



ONE CHILD MATTERS
a Division of BETHESDA MINISTRIES

FINANCIAL STATEMENTS
With Independent Auditors' Report

September 30, 2015 and 2014

ONE CHILD MATTERS

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INDEPENDENT AUDITORS' REPORT

Board of Directors
One Child Matters
Colorado Springs, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of One Child Matters, a division of Bethesda Ministries, which comprise the statement of financial position as of September 30, 2015 and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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
One Child Matters
Colorado Springs, Colorado

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of One Child Matters, a division of Bethesda Ministries, as of September 30, 2015, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report of Summarized Comparative Information

The financial statements as of and for the year ended September 30, 2014, were audited by other auditors whose report dated December 19, 2014, expressed an unmodified opinion on those financial statements.

The accompanying financial statements are those of One Child Matters, a division of Bethesda Ministries as described in note 1, and are not those of the primary reporting entity.

Capin Crouse LLP

Colorado Springs, Colorado
December 22, 2015

ONE CHILD MATTERS

Statements of Financial Position

	September 30,	
	2015	2014
ASSETS:		
Cash and cash equivalents	\$ 2,029,797	\$ 1,035,058
Investments	977,670	1,073,012
Accounts receivable–net	84,234	83,910
Prepaid expenses and other assets	220,056	114,745
Furniture, equipment, and software–net	686,864	909,254
Total Assets	\$ 3,998,621	\$ 3,215,979
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable	\$ 168,700	\$ 59,242
Accrued liabilities and other	307,835	302,479
	<u>476,535</u>	<u>361,721</u>
Net assets:		
Unrestricted	1,228,188	1,210,148
Temporarily restricted	2,278,223	1,628,435
Permanently restricted	15,675	15,675
	<u>3,522,086</u>	<u>2,854,258</u>
Total Liabilities and Net Assets	\$ 3,998,621	\$ 3,215,979

See notes to financial statements

ONE CHILD MATTERS

Statements of Activities

	Year Ended September 30, 2015			(Summarized) Year Ended September 30, 2014	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	
SUPPORT AND REVENUE:					
Contributions					
General	\$ 521,006	\$ 14,496,465	\$ -	\$ 15,017,471	\$ 14,267,221
Bethesda affiliates	-	3,906	-	3,906	36,188
Special events, net of direct expenses	-	-	-	-	23,478
Investment income (loss)	(50,374)	-	-	(50,374)	45,972
Other income (loss)	(8,492)	-	-	(8,492)	279
Total Support and Revenue	462,140	14,500,371	-	14,962,511	14,373,138
NET ASSETS RELEASED:					
Purpose restrictions	13,850,583	(13,850,583)	-	-	-
	<u>13,850,583</u>	<u>(13,850,583)</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENSES:					
Program services:					
Child ministries	11,099,630	-	-	11,099,630	10,513,526
Humanitarian and relief	88,339	-	-	88,339	146,010
Medical mercy	244,698	-	-	244,698	315,581
Higher education and vocational training	25,447	-	-	25,447	24,070
Teaching/advocacy ministries	75,719	-	-	75,719	153,801
Mission trips	336,614	-	-	336,614	411,272
	<u>11,870,447</u>	<u>-</u>	<u>-</u>	<u>11,870,447</u>	<u>11,564,260</u>
Supporting activities:					
General and administrative	1,434,742	-	-	1,434,742	1,587,374
Promotion and development	1,863,244	-	-	1,863,244	1,796,591
Less supporting services subsidized by Bethesda Ministries	(873,750)	-	-	(873,750)	(650,000)
	<u>2,424,236</u>	<u>-</u>	<u>-</u>	<u>2,424,236</u>	<u>2,733,965</u>
Total Expenses	14,294,683	-	-	14,294,683	14,298,225
Change in Net Assets	18,040	649,788	-	667,828	74,913
Net Assets, Beginning of Year	1,210,148	1,628,435	15,675	2,854,258	2,779,345
Net Assets, End of Year	<u>\$ 1,228,188</u>	<u>\$ 2,278,223</u>	<u>\$ 15,675</u>	<u>\$ 3,522,086</u>	<u>\$ 2,854,258</u>

