

*GUIDING LIGHT MISSION, INC.  
AND SUBSIDIARY*

*AUDITED CONSOLIDATED FINANCIAL STATEMENTS*

*Years Ended June 30, 2019 and 2018*

---

*Goodlander, Swett & Rybicki  
Certified Public Accountants*

## CONTENTS

INDEPENDENT AUDITORS' REPORT.....	2-3
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION.....	4
CONSOLIDATED STATEMENTS OF ACTIVITIES.....	5-6
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES.....	7-8
CONSOLIDATED STATEMENTS OF CASH FLOWS.....	9
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS.....	10-16

# GOODLANDER, SWETT & RYBICKI

---

CERTIFIED PUBLIC ACCOUNTANTS  
4462 PLAINFIELD AVE., N.E. • GRAND RAPIDS, MI 49525  
PHONE (616) 361-1896 • (616) 364-4000  
FAX (616) 361-0276

## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Guiding Light Mission, Inc.  
Grand Rapids, Michigan

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of Guiding Light Mission, Inc. (a Michigan nonprofit corporation) and Subsidiary, which comprise the consolidated statements of financial position as of June 30, 2019 and 2018, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended and the related notes to the 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 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 auditors' 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 the 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of Guiding Light Mission, Inc. and Subsidiary as of June 30, 2019 and 2018, and the results of their activities and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads "Goodlander, Swett & Rybicki". The signature is written in a cursive, flowing style.

Goodlander, Swett & Rybicki  
Certified Public Accountants

September 27, 2019

GUIDING LIGHT MISSION, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Current:		
Cash on hand	\$ 668,593	\$ 2,053,449
Accounts receivable	276,335	410,803
Investments	1,426,906	147,873
Other current assets	23,111	28,831
Income Tax Deposit	<u>28,237</u>	<u>-</u>
Total current assets	2,423,182	2,640,956
Non-current:		
Property and equipment - net	<u>1,341,171</u>	<u>1,006,321</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 3,764,353</u></u>	<u><u>\$ 3,647,277</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Current:		
Accounts payable	\$ 63,323	\$ 132,809
Accrued wages	45,905	110,842
Payroll tax withholding	1,046	1,435
Accrued income taxes	<u>-</u>	<u>32,701</u>
<b>TOTAL LIABILITIES</b>	<u>110,274</u>	<u>277,787</u>
<b>NET ASSETS</b>		
With donor restrictions	6,885	43,780
Without donor restrictions		
Board designated	155,586	148,699
Undesignated	<u>3,491,608</u>	<u>3,177,011</u>
Total without donor restrictions	3,647,194	3,325,710
<b>TOTAL NET ASSETS</b>	<u>3,654,079</u>	<u>3,369,490</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 3,764,353</u></u>	<u><u>\$ 3,647,277</u></u>

See Notes to Consolidated Financial Statements.

GUIDING LIGHT MISSION, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENT OF ACTIVITIES

Year Ended June 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support:			
Contributions - cash	\$ 2,131,065	\$ 74,000	\$ 2,205,065
Contributions - in-kind	783,483	-	783,483
Services	3,387,199	-	3,387,199
Fundraising event net of expenses	12,872	-	12,872
Net investment income	33,650	-	33,650
Rent	115,437	-	115,437
Net assets released from restrictions:			
Satisfaction of purpose restrictions	110,895	(110,895)	-
<b>TOTAL REVENUES, GAINS, AND OTHER SUPPORT</b>	<b>6,574,601</b>	<b>(36,895)</b>	<b>6,537,706</b>
Expenses			
Program services expenses	4,979,545	-	4,979,545
Management and general	280,662	-	280,662
Fund raising	988,446	-	988,446
Income taxes	4,464	-	4,464
<b>TOTAL EXPENSES</b>	<b>6,253,117</b>	<b>-</b>	<b>6,253,117</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>321,484</b>	<b>(36,895)</b>	<b>284,589</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b>3,325,710</b>	<b>43,780</b>	<b>3,369,490</b>
<b>NET ASSETS AT END OF YEAR</b>	<b>\$ 3,647,194</b>	<b>\$ 6,885</b>	<b>\$ 3,654,079</b>

See Notes to Consolidated Financial Statements.

