), Youth and Family Impact, Inc. (an affiliate of Central Ohio Youth for Christ), COYFC Holdings, LLC (100% owned), HireLevel Enterprises, LLC (100% owned) and City Life Enterprises, LLC (95% owned by Central Ohio Youth for Christ). In addition, the financial statements include the financial statements of Gracehaven, Inc. which is a separate nonprofit corporation controlled by Central Ohio Youth for Christ. All significant intercompany balances and transactions have been eliminated in consolidation.

#### Cash and Cash Equivalents and Credit Risks

The Organization considers all short-term investments with an original maturity of six months or less to be cash equivalents for purposes of the statement of cash flows. While the Organization's cash and cash equivalents may, at times, exceed federally insured limits (currently \$250,000), the Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on these accounts.

#### Investments

The Company classifies its marketable equity securities as "available for sale." Securities classified as "available for sale" are carried in the financial statements at fair value. Realized and unrealized gains and losses are included in earnings.

#### Pledges and Accounts Receivable

The Organization provides an allowance for doubtful collections which is based upon a review of outstanding receivables, historical collection information, and existing economic conditions. Normal accounts receivable are due 30-90 days after the issuance of the invoice. Amounts deemed uncollectible are written off based on individual credit evaluation and specific circumstances of the customer. The Company provides an allowance for uncollectible pledges based on historical trends of collections. Also see Note 7 related to Promises to Give and the allowance for uncollectible promises.

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**2. Significant Accounting Policies, continued**

Inventory

The Organization reports inventory under ASU 2015-11 (Inventory-Simplifying Measurement) which requires inventory to be measured at the lower of cost and net realizable value. The ASU defines net realizable value as the "estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation".

Inventory consists of automobiles, trucks, and vans donated to the Organization for use in the Wheels program. Vehicle inventory will be sold to customers "as is", repaired or refurbished in the program for resale, or sold for scrap/parts. Inventory is valued at management's estimated net realizable value based on management's historical trends of average resale amounts.

Property, Equipment, and Depreciation

Property and equipment purchased by the Organization are carried at cost or, if donated, at fair market value on the date of donation. The Organization follows the practice of capitalizing all expenditures for property and equipment over \$2,500 with a useful life in excess of one year. Property and equipment are depreciated using the straight-line method. All office furniture and equipment have been estimated to have a remaining useful life of three to fifteen years. All buildings have been estimated to have useful lives of thirty to fifty years. Expenditures for maintenance and repairs are charged to expense as incurred.

Compensated Absences

Employees of the Company are entitled to paid vacation and paid sick days, depending on job classification, length of service, and other factors. Management considers it immaterial and impracticable to estimate the amount of compensation for future absences, and, accordingly, no liability has been recorded in the accompanying financial statements. The Organization's policy is to recognize the costs of compensated absence when actually paid to employees.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Support, Revenue, and Reclassifications

Revenue is recognized when earned and support when contributions are made, which may be when cash is received, unconditional promises are made, or ownership of other assets is transferred to the Organization. The Organization reports funds as restricted if they are received with stipulations that limit the use of the funds. When a stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statements of activities as satisfaction of purpose restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as increases in unrestricted net assets as permitted under FAS 958-225-45-6.

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**2. Significant Accounting Policies, continued**

Expenses

Expenses are reported when costs are incurred. The cost of providing the various program services and supporting activities has been presented on a functional basis. Accordingly, certain costs have been allocated among the program services and supporting activities benefited. Expenses are generally charged to functional departments as incurred for the various activities.

Reclassifications

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

Debt Issuance Costs

In the fiscal year ended June 30, 2017, the Organization adopted the accounting principle FASB ASU 2015-03, *Interest-Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs*, first effective for the years beginning after June 30, 2016. In accordance with this principle, the Organization reports debt issuance costs as a reduction of the carrying amount of the debt rather than as an asset. Amortization of the debt issuance costs is reported as interest expense in the statements of activities.

New Accounting Pronouncement

On August 18, 2016, the Financial Accounting Standards Board (FASB) issued ASU 2016-14, Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classifications, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. COYFC has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

**3. Affiliated Organizations**

Gracehaven, Inc. (Affiliate) is a 501 (c) (3) tax exempt Organization incorporated on April 1, 2008. Effective September 24, 2014, the Board of Directors of Gracehaven, Inc. adopted a resolution to become an affiliate of Central Ohio Youth for Christ, Inc. As of this date, Central Ohio Youth for Christ, Inc. became the sole voting member of Gracehaven, Inc. and Gracehaven, Inc. became governed by the Board of Directors of Central Ohio Youth for Christ. The mission of Gracehaven, Inc. is to care for sexually exploited children by providing comprehensive client centered services to a wide variety of minors in Central Ohio. The accounts of Gracehaven, Inc. are consolidated with Central Ohio Youth for Christ, Inc. as required by generally accepted accounting principles.

## **CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**

### **Notes to Financial Statements**

#### **3. Affiliated Organizations, continued**

Youth and Family Impact, Inc. (Affiliate) is a 501 (c) (3) tax exempt Organization incorporated on June 30, 2002. The Affiliate's purpose is to help urban teens earn their high school diploma or GED, prepare for college and learn employment skills through automotive repair training. These students will also learn and practice life skills of customer relations, workplace ethics, money management and conflict resolution. In addition, having Youth and Family Impact, Inc. as an affiliate of Central Ohio Youth for Christ, Inc. will allow segregation of support for religious purposes from that of corporate and government funded programs. Central Ohio Youth for Christ, Inc. has controlling interest in Youth and Family Impact, Inc., since the bylaws of the Affiliate require that a majority of the Board of Directors of the Affiliate must also be active members of the Board of Directors of Central Ohio Youth for Christ, Inc. The accounts of Youth and Family Impact, Inc. are consolidated with Central Ohio Youth for Christ, Inc. as required by generally accepted accounting principles.

#### **4. Subsidiaries**

City Life Enterprises, LLC, an Ohio for profit limited liability company, was formed on November 1, 2013 for the purpose of managing, acquiring, developing, operating and leasing specific real property to comply with the requirements of a "qualified active low income community business" as outlined in the internal revenue code and the Ohio revised code. City Life Enterprises, LLC is owned 95% by Central Ohio Youth for Christ, Inc. and 5% by an unrelated for-profit entity.

