



## LIFELINE CHRISTIAN MISSION

Financial Statements  
With Independent Auditors' Report

December 31, 2020 and 2019

# LIFELINE CHRISTIAN MISSION

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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Lifeline Christian Mission  
Westerville, Ohio

We have audited the accompanying financial statements of Lifeline Christian Mission, which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities, 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.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the 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.

Board of Directors  
Lifeline Christian Mission  
Westerville, Ohio

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lifeline Christian Mission as of December 31, 2020 and 2019, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Capin Crouse LLP*

Colorado Springs, Colorado  
September 30, 2021

# LIFELINE CHRISTIAN MISSION

## Statements of Financial Position

	December 31,	
	<u>2020</u>	<u>2019</u>
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 639,606	\$ 735,174
Investments	135,500	128,000
Contributions receivable	152,509	139,046
Prepaid expenses and other assets	44,558	93,440
Inventory	400,559	173,334
Property and equipment–net	<u>3,765,559</u>	<u>3,713,347</u>
Total Assets	<u>\$ 5,138,291</u>	<u>\$ 4,982,341</u>
<b>LIABILITIES AND NET ASSETS:</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 236,435	\$ 375,851
Accrued expenses	849,853	756,134
Deferred revenue	42,203	125,064
Debt–net of debt issuance costs	<u>1,187,769</u>	<u>1,154,992</u>
Total liabilities	<u>2,316,260</u>	<u>2,412,041</u>
<b>Net assets:</b>		
Without donor restrictions	1,925,187	1,705,927
With donor restrictions	<u>896,844</u>	<u>864,373</u>
Total net assets	<u>2,822,031</u>	<u>2,570,300</u>
Total Liabilities and Net Assets	<u>\$ 5,138,291</u>	<u>\$ 4,982,341</u>

See notes to financial statements

# LIFELINE CHRISTIAN MISSION

## Statements of Activities

	Year Ended December 31,					
	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE:</b>						
Contributions	\$ 6,481,393	\$ 200,605	\$ 6,681,998	\$ 7,247,342	\$ 529,968	\$ 7,777,310
Gifts-in-kind	928,280	-	928,280	1,047,455	-	1,047,455
School revenue	219,569	-	219,569	223,067	-	223,067
Other income	37,918	-	37,918	23,916	-	23,916
Total support and revenue	<u>7,667,160</u>	<u>200,605</u>	<u>7,867,765</u>	<u>8,541,780</u>	<u>529,968</u>	<u>9,071,748</u>
<b>RECLASSIFICATIONS:</b>						
Satisfaction of program restrictions	168,134	(168,134)	-	116,000	(116,000)	-
<b>EXPENSES:</b>						
Program services	6,435,216	-	6,435,216	7,390,094	-	7,390,094
Supporting activities:						
Management and general	951,342	-	951,342	956,494	-	956,494
Fundraising	229,476	-	229,476	244,733	-	244,733
Total supporting activities	<u>1,180,818</u>	<u>-</u>	<u>1,180,818</u>	<u>1,201,227</u>	<u>-</u>	<u>1,201,227</u>
Total expenses	<u>7,616,034</u>	<u>-</u>	<u>7,616,034</u>	<u>8,591,321</u>	<u>-</u>	<u>8,591,321</u>
Change in Net Assets	219,260	32,471	251,731	66,459	413,968	480,427
Net Assets, Beginning of Year	<u>1,705,927</u>	<u>864,373</u>	<u>2,570,300</u>	<u>1,639,468</u>	<u>450,405</u>	<u>2,089,873</u>
Net Assets, End of Year	<u>\$ 1,925,187</u>	<u>\$ 896,844</u>	<u>\$ 2,822,031</u>	<u>\$ 1,705,927</u>	<u>\$ 864,373</u>	<u>\$ 2,570,300</u>