GUIDING LIGHT MISSION, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENT OF ACTIVITIES

Year Ended June 30, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support:			
Contributions - cash	\$ 2,047,589	\$ 50,000	\$ 2,097,589
Contributions - in-kind	1,122,929	-	1,122,929
Services	2,849,741	-	2,849,741
Fundraising event net of expenses	50,262	-	50,262
Net Investment Income	10,282	-	10,282
Rent	87,566	-	87,566
Net assets released from restrictions:			
Satisfaction of purpose restrictions	<u>19,200</u>	<u>(19,200)</u>	<u>-</u>
<b>TOTAL REVENUES, GAINS, AND OTHER SUPPORT</b>	<b>6,187,569</b>	<b>30,800</b>	<b>6,218,369</b>
Expenses			
Program services expenses	4,636,722	-	4,636,722
Management and general	231,518	-	231,518
Fund raising	812,081	-	812,081
Income taxes	<u>32,701</u>	<u>-</u>	<u>32,701</u>
<b>TOTAL EXPENSES</b>	<b><u>5,713,022</u></b>	<b><u>-</u></b>	<b><u>5,713,022</u></b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>474,547</b>	<b>30,800</b>	<b>505,347</b>
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<b><u>2,851,163</u></b>	<b><u>12,980</u></b>	<b><u>2,864,143</u></b>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 3,325,710</u></b>	<b><u>\$ 43,780</u></b>	<b><u>\$ 3,369,490</u></b>

See Notes to Consolidated Financial Statements.

GUIDING LIGHT MISSION, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
Year Ended June 30, 2019

	Program Services			Supporting Services		
	Rescue, Recovery, Re-Engagement	Recruit, Engage, Retain Talent	Total	Management and General	Fund Raising	Total Expenses
Salaries, wages and benefits	\$ 569,076	\$ 2,678,968	\$ 3,248,044	\$ 149,423	\$ 149,423	\$ 3,546,890
Payroll taxes and compensation insurance	145,961	265,822	411,783	8,821	8,821	429,425
Facilities expenses	148,798	11,365	160,163	8,224	-	168,387
Depreciation	90,335	-	90,335	4,754	-	95,089
Promotion and publicity	53	2,964	3,017	3,017	810,011	816,045
Telephone and postage	13,881	522	14,403	14,403	3,201	32,007
Office expense	39,603	1,253	40,856	40,856	-	81,712
Bad debt	-	1,109	1,109	1,109	-	2,218
Automotive expenses	24,674	-	24,674	-	-	24,674
Supplies	361,108	21,291	382,399	-	-	382,399
Donations	540,166	-	540,166	-	-	540,166
Professional services	2,223	16,846	19,069	30,378	87,268	136,715
Board development	-	-	-	5,401	-	5,401
Miscellaneous	42,378	1,149	43,527	14,276	8,443	66,246
<b>TOTAL EXPENSES</b>	<u>1,978,256</u>	<u>3,001,289</u>	<u>4,979,545</u>	<u>280,662</u>	<u>1,067,167</u>	<u>6,327,374</u>
Less expenses included with revenues on the statement of activities:						
Fundraising expense	-	-	-	-	(78,721)	(78,721)
Total expenses included in the expense section of the statement of activities	<u>\$ 1,978,256</u>	<u>\$ 3,001,289</u>	<u>\$ 4,979,545</u>	<u>\$ 280,662</u>	<u>\$ 988,446</u>	<u>\$ 6,248,653</u>

See Notes to Consolidated Financial Statements.



