



JONI AND FRIENDS

Consolidated Financial Statements
With Independent Auditors' Report

December 31, 2023 and 2022

JONI AND FRIENDS

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1
Consolidated Financial Statements	
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities	4
Consolidated Statements of Cash Flows	6
Notes to Consolidated Financial Statements	8
Supplementary Data	
Independent Auditors' Report on Supplementary Data	26
Consolidating Statement of Financial Position–December 31, 2023	27
Consolidating Statement of Financial Position–December 31, 2022	28
Consolidating Statement of Activities–December 31, 2023	29
Consolidating Statement of Activities–December 31, 2022	30

INDEPENDENT AUDITORS' REPORT

Board of Directors
Joni and Friends
Agoura Hills, California

Opinion

We have audited the accompanying consolidated financial statements of Joni and Friends, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Joni and Friends as of December 31, 2023 and 2022, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are required to be independent of Joni and Friends and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Joni and Friends' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Board of Directors
Joni and Friends
Agoura Hills, California

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Joni and Friends' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Joni and Friends' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Capin Crause LLP

Woodland Hills, California
June 18, 2024

JONI AND FRIENDS

Consolidated Statements of Financial Position

	December 31,	
	2023	2022
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 13,619,131	\$ 14,936,797
Prepaid expenses and other assets	2,545,988	1,396,212
Inventory–wheelchairs	3,504,082	3,995,899
Inventory–books and materials	503,740	363,912
	20,172,941	20,692,820
Non-current assets:		
Cash reserved for area ministries	250,000	250,000
Endowment investments	19,607,756	14,746,119
Cash reserved for endowment	175,000	175,000
Limited partnership interests	12,546,000	13,910,000
Intellectual property, net of amortization	339,431	374,610
Land, building, and equipment–at cost, net	21,543,697	21,013,605
Operating leases–right of use assets	841,481	649,696
Financing leases–right of use assets	256,497	138,526
	55,559,862	51,257,556
Total Assets	\$ 75,732,803	\$ 71,950,376
LIABILITIES AND NET ASSETS:		
Current liabilities:		
Accounts payable	\$ 1,192,252	\$ 657,874
Accrued expenses	1,984,944	1,806,871
Operating lease obligations–current portion	346,939	353,065
Financing lease obligations–current portion	56,700	39,921
	3,580,835	2,857,731
Long-term debt	1,000,000	1,000,000
Operating lease obligations–net	560,893	296,555
Financing lease obligations–net	200,822	69,632
Total liabilities	5,342,550	4,223,918
Net assets:		
Net assets without donor restrictions	67,452,028	63,450,624
Net assets with donor restrictions	2,938,225	4,275,834
Total net assets	70,390,253	67,726,458
Total Liabilities and Net Assets	\$ 75,732,803	\$ 71,950,376

See notes to consolidated financial statements

JONI AND FRIENDS

Consolidated Statements of Activities

	Year Ended December 31,					
	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT, REVENUE, AND RECLASSIFICATIONS:						
Contributions	\$ 33,407,785	\$ 2,442,666	\$ 35,850,451	\$ 30,828,523	\$ 929,012	\$ 31,757,535
Sales of books and materials	544,648	-	544,648	610,617	-	610,617
Tuition and registration	4,513,089	-	4,513,089	3,470,281	-	3,470,281
Donated stock	957,424	-	957,424	270,671	-	270,671
Oil royalty income	185,240	-	185,240	613,775	-	613,775
Royalty partnership income (oil and gas)	1,508,022	-	1,508,022	437,868	-	437,868
Limited partnership income	498,738	-	498,738	408,229	-	408,229
Investment and other income	537,689	-	537,689	475,882	-	475,882
Realized gain on investments	166,187	-	166,187	257,355	-	257,355
Unrealized gain (loss) on investments	1,077,662	-	1,077,662	(1,284,287)	-	(1,284,287)
Unrealized gain (loss) on limited partnership interests	(1,364,000)	-	(1,364,000)	6,731,332	-	6,731,332
Contributed airtime, wheelchairs, services and materials	19,596,611	-	19,596,611	17,863,310	-	17,863,310
Net assets released from restrictions:						
Satisfaction of program restrictions	2,267,948	(2,267,948)	-	252,445	(252,445)	-
Satisfaction of wheelchair ministry and other project restrictions	1,512,326	(1,512,326)	-	4,050,967	(4,050,967)	-
Total Support, Revenue, and Reclassifications	65,409,369	(1,337,608)	64,071,761	64,986,968	(3,374,400)	61,612,568

(continued)

See notes to consolidated financial statements

JONI AND FRIENDS

Consolidated Statements of Activities

(continued)

	Year Ended December 31,					
	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
EXPENSES:						
Program services	51,235,953	-	51,235,953	44,868,157	-	44,868,157
Supporting activities:						
General and administrative	4,607,147	-	4,607,147	3,974,774	-	3,974,774
Fundraising	5,564,866	-	5,564,866	4,686,753	-	4,686,753
	10,172,013	-	10,172,013	8,661,527	-	8,661,527
Total Expenses	61,407,966	-	61,407,966	53,529,684	-	53,529,684
Change in Net Assets	4,001,403	(1,337,608)	2,663,795	11,457,284	(3,374,400)	8,082,884
Net Assets, Beginning of Year	63,450,624	4,275,834	67,726,458	51,993,340	7,650,234	59,643,574
Net Assets, End of Year	\$ 67,452,027	\$ 2,938,226	\$ 70,390,253	\$ 63,450,624	\$ 4,275,834	\$ 67,726,458