See notes to financial statements

ONE CHILD MATTERS

Statements of Cash Flows

	Year Ended September 30,	
	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 667,828	\$ 74,913
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	296,662	365,324
Net realized and unrealized (gains) losses on investments	98,411	(10,687)
Changes in operating assets and liabilities:		
Accounts receivable	(324)	40,382
Prepaid expenses and other assets	(104,746)	(13,322)
Accounts payable	79,593	(130,001)
Accrued liabilities and other	5,356	4,215
Net Cash Provided by Operating Activities	1,042,780	330,824
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(18,985)	(328,754)
Proceeds from sale of investments	15,916	579,480
Purchases of furniture, equipment, and software	(44,972)	(212,208)
Net Cash Provided (Used) by Investing Activities	(48,041)	38,518
Net Change in Cash and Cash Equivalents	994,739	369,342
Cash and Cash Equivalents, Beginning of Year	1,035,058	665,716
Cash and Cash Equivalents, End of Year	\$ 2,029,797	\$ 1,035,058
SUPPLEMENTAL DISCLOSURE:		
Furniture, equipment, and software obtained through accounts payable	\$ 29,865	\$ -

See notes to financial statements

ONE CHILD MATTERS

Notes to Financial Statements

September 30, 2015 and 2014

1. NATURE OF ORGANIZATION:

One Child Matters operates as a division of Bethesda Ministries and exists to equip children in developing nations to reach their God-given potential by creating opportunities for spiritual, physical, social, mental, and emotional development. Outreaches include, but are not limited to, child development centers, elementary, secondary, and vocational education, orphanages, medical projects, health care programs, feeding programs, and a home for babies with AIDS.

Bethesda Ministries, and therefore One Child Matters (OCM), is a nonprofit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code) and is not a private foundation under Section 509(a) of the Code.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of OCM have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader. The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of demand deposits and money market accounts. All liquid investments with original maturities of three months or less are included as cash and cash equivalents. Some of OCM's accounts exceeded federally insured limits during the years ended September 30, 2015 and 2014. OCM has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

INVESTMENTS

Investments consist of mutual funds, common stock, and limited partnerships. Investments are stated at fair value. Fair values for mutual funds and common stock are determined by quoted market prices in active markets for identical assets and significant other observable and unobservable inputs for limited partnerships. Investment expenses are included in expenses in the statements of activities.

ACCOUNTS RECEIVABLE

Accounts receivable consist of employee advances for mission trips and operating budgets and amounts to be received under various split-interest agreements.

ONE CHILD MATTERS

Notes to Financial Statements

September 30, 2015 and 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

FURNITURE, EQUIPMENT, AND SOFTWARE

Furniture and equipment are recorded at cost or, if donated, at the estimated fair market value at the date of donation. Costs of computer software developed or obtained for internal use are recorded in accordance with Accounting Standards Codification (ASC) Topic 350. Under Topic 350, costs incurred during the preliminary project stage are expensed as incurred, costs incurred during the application development states are capitalized, and training and maintenance costs incurred during the post-implementation/operation stage are expensed as incurred. Depreciation and amortization is recorded using the straight-line method over the estimated useful lives of the assets, ranging from two to ten years.

NET ASSETS

Net assets are reported in the financial statements as follows:

Unrestricted net assets are those resources currently available under the direction of the board and those resources invested in property and equipment—net.

Temporarily restricted net assets are those resources whose use has been limited by donors for a specific purpose.

Permanently restricted net assets have been restricted by donors to be maintained in perpetuity. Permanently restricted net assets consists of two endowments from which income is available for child sponsorships.

SUPPORT AND REVENUE

Contributions are recorded when made, which may be when cash and other assets are received or unconditionally promised. Gifts of cash and other assets received without donor stipulations are reported as unrestricted revenue and net assets. Gifts received with a donor stipulation that limits their use are reported as temporarily or permanently restricted revenue and net assets. When a donor stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Gifts and investment income that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as temporarily restricted and then released from restriction.