GUIDING LIGHT MISSION, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
Year Ended June 30, 2018

	Program Services			Supporting Services		
	Rescue, Recovery, Re-Engagement	Recruit, Engage, Retain Talent	Total	Management and General	Fund Raising	Total Expenses
Salaries, wages and benefits	\$ 517,180	\$ 2,175,370	\$ 2,692,550	\$ 123,720	\$ 142,753	\$ 2,959,023
Payroll taxes and compensation insurance	122,846	204,282	327,128	7,844	9,051	344,023
Facilities expenses	163,475	10,608	174,083	8,985	-	183,068
Depreciation	84,511	-	84,511	4,448	-	88,959
Promotion and publicity	571	1,076	1,647	1,647	653,655	656,949
Telephone and postage	16,425	306	16,731	16,731	3,718	37,180
Office expense	35,106	1,990	37,096	37,096	-	74,192
Bad debt	-	-	-	-	-	-
Automotive expenses	22,055	-	22,055	-	-	22,055
Supplies	330,908	10,500	341,408	-	-	341,408
Donations	899,154	-	899,154	-	-	899,154
Professional services	2,075	12,496	14,571	18,110	35,237	67,918
Board development	-	-	-	-	-	-
Miscellaneous	23,804	1,984	25,788	12,937	8,467	47,192
<b>TOTAL EXPENSES</b>	<u>2,218,110</u>	<u>2,418,612</u>	<u>4,636,722</u>	<u>231,518</u>	<u>852,881</u>	<u>5,721,121</u>
Less expenses included with revenues on the statement of activities:						
Fundraising expense	-	-	-	-	(40,800)	(40,800)
Total expenses included in the expense section of the statement of activities	\$ 2,218,110	\$ 2,418,612	\$ 4,636,722	\$ 231,518	\$ 812,081	\$ 5,680,321

See Notes to Consolidated Financial Statements.

GUIDING LIGHT MISSION, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
Year Ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ 284,589	\$ 505,347
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	95,089	88,959
Net realized and unrealized gain in investments	(15,606)	(6,292)
Non-cash contributions	(783,483)	(1,122,929)
Donated program expenses	783,483	1,122,929
Decrease (Increase) in receivables	134,468	(249,225)
Decrease (Increase) in other current assets	5,720	(2,065)
Decrease (Increase) in income tax deposit	(28,237)	-
Increase (Decrease) in other current liabilities	<u>(167,513)</u>	<u>115,743</u>
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>308,510</b>	<b>452,467</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of equipment and improvements	(429,938)	(43,731)
Purchases of investments	(1,271,886)	-
Investment fees	1,664	-
Proceeds from sale of investments	<u>6,794</u>	<u>-</u>
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>(1,693,366)</b>	<b>(43,731)</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(1,384,856)</b>	<b>408,736</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b><u>2,053,449</u></b>	<b><u>1,644,713</u></b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>\$ 668,593</u></b>	<b><u>\$ 2,053,449</u></b>
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>

See Notes to Consolidated Financial Statements.

GUIDING LIGHT MISSION, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
June 30, 2019 and 2018

**NOTE A – SIGNIFICANT ACCOUNTING POLICIES**

*Nature of Activities*

Guiding Light Mission, Inc. and Subsidiary (collectively the “Organization”), located in Grand Rapids, Michigan, is comprised of a not-for-profit organization and its wholly owned for-profit subsidiary. Through the guiding light of God’s Spirit, Guiding Light Mission partners with individuals to fulfill their God-given potential through rescue, recovery, and re-engagement in community.

*Basis of Presentation*

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles for nonprofit organizations.

Net assets of the Organization are classified as follows:

Net Assets Without Donor Restrictions – Net assets that are available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment.

Net Assets With Donor Restrictions – Net assets that are subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

*Functional Allocation of Expenses*

The costs to provide programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Allocation percentages for employee salary/taxes/benefits were determined based on general time study of function tasks. Common costs of occupying facilities are allocated based on square footage used by activities.

**NOTE A – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Consolidating Policy***

Included in the consolidated financial statements are the financial position and financial results of a wholly owned subsidiary. The Job Post is a for-profit subsidiary established to recruit, engage, and retain talent through hiring opportunities.

***Cash and Cash Equivalents***

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

***Accounts Receivable***

Certain donors have specified that their payment obligations will be satisfied over a predetermined payment schedule over the next several months. Management feels that all amounts recorded as accounts receivable at the end of the current fiscal year are fully collectible. Therefore, no reserve for uncollectible accounts is required.