See notes to financial statements

# LIFELINE CHRISTIAN MISSION

## Statements of Functional Expenses

Year Ended December 31, 2020					
Program Activities	Supporting Activities			Total Supporting	Total
	Management and General	Fundraising	Total		
Salaries and benefits	\$ 2,990,816	\$ 464,807	\$ 198,654	\$ 663,461	\$ 3,654,277
Food and nutrition	1,372,753	-	-	-	1,372,753
Supplies, equipment, and maintenance	739,713	154,032	15,134	169,166	908,879
Travel and shipping	591,760	6,998	3,612	10,610	602,370
Office expenses	193,337	285,536	12,076	297,612	490,949
Other	316,904	2,726	-	2,726	319,630
Depreciation and amortization	229,933	37,243	-	37,243	267,176
<b>Total</b>	<b>\$ 6,435,216</b>	<b>\$ 951,342</b>	<b>\$ 229,476</b>	<b>\$ 1,180,818</b>	<b>\$ 7,616,034</b>

Year Ended December 31, 2019					
Program Activities	Supporting Activities			Total Supporting	Total
	Management and General	Fundraising	Total		
Salaries and benefits	\$ 2,936,015	\$ 389,245	\$ 192,490	\$ 581,735	\$ 3,517,750
Food and nutrition	1,770,565	-	-	-	1,770,565
Supplies, equipment, and maintenance	849,827	166,906	25,241	192,147	1,041,974
Travel and shipping	1,197,473	46,169	17,999	64,168	1,261,641
Office expenses	164,123	322,582	9,003	331,585	495,708
Other	257,302	1,756	-	1,756	259,058
Depreciation and amortization	214,789	29,836	-	29,836	244,625
<b>Total</b>	<b>\$ 7,390,094</b>	<b>\$ 956,494</b>	<b>\$ 244,733</b>	<b>\$ 1,201,227</b>	<b>\$ 8,591,321</b>

See notes to financial statements

# LIFELINE CHRISTIAN MISSION

## Statements of Cash Flows

	December 31,	
	2020	2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 251,731	\$ 480,427
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	267,176	244,625
Forgiveness of Paycheck Protection Program loan	(447,155)	-
Amortization of debt issuance costs	3,386	3,091
Donated property and equipment	(67,552)	-
Gain on sale of property and equipment	(2,700)	-
Changes in:		
Contributions receivable	(13,463)	(15,388)
Prepaid expenses and other assets	48,882	(93,440)
Inventory	(227,225)	(105,413)
Accounts payable	(139,416)	(380,730)
Accrued expenses	93,719	469,530
Deferred revenue	(82,861)	(5,843)
Building payable	-	(40,310)
Net Cash Provided (Used) by Operating Activities	(315,478)	556,549
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property and equipment	(174,401)	(65,908)
Purchase of investments	(7,500)	-
Proceeds from sale of property and equipment	2,700	-
Net Cash Used by Investing Activities	(179,201)	(65,908)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from Paycheck Protection Program loan	447,155	-
Borrowings on line of credit	95,011	-
Payments on line of credit	(95,000)	-
Payments on debt	(48,055)	(50,477)
Net Cash Provided (Used) by Financing Activities	399,111	(50,477)
Net Change in Cash and Cash Equivalents	(95,568)	440,164
Cash and Cash Equivalents, Beginning of Year	735,174	295,010
Cash and Cash Equivalents, End of Year	\$ 639,606	\$ 735,174

(continued)

See notes to financial statements



# LIFELINE CHRISTIAN MISSION

## Statements of Cash Flows

(continued)

	December 31,	
	2020	2019
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Property and equipment acquired through debt	\$ 101,034	\$ 38,406
Termination of capital lease agreement and return of equipment	\$ 23,599	\$ -
Non-cash transaction to recognize loan forgiveness	\$ 447,155	\$ -
Cash paid during the year for interest expense	\$ 91,026	\$ 89,200

See notes to financial statements

# LIFELINE CHRISTIAN MISSION

## Notes to Financial Statements

December 31, 2020 and 2019

1. NATURE OF ORGANIZATION:

Lifeline Christian Mission (Organization) is a nonprofit organization. The primary purpose of the Organization is to construct and operate churches, schools and medical facilities in Haiti, Honduras, El Salvador, Cuba, Canada, Guatemala, Panama, Ecuador and Red Sands (USA). In addition, the Organization provides charitable relief in the form of food and medical supplies to the citizens of those countries.

