

WICHITA FALLS FAITH MISSION, INC.

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

FOR THE YEARS ENDED JUNE 30, 2016 AND 2015



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Wichita Falls Faith Mission, Inc.

We have audited the accompanying financial statements of Wichita Falls Faith Mission, Inc. (the Mission), a nonprofit corporation, which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wichita Falls Faith Mission, Inc. as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

MWA Group, P.C.

MWH GROUP, P.C.

Wichita Falls, Texas
October 19, 2016

WICHITA FALLS FAITH MISSION, INC.

STATEMENTS OF FINANCIAL POSITION JUNE 30, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Current assets:		
Cash	\$ 760,593	\$ 637,470
Investments	-	5,328
Accounts receivable	6,465	4,486
Current portion of long-term notes receivable	2,312	2,191
Inventory	21,886	21,680
Land held for sale	17,200	17,200
Prepaid expenses and other	33,161	25,179
Total current assets	<u>841,617</u>	<u>713,534</u>
 Note receivable, less current portion	 37,505	 39,818
 Property and equipment, net	 <u>4,030,561</u>	 <u>4,126,425</u>
 Total assets	 <u><u>\$ 4,909,683</u></u>	 <u><u>\$ 4,879,777</u></u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Accounts payable	\$ 10,227	\$ 16,874
Capital lease	1,546	-
Deferred compensation agreement	17,898	18,266
Other accrued liabilities	33,061	77,959
Unearned revenues	-	8,000
Total current liabilities	<u>62,732</u>	<u>121,099</u>
 Noncurrent liabilities:		
Capital lease, less current portion	3,202	-
Deferred compensation agreement, less current portion	<u>88,692</u>	<u>103,887</u>
Total noncurrent liabilities	<u>91,894</u>	<u>103,887</u>
 Total liabilities	 <u>154,626</u>	 <u>224,986</u>
 Net assets:		
Unrestricted	4,656,113	4,453,706
Temporarily restricted	<u>98,944</u>	<u>201,085</u>
Total net assets	<u><u>4,755,057</u></u>	<u><u>4,654,791</u></u>
 Total liabilities and net assets	 <u><u>\$ 4,909,683</u></u>	 <u><u>\$ 4,879,777</u></u>

The accompanying notes are an integral part of these financial statements.

WICHITA FALLS FAITH MISSION, INC.

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenues and support:			
Contributions	\$ 1,756,812	\$ 51,575	\$ 1,808,387
Special events	178,263	9,000	187,263
Less cost of direct benefit to donors	(65,501)	-	(65,501)
Interest income	14,627	-	14,627
Oil and gas royalties	213	-	213
Sale of surplus donated clothing	1,851	-	1,851
Miscellaneous revenue	5,104	-	5,104
Sales	374,874	-	374,874
Less cost of sales	(306,452)	-	(306,452)
Net assets released from restrictions	162,716	(162,716)	-
	<u>2,122,507</u>	<u>(102,141)</u>	<u>2,020,366</u>
Total revenues and support			
Expenses:			
Program services	1,638,134	-	1,638,134
Administrative	162,051	-	162,051
Fundraising	119,915	-	119,915
	<u>1,920,100</u>	<u>-</u>	<u>1,920,100</u>
Total expenses			
Changes in net assets	202,407	(102,141)	100,266
Net assets at beginning of year	<u>4,453,706</u>	<u>201,085</u>	<u>4,654,791</u>
Net assets at end of year	<u>\$ 4,656,113</u>	<u>\$ 98,944</u>	<u>\$ 4,755,057</u>

The accompanying notes are an integral part of these financial statements.

WICHITA FALLS FAITH MISSION, INC.

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2015

	Unrestricted	Temporarily Restricted	Total
Revenue, support, and gains:			
Contributions	\$ 1,047,210	\$ 108,597	\$ 1,155,807
Special events	295,653	-	295,653
Less cost of direct benefit to donors	(73,916)	-	(73,916)
Interest income	6,894	-	6,894
Oil and gas royalties	925	-	925
Sale of surplus donated clothing	27,310	-	27,310
Miscellaneous revenue	4,367	-	4,367
Sales	280,365	-	280,365
Less cost of sales	(206,853)	-	(206,853)
Gain on disposal of asset	200	-	200
Net assets released from restrictions	285,033	(285,033)	-
	<u>1,667,188</u>	<u>(176,436)</u>	<u>1,490,752</u>
Total revenue, support, and gains			
Expenses:			
Program services	1,627,253	-	1,627,253
Administrative	183,162	-	183,162
Fundraising	96,272	-	96,272
	<u>1,906,687</u>	<u>-</u>	<u>1,906,687</u>
Total expenses			
Loss on the disposal of assets	10,149	-	10,149
	<u>1,916,836</u>	<u>-</u>	<u>1,916,836</u>
Total expenses and losses			
Changes in net assets	(249,648)	(176,436)	(426,084)
Net assets at beginning of year, as reported	4,703,354	377,521	5,080,875
Net assets at end of year	<u>\$ 4,453,706</u>	<u>\$ 201,085</u>	<u>\$ 4,654,791</u>