***Investments***

Investments in marketable securities with readily determinable fair values are valued at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets.

***Property and Equipment***

Property and equipment are stated at cost. Donated items are recorded at fair market value at the date of gift. Expenditures for additions and improvements are capitalized. Expenditures for repairs and maintenance are expensed as incurred. Depreciation is computed over the estimated useful lives of the assets by the straight line method.

***Revenue Recognition***

Contributions are recognized as revenue when they are received or unconditionally pledged. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, donor restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor imposed restrictions that are fulfilled in the same period they are received are recorded as unrestricted support.

GUIDING LIGHT MISSION, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2019 and 2018

**NOTE A – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Revenue Recognition (Continued)***

The Organization reports gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of goods and services which are used in providing program services are included in program service expense. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how these long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

***Estimates***

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 and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Tax Status***

Guiding Light Mission, Inc. is a not-for-profit organization and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Guiding Light Mission, Inc.'s Subsidiary is a for-profit entity owned 100% by Guiding Light Mission Inc. and files a consolidated Form 990 with Guiding Light Mission, Inc. The Subsidiary's income is reported as unrelated business taxable income on the Form 990-T that is filed with the Internal Revenue Service. Total taxes due with the Form 990-T were \$4,464 and \$32,701 for the years ended June 30, 2019 and 2018, respectively.

The Organization does not believe it has taken any uncertain tax positions and no asset or liability has been recorded for an uncertain tax position.

***Concentrations of Risk***

The Organization's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and cash equivalents. The Organization places its cash with high quality financial institutions. At times, cash balances may be in excess of the F.D.I.C. insurance limit. The Organization performs periodic evaluations of the relative credit standing of the financial institutions and limits the amount of credit exposure with any institution.

The Organization receives a substantial amount of its revenue from various individuals, churches and organizations. A significant reduction in the level of this support, if it were to occur, may affect the Organization's programs and activities.

GUIDING LIGHT MISSION, INC. AND SUBSIDIARY  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2019 and 2018

**NOTE A – SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Contributed Services*

A number of individuals volunteer their time for the Organization’s program services and general operations. The contributed services are not specialized in nature, and are not reported as revenue and expenses in the accompanying financial statements. These services do not meet the criteria for recognition as donated services.

**NOTE B – LIQUIDITY AND AVAILABILITY**

The Organization receives significant contributions and promises-to-give 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 manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Cash and cash equivalents	\$ 668,593	\$ 2,053,449
Accounts receivable	201,335	400,803
Pledges receivable	75,000	10,000
Investments	<u>1,426,906</u>	<u>147,735</u>
	2,371,834	2,611,987
Less:		
Net assets with donor restrictions	( 6,885)	( 43,780)
Board designated net assets	<u>( 155,586)</u>	<u>( 148,699)</u>
	( 162,471)	( 192,479)
Net financial assets available for general expenditures	<u>\$ 2,209,363</u>	<u>\$ 2,419,508</u>

The Organization also could draw upon \$200,000 of available line of credit (as further discussed in Note D).

**NOTE C – FAIR VALUES OF FINANCIAL INSTRUMENTS**

The Organization reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

- Level 1 – Quoted prices for identical assets or liabilities in active markets to which the Organization has access at the measurement date.
- Level 2 – Inputs other than quoted prices included in level 1 that are observable for the assets or liabilities, either directly or indirectly. Level 2 inputs include:
  - quoted prices for similar assets or liabilities in active markets;
  - quoted prices for identical or similar assets in markets that are not active;
  - observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
  - inputs derived principally from, or corroborated by, observable market data by correlation or by other means.
- Level 3 – Unobservable inputs for the assets or liabilities. Unobservable inputs should be used to measure the fair value to the extent that observable inputs are not available.

When available, the Organization measures fair value using level 1 inputs because they generally provide the most reliable evidence of fair value. The Organization measures fair value for their investments using level 1 inputs. The primary uses of fair value measures in the organization’s financial statements are to measure its investments.

