

**THE LION OF JUDAH MINISTRIES, INC.**

**FINANCIAL STATEMENTS**

**Year Ended December 31, 2018**

*Barbara Akins*  
certified public accountant  
relationships. service. integrity

**THE LION OF JUDAH MINISTRIES, INC.**

**TABLE OF CONTENTS**

	PAGE
<b>INDEPENDENT ACCOUNTANT'S REVIEW REPORT.....</b>	<b>2</b>
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position.....	3
Statement of Activities.....	4
Statement of Functional Expenses.....	5
Statement of Cash Flows.....	6
Notes to Financial Statements.....	7 - 9

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors of  
The Lion of Judah Ministries, Inc.

We have reviewed the accompanying financial statements of The Lion of Judah Ministries, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

**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.

**Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

**Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

*Barbara Akins CPA*  
Bechtelsville, Pennsylvania  
August 13, 2019

**THE LION OF JUDAH MINISTRIES, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**December 31, 2018**

ASSETS

Current Assets	
Cash - Note #4	\$ 85,353
	<hr/>
Total Assets	\$ 85,353
	<hr/> <hr/>

LIABILITIES

Total Liabilities	\$ 0
	<hr/>

NET ASSETS

Without Donor Restrictions	78,920
With Donor Restrictions - Note #5	6,433
	<hr/>
Total Net Assets	85,353
	<hr/>
Total Liabilities And Net Assets	\$ 85,353
	<hr/> <hr/>

*See Accompanying Notes and Independent Accountant's Review Report.*

**THE LION OF JUDAH MINISTRIES, INC.**  
**STATEMENT OF ACTIVITIES**  
**Year Ended December 31, 2018**

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
<b>PUBLIC SUPPORT, REVENUES, &amp; OTHER SUPPORT</b>			
Contributions			
Individuals, Trusts, Churches	\$ 126,952	\$ 55,085	\$ 182,037
Combined Federal Campaign	<u>7,802</u>	<u>0</u>	<u>7,802</u>
Total Contributions	<u>134,754</u>	<u>55,085</u>	<u>189,839</u>
Interest Income	<u>209</u>	<u>0</u>	<u>209</u>
Net Assets Released From Restrictions	<u>49,987</u>	<u>(49,987)</u>	<u>0</u>
Total Public Support, Revenues & Other Support	<u>184,950</u>	<u>5,098</u>	<u>190,048</u>
<b>EXPENSES</b>			
Program Services	185,498	0	185,498
Management & General	1,495	0	1,495
Fundraising	<u>2,564</u>	<u>0</u>	<u>2,564</u>
Total Expenses	<u>189,557</u>	<u>0</u>	<u>189,557</u>
Changes In Net Assets	<u>(4,607)</u>	<u>5,098</u>	<u>491</u>
NET ASSETS, Beginning	<u>83,527</u>	<u>1,335</u>	<u>84,862</u>
NET ASSETS, Ending	<u><u>\$ 78,920</u></u>	<u><u>\$ 6,433</u></u>	<u><u>\$ 85,353</u></u>

*See Accompanying Notes and Independent Accountant's Review Report.*

**THE LION OF JUDAH MINISTRIES, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**Year Ended December 31, 2018**

	<u>PROGRAM SERVICES</u>	<u>MANAGEMENT &amp; GENERAL</u>	<u>FUND RAISING</u>	<u>TOTAL</u>
Advertising	\$ 0	\$ 0	\$ 950	\$ 950
Banking Charges	405	0	0	405
Lion of Judah Academy Direct Support	159,442	0	0	159,442
Missionaries & Missions	25,255	0	0	25,255
Postage & Printing	68	0	0	68
Professional Fees	0	1,238	0	1,238
Registration Fees	0	236	1,457	1,693
Supplies	0	21	0	21
Telephone	170	0	0	170
Website	158	0	157	315
	<u>185,498</u>	<u>1,495</u>	<u>2,564</u>	<u>189,557</u>
Total Expenses	<u>\$ 185,498</u>	<u>\$ 1,495</u>	<u>\$ 2,564</u>	<u>\$ 189,557</u>

*See Accompanying Notes and Independent Accountant's Review Report.*

**THE LION OF JUDAH MINISTRIES, INC.**  
**STATEMENT OF CASH FLOWS**  
**Year Ended December 31, 2018**

Cash Flows From Operating Activities	
Changes In Net Assets	\$ 491
Changes In	
Increase(Decrease) In Other Current Liabilities	<u>0</u>
Net Cash Provided By Operating Activities	<u>491</u>
Net Increase In Cash	491
Cash and Cash Equivalents at Beginning of Year	<u>84,862</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 85,353</u></u>

*See Accompanying Notes and Independent Accountant's Review Report.*

**THE LION OF JUDAH MINISTRIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2018**

**Note #1 - Organization and Nature of Activities**

The Lion of Judah Ministries, Inc. is a publicly supported nonprofit organization incorporated in the state of Connecticut that exists to support the work of The Lion of Judah Academy and other similar Christian ministries in Tanzania (East Africa). The entity provides resources to Africans and missionaries in Africa, who are working in areas such as education, poverty, relief, health care, HIV/AIDS, and others. The entity relies on support in the form of contributions from individuals, trusts and churches.