See notes to consolidated financial statements

JONI AND FRIENDS

Consolidated Statements of Cash Flows

	Year Ended December 31,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 2,663,795	\$ 8,082,884
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	754,727	750,318
Realized loss on disposal of financing lease	24,348	-
Unrealized (gain) loss on investments	286,338	(5,446,229)
Net investment income	(283,975)	(368,368)
Donated land	(50,000)	-
Gifts-in-kind contributions	(19,596,611)	(17,863,310)
Gifts-in-kind used in operations	20,088,428	17,777,926
Non-cash effect of change in accounting principle	-	(58,101)
Non-cash rent expense	66,427	-
Net change in:		
Prepaid expenses and other assets	(1,149,776)	(792,673)
Inventory—books and materials	(139,828)	(166,603)
Accounts payable	534,378	(189,961)
Accrued expenses	178,073	359,190
Net Cash Provided by Operating Activities	3,376,324	2,085,073
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(3,500,000)	(11,000,000)
Capital expenditures	(1,170,608)	(92,311)
Net Cash Used in Investing Activities	(4,670,608)	(11,092,311)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal paid on finance leases	(23,382)	(4,358)
Net Cash Used in Financing Activities	(23,382)	(4,358)
Change in Cash and Cash Equivalents	(1,317,666)	(9,011,596)
Cash and Cash Equivalents, Beginning of Year	15,361,797	24,373,393
Cash and Cash Equivalents, End of Year	\$ 14,044,131	\$ 15,361,797

(continued)

See notes to consolidated financial statements

JONI AND FRIENDS

Consolidated Statements of Cash Flows

(continued)

	Year Ended December 31,	
	<u>2023</u>	<u>2022</u>
SUMMARY OF CASH AND CASH EQUIVALENTS:		
Cash and cash equivalents	\$ 13,619,131	\$ 14,936,797
Cash reserved for area ministries	250,000	250,000
Cash reserved for endowment	175,000	175,000
	<u>\$ 14,044,131</u>	<u>\$ 15,361,797</u>
SUPPLEMENTAL DISCLOSURES:		
Cash paid for interest	<u>\$ 3,126</u>	<u>\$ 2,521</u>
Right-of-use assets obtained in exchange for financing lease obligations	<u>\$ 268,818</u>	<u>\$ 1,241,297</u>
Right-of-use assets obtained in exchange for operating lease obligations	<u>\$ 101,254</u>	<u>\$ 1,239,062</u>

See notes to consolidated financial statements

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

1. NATURE OF ORGANIZATION:

Joni and Friends (JAF) was incorporated in 1979 in California as a not-for-profit corporation exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code) and comparable state laws. However, the Organization is subject to federal income tax on any unrelated business taxable income. In addition, the Organization is not classified as a private foundation within the meaning of Section 509(a) of the Code.

JAF is a religious organization dedicated to accelerating Christian ministry in the disability community. Field and service programs promote a Biblical response toward disabilities, assisting individuals and Churches through evangelism, training, encouragement, and practical service.

In April 2007, the Joni and Friends International Disability Center was opened in Agoura Hills, California as the permanent headquarters. In the same year, the Christian Institute on Disability was established to aggressively promote a Christ-centered, Biblical approach that protects human dignity and the sanctity of all human life, no matter what the disabling condition.

JAF has several area ministry offices located in the United States of America. These offices are controlled by JAF, and consequently, the financial position and results of operations of all offices are included in JAF's consolidated financial statements.

In 2020, JAF launched Joni's House, a network of international disability centers in developing nations that provide ongoing rehabilitation and wraparound support services to special needs families. In cooperation with local church, community, and government partners, Joni's House facilities provide for the physical, economic, social, and spiritual needs of families impacted by disability.

On December 31, 2014, the Joni and Friends Foundation (JAFF or the Foundation), a 501 (c)(3) supporting organization, was created with the sole purpose of supporting Joni and Friends, the parent organization. Contributions to the Foundation are exempt from federal income taxes under Section 170 (c)(2) of the Code. JAFF was created to receive, manage, and distribute complex assets, manage the Joni and Friends endowment fund, and assume other actions assisting the work of Joni and Friends as are consistent with Joni and Friends' purposes. Joni and Friends has an economic interest in the Foundation through endowment agreements created to ultimately benefit Joni and Friends. Joni and Friends also has a controlling interest in the Foundation as Joni and Friends controls the Foundation's board. As a result, the financial statements of the Foundation have been consolidated with those of Joni and Friends.

JAF's primary source of income consists of contributions and gifts-in-kind.

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

1. NATURE OF ORGANIZATION, continued:

PRINCIPLES OF CONSOLIDATION

The accompanying consolidated financial statements of Joni and Friends include the financial statements of Joni and Friends and the Joni and Friends Foundation (the Organization). The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. All material transactions and balances between JAF and JAFF have been eliminated in the consolidated financial statements. A summary of significant accounting policies the Organization follows is included below to enhance the usefulness of the consolidated financial statements to the reader.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

CASH AND CASH EQUIVALENTS

For the consolidated statements of financial position and consolidated cash flow purposes, cash and cash equivalents include cash on hand, cash on deposit, and money market accounts. Cash on deposit may, at times, exceed federally insured limits. At December 31, 2023 and 2022, the Organization's cash balances exceeded federally insured limits by approximately \$11,454,000 and \$11,380,000, respectively.