WellSpring Counseling, LLC, an Ohio limited liability company, was formed on February 24, 2014, for the purpose of performing the counseling services previously provided under the dba of WellSpring Counseling. WellSpring Counseling, LLC, is 100% owned by Central Ohio Youth for Christ, Inc.

Hire Level Enterprises, LLC, an Ohio nonprofit limited liability company, was formed July 13, 2016, for the purposes of performing the social enterprises services (YFC Wheels and YFC Promotions) previously provided under Central Ohio Youth for Christ, Inc. HireLevel Enterprises, LLC is 100% owned by Central Ohio Youth for Christ, Inc.

COYFC Holdings, LLC, an Ohio nonprofit limited liability company, was formed on October 18, 2013, for the purpose of owning residential real estate used in the Organization's mission. COYFC Holdings, LLC, is 100% owned by Central Ohio Youth for Christ, Inc.

Chicago Avenue Financial Literacy Project, LLC, an Ohio limited liability company, was formed on August 15, 2008, for the specific purpose of owning software developed by the Organization for potential sale. The entity sold ownership of the developed software effective July 1, 2013 and remains inactive. Chicago Avenue Financial Literacy Project, LLC is 100% owned by Central Ohio Youth for Christ, Inc.

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**5. Cash and Restricted Cash**

Cash consists of the amounts on deposit in the following accounts:

		<b>2019</b>		<b>2018</b>
Checking accounts - unrestricted	\$	314,329	\$	479,593
Checking accounts - restricted		545,876		0
	\$	860,205	\$	479,593

The Organization established an endowment fund for any potential donor that might opt for this method of donation to the Organization. The endowment fund is invested in shares of mutual funds at June 30, 2019, with a 30% to 60% equity exposure. The endowment fund is not restricted as to its use other than the original donor-imposed restrictions. The fund invests in short-term, liquid assets and is reported with other cash and equivalents and included as part of net assets with donor restriction at its estimated fair market value, \$14,922 and \$14,123 as of June 30, 2019 and 2018, respectively.

Restrictions on cash consist of the following:

During the year ended June 30, 2019, the Organization received funds as part of a fundraising campaign designated for their Strategic Funding Initiative (see Note 7). The restricted funds as of June 30, 2019 totaled \$70,876.

During the year ended June 30, 2019, the Organization received a loan of \$500,000 for the purchase of property for use in the Gracehaven ministry (see Note 14). The Organization paid an earnest deposit of \$25,000 but, as of June 30, 2019, the purchase had not been finalized. The restricted balance at June 30, 2019 is \$475,000.

**6. Accounts Receivable**

Accounts receivable consist of amounts due for counseling services by the Wellspring program, sales invoices due for the Promotions program, and county per diem due for Gracehaven totaling \$315,612 and \$215,700 for the years ended June 30, 2019 and 2018, respectively. The Organization had an allowance for doubtful accounts of \$54,350 and \$42,984 at June 30, 2019 and 2018, respectively.

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**7. Promises to Give**

Unconditional promises to give are reported in these financial statements as Pledges Receivable and consist of the following as of June 30:

	<b>2019</b>	<b>2018</b>
Non-related parties	\$ 1,205,341	\$ 95,875
Related parties	<u>575,000</u>	<u>10,000</u>
Gross unconditional promises to give	1,780,341	105,875
Less: Unamortized discount	<u>(133,630)</u>	<u>(8,985)</u>
Discounted unconditional promises to give	1,646,711	96,890
Less: Allowance for uncollectible	<u>(112,718)</u>	<u>(13,882)</u>
Net unconditional promises to give	<u>\$ 1,533,993</u>	<u>\$ 83,008</u>
Amounts due in:		
Less than one year	\$ 566,024	
One to five years	<u>1,214,317</u>	
	<u>\$ 1,780,341</u>	

Unconditional promises to give due in more than one year are recognized at fair value, using present value techniques and a discount rate of 5%, when the donor makes an unconditional promise to give to the Organization. The allowance for uncollectible pledges is based on the Organization's historical collection trends related to unconditional promises to give.

The Organization generates unconditional promises to give from a variety of sources, including:

- The Organization has periodic fundraising events referred to as "Be the Story". As part of the events during the year ended June 30, 2019 and 2018, the Organization received various pledges from donors. As required by Generally Accepted Accounting Principles, those pledges that had documentation supporting that the "intentions to give" were promises that are legally binding and included specific details of their planned contributions were recorded as pledges receivable.
- During the years ended June 30, 2019 and 2018, the Organization sponsored a fundraising event titled "Over the Edge". As part of this fundraiser, participants were required to obtain specified amounts of donations. The participant agreed to pledge the minimum amount of donation before taking part in the event. These pledges are due within one year and therefore not discounted.
- During the year ended June 30, 2019, the Organization began a strategic funding initiative campaign to strengthen, expand, and sustain various programs currently in operation. As part of this campaign, the Organization received various pledges from donors. Those pledges that had documentation supporting that the "intentions to give" were promises that are legally binding and included specific details of their planned contributions were recorded as pledges receivable. All contributions and pledges generated from the campaign are restricted to the budgeted expenditures outlined in the campaign materials and therefore funds not yet expended by the Organization are reported as net assets with donor restrictions (see Note 5).

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**7. Promises to Give, continued**

- During the year ended June 30, 2019, the Organization received general support pledges that had not been received by year end. These pledges had documentation supporting that the "intentions to give" were promises that are legally binding and included specific details of their planned contributions and, therefore, were recorded as pledges receivable. These pledges are due within one year and therefore not discounted. These pledges have all been collected subsequent to year end.