The accompanying notes are an integral part of these financial statements.

WICHITA FALLS FAITH MISSION, INC.

STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED JUNE 30, 2016

	Program Services	Administrative	Fundraising	Total
Auto and truck	\$ 22,661	\$ 125	\$ -	\$ 22,786
Contract labor	18,934	-	543	19,477
Depreciation	206,095	30,428	4,681	241,204
Employee benefits	41,506	10,145	574	52,225
Food	9,364	-	-	9,364
Insurance	60,306	7,522	1,281	69,109
Kitchen supplies	12,180	-	-	12,180
Membership dues and fees	3,850	5	1,304	5,159
Office and miscellaneous	71,867	3,258	3,974	79,099
Store lease	95,018	-	-	95,018
Payroll taxes	80,148	6,066	3,613	89,827
Postage and printing	1,405	597	3,840	5,842
Professional fees	-	14,110	-	14,110
Program gift	22,763	-	-	22,763
Promotional	13,840	-	65,637	79,477
Repair and maintenance	88,084	12,490	1,921	102,495
Salaries	749,568	60,982	30,014	840,564
Specific assistance	11,341	-	-	11,341
Supplies	13,398	-	-	13,398
Training and travel	2,023	2,944	322	5,289
Utilities	113,783	13,379	2,211	129,373
Totals	<u>\$ 1,638,134</u>	<u>\$ 162,051</u>	<u>\$ 119,915</u>	<u>\$ 1,920,100</u>

The accompanying notes are an integral part of these financial statements.

WICHITA FALLS FAITH MISSION, INC.

STATEMENT OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED JUNE 30, 2015

	Program Services	Administrative	Fundraising	Total
Auto and truck	\$ 35,226	\$ -	\$ -	\$ 35,226
Christmas gift	-	98	-	98
Contract labor	48,252	-	4,277	52,529
Depreciation	196,076	29,382	4,520	229,978
Employee benefits	63,411	7,150	391	70,952
Food	12,125	-	-	12,125
Insurance	59,163	8,020	943	68,126
Kitchen supplies	9,310	-	-	9,310
Membership dues and fees	2,902	959	75	3,936
Office and miscellaneous	72,329	6,166	2,028	80,523
Store lease	63,333	-	-	63,333
Payroll taxes	73,972	7,578	3,945	85,495
Postage and printing	1,179	1,174	2,276	4,629
Professional fees	-	14,531	-	14,531
Program gift	25,614	-	-	25,614
Promotional	7,257	-	31,499	38,756
Repair and maintenance	82,617	10,921	1,680	95,218
Salaries	722,619	83,779	42,604	849,002
Specific assistance	11,566	-	-	11,566
Supplies	22,892	-	-	22,892
Training and travel	8,323	315	20	8,658
Utilities	109,087	13,089	2,014	124,190
Totals	<u>\$ 1,627,253</u>	<u>\$ 183,162</u>	<u>\$ 96,272</u>	<u>\$ 1,906,687</u>

The accompanying notes are an integral part of these financial statements.