INVENTORY

Inventory consists of two components: 1) Wheelchairs stated at estimated fair value on the date of the gift. Donated parts are valued at fair value. Donated labor used in refurbishment is expensed at estimated fair value of the donated labor. 2) Joni and Friends merchandise and books for sale are stated at the lower of cost or net realizable value, using the weighted average method.

INVESTMENTS

Investments in equity securities with readily determinable fair values are recorded at fair value with gains and losses reported in the consolidated statements of activities. Donated equity securities are recorded at fair value at the date of donation and are thereafter carried at fair value.

The Foundation's alternative investments include a 33% interest in real property (including mineral rights), 28.125% interest in a royalty stream, and a limited partnership interest in three rental properties donated to the Foundation in 2021. These investments are reported at estimated fair value. JAFF received independent valuations of the real property and royalty stream investments by a qualified appraiser at December 31, 2023 and 2022, utilizing the current income method and a capitalization rate of 24% for both years (see Note 5). JAFF received independent valuations of the partnership properties at December 31, 2023 and 2022, and utilized the net asset approach to determine valuation.

Investments in general are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risks associated with certain investments, it is reasonably possible that changes in the value of those investments will occur in the near term and such changes could materially affect the amounts reported in the consolidated financial statements.

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

LAND, BUILDING, AND EQUIPMENT

Expenditures for land, buildings, and equipment greater than \$1,000 are capitalized at cost. Donated items are recorded at the fair value on the date of the gift. Depreciation is computed on the straight line method over the estimated useful lives of the assets.

Estimated useful lives are:

Buildings and improvements	40 years
Furniture and equipment	3-7 years
Automobiles	5 years

OPERATING AND FINANCING LEASES—RIGHT-OF-USE ASSETS AND OBLIGATIONS

Some of JAF's contracts contain the right to control the use of property or assets and are therefore considered leases. JAF records right-of-use assets and lease obligations on the statements of financial position for the rights and obligations created by leases with initial terms of more than twelve months. JAF has elected to not separate lease and non-lease components.

NET ASSETS

The consolidated financial statements report amounts by class of net assets:

Net assets without donor restrictions are currently available at the discretion of the board for use in JAF's operations, for the board designated endowment fund, or for investment in land, buildings and equipment.

Net assets with donor restrictions are stipulated by donors for specific operating purposes or for long-term projects. As of December 31, 2023 and 2022, the net assets with donor restrictions consist primarily of the wheelchair ministry projects, area ministries, endowments where it is stipulated by donors that the principal remain in perpetuity and only the income is available for net assets without donor restriction when appropriated for expenditure, or unappropriated endowment income.

REVENUE RECOGNITION

Contributions

Contributions are recorded when cash or unconditional promises-to-give have been received or ownership of donated assets is transferred to the ministry. The Organization records contributions as being with donor restrictions if they are received with donor stipulations that limit their use through purpose and/or time restrictions. When donor restrictions expire, that is when the purpose restriction is fulfilled or the time restriction expires, the net assets are reclassified from net assets with donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. The Organization receives non-cash gifts which are recorded as support at the estimated fair value on the date of the gift.

Program revenue

Program revenue is recorded when earned. Expenses are recorded when incurred in accordance with the accrual basis of accounting.

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various program services and supporting activities have been summarized on a functional basis. Accordingly, certain costs, such as depreciation and payroll, have been allocated among the program and supporting activities (Note 13).

USE OF ESTIMATES

The preparation of consolidated 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.

3. LIQUIDITY:

The following reflects the Organization's financial assets as of the consolidated statements of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the date of the consolidated statements of financial position.

	December 31,	
	2023	2022
Financial assets:		
Cash and cash equivalents	\$ 13,619,131	\$ 14,936,797
Cash reserved for area ministries	250,000	250,000
Cash reserved for endowment	175,000	175,000
Endowment investments	19,607,756	14,746,119
Financial Assets, at year-end	<u>33,651,887</u>	<u>30,107,916</u>
Less those not available for general expenditure within one year:		
Cash reserved for area ministries	(250,000)	(250,000)
Cash reserved for endowment	(175,000)	(175,000)
Investments not available for expenditure	(1,069,908)	(1,069,909)
Board designated investments for endowment funds	(3,621,543)	(3,471,919)
Endowments	(1,244,907)	(1,244,907)
Donor restricted net assets	(1,122,171)	(1,178,067)
Financial assets not available for general expenditure within one year	<u>(7,483,529)</u>	<u>(7,389,802)</u>
Financial assets available for general expenditure within one year	<u>\$ 26,168,358</u>	<u>\$ 22,718,114</u>

The Organization has certain donor-restricted net assets that are available for general expenditures within one year of December 31, 2023 and 2022, because the restrictions are expected to be met by conducting the normal activities of the Organization in the coming year. Net assets designated by the board for programs could become available with board approval for general expenditure within one year.

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

4. INVESTMENTS:

Investments consist of:

	December 31,	
	2023	2022
Limited partnership interests	\$ 12,546,000	\$ 13,910,000
Fixed income exchange traded funds	12,005,562	10,401,894
Investment in real property	1,946,867	1,978,575
Investment in royalty stream (oil and gas)	1,148,702	1,159,598
Annuities	878,568	843,348
Cash and money markets	3,628,057	362,704
	<u>\$ 32,153,756</u>	<u>\$ 28,656,119</u>

In February 2021, JAFF received a bequest of minority interests in three limited partnerships that hold real estate properties. Based on independent appraisals the partnership interests were initially valued at \$10,709,000. As of December 31, 2023 and 2022, JAFF obtained updated independent appraisals, and adjusted the fair value at December 31, 2023 and 2022.