Unconditional promises to give reported in these financial statements as Pledges Receivable summarized by source of pledge as of June 30, 2019 are:

	<b>Be the Story</b>	<b>Over the Edge</b>	<b>SFI Campaign</b>	<b>Year End Appeals</b>
Non-related parties	\$ 105,918	\$ 61,223	\$ 1,014,200	\$ 24,000
Related parties	10,000	-	535,000	30,000
Gross unconditional promises to give	115,918	61,223	1,549,200	54,000
Less: Unamortized discount	(9,685)	-	(123,945)	-
Discounted unconditional promises to give	106,233	61,223	1,425,256	54,000
Less: Allowance for uncollectible	(7,818)	-	(104,900)	-
Net unconditional promises to give	<u>\$ 98,415</u>	<u>\$ 61,223</u>	<u>\$ 1,320,356</u>	<u>\$ 54,000</u>

**8. Conditional Grants**

During the years ended June 30, 2019 and 2018, the Organization was awarded reimbursable grants. All reimbursable grants require invoicing that includes documentation of allowable expenses be submitted prior to receiving payment. Because conditions for the full amount of these grants were not met in the periods awarded, only the amounts invoiced in the respective periods have been recognized as grant income in these financial statements.

During the year ended June 30, 2019, the Organization was awarded six reimbursable grants for the Gracehaven program. For the year ended June 30, 2019, the total amount of allowable expenses incurred under these and prior year reimbursable grants was \$104,380. As of June 30, 2019, \$27,223 was included in grants receivable.

During the year ended June 30, 2018, the Organization was awarded two reimbursable grants for the Gracehaven program and one for the Mentoring Program. For the year ended June 30, 2018, the total amount of allowable expenses incurred under these reimbursable grants was \$176,159. As of June 30, 2018, \$40,005 was included in grants receivable.

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**9. Property and Equipment**

The straight-line depreciation method is used by the Organization with useful lives of buildings at 30 to 50 years, building improvements at 5 to 15 years, and fixtures, furniture and equipment ranging from 3 to 15 years. Depreciation expense for the years ending June 30, 2019 and 2018 was \$219,219 and \$222,165 respectively.

The Organization acquired a new property with a fair market value of \$597,400 during the fiscal year ended June 30, 2018 by donation. The property is not currently in use by the organization; therefore, depreciation is not recorded in the current fiscal year. This donation has been reported with contributions in the prior year financial statements.

**10. Real Estate Held for Sale and Gain on Sale of Assets**

In March 2017, the Organization relocated its administrative offices from a building owned by the Organization to leased office space owned by a third party (see Note 24). In April 2017, the Organization committed to a plan to sell the building located in Columbus, Ohio that previously housed the administrative offices and initiated actions to locate a buyer. The property and related accumulated depreciation were classified as Real Estate Held for Sale as of June 30, 2018.

On August 31, 2018, the property was sold to a third party for \$395,000. The associated mortgage payable to Theresa A McHarg Revocable Trust, at approximately \$177,000, was repaid in full as part of the transaction (see Note 14). Net proceeds from the sale were approximately \$190,000. The Organization realized a gain of \$95,938 on this transaction which has been reported as gain on sale of assets in these financial statements.

**11. Financial Restructuring**

In years prior to 2013, the Organization had acquired a 37,000 square foot, four-story building and a 14,000 square foot annex building located on Chicago Avenue in Columbus, Ohio (now collectively "40 Chicago Avenue"). The Organization desired to obtain additional real estate (located at 1256 West Broad Street, Columbus, Ohio) near the Chicago Avenue location and to renovate the existing Chicago Avenue Properties (the "Project"). To facilitate the Project, the Organization underwent a financial restructuring during the year ended June 30, 2014. Total estimated funds needed to facilitate the project and financing costs were \$7,000,000.

The financial restructuring was partially facilitated by use of the new markets tax credit allowed pursuant to Section 45D of the Internal Revenue Code of 1986 (the "NMTC" program). The New Markets Tax Credit Program (NMTC Program) was established by Congress in 2000 to spur new or increased investments into operating businesses and real estate projects located in low-income communities. The NMTC Program attracts investment capital to low-income communities by permitting individual and corporate investors to receive a tax credit against their Federal income tax return in exchange for making equity investments in specialized financial institutions called Community Development Entities (CDEs).

## **CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**

### **Notes to Financial Statements**

#### **11. Financial Restructuring, continued**

Community Development Entities (CDEs) apply to the CDFI Fund each year not for tax credits directly, but for an award of "allocation authority"—that is, the authority to raise a certain amount of capital, or Qualified Equity Investments (QEIs) from investors. Ohio Community Development Finance Fund was the CDE for Central Ohio Youth for Christ, Inc. The CDE formed Finance Fund Management, LLC (the sub-CDE managing member) which it wholly owns for the purpose of managing the activities of the sub-CDE (see below for more information).

For the investors to be able to claim the credits over the seven-year compliance period, the CDEs must use "substantially all" ("Sub All") of the QEIs from investors to make Qualified Low Income Community Investments (QLICIs) in Qualified Active Low Income Community Businesses (QALICBs) located in Low Income Communities (LICs), all as defined in the internal revenue code and other federal guidance. The proposed Project of the Organization was qualified under the criteria of the NMTC program.

To facilitate funding under the NMTC Program, two intermediary entities were formed. COYFC Investment Fund, LLC, owned 100% by the Huntington Community Development Corporation (the Equity Investor), was formed for the purpose of collecting funding, NMTC tax credits, and executing notes to the funding sources. The entity then loans funds to the Qualified Equity Investor.

NMTC Leveraged XVII, LLC was formed as the Sub-CDE for the purpose of executing the loans to the QALICB. NMTC Leveraged XVII, LLC (the QEI, Qualified Equity Investor) is owned 99.99% by the COYFC Investment Fund, LLC and .01% by the Finance Fund Management, LLC (the QEI manager). This entity was formed for the purpose of acquiring funds and executing loans to the QALICB. City Life Enterprises, LLC, was formed as the QALICB. City Life Enterprises, LLC, is owned 95% by Central Ohio Youth for Christ, Inc. and 5% by a third party. City Life Enterprises, LLC is consolidated in these financial statements (see Notes 4, 14, 16).

Under the NMTC program, funding for the Project to the QALICB would come from two sources: 1) the leveraged lender and 2) the NMTC equity investor. Central Ohio Youth for Christ, Inc. serves as the leveraged lender. As such, COYFC obtained loan funds from a bank and two foundations totaling \$3,810,000. COYFC loaned \$4,226,000 (including \$416,000 of its own funds) to the COYFC Investment Fund, LLC. See Note 12 for more information on these notes receivable.