The Organization's outreaches are funded by contributions from churches and individuals throughout the country, a majority of which are located in the Midwest.

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

2. SIGNIFICANT ACCOUNTING POLICIES:

The Organization prepares its financial statements on the accrual basis of accounting. The Organization uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements. The more significant accounting policies are described below.

### CASH, CASH EQUIVALENTS AND CREDIT RISK

The Organization considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. While the Organization's cash equivalents at times may exceed federally insured limits, the Organization has not experienced any losses on such accounts. The Organization believes it is not exposed to any significant credit risk on these accounts. As of December 31, 2020 and 2019, approximately \$137,000 and \$133,000, respectively, was in excess of federally insured limits.

### INVESTMENTS

Investments consist of a time certificate held with The Solomon Foundation (TSF, see Note 11). The time certificate with TSF is a deposit investment that represents unsecured and uninsured debt obligations of The Solomon Foundation with a maturity date of May 31, 2022. The certificate is reported at cost and bears interest at 4.75 percent. The certificate includes an early withdrawal penalty of 3%. Interest earned on the certificate is reported in other income on the statements of activities.

# LIFELINE CHRISTIAN MISSION

## Notes to Financial Statements

December 31, 2020 and 2019

### 2. SIGNIFICANT ACCOUNTING POLICIES, continued:

#### CONTRIBUTIONS RECEIVABLE

Contributions receivable are unconditional promises to give related to meal pack events and are recognized as assets and support in the period made. All receivables are expected to be received within one year and are recorded at their net realizable value based on management's estimate of the receivables being collectible. Management believes that all contributions receivable are collectible; therefore, no allowance for uncollectible amounts has been recorded as of December 31, 2020 and 2019.

#### INVENTORY

Inventory procured by the Organization is stated at the lower of cost or net realizable value. The Organization receives donations of medical supplies, clothing, and food for use in its outreach programs. Gifts-in-kind contributions are valued at their estimated fair value on the date of donation. Fair value is determined using the market approach whereby the Organization uses prices and other relevant information generated for market transactions involving comparable assets.

#### PROPERTY AND EQUIPMENT

Property and equipment purchased by the Organization are recorded at cost. The Organization capitalizes all expenditures for property and equipment over \$5,000 with a useful life in excess of one year. The fair value of donated property and equipment are similarly capitalized without donor restriction unless explicit donor stipulations specify the use of the asset, in which the donor restriction is released when the property and equipment is placed in service. Some of the property and equipment is held outside the United States and could be seized by the local governments without warning or reason. Depreciation is computed on the straight-line method based upon the following estimated useful lives of the assets:

Building and improvements	15-39 years
Furniture and equipment	5-7 years
Vehicles	7-15 years

#### NET ASSETS

Net assets and changes therein are reported as follows:

*Net assets without donor restrictions* are amounts currently available for ministry purposes at the discretion of the board of directors.

*Net assets with donor restrictions* are contributed with donor stipulations for specific operating purposes or programs and those restricted by time restrictions.

# LIFELINE CHRISTIAN MISSION

## Notes to Financial Statements

December 31, 2020 and 2019

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

### SUPPORT, REVENUE, AND EXPENSES

Contributions are recorded when made, which may be when cash is received, unconditional promises are made, or ownership of other assets is transferred to the organization. Contributions are recorded as restricted support if they are received with donor stipulations that limit the use of the donated amounts. When a stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as satisfaction of purpose restrictions. If the donor restriction is fulfilled in the same year in which the contribution is received, the Organization reports the support as without donor restrictions.

During the year ended December 31, 2020, the Organization received a Paycheck Protection Program (PPP) loan of \$447,155. The Organization has adopted the simultaneous release option for funds received through conditional grants, such as the PPP loan. Therefore, all conditional grants received for which the Organization has met the barriers for revenue recognition have been treated as contributions without donor restrictions in the statements of activities. As described in Note 13, the Small Business Association (SBA) forgave the Organization's PPP loan in its entirety subsequent to December 31, 2020.

School revenue consists of tuition income that is recognized when earned. Any tuition collected prior to the period earned is recorded as deferred revenue. Tuition earned, but not yet received, is recorded as accounts receivable.