The following tables summarize the levels in the fair value hierarchy of the organization’s investments at June 30, 2019 and 2018:

Year ended June 30, 2019

	Total	Level 1
Cash equivalent funds	\$ 11,929	\$ 11,929
Certificates of deposit	1,260,399	1,260,399
Mutual funds	154,578	154,578
	<u>\$ 1,426,906</u>	<u>\$ 1,426,906</u>

Year ended June 30, 2018

	Total	Level 1
Cash equivalent funds	\$ 198	\$ 198
Mutual funds	147,675	147,675
	<u>\$ 147,873</u>	<u>\$ 147,873</u>

The organization did not have any investments measured using Level 2 or Level 3 inputs.

GUIDING LIGHT MISSION, INC. AND SUBSIDIARY  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2019 and 2018

**NOTE D – PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following:

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Land	\$ 105,000	\$ 60,000
Building and improvements	2,064,934	1,726,401
Furniture and fixtures	90,625	77,176
Automotive and other equipment	<u>209,332</u>	<u>176,376</u>
	2,469,891	2,039,953
Less accumulated depreciation	<u>( 1,128,808)</u>	<u>( 1,033,632)</u>
	<u>\$ 1,341,083</u>	<u>\$ 1,006,321</u>

**NOTE E – BANK LINE OF CREDIT**

The Organization has a \$200,000 unsecured line of credit with a bank. This line of credit arrangement bears interest according to the Wall Street Journal prime rate (5.50% at June 30, 2019), subject to a minimum interest rate of 4.50%. This line of credit arrangement has a maturity date of February 16, 2020. There were no borrowings under this line of credit arrangement as of June 30, 2019.

**NOTE F – BOARD DESIGNATED FUND**

Guiding Light Mission, Inc. has established a Board designated fund. The terms of the fund require the principal and the income earned by the fund to be used for the Organization's maintenance, expansion, and upkeep of its physical properties, providing seed money for new programs for no longer than five years per program and giving to missions. Fund monies are not to be used for the ordinary operating expenses of the Organization. No transfers were made from the Board designated fund to the Organization's operating fund during the years ended June 30, 2019 and 2018 however, the general checking account does hold \$964 that was transferred in a prior year.

**NOTE G – RETIREMENT PLAN**

The Organization maintains a retirement plan for eligible employees. The plan is a SIMPLE IRA which permits employee compensation deferral as well as employer contributions. Contributions to the plan by the Organization were \$12,701 and \$7,719 for the years ended June 30, 2019 and 2018, respectively.



GUIDING LIGHT MISSION, INC. AND SUBSIDIARY  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
 June 30, 2019 and 2018

**NOTE H – NON-CASH DONATIONS**

Donated goods received are comprised primarily of food. Relatively small amounts of donated goods are received in the form of clothing and other incidental items as well as donated services.

**NOTE I – NET ASSETS WITH DONOR RESTRICTIONS**

Temporarily restricted net assets consisting of cash contributed for various purposes are as follows:

	<u>June 30, 2019</u>	<u>June 30, 2018</u>
GED program	\$ -	\$ 3,780
Alcohol & Addition and Back to Work Programs	-	25,000
Caledonia Property Renovation	-	10,000
Laundry Room Remodel	3,210	5,000
Redesign of Chapel	<u>3,675</u>	<u>-</u>
	<u>\$ 6,885</u>	<u>\$ 43,780</u>

**NOTE J – SUBSEQUENT EVENTS**

Subsequent events have been evaluated through September 27, 2019, which is the date the financial statements were available to be issued. Events occurring after that date have not been evaluated to determine whether a change in the financial statements would be required.

**NOTE K – RECLASSIFICATIONS AND COMPARATIVE FIGURES**

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements. These reclassifications do not alter the Change in Net Assets reported or the Net Assets as a whole.

As a result, certain line items have been amended in the statement of financial position, and statement of activities, statement of cash flows, and the related notes to the financial statements. Comparative figures have been adjusted to conform to the current year's presentation.