The NMTC equity investor (the Huntington Community Development Corporation) then funded \$2,774,000 (based on the new market tax credits to be received by them) to the COYFC Investment Fund, LLC, to achieve the \$7,000,000 required equity investment for the Project. COYFC Investment Fund, LLC then loaned the funds to NMTC Leveraged XVII, LLC (the Sub-CDE). NMTC Leveraged XVII, LLC, (the sub-CDE) paid a required suballocation fee of \$210,000 to the CDE and executed two notes to the QALICB. These notes, identified as QLICI loan A in the amount of \$4,226,000 and QLICI loan B in the amount of \$2,564,000, totaled \$6,790,000. City Life Enterprises, LLC, then paid a fee of \$75,000 to the CDE and held the remaining funds to finance the Project.

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**12. Notes Receivable**

As part of the financial restructuring and NMTC program as described in Note 11, the Organization executed a note receivable from COYFC Investment Fund, LLC (the Investment Fund) to Central Ohio Youth for Christ, Inc. in the amount of \$4,226,000 as described below:

Note receivable from the Investment Fund, interest at 5.00% per annum, quarterly payments of interest only are due through March 10, 2021. Commencing June 2021, quarterly payments of principal and interest are due at \$78,986 (based on a 22.5-year amortization). The loan matures on December 27, 2043.

Interest income on the note was received during the years ended June 30, 2019 and 2018 in the amount of \$214,245 and \$214,325 respectively.

**13. Line of Credit and Credit Cards Payable**

The Organization has a line of credit with a bank for a maximum of \$20,000 that was renewed during July 2019 with no expiration date. There were no outstanding borrowings on this line of credit. The Organization has 13 credit cards with interest rates ranging from 0.00% to 24.99%.

**14. Long-Term Debt**

The Organization has the following loans payable:

	<b>2019</b>	<b>2018</b>
On December 27, 2013, as part of the financial restructuring and NMTC program, the Organization executed a note payable to a bank. The note bears interest at a fixed 5.00% per annum and requires quarterly payments of interest only. The loan matures on December 31, 2020. Collateralized by a pledged interest in the "leveraged loan" as described in Note 11 and 12. The loan includes financial covenants including maintaining a fixed coverage ratio of not less than 1.2 to 1.0, and a net asset balance of not less than \$2,000,000 with unrestricted contributions of \$1,000,000. All covenants for the current year have been met.	\$ 2,307,171	\$ 2,307,171
Note payable to a foundation, interest at 3.00% per annum, quarterly payments of interest only. The loan matures in December 2020. Collateralized by key man life insurance policies. Subordinated to bank loans.	550,000	600,000

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**14. Long-Term Debt, continued**

Note payable to a foundation, interest at 3.00% per annum, quarterly payments of interest only. The loan matures in December 2020. Collateralized by key man life insurance policies. Subordinated to bank loans.

550,000                      600,000

QLICI Loan A - Note payable to the QEI (NMTC Leveraged XVII, LLC), fixed interest at 4.2231% per annum, quarterly payments of interest only through March 10, 2021. Beginning June 2021, payments of principal and interest are due quarterly at approximately \$73,383. The last loan payment is scheduled to occur in December 2043. Collateralized by all business assets, a first mortgage on real estate and assignment of rents and the related lease agreements. Guaranteed by Central Ohio Youth for Christ, Inc. The loan is subordinate to the term loan of \$117,281.

4,226,000                      4,226,000

QLICI Loan B- Note payable to the Sub-CDE (NMTC Leveraged XVII, LLC), fixed interest at 4.2231% per annum, quarterly payments of interest only through March 10, 2021. Beginning June 2021, payments of principal and interest are due quarterly at approximately \$44,523. The last loan payment is scheduled to occur in December 2043. Collateralized by all business assets, a first mortgage on real estate and assignment of rents and the related lease agreements. Guaranteed by Central Ohio Youth for Christ, Inc. The loan is subordinate to the term loan of \$117,281.

2,564,000                      2,564,000

Note payable to a bank, variable interest at the LIBO rate plus 3% per annum (5.40413% at June 30, 2019). The loan is amortized over a 15-year period and requires a fixed monthly payment of \$1,072.32 which includes principal and interest. The loan matures with a balloon payment required on December 27, 2020. Collateralized by an open-end mortgage on 40 Chicago Avenue and 1256 West Broad, assignment of related leases and rents, and a security agreement. The loan includes financial covenants including maintaining a fixed coverage ratio of not less than 1.2 to 1.0, and a net asset balance of not less than \$2,000,000 with unrestricted contributions of \$1,000,000. All covenants for the current year have been met.

117,281                              123,616



**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**15. Capital Leases**

The Organization leases some of its equipment under a capital lease. The economic substance of the lease is that the Organization is financing the acquisition of the assets through the lease, and accordingly, it is recorded in the Organization's assets and liabilities.

The following is an analysis of the leased assets included in Property & Equipment:

	<b>2019</b>	<b>2018</b>
Equipment	\$ 39,206	\$ 44,384
Less accumulated depreciation	<u>(4,438)</u>	<u>(5,178)</u>
	<u>\$ 34,768</u>	<u>\$ 39,206</u>

The following is a schedule by years of future minimum lease payments required under the capital lease obligations as of June 30, 2019:

<u>Year ended June 30,</u>	<u>Amount</u>
2020	8,333
2021	9,166
2022	10,083
2023	<u>9,091</u>
Total minimum lease payments	36,673
Less: amount representing interest	<u>(4,879)</u>
Present value of future minimum lease payments	31,794
Less: current portion of capital leases	<u>(6,283)</u>
Capital leases, net of current portion	<u>\$ 25,511</u>

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**16. Non-controlling interests**

See Note 11 regarding the formation of City Life Enterprises, LLC, a for profit entity. Financial information for this 95% owned subsidiary is being provided separately for analysis purposes. The balance sheet and income statement for this subsidiary are included in the consolidated financial statements of Central Ohio Youth for Christ, Inc. and Subsidiaries. The balance sheet and income statement for this subsidiary are as follows:

BALANCE SHEETS  
As of June 30

<u>ASSETS</u>	<b>2019</b>	<b>2018</b>
Cash and cash equivalents	\$ 4,758	\$ 11,370
Rent Receivable	40,994	41,390
Accounts Receivable – related party	490,117	407,376
Prepaid Insurance	9,295	13,925
Total current assets	545,164	474,061
Property and equipment, net	6,522,949	6,689,603
Total Assets	\$ 7,068,113	\$ 7,163,664
<u>LIABILITIES AND MEMBERS' EQUITY</u>		
Accounts Payable	\$ 4,612	\$ 2,476
Total current liabilities	4,612	2,476
Long-term debt	6,617,030	6,611,108
Total Liabilities	6,621,642	6,613,584
Members' Equity	446,471	550,080
Total Liabilities & Equity	\$ 7,068,113	\$ 7,163,664

INCOME STATEMENT  
For the years ended June 30

	<b>2019</b>	<b>2018</b>
Rent revenue	\$ 524,750	\$ 525,000
Less Expenses:		
Management fees	52,500	52,500
Professional services	17,150	29,202
Repairs and maintenance	43,301	58,201
Insurance expense	26,528	-
Other expenses	12,508	39,995
Interest expense	309,715	312,681
Depreciation and amortization	166,654	165,919
Net Income (Loss)	(103,606)	(133,498)
Less: Non-Controlling Interest	5,180	6,675
Net Income (Loss) included in the financial statements	\$ (98,426)	\$ (126,823)

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**17. Net Assets**

Net assets with donor restrictions of \$1,440,970 and \$48,547 at June 30, 2019 and 2018, respectively were restricted for the following purposes:

	<u>2019</u>	<u>2018</u>
City Life programs	\$ 3,377	\$ 500
YFC Cooks program	-	924
Hirelevel auto program	-	8,000
Chicago Avenue facility renovations	32,822	14,123
Strategic funding initiative campaign	<u>1,404,771</u>	<u>25,000</u>
	<u>\$ 1,440,970</u>	<u>\$ 48,547</u>

**18. Liquidity and Availability**

The table below presents financial assets available for general expenditures within one year at June 30, 2019:

Financial assets at year end:		
Cash and cash equivalents	\$	314,329
Cash and cash equivalents – restricted		545,876
Pledges receivable		1,533,993
Other receivables		358,530
Note receivable		4,226,000
		<u>6,978,727</u>
Total financial assets		
Less amounts not available to be used within one year:		
Cash - restricted		(545,876)
Contribution receivable - for restricted gifts, net		(392,608)
Contribution receivable - due after one year, net		(998,940)
Other receivable, restricted by grantor		(21,250)
Note receivable, due after one year		<u>(4,226,000)</u>
Financial assets not available to be used within one year		<u>(6,184,674)</u>
Financial assets available to meet general expenditures within one year	\$	<u>794,053</u>

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**18. Liquidity and Availability, continued**

COYFC receives significant contributions restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The organization seeks to provide good stewardship of its resources by: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and monitoring to ensure sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The finance committee of the board has currently established a cash reserve (liquidity) policy that requires a minimum of half a month of average monthly expense in reserve at all times and during peak income months, one and a half months of average monthly expenses. To achieve these targets, COYFC has developed financial reports, including current and projected cash flows, that are monitored by the finance committee and reviewed by the Board. During the years ended June 30, 2019, the level of liquidity and reserves was managed within the policy requirements.

**19. Related Party**

The Organization is affiliated with Youth for Christ, USA. As such, it receives support and advice from Youth for Christ, USA and avails itself of some of its programs. In addition, liability insurance is purchased through Youth for Christ, USA. In return the Organization must remit a predetermined fee to Youth for Christ, USA. Payments for the year ending June 30, 2019 were \$34,064 for insurance, \$46,915 for dues, \$5,338 for staff training and \$425 for website fees. For the year ended June 30, 2018, the payments were \$35,523 for insurance, \$40,566 for dues, \$4,863 for staff training and \$133 for website fees. The Organization also provides office space to Youth for Christ, USA for IT staff. Rental income for the year ended June 30, 2019 and 2018 was \$1,800 for each year.

A member of the Board of Directors of Central Ohio Youth for Christ is the owner of Lithik Systems, Inc. Central Ohio Youth for Christ had a consulting contract with Lithik Systems, Inc., and paid them \$2,860 and \$2,420 for the years ending June 30, 2019 and 2018, respectively. In addition, contributed services valued at \$8,440 for the year ended June 30, 2019 were provided and reported with other professional services.

A prior member of the Board of Directors of Central Ohio Youth for Christ is the President and CEO of River Radio Ministries, Inc., the parent organization for 104.9 the River, a radio station. Central Ohio Youth for Christ advertises regularly on 104.9 the River and paid them \$20,078 for the year ended June 30, 2018.

A member of the Board of Directors of Central Ohio Youth for Christ is a licensed attorney. Central Ohio Youth for Christ engaged this board member to provide legal services to the Organization on various matters. For the years ending June 30, 2019 and 2018, the value of the contributed services provided were immaterial to these financial statements and not recorded. In addition, the board member received compensation for services rendered in the years ended June 30, 2019 and 2018 of \$34,440 and \$2,775, respectively.

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**20. Health Reimbursement Accounts and Other Benefits**

The Organization sponsors a welfare benefit program for its eligible employees that includes medical, dental, long-term disability, vision, life insurance, and short-term disability. The plan also includes a health reimbursement account and premium conversion. Under premium conversion, the employee can have funds withheld from their compensation to cover health benefit costs on a pretax basis.

On January 1, 2013, the Organization adopted a health reimbursement arrangement plan (the "Plan"). Under the Plan, eligible employees have a health reimbursement account established in their name. The employee is entitled to receive reimbursement from their account for eligible expenses (as defined by the Plan). The reimbursements are limited to the balance in the eligible employee's respective account. Under the Plan, the Organization funds an established amount to the Plan account of each eligible employee. The contributions are limited to \$3,000 per year for one covered person, \$6,000 per year for two or more covered persons. Any funds remaining at the end of the Plan year and upon termination of employment are forfeited after all claims are paid.