Other income is recorded when earned and consists primarily of sales, event, and investment income.

Expenses are recorded when incurred.

### FUNCTIONAL ALLOCATION OF EXPENSES

The statements of functional expenses reports certain categories of expenses that are attributable to program or support activities of the Organization. These expenses include depreciation and supplies, equipment and maintenance, which are allocated based on square footage of occupancy. Costs of other categories, such as salaries and benefits, were allocated on estimates of time and effort.

# LIFELINE CHRISTIAN MISSION

## Notes to Financial Statements

December 31, 2020 and 2019

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

### ADOPTION OF RECENTLY ISSUED PRONOUNCEMENTS

In 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2014-09, Revenue from Contracts with Customers (Topic 606 of the FASB Accounting Standards Codification). The Organization adopted the provisions of this new standard during the year ended December 31, 2020. The new standard applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition. Adoption of this standard had no effect on change in net assets or net assets in total.

### RECLASSIFICATIONS

During the year ended December 31, 2020, management identified adjustments pertaining to certain amounts reported as accounts payable that should have been recorded as accrued expenses on the statements of financial position. To reflect these changes, as of December 31, 2019, accounts payable was reduced and accrued expenses was increased by \$690,677.

# LIFELINE CHRISTIAN MISSION

## Notes to Financial Statements

December 31, 2020 and 2019

3. LIQUIDITY AND FUNDS AVAILABLE:

The following reflects the Organization's financial assets as of December 31, 2020 and 2019, respectively, reduced by amounts not available for general use because of board designations and contractual or donor-imposed restrictions within one year of the statements of financial position date.

	December 31,	
	2020	2019
Financial assets:		
Cash and cash equivalents	\$ 639,606	\$ 735,174
Investments	135,500	128,000
Contributions receivable	152,509	139,046
Accounts receivable (included within prepaid expenses and other assets)	76,684	90,790
Financial assets, at year end	<u>1,004,299</u>	<u>1,093,010</u>
Less those unavailable for general expenditures within one year, due to:		
Board designations - Legacy Fund	(40,200)	(40,200)
Restricted by donor with purpose restrictions	(125,000)	(125,000)
	<u>(165,200)</u>	<u>(165,200)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 839,099</u>	<u>\$ 927,810</u>

The Organization is substantially supported by contributions, which at times are received with restrictions. Those contributions with donor restriction require resources to be used in a particular manner or in a future period. The Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In the event of an unanticipated liquidity need, the Organization also could draw upon its available revolving line of credit up to \$380,000 (Note 6).

4. INVENTORY:

Inventory consists of:

	December 31,	
	2020	2019
Meal pack supplies	\$ 370,655	\$ 124,887
Medical and other supplies	29,904	48,447
	<u>\$ 400,559</u>	<u>\$ 173,334</u>

# LIFELINE CHRISTIAN MISSION

## Notes to Financial Statements

December 31, 2020 and 2019

5. PROPERTY AND EQUIPMENT:

Property and equipment-net consists of the following:

	December 31, 2020		
	United States	Foreign Countries	Total
Land	\$ 31,000	\$ 206,074	\$ 237,074
Buildings and improvements	1,421,630	3,156,117	4,577,747
Vehicles	214,597	451,148	665,745
Equipment	169,877	458,312	628,189
Furniture	55,900	53,986	109,886
Software	96,542	-	96,542
	<u>1,989,546</u>	<u>4,325,637</u>	<u>6,315,183</u>
Less accumulated depreciation	<u>(519,992)</u>	<u>(2,172,714)</u>	<u>(2,692,706)</u>
	1,469,554	2,152,923	3,622,477
Construction in process	<u>74,078</u>	<u>69,004</u>	<u>143,082</u>
	<u>\$ 1,543,632</u>	<u>\$ 2,221,927</u>	<u>\$ 3,765,559</u>
	December 31, 2019		
	United States	Foreign Countries	Total
Land	\$ 31,000	\$ 202,074	\$ 233,074
Buildings and improvements	1,421,631	3,129,217	4,550,848
Vehicles	204,897	399,298	604,195
Equipment	95,845	446,313	542,158
Furniture	55,900	53,986	109,886
Software	96,542	-	96,542
	<u>1,905,815</u>	<u>4,230,888</u>	<u>6,136,703</u>
Less accumulated depreciation	<u>(412,154)</u>	<u>(2,050,971)</u>	<u>(2,463,125)</u>
	1,493,661	2,179,917	3,673,578
Construction in process	<u>-</u>	<u>39,769</u>	<u>39,769</u>
	<u>\$ 1,493,661</u>	<u>\$ 2,219,686</u>	<u>\$ 3,713,347</u>