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

5. FAIR VALUE MEASUREMENTS:

The Organization uses appropriate valuation techniques to determine fair value based on inputs available. Level 1 investments are determined by observable inputs that reflect quoted market prices in active markets. Level 2 inputs are based on (i) quoted prices for similar assets or liabilities in active markets, (ii) quoted prices for identical or similar assets or liabilities in markets that are not active, or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date. Level 3 investments are based on unobservable inputs and are only used when Level 1 or Level 2 inputs are not available.

Fair values of assets measured on a recurring basis on December 31, 2023 are as follows:

	Fair Value Measurements Using:			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Investments:				
Fixed income				
exchange traded funds	\$ 12,005,562	\$ -	\$ -	\$ 12,005,562
Annuities	-	878,568	-	878,568
Investment in royalty stream (oil and gas)	-	-	1,148,702	1,148,702
Real property	-	-	1,946,867	1,946,867
Limited partnership interests	-	-	12,546,000	12,546,000
Investments at fair value	\$ 12,005,562	\$ 878,568	\$ 15,641,569	28,525,699
Investments at other than fair value:				
Cash and money markets				3,628,057
Total investments				\$ 32,153,756

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

5. FAIR VALUE MEASUREMENTS, continued:

Fair values of assets measured on a recurring basis on December 31, 2022, are as follows:

	Fair Value Measurements Using:			Total
	Level 1	Level 2	Level 3	
Investments:				
Fixed income				
exchange traded funds	\$ 10,401,894	\$ -	\$ -	\$ 10,401,894
Annuities	-	843,348	-	843,348
Investment in royalty stream (oil and gas)	-	-	1,159,598	1,159,598
Real property	-	-	1,978,575	1,978,575
Limited partnership interest	-	-	13,910,000	13,910,000
Investments at fair value	\$ 10,401,894	\$ 843,348	\$ 17,048,173	28,293,415
Investments at other than fair value:				
Cash and money markets				362,704
Total investments				\$ 28,656,119

The fair value for mutual funds and exchange traded funds is determined by reference to quoted prices for investments in public equity markets in the United States.

The fair value of annuities is determined by an index crediting strategy that credits interest annually based on the percentage change of the S&P 500. The index credit percentage is guaranteed to never exceed an annual cap declared annually and will never be less than zero. The minimum guaranteed rate is 1% and the maximum rate is 3.4%.

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

5. FAIR VALUE MEASUREMENTS, continued:

The following table sets forth a reconciliation of beginning and ending balances for financial instruments designated as Level 3:

	Investment in Royalty Stream	Real Property	Limited Partnership Interests	Total
Balance, December 31, 2021	\$ 1,201,793	\$ 1,934,095	\$ 7,178,668	\$ 10,314,556
Investment return:				
Net gains (losses) (realized and unrealized)	(42,195)	44,480	6,731,332	6,733,617
Balance, December 31, 2022	1,159,598	1,978,575	13,910,000	17,048,173
Net losses (realized and unrealized)	(10,896)	(31,708)	(1,364,000)	(1,406,604)
Balance, December 31, 2023	\$ 1,148,702	\$ 1,946,867	\$ 12,546,000	\$ 15,641,569

6. LAND, BUILDING, AND EQUIPMENT:

Land, building, and equipment consist of:

	December 31,	
	2023	2022
Land	\$ 5,378,325	\$ 4,224,000
Building and improvements	21,687,880	21,687,880
Furniture and equipment	952,977	886,694
	28,019,182	26,798,574
Less accumulated depreciation	(6,475,485)	(5,784,969)
	\$ 21,543,697	\$ 21,013,605

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

7. OPERATING LEASES—RIGHT OF USE ASSETS AND OBLIGATIONS:

JAF leases office space and equipment under noncancelable operating leases expiring at various times through 2028. The discount rate represents the risk-free discount rate using a period comparable with that of the individual lease term on the inception date of the lease. The leases require monthly payments ranging from \$25 to \$4,118. Discount rates on these leases range from 0.40% to 5.38%.

	December 31,	
	2023	2022
Operating lease right-of-use assets	\$ 841,481	\$ 649,696
Operating lease liabilities	\$ 907,832	\$ 649,620
Operating lease costs	\$ 377,635	\$ 432,981
Weighted-average discount rate	3.29%	1.15%
Weighted-average remaining lease term	3.17 years	2.49 years

Future minimum lease payments required under the operating lease that has an initial or remaining non-cancelable lease term in excess of one year are as follows:

<u>Year Ending December 31,</u>	
2024	\$ 346,939
2025	267,223
2026	154,230
2027	117,263
2028	76,515
	962,170
Less imputed interest	(54,338)
	\$ 907,832

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

8. FINANCING LEASES—RIGHT OF USE ASSET AND OBLIGATION:

JAF leases equipment under several noncancelable financing leases expiring at various dates through 2029. The discount rate represents the risk-free discount rate using a period comparable with that of the individual lease term on the inception date of the lease. Monthly payments on the leases range from \$418 to \$1,267. Discount rates on these leases range from 0.78% to 4.68%.