WICHITA FALLS FAITH MISSION, INC.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Changes in net assets	\$ 100,266	\$ (426,084)
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation	241,204	229,978
Donated securities	-	(4,856)
Loss on disposal of assets	-	10,149
(Increase) decrease in assets:		
Receivables	(1,979)	(4,185)
Inventory	(206)	-
Prepaid expenses	(7,982)	(9,292)
Increase (decrease) in liabilities:		
Accounts payable	(6,647)	1,176
Deferred compensation agreement	(15,563)	(16,201)
Unearned revenues	(8,000)	8,000
Other accrued liabilities	(44,898)	63,137
Net cash provided (used) by operating activities	<u>256,195</u>	<u>(148,178)</u>
Cash flows from investing activities:		
Purchase of property and equipment	(139,164)	(55,581)
Proceeds from sale of property and equipment	-	49,558
Payments on capital lease	(1,428)	-
Proceeds from sale of investments	5,328	-
Collections on note receivable	2,192	2,485
Net cash used by investing activities	<u>(133,072)</u>	<u>(3,538)</u>
Net increase (decrease) in cash and cash equivalents	123,123	(151,716)
Cash and cash equivalents at beginning of year	<u>637,470</u>	<u>789,186</u>
Cash and cash equivalents at end of year	<u>\$ 760,593</u>	<u>\$ 637,470</u>
Schedule of noncash investing and financing activities:		
Property and equipment acquired with capital lease	<u>\$ 6,176</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

WICHITA FALLS FAITH MISSION, INC.

NOTES TO FINANCIAL STATEMENTS JUNE 30, 2016 AND 2015

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Wichita Falls Faith Mission, Inc. (the Mission) is an independent nonprofit corporation whose operating facility and administrative offices are located at 1300 Travis Street, Wichita Falls, Texas. The Mission provides food, clothing, lodging, and shares the "Good News of the Gospel of Jesus Christ" with needy, transient, and indigent individuals and families in the Wichita Falls area. The Mission receives private donations of money, food, clothing, household items, etc. from the general public.

Basis of Accounting

The accompanying financial statements are presented in accordance with the accounting and reporting standards required by FASB ASC 958, *Not for Profit Entities*. FASB ASC 958 requires the Mission to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted Net Assets – Result from revenues from providing services, producing goods, unrestricted contributions and dividends, and interest from income-producing assets less applicable related expenses. The Mission treats restricted contributions whose restrictions are satisfied during the same fiscal year as unrestricted support. All contributions made to the Mission are considered to be available for unrestricted use unless specifically restricted by the donor.

Temporarily Restricted Net Assets – Represent net assets subject to donor-imposed stipulations that can be fulfilled by actions of the Mission pursuant to those stipulations or that expire by the passage of time.

Permanently Restricted Net Assets – Result from donor-imposed stipulations that neither expire by the passage of time or can be fulfilled or otherwise removed by actions of the Mission. The Mission had no permanently restricted net assets at year end.

Cash and Cash Equivalents

For financial reporting purposes, the Mission considers all highly liquid debt instruments purchased with original maturities of three months or less to be cash equivalents.

Inventory

Inventory consists of donated apparel and other items and is recorded as contributions and as inventory in the period received at fair market value.

Property and Equipment

Acquisitions of property and equipment in excess of \$1,000 are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is provided utilizing the straight-line method over the estimated useful lives of the respective assets, as follows:

WICHITA FALLS FAITH MISSION, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D.) JUNE 30, 2016 AND 2015

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

Property and Equipment (Cont'd.)

Buildings and improvements	30 years
Vehicles, furniture, and fixtures	3 to 10 years

Donated Land, Equipment, Materials, and Services

Contributions of services and materials are recognized in the accompanying financial statements in accordance with FASB ASC 958-605. *Accounting for Contributions Received and Contributions Made*, if the services received enhance or create non-financial assets, require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by the donation.

Income Taxes

The Mission is qualified as a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code of 1986 and therefore, has no provision for federal income tax.

Functional Classification of Expenses

Directly identifiable expenses are charged to program services, administrative, and fundraising functions. Expenses related to more than one function are charged to each function on the basis of periodic time and expense studies. Administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Mission. A description of the Mission's functions is provided below:

- Program Services

The Mission provides food, clothing, lodging, financial assistance, addiction counseling, and shares the "Good News of the Gospel of Jesus Christ" with needy, transient, and indigent individuals and families in the Wichita Falls area. Management believes that approximately 85% of pertinent non-direct expenses are related to this function.

- Administrative

The Administration program provides occupancy and administrative services to the Mission. Management believes that approximately 13% of pertinent non-direct expenses are related to this function.

- Fundraising

The Mission engages in a number of fundraising activities, including rallies with praise and worship, food drives, mail solicitations, Night in a Box, Decorator Show House, and Faith in the Falls. Contributions to the Mission are received from the general public. Management believes that approximately 2% of pertinent non-direct expenses are related to this function.