All expenses related to these benefits have been reported as part of personnel expenses in these financial statements and allocated to program, management, and fundraising as appropriate.

The Organization provides a housing allowance to some of its employees. This housing allowance is classified as compensation and has been reported with personnel expenses.

**21. Donated Services, Property and In-Kind Revenue**

The Organization receives volunteer services that are not recordable under Generally Accepted Accounting Principles in the United States. A substantial number of volunteers have donated a significant amount of time in the Organization's program services. The Organization does not have information available on the total service hours provided; therefore, no amounts are being reported.

See Note 19 regarding donated services. These services met the requirements under Generally Accepted Accounting Principles in the United States of America to be recorded and are therefore reported as a donation and reported with professional services in these financial statements.

During the years ended June 30, 2019 and 2018, the Organization received donations of shares of stock. The donations were reported at their fair market value upon donation and are included in contributions in these financial statements. Total fair value of stock received during the years ended June 30, 2019 and 2018 was \$180,256 and \$21,595, respectively. The Organization's policy is to sell stock received. Stock shares are reported with cash and equivalents as the Organization's intent is to liquidate the shares to cash. The Organization held no stock at June 30, 2019 and 2018.

On December 21, 2017, the Organization received by donation a commercial property located on Chicago Avenue, Columbus, Ohio via a general warranty deed. The property was valued at \$597,400, the approximate fair market value at the date of donation and has been reported with buildings and land in these financial statements.

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**22. County Per Diem Income**

During the year ended June 30, 2016, Gracehaven, Inc. opened a residential home which is used to house victims of sex trafficking that have been placed in Gracehaven's care by the State of Ohio county children's services department. For each individual placed with Gracehaven, a contract is executed between the county placing the individual and Gracehaven. The executed contract defines the per diem rate that Gracehaven may charge the county for each day the individual resides in the home. For the contracts in place during the years ended June 30, 2019 and 2018, Gracehaven charged a daily per diem rate between \$325 and \$354, based on the contract in place, for each individual who resided in the home for a total amount of \$713,849 and \$586,612, respectively.

**23. Rental Income and Leasing Activities**

City Life Enterprises, LLC, owns two commercial properties; 1) a four-story building with an annex known as the "City Life Center" located at 40 Chicago Avenue and 2) one-story commercial building with adjacent land located at 1256 West Broad Street. The real estate located at 40 Chicago Avenue consists of approximately 37,000 square feet plus an annex of approximately 14,000 square feet of gross leasable area. The premises at 1256 West Broad Street consist of approximately 8,100 square feet of gross leasable area. The entity leases two of the four floors (approximately 18,500 square feet) at 40 Chicago Avenue to an unrelated party and the remaining floors, annex and 1256 West Broad locations to Central Ohio Youth for Christ, Inc., the parent organization.

Central Ohio Youth for Christ, Inc. leases the commercial space for its City Life ministry (located at 40 Chicago Avenue) and HireLevel Promotions program (located at 1256 West Broad) from its 95% owned subsidiary, City Life Enterprises, LLC under a non-cancellable twenty-year lease agreement. The lease agreement requires monthly rent of \$25,000 through 2023 and increasing rents through 2033 plus reimbursement of common area charges, utilities, maintenance, insurance, and taxes. This lease serves as collateral under bank debt as noted in the long-term debt disclosure. City Life Enterprises, LLC is consolidated in these financial statements and therefore, these transactions have been eliminated in consolidation. See Notes 11 and 14 for more information.

City Life Enterprises, LLC, leases the second and third floor of 40 Chicago Avenue to an unrelated party under a twenty-year lease agreement (with a cancellation option after seven years). The lease requires monthly rent payments of \$18,750. During the years ended June 30, 2019 and 2018, the Organization reported rent income of \$224,750 and \$225,000 under this lease, respectively. In addition, the lease requires reimbursement of common area charges, utilities, maintenance, insurance, and real estate taxes, as applicable. These payments have been reported net with the reimbursed expenses. Property held for leases, includes real estate with a carrying value of \$7,697,713 with accumulated depreciation of \$1,198,244 at June 30, 2019.

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**23. Rental Income and Leasing Activities, continued**

Future minimum rental payments due under the unrelated party lease are as follows:

Year Ending June 30	Amount
2020	225,000
2021	225,000
2022	225,000
2023	100,000
	\$ 775,000

The Organization also leases space under month-to-month arrangements for other real estate (residential and assembly hall). Rental income under these arrangements was \$44,250 and \$41,316 during the years ended June 30, 2019 and 2018, respectively.

**24. Operating Leases**

The Organization leases various facilities under operating leases. Rent expense for these leases for the years ended June 30, 2019 and 2018 was \$156,071 and \$113,474 respectively.

The Organization leases commercial space for the Wellspring counseling program. In June 2014, the counseling services were moved to a new location under a 37-month lease. The lease was renewed in December 2018 with an expiration date of November 30, 2019 requiring monthly payments of \$2,765.

The Organization leases commercial space for its Wheels program. The lease is currently month-to-month at \$2,500 per month.

The Organization leases commercial space for its administrative offices. In January 2017, the Organization entered into a 12-month lease with a one-year renewal term with an unrelated third party. The lease requires monthly payments of \$4,241 through December 2017 and then \$4,713 through December 2018. During July 2018, the Organization entered into a new one-year lease agreement ending June 30, 2019 and requiring monthly payments of \$4,713. The lease is renewable for one year.

During October 2018, the Organization entered into a lease agreement, with an intent to purchase, related to property for the use in the Gracehaven ministry (see Note 5). The lease was originally for six months with monthly payments of \$4,583 but was extended month-to-month until all contingencies to the purchase were resolved. The lease ended when the property was purchased in September 2019 (see Note 32).

As of June 30, 2019, the future minimum lease payments under non-cancellable lease agreements are as follows:

2019	\$ <u>13,830</u>
	\$ 13,830

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**25. Life Insurance**

As required by the lenders in conjunction with debt restructuring and the NMTC program, during October 2013, the Organization became the owner and beneficiary of a \$2,000,000 term life insurance policy on the life of the Executive Director. The policy premiums are fixed for 10 years at \$2,205 per year. This expense has been included with insurance expense in these financial statements. This policy has been pledged to lenders per their requirement. See Note 14 on long-term debt.