	December 31,	
	2023	2022
Financing lease right-of-use asset	\$ 256,497	\$ 138,526
Financing lease liability	\$ 257,522	\$ 109,553
Financing lease costs:		
Amortization of right-of-use assets	\$ 29,032	\$ 33,410
Interest on lease liabilities	\$ 3,126	\$ 2,521
Weighted-average discount rate	4.68%	1.96%
Weighted-average remaining lease term	4.47 years	3.64 years

Future minimum lease payments required under the finance leases that have an initial or remaining non-cancelable lease term in excess of one year are as follows:

<u>Year Ending December 31,</u>	
2024	\$ 56,700
2025	56,700
2026	56,700
2027	56,700
2028	56,700
Thereafter	4,725
	288,225
Less imputed interest	(30,703)
	\$ 257,522

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

9. LONG-TERM DEBT:

Long-term debt consists of:

	December 31,	
	2023	2022
Unsecured note payable to a trust, one trustee of which is a director of JAF, bearing interest at a rate of 3% annually. Principal amounts and all accrued interest to be paid in full on maturity date of July 31, 2029.	<u>\$ 1,000,000</u>	<u>\$ 1,000,000</u>

10. NET ASSETS:

Net assets without donor restrictions consists of:

	December 31,	
	2023	2022
Undesignated	<u>\$ 61,830,485</u>	<u>\$ 59,978,705</u>
Board designated:		
Investments for endowment fund	3,621,543	3,471,919
Becoming Joni - Production	<u>2,000,000</u>	<u>-</u>
	<u>5,621,543</u>	<u>3,471,919</u>
	<u>\$ 67,452,028</u>	<u>\$ 63,450,624</u>

Net assets with donor restrictions are available for the following purposes:

	December 31,	
	2023	2022
Donor restricted funds held in perpetuity	\$ 1,244,907	\$ 1,244,907
Ukraine relief	721,572	727,467
Wheels for the World	571,148	1,852,861
Joni's House	250,599	250,599
Area ministries	<u>150,000</u>	<u>200,000</u>
	<u>\$ 2,938,226</u>	<u>\$ 4,275,834</u>

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

11. ENDOWMENTS:

In August 2008, the Financial Accounting Standards Board (FASB) issued a FASB Staff Position (now included in the FASB Accounting Standards Codification in sub-topic 958-205), Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds. In the Staff Position, FASB provides guidance on the net asset classification of donor-restricted endowment funds for a nonprofit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). Also required are additional disclosures about an organization's endowment funds (both donor-restricted endowment funds and board-designated endowment funds) whether or not the organization is subject to UPMIFA. The State of California enacted UPMIFA effective January 1, 2009, the provisions of which apply to endowment funds existing on or established after that date.

The Organization has adopted the net asset classification provisions for the years ending December 31, 2023 and 2022. The board has determined that certain of the Organization's net assets with donor restrictions meet the definition of endowment funds under UPMIFA.

The Organization's endowment includes both donor-restricted endowment funds established to fund ministry operations and funds designated by the board to function as endowments. As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds, including funds designated by the board of directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The board of the Organization has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by SPMIFA.

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

11. ENDOWMENTS, continued:

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

- The duration and preservation of the fund
- The purposes of the Organization and the specific donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Organization
- The investment policies of the Organization

The following table presents the endowment composition and net asset classifications as of December 31, 2023.

	Without Donor Restrictions	With Donor Restrictions	Total
Donor restricted endowment	\$ -	\$ 1,244,907	\$ 1,244,907
Board designated endowment	3,621,543	-	3,621,543
	\$ 3,621,543	\$ 1,244,907	\$ 4,866,450

Endowment composition and net asset classifications as of December 31, 2022.

	Without Donor Restrictions	With Donor Restrictions	Total
Donor restricted endowment	\$ -	\$ 1,244,907	\$ 1,244,907
Board designated endowment	3,471,919	-	3,471,919
	\$ 3,471,919	\$ 1,244,907	\$ 4,716,826

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

11. ENDOWMENTS, continued:

Changes in Endowment Net Assets for the Fiscal Year December 31, 2023:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 3,471,919	\$ 1,244,907	\$ 4,716,826
Investment return:			
Investment income	17,273	-	17,273
Net gains (realized and unrealized)	132,351	-	132,351
	149,624	-	149,624
Endowment net assets, end of year	\$ 3,621,543	\$ 1,244,907	\$ 4,866,450

Changes in Endowment Net Assets for the Fiscal Year December 31, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 3,587,593	\$ 1,239,907	\$ 4,827,500
Investment return:			
Investment income	14,249	-	14,249
Net losses (realized and unrealized)	(129,923)	-	(129,923)
	(115,674)	-	(115,674)
Contributions	-	5,000	5,000
Endowment net assets, end of year	\$ 3,471,919	\$ 1,244,907	\$ 4,716,826

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

11. ENDOWMENTS, continued:

RETURN OBJECTIVES AND RISK PARAMETERS

The Foundation Investment Policy Statement provides that no spending apart from donor requirements will occur until the total value of the endowment reaches \$10,000,000 and that the spending rate will be no more than 3% of the investments' three-year weighted average of income plus appreciation. Expending any portion of the "initial contribution" to the Endowment will require a Board of Directors recommendation and a majority vote by the Foundation Board of Directors. The Foundation's investment policies for donor-restricted endowment assets attempt to provide funding for long-term needs. Under these policies, the endowment assets are invested in a manner consistent with Christian principles and values, and consistent with the convictions of the Organization. The primary goal is cash preservation, and the secondary goal is to achieve intermediate and long-term investment goals. The board's strategy is to minimize risk in the financial performance of the endowment fund.