Gifts of furniture, equipment, and software are reported as unrestricted revenue and net assets unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as temporarily or permanently restricted revenue and net assets. Absent donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of temporarily restricted net assets as unrestricted net assets are reported when the long-lived assets are placed in service.

ONE CHILD MATTERS

Notes to Financial Statements

September 30, 2015 and 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

SUPPORT AND REVENUE, continued:

Contributions of services are recognized as revenue at their estimated fair value only when the services received create or enhance nonfinancial assets or require specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated. Contributed services consisted of medical services provided under the Medical Mercy program. Contribution revenue recognized from these services were approximately \$118,000 and \$156,000 for the years ended September 30, 2015 and 2014, respectively.

Contributions received in relation to special events are recognized as revenue when received. The remaining special event revenue and special event direct donor benefit costs are recognized when revenue is earned and the costs are incurred. The costs of direct donor benefits for special events reduce the amount of special event revenue reported in the statements of activities. For the years ended September 30, 2015 and 2014, special event revenue recognized of \$0 and \$101,115, respectively, was offset by costs of direct donor benefits of \$0 and \$77,637, respectively, resulting in net special event revenue of \$0 and \$23,478, respectively.

Contributions to foreign organizations for sponsorship operations are considered to be expenses when OCM disburses funds to the overseas projects.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various program services and supporting activities of OCM have been summarized on a functional basis in the statements of activities. Accordingly, certain costs, such as occupancy costs, depreciation, and payroll, have been allocated among the program services and supporting activities benefited.

RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENT

The Financial Standards Accounting Board recently issued an accounting standards update to the Fair Value Measurement Topic of the Accounting Standards Codification. The new standard requires the removal of investments for which fair value is measured at net asset value from the fair value hierarchy. OCM early adopted this accounting standard update during the year ended September 30, 2015. The only impact was the removal of investments measured using net asset value as a practical expedient for measuring fair value from the fair value hierarchy in Note 6.

UNCERTAIN TAX POSITIONS

The financial statement effects of a tax position taken or expected to be taken are recognized in the financial statements when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. Interest and penalties, if any, are included in expenses in the statements of activities. As of September 30, 2015, OCM had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

ONE CHILD MATTERS

Notes to Financial Statements

September 30, 2015 and 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

UNCERTAIN TAX POSITIONS, continued

Bethesda Ministries files tax returns in the United States (U.S.) federal jurisdiction. With a few exceptions, Bethesda Ministries and therefore OCM is no longer subject to U.S. federal examinations by tax authorities for years before 2012.

SUMMARIZED COMPARATIVE INFORMATION

The financial statements include certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with OCM's financial statements for the year ended September 30, 2014, from which the summarized information was derived.

RECLASSIFICATIONS

Certain prior period amounts have been reclassified to conform with current year presentation.

3. INVESTMENTS:

Investments consist of:

	September 30,	
	2015	2014
Mutual funds	\$ 964,844	\$ 1,035,275
Common stock	-	22,461
Limited partnerships	12,826	15,276
	<u>\$ 977,670</u>	<u>\$ 1,073,012</u>

Investment income (loss) consists of:

	Year Ended September 30,	
	2015	2014
Interest and dividends	\$ 48,037	\$ 35,285
Net realized and unrealized gains (losses)	(98,411)	10,687
	<u>\$ (50,374)</u>	<u>\$ 45,972</u>

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Notes to Financial Statements

September 30, 2015 and 2014

4. FURNITURE, EQUIPMENT, AND SOFTWARE—NET:

Furniture, equipment, and software—net consist of:

	September 30,	
	2015	2014
Buildings and improvements	\$ 257,954	\$ 257,954
Furniture and equipment	2,779,819	2,698,955
Transportation equipment	78,405	78,405
	3,116,178	3,035,314
Less accumulated depreciation	(2,475,976)	(2,235,825)
	640,202	799,489
Projects in progress	46,662	109,765
	\$ 686,864	\$ 909,254

5. TEMPORARILY RESTRICTED NET ASSETS:

Temporarily restricted net assets consist of:

	September 30,	
	2015	2014
Child care - various countries	\$ 722,864	\$ 248,817
Children's crisis fund	453,722	414,241
Child care - gift fund	299,509	210,765
Kenya	246,439	177,985
Medical Mercy	207,838	174,412
Haiti	105,268	44,480
Philippines	100,726	86,422
Honduras	47,569	12,560
Dominican Republic	16,637	46,768
Other overseas projects	16,072	10,682
Mission trips	13,731	23,213
Cambodia	11,022	11,072
Ethiopia	10,273	10,318
Swaziland	9,636	11,896
India	8,766	21,225
Bangladesh	5,323	39,899

ONE CHILD MATTERS

Notes to Financial Statements

September 30, 2015 and 2014

5. TEMPORARILY RESTRICTED NET ASSETS, continued:

Temporarily restricted net assets consist of, continued:

	September 30,	
	2015	2014
Nepal	2,828	5,742
Disaster relief	-	77,938
	<u>\$ 2,278,223</u>	<u>\$ 1,628,435</u>

6. FAIR VALUE MEASUREMENTS:

OCM uses appropriate valuation techniques to determine fair value based on inputs available. All investments held at fair value as of September 30, 2015 and 2014 were measured using Level 1 inputs. Level 3 inputs were not used during the years ended September 30, 2015 and 2014. The following table displays the fair values of assets measured on a recurring basis at September 30, 2015 and 2014:

	September 30,	
	2015	2014
Investments held at fair value:		
Mutual funds:		
Fixed income	\$ 825,043	\$ 844,043
Large-cap equity	54,319	2,358
International	37,324	10,581
Mid-cap equity	33,063	1,990
Exchange traded funds	14,829	-
Small-cap equity	266	367
Alternative strategy	-	175,936
Common stock	-	22,461
	<u>964,844</u>	<u>1,057,736</u>
Investments held at net asset value:		
Limited partnerships	<u>12,826</u>	<u>15,276</u>
Total Investments	<u>\$ 977,670</u>	<u>\$ 1,073,012</u>

Change in valuation techniques: None.

ONE CHILD MATTERS

Notes to Financial Statements

September 30, 2015 and 2014

6. FAIR VALUE MEASUREMENTS, continued:

OCM uses the Net Asset Value (NAV) to determine the fair value for all investments which do not have a readily determinable fair value and prepare their financial statements consistent with the measurement principles of an investment company or have attributes of an investment company. As of September 30, 2015 and 2014, investments valued using NAV were limited partnerships, which include hedge funds invested in other limited partnerships. The other limited partnerships invest primarily in equity securities in public and non-public companies across various industries in the United States. These limited partnerships engage in diversified investment strategies utilizing a multi-manager approach to invest in various liquid and illiquid securities. Several of the limited partnerships have lock-up periods upon purchase or for redemption requests. As a result of these lock-up periods, certain portions of these investments are illiquid as of September 30, 2015 and 2014.

7. RETIREMENT PLAN:

Bethesda Ministries has established a retirement plan for the benefit of its employees and their beneficiaries under a 403(b) arrangement. Employees are eligible for employer contributions after one year of service and attainment of age 21. For the years ended September 30, 2015 and 2014, the employer made a discretionary contribution of 1 percent of base compensation as well as matched employee contributions up to 3 percent. Employer contributions were \$62,601 and \$64,380 for the years ended September 30, 2015 and 2014, respectively.

8. RELATED PARTY TRANSACTIONS:

OCM operates as a division of Bethesda Ministries. The following are transactions between OCM and other related entities:

During the years ended September 30, 2015 and 2014, Bethesda Ministries' affiliates contributed \$3,906 and \$36,188, respectively, to OCM programs.

During the years ended September 30, 2015 and 2014, Bethesda Ministries subsidized certain overhead costs of OCM in order to reduce the ongoing overhead burden on funds received from donors. Specifically, during the years ended September 30, 2015 and 2014, Bethesda Ministries gave \$873,750 and \$650,000, respectively, to OCM to subsidize unrestricted general, administrative, and promotional costs. These items were recorded as a decrease in supporting services as donors' funds were not used for these expenses.