WICHITA FALLS FAITH MISSION, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D.) JUNE 30, 2016 AND 2015

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

Restricted and Unrestricted Revenue

Contributions received are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Use of Estimates

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

Accrued Compensated Absences

The Mission's policy for compensated absences for vacation and sick leave allows for accumulated hours earned monthly based on years of service. An employee may accumulate up to 96 hours of vacation each year and is to be paid for unused vacation time upon separation from service. The total dollar amount of unpaid vacation which is accrued and included in other accrued liabilities was \$10,461 and \$24,872 as of June 30, 2016 and 2015, respectively.

An employee may earn up to 64 hours of sick time in a year, but any unused sick time cannot be carried over to future periods. Sick leave benefits are forfeited at the date of employee termination. No liability has been recorded on the books of the Mission relative to sick leave benefits. It is considered remote that the entire contingent liability will be paid; furthermore, the probable amount of sick leave compensation expected to be paid in the future cannot be reasonably estimated.

Advertising

The Mission uses advertising to solicit donations and promote special events. The costs of advertising are expensed as incurred. During the years ended June 30, 2016 and 2015, advertising costs totaled \$79,477 and \$38,756, respectively.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

Date of Management's Evaluation

Management has evaluated subsequent events through October 19, 2016, the date on which the financial statements were available to be issued.

WICHITA FALLS FAITH MISSION, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D.) **JUNE 30, 2016 AND 2015**

Note 2 - CONCENTRATION OF CREDIT RISK FOR CASH HELD IN BANKS

The Mission maintains bank accounts with several institutions. The accounts held at the bank are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Mission's cash accounts were fully covered by FDIC insurance at June 30, 2016 and 2015.

Note 3 - PROPERTY AND EQUIPMENT

Property and equipment are stated at cost less accumulated depreciation. Major classifications of property and equipment at June 30, 2016 and 2015 are summarized as follows:

	<u>2016</u>	<u>2015</u>
Property and equipment not being depreciated:		
Land	\$ 133,855	\$ 133,855
Property and equipment being depreciated:		
Building and improvements	5,271,690	5,260,673
Leasehold improvements	20,762	20,762
Furniture and fixtures	640,949	525,949
Vehicles	<u>86,991</u>	<u>67,668</u>
Total property and equipment being depreciated	6,020,392	5,875,052
Less accumulated depreciation	<u>(2,123,686)</u>	<u>(1,882,482)</u>
Total property and equipment being depreciated, net	<u>3,896,706</u>	<u>3,992,570</u>
 Total property and equipment, net	 <u>\$ 4,030,561</u>	 <u>\$ 4,126,425</u>

Depreciation expense was \$241,204 and \$229,978 for 2016 and 2015, respectively.

Note 4 - CAPITAL LEASE

The Mission entered into a capital lease on July 22, 2015, for a Kubota Tractor. The Mission makes monthly payments of \$128. The lease will expire in July 2019.

The commitments under capital leases provide for minimum future lease payments as of June 30, 2016 as follows:

<u>Year ending June 30,</u>	
2017	\$ 1,540
2018	1,540
2019	1,540
2020	<u>128</u>
 Total future minimum lease payments	 4,748
Less: amount representing interest	<u>(-)</u>
 Total future minimum lease payments	 <u>\$ 4,748</u>

The carrying value of the equipment purchased under capital lease is \$7,976 at June 30, 2016.

WICHITA FALLS FAITH MISSION, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D.) JUNE 30, 2016 AND 2015

Note 5 - DEFERRED COMPENSATION AGREEMENT

Effective August 20, 2001, a deferred compensation plan for the former Executive Director and former Marketing Director was adopted by action of the Board of Directors. The plan requires that on the first day of the month immediately following the retirement or death of the former Executive Director, and on the first day of each month thereafter during the joint lifetimes of the former Executive Director and the former Marketing Director, the Mission will pay the former Executive Director and the former Marketing Director, or the survivor of them, the total sum of \$2,000 per month. This Deferred Compensation Agreement was entered into for and in consideration of the years of service given to the Mission. Effective January 1, 2007 the former Executive Director retired. Total payments under this arrangement for fiscal years 2016 and 2015 were \$24,000 each. Future minimum payments are \$24,000 per year until the death of the retired Executive Director. No such agreements have been extended to any other employees of the Mission, nor does the Mission intend to enter into such agreements in the future.

A liability has been recorded for the net present value of the Mission's obligation under this agreement, based on the estimated remaining life of the recipient. As the remaining life of the recipient is uncertain, it is at least reasonably possible that a change in this estimate will occur in the near term.