FUNDS WITH DEFICIENCIES

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SPMIFA requires the Organization to retain as a fund of perpetual duration. There were no such deficiencies as of December 31, 2023 and 2022.

STRATEGIES EMPLOYED FOR ACHIEVING OBJECTIVES

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

12. CONTRIBUTED AIRTIME, WHEELCHAIRS, SERVICES, AND MATERIALS:

The consolidated financial statements give monetary recognition to contributions of radio time received from various radio stations across the country. As of December 31, 2023 and 2022, contributed airtime is valued at \$15 for each one-minute program, \$35 for each four-minute program, and \$5 for each Spanish program based on the monthly release counts using an average of twenty-two days per month.

The consolidated financial statements also include the value of used wheelchairs donated to the Organization to be restored and provided as needed to people and organizations in other countries. During the years ended December 31, 2023 and 2022, wheelchair values were assigned based on the type and condition of each wheelchair.

Contributed services consist of the value of the labor involved in refurbishing the wheelchairs. The contributed materials included in the consolidated financial statements consist of equipment and supplies donated to the Organization.

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

12. CONTRIBUTED AIRTIME, WHEELCHAIRS, SERVICES, AND MATERIALS, continued:

The value of contributed airtime, wheelchairs, services, and materials is:

	Year Ended December 31,	
	2023	2022
Contributed radio airtime	\$ 10,251,116	\$ 10,155,640
Contributed wheelchairs	4,699,807	4,588,238
Contributed services	4,535,005	3,030,305
Contributed materials	110,683	89,127
	\$ 19,596,611	\$ 17,863,310

The above airtime, wheelchairs, service, and materials expenses are included in Gifts-in-kind expense on the supplemental consolidated statements of activities. Gift-in-kind expenses also include an immaterial amount of donated items not included above. The revenue is shown as contributed airtime, wheelchairs, services, and materials on the consolidated statements of activities.

13. FUNCTIONAL ALLOCATION OF EXPENSES:

The information below presents expenses by both their nature and their function:

	Year Ended December 31, 2023			
	Program Services	General and Administrative	Fundraising	Total
Gifts-in-kind	\$ 20,335,606	\$ -	\$ -	\$ 20,335,606
Personnel costs	15,164,633	2,059,144	2,353,308	19,577,085
Office and insurance	2,556,741	1,299,710	1,457,362	5,313,813
Family retreat facility	4,083,495	-	-	4,083,495
Travel	3,016,005	31,442	62,883	3,110,330
Supplies and other expenses	2,317,260	53,233	306,976	2,677,469
Grant expense	2,222,281	-	-	2,222,281
Printing and production	336,896	28,235	951,127	1,316,258
Postage and freight	596,366	23,066	271,933	891,365
Professional and bank fees	-	785,528	-	785,528
Depreciation and amortization	481,261	118,429	155,037	754,727
Events and conferences	49,997	83,226	6,058	139,281
Rent	75,412	27,884	182	103,478
Consultants	-	52,373	-	52,373
Licenses and assessments	-	44,877	-	44,877
	\$ 51,235,953	\$ 4,607,147	\$ 5,564,866	\$ 61,407,966

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

13. FUNCTIONAL ALLOCATION OF EXPENSES, continued:

The information below presents expenses by both their nature and their function:

	Year Ended December 31, 2022			
	Program Services	General and Administrative	Fundraising	Total
Gifts-in-kind	\$ 18,064,970	\$ -	\$ -	\$ 18,064,970
Personnel costs	13,589,286	1,740,066	2,088,088	17,417,440
Office and insurance	1,976,965	1,230,653	887,759	4,095,377
Family retreat facility	3,542,197	-	-	3,542,197
Travel	2,440,962	22,374	44,749	2,508,085
Supplies and other expenses	1,223,953	38,312	329,558	1,591,823
Grant expense	1,745,977	-	-	1,745,977
Printing and production	217,768	15,349	881,915	1,115,032
Postage and freight	664,330	29,257	230,839	924,426
Professional and bank fees	-	585,741	-	585,741
Depreciation and amortization	485,062	114,705	150,551	750,318
Events and conferences	110,122	36,504	23,077	169,703
Rent	480,154	920	-	481,074
Consultants	326,411	134,576	50,217	511,204
Licenses and assessments	-	26,317	-	26,317
	\$ 44,868,157	\$ 3,974,774	\$ 4,686,753	\$ 53,529,684

METHODS USED FOR ALLOCATION OF EXPENSE:

The consolidated financial statements report certain categories of expenses that are attributable to more than one program or one supporting function, therefore these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, rent, and office and insurance, which are allocated on a square footage basis, as well as personnel costs, travel, events and conferences, and postage and printing, which are allocated on the basis of estimates of time and department. There are no joint costs that have been allocated among program, general and administrative, and fundraising.

14. RETIREMENT PLAN:

The Organization has a 401(k) retirement plan which covers substantially all employees, and contributes a safe harbor matching contribution equal to 100% of employee deferrals up to 4% of employee salary. During the years ended December 31, 2023 and 2022, the Organization made contributions of approximately \$515,000 and \$425,000, respectively, to the plan.