**Note #2 - Summary of Significant Accounting Policies**

Method of Accounting

The financial statements of the entity are prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Financial Statement Presentation

The entity reports information regarding its financial position and activities according to two classes of net assets as follows:

Without Donor Restrictions

Net assets that are not subject to donor-imposed restrictions. These assets may be designated for specific purposes by action of the Board of Directors.

With Donor Restrictions

Net assets whose use by the entity is restricted by the donor in perpetuity, restricted for specified purposes, restricted by the passage of time and for amounts of underwater endowments.

Expenses are reported as decreases in net assets without donor restrictions. Expirations of donor-imposed restrictions that simultaneously increase one class of net assets and decrease another are reported as reclassifications between the applicable classes of net assets. Donor-restricted contributions are reported as operating revenue without donor restrictions when the restriction is satisfied.

Income Tax Status

The entity is exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the entity qualifies for the charitable contributions deduction under Section 170(b)(1)(a).

Uncertain Tax Position

The entity has evaluated its tax position and determined that it does not have any uncertain tax position that meets the criteria under Accounting Standards Codification Topic 740, *Income Taxes*. The tax returns of the entity for 2018, 2017 and 2016 are subject to examination by the IRS, generally for three years after they were filed.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**THE LION OF JUDAH MINISTRIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2018**  
**(Continued)**

**Note #2 - Summary of Significant Accounting Policies (Continued)**

Fair Value of Financial Instruments

The entity discloses the fair value of certain financial instruments including cash. The estimated fair value amounts have been determined by the entity using available market information and appropriate valuation methodologies. The carrying values of this financial instrument approximate their fair value.

Contributions

Contributions are recorded as without donor restrictions and with donor restrictions depending on the existence and/or nature of the support. Contributions are required to be reported as with donor restrictions and then reclassified to net assets without donor restrictions upon expiration of time restrictions. Donor-restricted contributions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Contributed Services

The entity's Board of Directors and volunteers donate significant amounts of time to the various programs and operations of the entity. Contributed services that (a) create or improve long-lived assets or (b) require specialized skills provided by individuals possessing those skills that would typically need to be purchased if not provided by donation meet the requirement for recognition in the financial statements. The value of services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Specific expenses that are readily identifiable to a single program or activity are charged directly to that function. Certain costs have been allocated among programs and supporting services based on management estimates.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, the entity considers all checking, savings and money market accounts to be cash equivalents.

Date of Management Review

Management has evaluated subsequent events through August 13, 2019, the date on which the financial statements were available to be issued.

**Note #3 - Components of Program Services**

The entity distributes grants to the Lion of Judah Academy, a school for 600+ disadvantaged children located in Bulima, Tanzania. The entity provides substantial assistance for educational costs as well as capital improvements including constructing classrooms, dormitories, teacher facilities and helping to supply safe water.

The entity also organizes and supports mission trips to the school for teacher training and support, to work with students and to assist with the construction and maintenance of the facilities.

**THE LION OF JUDAH MINISTRIES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**December 31, 2018**  
**(Continued)**

**Note #3 - Components of Program Services (Continued)**

A student exchange program with The King's Academy in Mohrsville, Pennsylvania has been developed in which their students and staff visited the school in Tanzania and a student from The Lion of Judah Academy in Tanzania studied for one year at the King's Academy in Pennsylvania. Grants are provided to cover the transportation costs of The Lion of Judah Academy student for round trip travel to the United States of America.

**Note #4 - Cash**

Cash includes \$63,506 in a non-interest-bearing checking account and \$21,847 in interest-bearing accounts at December 31, 2018.

Cash with donor restrictions totaled \$6,433 at December 31, 2018.

**Note #5 - Net Assets With Donor Restrictions**

At December 31, 2018, \$6,433 is restricted for Missionary Support.

**Note #6 - Liquidity & Availability of Resources**

The entity has \$78,920 of financial assets available within one year of the Statements of Financial Position date to meet cash needs for general expenditures consisting of cash.

The entity has a goal to maintain cash on hand to meet six (6) months of normal operating expenses, which are, on average approximately \$15,000 per month. The entity has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.