**26. Uncertain Tax Positions**

The Financial Accounting Standards Board (FASB) has issued FASB ASC 740-10 (formerly Interpretation No. 48), Accounting for Uncertainty in Income Taxes. FASB ASC 740-10 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with FASB ASC 740-10-125 (formerly FASB Statement No. 109) Accounting for Income Taxes. FASB ASC 740-10 also prescribes a recognition threshold and measurement standard for the financial statement recognition and measurement of an income tax position taken or expected to be taken in a tax return. In addition, FASB ASC 740-10 provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

The Organization treats tax positions taken using the more-likely-than-not recognition threshold. Tax positions are measured in the year that the Organization believes that the position is more-likely-than-not to be sustained. Any positions that are not expected to be sustained will be recorded as a liability. The Organization believes that none of the tax positions taken would be material to the financial statements.

Interest and penalties, if any, are included in expenses in the statements of activities. As of June 30, 2019 and 2018, the Organization had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

The Organization is no longer subject to examination by the Internal Revenue Service for years prior to June 30, 2015. The Organization is not currently under audit nor has the Organization been contacted by any jurisdiction. Based on the evaluation of the Organization's tax positions, management believes all tax positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions have been recorded for the fiscal year ended June 30, 2018 and 2017.

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**27. Income Tax**

Central Ohio Youth for Christ, Inc. is a tax-exempt Organization under Section 501 (c) (3) of the Internal Revenue Code. Central Ohio Youth for Christ, Inc. files a Form 990 (Information reporting of entities exempt from taxation) consolidation with its wholly owned subsidiaries. The tax filing of Central Ohio Youth for Christ, Inc. includes its 95% of the pass-through income or loss of City Life Enterprises, LLC, as described below.

Central Ohio Youth for Christ, Inc. is required to file a Form 990-T for any unrelated business taxable income. It has been determined that the operations of HIRE Level promotions are considered unrelated business taxable income. HIRE Level promotions has had losses for tax purposes and, therefore, no provision for income taxes has been made in these financial statements.

Youth and Family Impact, LLC, is a tax-exempt under 501 (c) (3) of the Internal Revenue Code and classified as a private foundation. The entity files an annual 990-PF (report of private foundations).

City Life Enterprises, LLC is organized as a partnership for tax purposes. As such, City Life Enterprises, LLC, the 95% owned subsidiary, does not incur federal or state income taxes. Instead, its earnings are included in the members' tax returns and taxed depending on their tax situations. The financial statements, therefore, do not include a provision for federal or state income taxes. City Life Enterprises, LLC, is subject to local income taxes at 2.5% on taxable net income based on a calendar year for tax purposes. During the years ended June 30, 2018 and 2017, the entity had losses for tax purposes. Accordingly, no provision for income taxes has been made in the financial statements.

Gracehaven, Inc. is a tax-exempt organization under Section 501 (c) (3) of the Internal Revenue Code. Gracehaven, Inc. files a Form 990 (Information reporting of entities exempt from taxation).

**28. Cash Flow Information and Non-Cash Activity**

The Organization had noncash financing transactions relating to donated property, inventory and investments. For information related to these non-cash transactions, see the notes specific to those transactions.

The Organization incurred interest on short-term and long-term borrowings during the years ended June 30, 2019 and 2018. Interest paid for the years ended June 30, 2019 and 2018 were \$454,639 and \$471,899, respectively. See Note 29.

During the year ended June 30, 2018, the Organization donated property to a tax-exempt organization. Value of the property was \$18,098 and has been reported in contributions in these financial statements.

During the year ended June 30, 2019, the Organization sold property. As part of the sale, the buyer paid off the related mortgage. See Note 14.

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**29. Option Agreement**

As part of the NMTC Program and financial restructuring, Central Ohio Youth for Christ, Inc. entered into an option agreement with the Huntington Community Development Corporation (HCDC). Whereas, HCDC is the 100% owner of the COYFC Investment Fund, LLC which is the holder of a note payable to Central Ohio Youth for Christ in the amount of \$4,226,000 as described in Notes 11 and 12. At the end of the compliance period for the NMTC, a seven-year period, HCDC has a six-month option period to sell its ownership in the COYFC Investment Fund, LLC, to Central Ohio Youth for Christ, Inc. The purchase price under this Put Option is \$1,000, closing costs, and any remaining amounts due and payable to the HCDC under the unconditional guarantee by Central Ohio Youth for Christ, Inc. on the City Life Enterprises, LLC debt (the QLICI Loan B).

Once the "Put Option" period had ended, Central Ohio Youth for Christ, Inc. has a Call Option (during the six month subsequent to the Put Option period) at an amount equal to the fair market value of the equity of COYFC Investment Fund, LLC as determined by an independent appraiser.

Upon exercise of the Option agreement, Central Ohio Youth for Christ, Inc. would own 100% of COYFC Investment Fund, LLC which owns 99.99% of NMTC Leveraged XVII, LLC. These entities are the holders of the notes receivable and the QLICI loans A and B. The anticipated result is that the note receivable from COYFC Investment Fund, LLC, and QLICI Loans would be eliminated in consolidation.

**30. Real Estate Taxes**

During July 2016, the Organization was granted exemption for the majority of its properties. In addition, those not exempted had valuation reductions granted. Based on the approval and revisions by the State of Ohio, the Organization incurred real estate tax expense for the year ended June 30, 2019 and 2018 of \$10,481 and \$1,971, respectively. This amount has been reported with occupancy expense in these financial statements.

During the year ended June 30, 2019, the Organization paid real estate taxes of \$8,772 for which they were later exempted. Therefore, the Organization has reported this amount as a prepaid in these financial statements. See Note 32.

**31. Functional Expenses**

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Accordingly, certain costs have been allocated among programs and supporting services benefited. Such allocations are determined by management on an equitable basis.

Those expenses include personnel expense, occupancy expense, office expense, professional services, insurance – general and depreciation. Personnel expense and related office expense, supplies, and travel and meals are allocated based on estimates of time and effort, as applicable. Occupancy expense, insurance, and depreciation are allocated based on square footage.