JONI AND FRIENDS

Notes to Consolidated Financial Statements

December 31, 2023 and 2022

15. RELATED PARTY TRANSACTIONS:

JAFF has an investment account with a brokerage firm whose President and Chief Compliance Officer was a board member of JAF. For the years ended December 31, 2023 and 2022, commissions paid to the brokerage firm were approximately \$86,000 and \$74,000, respectively.

During the years ended December 31, 2023 and 2022, the board of directors, as a group, contributed approximately \$1,041,000 and \$1,075,000, to the Organization, respectively.

JAFF holds an unsecured note payable to a trust, one trustee of which is a director of JAF, bearing interest at a rate of 3% annually. See Note 9.

16. SUBSEQUENT EVENTS:

Subsequent events were evaluated through June 18, 2024, which is the date the consolidated financial statements were available to be issued.

SUPPLEMENTARY DATA

**INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY DATA**

Board of Directors
Joni and Friends
Agoura Hills, California

We have audited the consolidated financial statements of Joni and Friends as of and for the years ended December 31, 2023 and 2022, and our report thereon dated June 18, 2024, which expresses an unmodified opinion on those consolidated financial statements, appears on page 1. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position and activities are presented for purposes of additional analysis, rather than to present the financial position and results of operations of the individual ministries of Joni and Friends, and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Capin Crouse LLP

Woodland Hills, California
June 18, 2024

JONI AND FRIENDS

Consolidating Statement of Financial Position

December 31, 2023

	Joni and Friends	Joni and Friends Foundation	Eliminations	Total
ASSETS:				
Current assets:				
Cash and cash equivalents	\$ 13,055,348	\$ 563,783	\$ -	\$ 13,619,131
Prepaid expenses and other assets	2,545,988	970	(970)	2,545,988
Inventory–wheelchairs	3,504,082	-	-	3,504,082
Inventory–books and materials	503,740	-	-	503,740
	<u>19,609,158</u>	<u>564,753</u>	<u>(970)</u>	<u>20,172,941</u>
Non-current assets:				
Cash reserved for area ministries	250,000	-	-	250,000
Endowment investments	-	19,607,756	-	19,607,756
Cash reserved for endowment	-	175,000	-	175,000
Limited partnership interests	-	12,546,000	-	12,546,000
Intellectual property, net of amortization	339,431	-	-	339,431
Land, building, and equipment– at cost, net	20,389,372	1,154,325	-	21,543,697
Operating leases–right of use assets	841,481	-	-	841,481
Financing leases–right of use assets	256,497	-	-	256,497
	<u>41,685,939</u>	<u>34,047,834</u>	<u>(970)</u>	<u>75,732,803</u>
Total Assets	\$ 41,685,939	\$ 34,047,834	\$ (970)	\$ 75,732,803
LIABILITIES AND NET ASSETS:				
Current liabilities:				
Accounts payable	\$ 1,184,262	\$ 8,960	\$ (970)	\$ 1,192,252
Accrued expenses	1,851,629	133,315	-	1,984,944
Operating lease obligations–current portion	346,939	-	-	346,939
Financing lease obligations–current portion	56,700	-	-	56,700
	<u>3,439,530</u>	<u>142,275</u>	<u>(970)</u>	<u>3,580,835</u>
Long-term debt	-	1,000,000	-	1,000,000
Operating lease obligations–net	560,893	-	-	560,893
Financing lease obligations–net	200,822	-	-	200,822
Total liabilities	<u>4,201,245</u>	<u>1,142,275</u>	<u>(970)</u>	<u>5,342,550</u>
Net assets without donor restrictions	36,041,975	31,410,053	-	67,452,028
Net assets with donor restrictions	1,442,719	1,495,506	-	2,938,225
Total net assets	<u>37,484,694</u>	<u>32,905,559</u>	<u>-</u>	<u>70,390,253</u>
Total Liabilities and Net Assets	\$ 41,685,939	\$ 34,047,834	\$ (970)	\$ 75,732,803

JONI AND FRIENDS

Consolidating Statement of Financial Position

December 31, 2022

	Joni and Friends	Joni and Friends Foundation	Eliminations	Total
ASSETS:				
Current assets:				
Cash and cash equivalents	\$ 11,945,106	\$ 2,991,691	\$ -	\$ 14,936,797
Prepaid expenses and other assets	1,396,212	-	-	1,396,212
Inventory–wheelchairs	3,995,899	-	-	3,995,899
Inventory–books and materials	363,912	-	-	363,912
	17,701,129	2,991,691	-	20,692,820
Non-current assets:				
Cash reserved for area ministries	250,000	-	-	250,000
Endowment investments	-	14,746,119	-	14,746,119
Cash reserved for endowment	-	175,000	-	175,000
Limited partnership interests	-	13,910,000	-	13,910,000
Intellectual property, net of amortization	374,610	-	-	374,610
Land, building, and equipment– –at cost, net	21,013,605	-	-	21,013,605
Operating leases–right of use assets	649,696	-	-	649,696
Financing leases–right of use assets	138,526	-	-	138,526
	17,701,129	2,991,691	-	20,692,820
Total Assets	\$ 40,127,566	\$ 31,822,810	\$ -	\$ 71,950,376
LIABILITIES AND NET ASSETS:				
Current liabilities:				
Accounts payable	\$ 657,874	\$ -	\$ -	\$ 657,874
Accrued expenses	1,703,556	103,315	-	1,806,871
Operating lease obligations–current portion	353,065	-	-	353,065
Financing lease obligations–current portion	39,921	-	-	39,921
	2,754,416	103,315	-	2,857,731
Long-term debt–net of current portion	-	1,000,000	-	1,000,000
Operating lease obligations–net	296,555	-	-	296,555
Financing lease obligations–net	69,632	-	-	69,632
Total liabilities	3,120,603	1,103,315	-	4,223,918
Net assets:				
Net assets without donor restrictions	34,226,635	29,223,989	-	63,450,624
Net assets with donor restrictions	2,780,328	1,495,506	-	4,275,834
Total net assets	37,006,963	30,719,495	-	67,726,458
Total Liabilities and Net Assets	\$ 40,127,566	\$ 31,822,810	\$ -	\$ 71,950,376