ONE CHILD MATTERS

Notes to Financial Statements

September 30, 2015 and 2014

8. RELATED PARTY TRANSACTIONS, continued:

An entity to which Bethesda Ministries is related charged \$358,036 and \$416,135 for computer, accounting, and other services provided to OCM during the years ended September 30, 2015 and 2014, respectively. OCM was charged \$186,558 and \$182,073 for the rental of office and storage space during the years ended September 30, 2015 and 2014, respectively. The rent is charged on a monthly basis; as such, there is no future operating lease commitment.

As a result of the services provided, OCM records a non-interest bearing payable to Bethesda Ministries and its related entities. The balance of the payable was \$36,737 and \$104, as of September 30, 2015 and 2014, respectively, and is recorded in accounts payable on the statements of financial position.

9. SUBSEQUENT EVENTS:

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

SUPPLEMENTAL INFORMATION

**INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTAL INFORMATION**

Board of Directors
One Child Matters
Colorado Springs, Colorado

We have audited the financial statements of One Child Matters, a division of Bethesda Ministries, as of and for the year ended September 30, 2015, and our report thereon dated December 22, 2015, which expresses an unmodified opinion on those financial statements, appears on page 1. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of functional expenses are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The financial statements as of and for the year ended September 30, 2014, were audited by other auditors whose report dated December 19, 2014, expressed an unmodified opinion on those financial statements.

Capin Crouse LLP

Colorado Springs, Colorado
December 22, 2015

ONE CHILD MATTERS

Schedule of Functional Expenses

Year Ended September 30, 2015

	Program Services						Supporting Services			Total Expenses	
	Child Ministries	Humanitarian and Relief	Medical Mercy	Higher Education and Vocational Training	Teaching/ Advocacy Ministries	Mission Trips	Total	General and Administrative	Promotion and Development		Total
Direct payments and											
assistance to ministries	\$ 7,837,631	\$ 88,339	\$ 143,192	\$ 25,447	\$ -	\$ -	\$ 8,094,609	\$ -	\$ -	\$ -	\$ 8,094,609
Salaries and labor	1,726,472	-	65,000	-	52,612	-	1,844,084	478,207	703,180	1,181,387	3,025,471
Travel and entertainment	207,783	-	20,248	-	14,299	304,000	546,330	39,370	343,219	382,589	928,919
Professional and other fees	186,462	-	-	-	7	6,988	193,457	25,087	274,036	299,123	492,580
Computer services	234,965	-	179	-	-	-	235,144	92,846	25,813	118,659	353,803
Postage	180,560	-	1,122	-	2,201	229	184,112	124,294	36,013	160,307	344,419
Benefits	182,570	-	-	-	3,384	-	185,954	50,920	71,028	121,948	307,902
Depreciation and amortization	131,654	-	226	-	-	-	131,880	102,462	62,319	164,781	296,661
Supplies and materials	111,712	-	14,731	-	-	22,472	148,915	53,316	87,204	140,520	289,435
Building rent and maintenance	130,188	-	-	-	-	-	130,188	51,630	51,100	102,730	232,918
Bank fees	5,202	-	-	-	-	422	5,624	192,485	717	193,202	198,826
Payroll taxes	83,199	-	-	-	1,801	-	85,000	28,966	49,441	78,407	163,407
Promotion and advertising	360	-	-	-	33	-	393	104	142,441	142,545	142,938
Finance and accounting	8,906	-	-	-	-	-	8,906	113,975	-	113,975	122,881
Telephone	38,853	-	-	-	1,382	139	40,374	18,269	8,145	26,414	66,788
Informational materials	38	-	-	-	-	-	38	39,532	60	39,592	39,630
Insurance	3,589	-	-	-	-	-	3,589	18,578	2,881	21,459	25,048
Conference and education	14,322	-	-	-	-	61	14,383	777	1,854	2,631	17,014
Printing and publications	13,250	-	-	-	-	-	13,250	-	-	-	13,250
Legal	1,647	-	-	-	-	-	1,647	1,121	-	1,121	2,768
Other	267	-	-	-	-	2,303	2,570	2,803	3,793	6,596	9,166
	11,099,630	88,339	244,698	25,447	75,719	336,614	11,870,447	1,434,742	1,863,244	3,297,986	15,168,433
Less Bethesda subsidy	-	-	-	-	-	-	-	(380,112)	(493,638)	(873,750)	(873,750)
	\$11,099,630	\$ 88,339	\$ 244,698	\$ 25,447	\$ 75,719	\$ 336,614	\$11,870,447	\$ 1,054,630	\$ 1,369,606	\$ 2,424,236	\$14,294,683