# LIFELINE CHRISTIAN MISSION

## Notes to Financial Statements

December 31, 2020 and 2019

6. DEBT:

Debt consists of the following:

	December 31,	
	2020	2019
Note payable with TSF (see Note 11) which requires monthly installments of principal and interest of \$3,424 through May 2049. Note has tiered interest rate based upon outstanding balance. Interest rate at December 31, 2020 and 2019, is 7.25%. The note is secured by a building.	\$ 492,471	\$ 498,543
Note payable with TSF (see Note 11) which requires monthly installments of principal and interest of \$1,194 through July 2047. Interest rate is 7.25%. The note is secured by a building.	172,524	174,277
Revolving line of credit with TSF (see Note 11), with a maximum borrowing capacity of \$380,000. Monthly interest only payments are calculated at the annual rate of 7.75% on the outstanding balance, which matures March 2023.	380,000	379,989
Financing agreement with a company requiring monthly installments of principal and interest of \$1,830 through July 2023. Interest rate is 2%. Secured by laptops and docking stations.	60,999	-
Financing agreement with a company requiring monthly installments of principal and interest of \$603 through September 2025. Interest rate is 4%. Secured by a vehicle.	31,163	36,086
Financing agreement with a company requiring monthly installments of principal and interest of \$649 through July 2025. Interest rate is 2%. Secured by a copier.	28,392	-



# LIFELINE CHRISTIAN MISSION

## Notes to Financial Statements

December 31, 2020 and 2019

6. DEBT, continued:

	December 31,	
	2020	2019
Note payable to the landlord for tenant improvements. Monthly installments of principal of \$702 through June 2022, 0% interest.	12,636	21,061
Financing agreement with a company requiring monthly installments of principal and interest of \$537 through July 2022. Interest rate is 7.74%. Secured by a vehicle.	9,106	14,613
Capital lease agreement with a company requiring monthly installment payments of \$239 through December 2022. Secured by equipment.	5,975	8,844
Financing agreement with a company requiring monthly installments of principal and interest of \$317 through August 2021. Interest rate is 7.35%. Secured by a vehicle.	2,168	5,677
Financing agreement with a company requiring monthly installments of principal and interest of \$302 through July 2021. Interest rate is 7.36%. Secured by a vehicle.	1,771	5,125
Financing agreement with a company requiring monthly installments of principal and interest of \$905 through May 2022. Interest rate is 7.5%. Secured by two copiers.	-	23,599
	1,197,205	1,167,814
Less net unamortized debt issuance costs	(9,436)	(12,822)
	\$ 1,187,769	\$ 1,154,992

# LIFELINE CHRISTIAN MISSION

## Notes to Financial Statements

December 31, 2020 and 2019

6. DEBT, continued:

Future estimated maturities of debt are as follows:

Year Ending December 31,	
2021	\$ 63,104
2022	53,553
2023	415,952
2024	23,964
2025	20,058
Thereafter	620,574
	\$ 1,197,205

7. NET ASSETS:

Net assets consist of:

	December 31,	
	2020	2019
Net assets without donor restrictions consist of:		
Undesignated	\$ 1,884,987	\$ 1,665,727
Board designated for Legacy Fund	40,200	40,200
	\$ 1,925,187	\$ 1,705,927
Net assets with donor restrictions consist of:		
Homes for Haiti	\$ 225,737	\$ 201,634
Time restrictions	152,509	139,046
Legacy fund	125,000	125,000
Other programs	97,429	46,016
Surgery center	78,585	76,672
Disaster relief	67,756	-
Solar panels	66,207	59,751
Benevolence	48,687	-
BeFriend	17,721	25,163
Micro-finance program	10,040	10,040
Gifts to children and mission trips	7,173	22,453
Red Sands ministry	-	130,591
Scholarships	-	28,007
	\$ 896,844	\$ 864,373