JONI AND FRIENDS

Consolidating Statement of Activities

Year Ended December 31, 2023

	Joni and Friends	Joni and Friends Foundation	Eliminations	Total
SUPPORT AND REVENUE:				
Contributions	\$ 35,800,451	\$ 50,000	\$ -	\$ 35,850,451
Sales of books and materials	544,648	-	-	544,648
Tuition and registration	4,513,089	-	-	4,513,089
Donated stock	957,424	-	-	957,424
Oil royalty income	-	185,240	-	185,240
Royalty partnership income (oil and gas)	-	1,508,022	-	1,508,022
Limited partnership income	-	498,738	-	498,738
Investment and other income	365,226	172,463	-	537,689
Realized gain on investments	-	166,187	-	166,187
Unrealized gain on investments	-	1,077,662	-	1,077,662
Unrealized loss on limited partnership interests	-	(1,364,000)	-	(1,364,000)
Contributed airtime, wheelchairs, services and materials	19,596,611	-	-	19,596,611
Total Support and Revenue	61,777,449	2,294,312	-	64,071,761
EXPENSES:				
Gifts-in-kind	20,335,606	-	-	20,335,606
Personnel costs	19,577,085	-	-	19,577,085
Office and insurance	5,283,813	30,000	-	5,313,813
Family retreat facility	4,083,495	-	-	4,083,495
Travel	3,110,330	-	-	3,110,330
Supplies and other expenses	2,677,469	-	-	2,677,469
Grant expense	2,222,281	-	-	2,222,281
Printing and production	1,316,258	-	-	1,316,258
Postage and freight	891,365	-	-	891,365
Professional and bank fees	759,653	25,875	-	785,528
Depreciation and amortization	754,727	-	-	754,727
Rent	103,478	-	-	103,478
Events and conferences	139,281	-	-	139,281
Consultants	-	52,373	-	52,373
Licenses and assessments	44,877	-	-	44,877
Total Expenses	61,299,718	108,248	-	61,407,966
Change in Net Assets	477,731	2,186,064	-	2,663,795
Net Assets, Beginning of Year	37,006,963	30,719,495	-	67,726,458
Net Assets, End of Year	\$ 37,484,694	\$ 32,905,559	\$ -	\$ 70,390,253

JONI AND FRIENDS

Consolidating Statement of Activities

Year Ended December 31, 2022

	Joni and Friends	Joni and Friends Foundation	Eliminations	Total
SUPPORT AND REVENUE:				
Contributions	\$ 31,752,535	\$ 8,005,000	\$ (8,000,000)	\$ 31,757,535
Sales of books and materials	610,617	-	-	610,617
Tuition and registration	3,470,281	-	-	3,470,281
Donated stock	270,671	-	-	270,671
Oil royalty income	-	613,775	-	613,775
Royalty partnership income (oil and gas)	-	437,868	-	437,868
Limited partnership income	-	408,229	-	408,229
Investment income	365,275	110,607	-	475,882
Realized gain on investments	-	257,355	-	257,355
Unrealized gain on investments	-	(1,284,287)	-	(1,284,287)
Unrealized loss on limited partnership interests	-	6,731,332	-	6,731,332
Contributed airtime, wheelchairs, services and materials	17,863,310	-	-	17,863,310
Total Support and Revenue	54,332,689	15,279,879	(8,000,000)	61,612,568
EXPENSES:				
Gifts-in-kind	18,064,970	-	-	18,064,970
Personnel costs	17,417,440	-	-	17,417,440
Office and insurance	4,065,377	30,000	-	4,095,377
Family retreat facility	3,542,197	-	-	3,542,197
Travel	2,508,085	-	-	2,508,085
Supplies and other expenses	1,591,823	-	-	1,591,823
Grant expense	9,745,977	-	(8,000,000)	1,745,977
Printing and production	1,115,032	-	-	1,115,032
Postage and freight	924,426	-	-	924,426
Professional and bank fees	557,757	27,984	-	585,741
Depreciation and amortization	750,318	-	-	750,318
Rent	481,074	-	-	481,074
Events and conferences	169,703	-	-	169,703
Consultants	507,173	4,031	-	511,204
Licenses and assessments	26,317	-	-	26,317
Total Expenses	61,467,669	62,015	(8,000,000)	53,529,684
Change in Net Assets	(7,134,980)	15,217,864	-	8,082,884
Net Assets, Beginning of Year	44,141,943	15,501,631	-	59,643,574
Net Assets, End of Year	\$ 37,006,963	\$ 30,719,495	\$ -	\$ 67,726,458