Note 6 - NET ASSETS

Temporarily restricted net assets are available for the following purposes:

	<u>2016</u>	<u>2015</u>
Faith Refuge family units	\$ 13,526	\$ 110,520
Halfway house	-	25,000
Faith Refuge Academy	-	7,098
Board of Directors Strategic Planning	-	13,624
Tattoo removal	-	20,000
Medical care – Faith Refuge clients	19,512	19,512
Medical care – Faith Mission clients	5,906	5,331
Kitchen Project	23,000	-
Social Services Project FY2017	28,000	-
Faith in the Falls 2016	<u>9,000</u>	<u>-</u>
Total	<u>\$ 98,944</u>	<u>\$ 201,085</u>

Net assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

	<u>2016</u>	<u>2015</u>
Faith Refuge family units	\$ 96,994	\$ -
Faith Refuge Academy	7,098	38,284
Halfway house	25,000	-
Board of Directors Strategic Planning	13,624	-
Tattoo removal	20,000	-
Medical care – Faith Refuge clients	-	8,775
Medical care – Faith Mission clients	-	751
Faith Enterprises	-	36,043
Faith Refuge building	<u>-</u>	<u>201,180</u>
	<u>\$ 162,716</u>	<u>\$ 285,033</u>

WICHITA FALLS FAITH MISSION, INC.

NOTES TO FINANCIAL STATEMENTS (CONT'D.) JUNE 30, 2016 AND 2015

Note 7 - THRIFT SHOPPE SALES

Sales for the thrift shoppe were \$322,628 and \$216,851 for the years ended June 30, 2016 and 2015, respectively. Sales are shown net of applicable sales taxes.

Note 8 - OIL AND GAS MINERAL INTEREST

In 1987, the Mission received a donation of an overriding royalty interest in an oil and gas mineral lease located in Webster Parish, Louisiana.

Royalties received are included as unrestricted revenue in the accompanying financial statements. The \$8,756 original appraised value of the asset has been fully amortized and is included in the Mission's property and equipment.

Note 9 - CONCENTRATIONS

Faith Mission operates in Wichita Falls, Texas. Therefore, support and revenue is dependent on economic conditions in that area.

Note 10- RETIREMENT PLAN

The Mission has in place a Savings Incentive Match Plan for Employees (SIMPLE). A SIMPLE plan is a defined contribution plan where an employee may defer up to \$11,500 per year in compensation. The Mission will match up to 3% of the employee's salary. SIMPLE matching expense was \$6,431 and \$3,910 for 2016 and 2015, respectively.

SUPPLEMENTAL SCHEDULES

WICHITA FALLS FAITH MISSION, INC.

SCHEDULE OF ACTIVITIES BY COST CENTER FOR THE YEAR ENDED JUNE 30, 2016

	Unrestricted					
	Faith Mission	Thrift Shoppe	Faith Refuge	Academy	Faith Enterprises	Total
Revenues and support:						
Contributions	\$ 951,558	\$ 327,193	\$ 476,528	\$ 221	\$ 1,312	\$ 1,756,812
Special events	20,780	-	64,179	93,304	-	178,263
Less cost of direct benefit to donors	-	-	(8,452)	(57,049)	-	(65,501)
Interest income	6,928	514	6,670	-	515	14,627
Oil and gas royalties	213	-	-	-	-	213
Sale of surplus donated clothing	1,851	-	-	-	-	1,851
Miscellaneous revenue	2,871	1,893	250	-	90	5,104
Sales	-	322,628	595	-	51,651	374,874
Less cost of sales	-	(306,452)	-	-	-	(306,452)
Net assets released from restrictions	13,624	-	116,994	7,098	25,000	162,716
Total revenues and support	997,825	345,776	656,764	43,574	78,568	2,122,507
Expenses:						
Program services	609,697	334,794	532,976	48,613	112,054	1,638,134
Administrative	76,606	-	85,445	-	-	162,051
Fundraising	63,503	-	56,412	-	-	119,915
Total expenses	749,806	334,794	674,833	48,613	112,054	1,920,100
Changes in net assets	\$ 248,019	\$ 10,982	\$ (18,069)	\$ (5,039)	\$ (33,486)	\$ 202,407

The accompanying notes are an integral part of these financial statements.