# LIFELINE CHRISTIAN MISSION

## Notes to Financial Statements

December 31, 2020 and 2019

8. OPERATING LEASES:

The Organization holds noncancelable operating leases through May 2026 for building rent and office equipment. Lease expenses for the years ended December 31, 2020 and 2019, was approximately \$249,000 and \$137,000, respectively. Minimum base lease payments for future years are as follows:

Year Ending December 31,		
2021	\$	150,901
2022		119,362
2023		65,945
2024		61,419
2025		61,575
Thereafter		15,031
	\$	474,233

9. GIFTS-IN-KIND:

The Organization receives donations of medicine and supplies for use in relief and development programs. The Organization ships all such gifts-in-kind to their project sites throughout the world. In accordance with Interagency Standards established by the Accord Network, Lifeline Christian Mission only records the value of gifts-in-kind for which it receives and exercises variance power, which is at the discretion to distribute or redistribute the commodity without the donor’s prior consent in accordance with its mission and purpose.

The Organization received gift-in-kind donations totaling the following for the years ended December 31, 2020 and 2019:

	Year Ended December 31,	
	2020	2019
Meals and food	\$ 572,661	\$ 861,340
Medical supplies	197,387	112,731
Ministry supplies	142,415	66,685
Sponsor gifts and other	15,817	6,699
	\$ 928,280	\$ 1,047,455

# LIFELINE CHRISTIAN MISSION

## Notes to Financial Statements

December 31, 2020 and 2019

### 10. RETIREMENT PLAN:

The Organization offers a defined contribution retirement plan through The Solomon Foundation (see Note 11). The plan provides benefits to all participating employees and contributions are immediately vested. The Organization makes contributions based on the participants' compensation. The rate of contribution was 0.5 percent of the participants' compensation as well as a match of up to 1.5 percent. The Organization's contribution was \$31,011 and \$24,837, for the years ended December 31, 2020 and 2019, respectively.

### 11. RELATED PARTY TRANSACTIONS:

The President of TSF is on the board of the Organization. The Organization had assets consisting of cash equivalents of \$117,938 and \$133,172, and a time certificate of \$135,500 and \$128,000, on deposit at TSF as of December 31, 2020 and 2019, respectively. The Organization had notes payable and a line of credit totaling \$1,044,995 and \$1,052,809 (see Note 6), as of December 31, 2020 and 2019, respectively. Additionally, the Organization made contributions to a retirement plan administered by TSF for \$31,011 and \$24,837, (see Note 10), as of December 31, 2020 and 2019, respectively.

The Organization sent grants, including food and supplies, to nonprofit affiliates of approximately \$1,482,000 and \$1,485,000 and received approximately \$11,000 and \$0 in support from the affiliated organizations during the years ended December 31, 2020 and 2019, all respectively. The President of the Organization is also the President of the affiliated nonprofits.

The Organization's board members contributed approximately \$32,000 and \$34,000, during the years ended December 31, 2020 and 2019, respectively.

### 12. RISKS AND UNCERTAINTIES:

In March 2020, the World Health Organization declared the outbreak of the coronavirus (COVID-19) as a pandemic which continues to spread throughout the United States. COVID-19 has caused a severe negative impact on the world economy and has contributed to significant declines and volatility in financial markets. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Organization for future periods.

# LIFELINE CHRISTIAN MISSION

## Notes to Financial Statements

December 31, 2020 and 2019

### 13. SUBSEQUENT EVENTS:

On September 21, 2021, the Organization received notice of PPP loan forgiveness from the SBA, forgiving its PPP loan in its entirety.

Subsequent to December 31, 2020, the Organization received a second draw PPP loan totaling \$344,470.

Subsequent to December 31, 2020, the Organization converted approximately \$510,000 of accrued expenses due to a supplier to a debt instrument. The note requires monthly installments of principal and interest of \$6,459 through August 2028, with interest calculated at 1.78%.

Subsequent events have been evaluated through September 30, 2021, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.