ONE CHILD MATTERS

Schedule of Functional Expenses

Year Ended September 30, 2014

	Program Services						Supporting Services				Total Expenses
	Higher						General and Administrative	Promotion and Development	Total		
	Child Ministries	Humanitarian and Relief	Medical Mercy	Education and Vocational Training	Teaching/ Advocacy Ministries	Mission Trips				Total	
Direct payments and assistance to ministries	\$ 7,304,110	\$ 146,010	\$ 182,433	\$ 24,070	\$ -	\$ 5,400	\$ 7,662,023	\$ 1,659	\$ -	\$ 1,659	\$ 7,663,682
Salaries and labor	1,578,872	-	66,250	-	106,814	-	1,751,936	489,190	705,875	1,195,065	2,947,001
Travel and entertainment	207,278	-	30,544	-	23,945	372,517	634,284	28,349	336,766	365,115	999,399
Professional and other fees	186,040	-	1,496	-	-	10,867	198,403	37,503	207,245	244,748	443,151
Computer services	285,529	-	217	-	-	-	285,746	111,758	40,999	152,757	438,503
Postage	186,924	-	620	-	4,859	802	193,205	131,066	28,182	159,248	352,453
Benefits	196,678	-	-	-	10,131	-	206,809	68,732	78,122	146,854	353,663
Depreciation and amortization	156,248	-	130	-	-	-	156,378	135,512	73,434	208,946	365,324
Supplies and materials	133,022	-	33,891	-	(105)	20,501	187,309	22,803	94,742	117,545	304,854
Building rent and maintenance	111,557	-	-	-	-	-	111,557	50,450	49,873	100,323	211,880
Bank fees	3,350	-	-	-	-	238	3,588	191,432	52	191,484	195,072
Payroll taxes	73,881	-	-	-	5,668	-	79,549	29,668	45,587	75,255	154,804
Promotion and advertising	6,854	-	-	-	44	-	6,898	500	93,113	93,613	100,511
Finance and accounting	4,120	-	-	-	-	-	4,120	175,927	-	175,927	180,047
Telephone	39,433	-	-	-	2,445	947	42,825	23,588	9,217	32,805	75,630
Informational materials	2,164	-	-	-	-	-	2,164	72,249	5,466	77,715	79,879
Insurance	4,026	-	-	-	-	-	4,026	17,451	1,702	19,153	23,179
Conference and education	14,119	-	-	-	-	-	14,119	2,001	1,575	3,576	17,695
Printing and publications	11,879	-	-	-	-	-	11,879	-	21,296	21,296	33,175
Legal	6,912	-	-	-	-	-	6,912	846	-	846	7,758
Other	530	-	-	-	-	-	530	(3,310)	3,345	35	565
	<u>10,513,526</u>	<u>146,010</u>	<u>315,581</u>	<u>24,070</u>	<u>153,801</u>	<u>411,272</u>	<u>11,564,260</u>	<u>1,587,374</u>	<u>1,796,591</u>	<u>3,383,965</u>	<u>14,948,225</u>
Less Bethesda subsidy	-	-	-	-	-	-	-	(304,908)	(345,092)	(650,000)	(650,000)
	<u>\$10,513,526</u>	<u>\$ 146,010</u>	<u>\$ 315,581</u>	<u>\$ 24,070</u>	<u>\$ 153,801</u>	<u>\$ 411,272</u>	<u>\$11,564,260</u>	<u>\$ 1,282,466</u>	<u>\$ 1,451,499</u>	<u>\$ 2,733,965</u>	<u>\$14,298,225</u>