Temporarily Restricted					
Faith Mission	Faith Refuge	Academy	Faith Enterprises	Total	Total
\$ 51,575	\$ -	\$ -	\$ -	\$ 51,575	\$ 1,808,387
4,500	4,500	-	-	9,000	187,263
-	-	-	-	-	(65,501)
-	-	-	-	-	14,627
-	-	-	-	-	213
-	-	-	-	-	1,851
-	-	-	-	-	5,104
-	-	-	-	-	374,874
-	-	-	-	-	(306,452)
(13,624)	(116,994)	(7,098)	(25,000)	(162,716)	-
42,451	(112,494)	(7,098)	(25,000)	(102,141)	2,020,366
-	-	-	-	-	1,638,134
-	-	-	-	-	162,051
-	-	-	-	-	119,915
-	-	-	-	-	1,920,100
\$ 42,451	\$ (112,494)	\$ (7,098)	\$ (25,000)	\$ (102,141)	\$ 100,266

The accompanying notes are an integral part of these financial statements.

WICHITA FALLS FAITH MISSION, INC.

SCHEDULE OF ACTIVITIES BY COST CENTER FOR THE YEAR ENDED JUNE 30, 2015

	Unrestricted					
	Faith Mission	Thrift Shoppe	Faith Refuge	Academy	Faith Enterprises	Total
Revenue, gains, and support:						
Contributions	\$ 575,261	\$ 238,697	\$ 232,852	\$ -	\$ 400	\$1,047,210
Special events	67,262	-	120,878	107,513	-	295,653
Less cost of direct benefit to donors	-	-	(10,073)	(63,843)	-	(73,916)
Interest income	4,280	-	2,614	-	-	6,894
Oil and gas royalties	925	-	-	-	-	925
Sale of surplus donated clothing	13,655	13,655	-	-	-	27,310
Miscellaneous revenue	1,390	-	2,772	-	205	4,367
Sales	210	216,851	12,289	-	51,015	280,365
Less cost of sales	-	(206,853)	-	-	-	(206,853)
Gain on the disposal of assets	-	-	200	-	-	200
Net assets released from restrictions	751	-	209,955	38,284	36,043	285,033
Total revenue, gains, and support	663,734	262,350	571,487	81,954	87,663	1,667,188
Expenses:						
Program services	560,681	329,109	574,444	38,285	124,734	1,627,253
Administrative	87,242	-	95,920	-	-	183,162
Fundraising	52,505	-	43,767	-	-	96,272
Total expenses	700,428	329,109	714,131	38,285	124,734	1,906,687
Loss on the disposal of assets	4,579	5,570	-	-	-	10,149
Total expenses and losses	705,007	334,679	714,131	38,285	124,734	1,916,836
Changes in net assets	\$ (41,273)	\$ (72,329)	\$ (142,644)	\$ 43,669	\$ (37,071)	\$ (249,648)

The accompanying notes are an integral part of these financial statements.

Temporarily Restricted					
Faith Mission	Faith Refuge	Academy	Faith Enterprises	Total	Total
\$ 2,000	\$ 68,520	\$ 12,327	\$ 25,750	\$ 108,597	\$ 1,155,807
-	-	-	-	-	295,653
-	-	-	-	-	(73,916)
-	-	-	-	-	6,894
-	-	-	-	-	925
-	-	-	-	-	27,310
-	-	-	-	-	4,367
-	-	-	-	-	280,365
-	-	-	-	-	(206,853)
-	-	-	-	-	200
(751)	(209,955)	(38,284)	(36,043)	(285,033)	-
1,249	(141,435)	(25,957)	(10,293)	(176,436)	1,490,752
-	-	-	-	-	1,627,253
-	-	-	-	-	183,162
-	-	-	-	-	96,272
-	-	-	-	-	1,906,687
-	-	-	-	-	10,149
-	-	-	-	-	1,916,836
<u>\$ 1,249</u>	<u>\$ (141,435)</u>	<u>\$ (25,957)</u>	<u>\$ (10,293)</u>	<u>\$ (176,436)</u>	<u>\$ (426,084)</u>

The accompanying notes are an integral part of these financial statements.

WICHITA FALLS FAITH MISSION, INC.