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**Notes to Financial Statements**

**32. Subsequent Events**

Subsequent events have been evaluated through October 18, 2019 which is the date the financial statements were available for issue. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

During September 2019, the Organization closed on the purchase of real estate to be used in the Gracehaven ministry for approximately \$494,000.

On September 27, 2019, the Organization received final determination on real estate tax exemption for additional real estate acquired in the prior year. Prior payments of tax on this property will be refunded to the Organization.

INDEPENDENT AUDITOR'S REPORT  
ON SUPPLEMENTARY INFORMATION

We have audited the consolidated financial statements of Central Ohio Youth for Christ, Inc., Subsidiaries and Affiliates (a nonprofit organization) as of and for the years ended June 30, 2019 and 2018, and have issued our report thereon dated October 18, 2019, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole.

The consolidating statement of changes in net assets is presented for purposes of additional analysis and is 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.



Westerville, OH  
October 18, 2019

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>COYFC</u>	<u>CLE</u>	<u>WS</u>	<u>GH</u>	<u>HLE</u>	<u>Consolidating</u>	<u>Consolidated</u>
<b>SUPPORT AND REVENUE</b>							
Public support:							
Contributions	\$ 2,903,230	\$ -	\$ -	\$ 261,793	\$ 148,007	\$ -	\$ 3,313,030
Revenue:							
Grants	197,550	-	-	111,880	-	-	309,430
Program fees and product sales	2,749	-	-	0	357,662	-	360,411
Counseling	0	-	615,570	0	-	(11,235)	604,335
Grants receivable	0	-	-	713,849	-	-	713,849
Rental income	44,250	524,750	-	0	-	(300,000)	269,000
Special events, net of expenses	272,913	-	-	84,612	-	-	357,525
Other income	376,343	-	-	1,407	1,344	(277,625)	101,468
Interest income	219,540	-	-	6,485	-	-	226,025
Total revenue	<u>1,113,345</u>	<u>524,750</u>	<u>615,570</u>	<u>918,233</u>	<u>359,006</u>	<u>(588,860)</u>	<u>2,942,044</u>
Total public support and revenue	4,016,575	524,750	615,570	1,180,026	507,013	(588,860)	6,255,074
<b>EXPENSES</b>							
Operating Expenses	2,498,039	628,356	574,176	1,221,946	697,880	(588,860)	5,031,538
Total expenses	2,498,039	628,356	574,176	1,221,946	697,880	(588,860)	5,031,538
Increase in net assets	1,518,536	(103,606)	41,394	(41,920)	(190,867)	-	1,223,536
Add: Net loss attributable to the noncontrolling interest	-	5,180	-	-	-	(5,180)	-
Increase (decrease) in net asset attributable to Central Ohio Youth For Christ and Subsidiaries	<u>1,518,536</u>	<u>(98,426)</u>	<u>41,394</u>	<u>(41,920)</u>	<u>(190,867)</u>	<u>(5,180)</u>	<u>1,223,536</u>
Net assets at beginning of year	2,670,717	562,452	12,226	323,863	(245,670)	(725,134)	2,598,455
Net assets at end of year	<u>\$ 4,189,253</u>	<u>\$ 464,026</u>	<u>\$ 53,620</u>	<u>\$ 281,943</u>	<u>\$ (436,537)</u>	<u>\$ (730,314)</u>	<u>\$ 3,821,991</u>

**CENTRAL OHIO YOUTH FOR CHRIST, INC. AND SUBSIDIARIES**  
**CONSOLIDATING STATEMENT OF CHANGES IN NET ASSETS**  
**FOR THE YEAR ENDED JUNE 30, 2018**

	<u>COYFC</u>	<u>CLE</u>	<u>WS</u>	<u>GH</u>	<u>HLE</u>	<u>Consolidating</u>	<u>Consolidated</u>
<b>SUPPORT AND REVENUE</b>							
Public support:							
Contributions	\$ 2,080,011	\$ -	\$ 870	\$ 447,190	\$ 157,257	\$ -	\$ 2,685,329
Revenue:							
Grants	52,268	-	-	134,491	20,000	-	206,759
Program fees and product sales	3,061	-	46	-	516,096	-	519,203
Counseling	-	-	508,366	-	-	-	508,366
Grants receivable	-	-	0	586,612	-	-	586,612
Rental income	41,316	525,000	0	-	-	(300,000)	266,316
Special events, net of expenses	168,372	-	-	53,812	-	-	222,184
Other income	270,648	-	39	-	20	(257,553)	13,153
Interest income	215,414	-	-	-	-	-	215,414
Total revenue	<u>751,079</u>	<u>525,000</u>	<u>508,450</u>	<u>774,915</u>	<u>536,116</u>	<u>(557,553)</u>	<u>2,538,007</u>
Total public support and revenue	2,831,090	525,000	509,320	1,222,105	693,373	(557,553)	5,223,335
<b>EXPENSES</b>							
Operating Expenses	<u>2,308,557</u>	<u>658,499</u>	<u>474,565</u>	<u>1,144,177</u>	<u>861,619</u>	<u>(557,553)</u>	<u>4,889,864</u>
Total expenses	2,308,557	658,499	474,565	1,144,177	861,619	(557,553)	4,889,864
Increase in net assets	522,533	(133,499)	34,755	77,928	(168,246)	-	333,472
Less: Net loss attributable to the noncontrolling interest	-	6,675	-	-	-	(6,675)	-
Increase (decrease) in net asset attributable to Central Ohio Youth For Christ and Subsidiaries	<u>522,533</u>	<u>(126,824)</u>	<u>34,755</u>	<u>77,928</u>	<u>(168,246)</u>	<u>(6,675)</u>	<u>333,472</u>
Net assets at beginning of year	2,157,194	686,354	(27,529)	245,935	(77,424)	(719,547)	2,264,983
Contributions			5,000			(5,000)	0
Prior period adjustment	(9,010)	2,922				6,088	0
Net assets at end of year	<u>\$ 2,670,717</u>	<u>\$ 562,452</u>	<u>\$ 12,226</u>	<u>\$ 323,863</u>	<u>\$ (245,670)</u>	<u>\$ (725,134)</u>	<u>\$ 2,598,455</u>