SCHEDULE OF FUNCTIONAL EXPENSES BY COST CENTER FOR THE YEAR ENDED JUNE 30, 2016

	Program Services						Faith			Total	Administrative	Fundraising	Total
	Faith Mission	Thrift Shoppe	Faith Refuge	Academy	Enterprises	Total							
Auto and truck	\$ 10,060	\$ 5,295	\$ 1,265	\$ -	\$ 6,041	\$ 22,661				\$ 125	\$ -	\$ -	\$ 22,786
Contract labor	1,198	5,470	-	-	12,266	18,934				-	543		19,477
Depreciation	50,847	3,953	148,103	174	3,018	206,095				30,428	4,681		241,204
Employee benefits	18,426	4,526	18,459	95	-	41,506				10,145	574		52,225
Food	5,048	-	4,316	-	-	9,364				-	-	-	9,364
Insurance	29,324	6,583	18,536	606	5,257	60,306				7,522	1,281		69,109
Kitchen supplies	8,788	-	3,392	-	-	12,180				-	-		12,180
Membership dues and fees	3,743	-	107	-	-	3,850				5	1,304		5,159
Office and miscellaneous	39,097	13,061	14,002	3,377	2,330	71,867				3,258	3,974		79,099
Store lease	-	95,018	-	-	-	95,018				-	-		95,018
Payroll taxes	30,156	17,261	22,641	2,972	7,118	80,148				6,066	3,613		89,827
Postage and printing	1,009	-	96	300	-	1,405				597	3,840		5,842
Professional fees	-	-	-	-	-	-				14,110	-		14,110
Program gift	7,469	-	10,385	4,134	775	22,763				-	-		22,763
Promotional	-	9,103	961	3,776	-	13,840				-	65,637		79,477
Repair and maintenance	45,067	3,921	36,594	1,088	1,414	88,084				12,490	1,921		102,495
Salaries	301,073	144,970	211,905	32,055	59,565	749,568				60,982	30,014		840,564
Specific assistance	3,587	-	7,754	-	-	11,341				-	-		11,341
Supplies	-	-	-	-	13,398	13,398				-	-		13,398
Training and travel	969	200	818	36	-	2,023				2,944	322		5,289
Utilities	53,836	25,433	33,642	-	872	113,783				13,379	2,211		129,373
Totals	\$ 609,697	\$ 334,794	\$ 532,976	\$ 48,613	\$ 112,054	\$ 1,638,134				\$ 162,051	\$ 119,915		\$ 1,920,100

The accompanying notes are an integral part of these financial statements.

WICHITA FALLS FAITH MISSION, INC.

SCHEDULE OF FUNCTIONAL EXPENSES BY COST CENTER FOR THE YEAR ENDED JUNE 30, 2015

	Program Services						
	Faith Mission	Thrift Shoppe	Faith Refuge	Academy	Faith Enterprises	Total	
Auto and truck	\$ 8,933	\$ 11,737	\$ 1,388	\$ -	\$ 13,168	\$ 35,226	Total
Christmas gift	-	-	-	-	-	-	\$ 35,226
Contract labor	9,013	22,350	4,192	-	12,697	48,252	98
Depreciation	49,099	3,439	143,013	168	357	196,076	52,529
Employee benefits	31,562	7,239	21,916	41	2,653	63,411	229,978
Food	8,148	-	3,977	-	-	12,125	70,952
Insurance	20,104	13,326	19,554	436	5,743	59,163	12,125
Kitchen supplies	6,478	-	2,832	-	-	9,310	68,126
Membership dues and fees	1,439	-	1,463	-	-	2,902	9,310
Office and miscellaneous	32,907	21,286	12,384	2,126	3,626	72,329	3,936
Store lease	-	63,333	-	-	-	63,333	80,523
Payroll taxes	24,734	14,863	25,621	2,537	6,217	73,972	63,333
Postage and printing	706	-	294	179	-	1,179	85,495
Professional fees	-	-	-	-	-	-	4,629
Program gift	5,868	-	15,137	4,446	163	25,614	14,531
Promotional	-	5,196	-	2,061	-	7,257	25,614
Repair and maintenance	40,042	9,959	31,363	100	1,153	82,617	31,499
Salaries	255,810	136,317	252,678	25,160	52,654	722,619	1,680
Specific assistance	4,656	-	6,910	-	-	11,566	42,604
Supplies	-	-	-	-	22,892	22,892	-
Training and travel	4,413	-	2,906	1,004	-	8,323	-
Utilities	56,769	20,064	28,816	27	3,411	109,087	20
Totals	\$ 560,681	\$ 329,109	\$ 574,444	\$ 38,285	\$ 124,734	\$ 1,627,253	\$ 96,272
							\$ 1,906,687

The accompanying notes are an integral part of these financial statements.