

**C2K Ministries, Inc.**  
**Reviewed Financial Statements**  
**For the Year Ended June 30, 2019**





**C2K Ministries, Inc.**  
**Reviewed Financial Statements**  
**For the Year Ended June 30, 2019**

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DANNY L. WILLIAMS  
JERRY W. PITTS  
REBECCA A. BEARD  
KRISTOPHER A. WHITTEN

2042 MCINGVALE ROAD, SUITE A  
HERNANDO, MISSISSIPPI 38632  
662-429-4436  
662-429-4438 FAX

## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To Management  
C2K Ministries, Inc.

We have reviewed the accompanying financial statements of C2K Ministries, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2019, and the related statements of activities 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 the 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.

### Change in Accounting Principle

As discussed in Note A to the financial statements, management has adopted Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to that matter.

*Williams, Pitts & Beard, PLLC*

Williams, Pitts & Beard, PLLC  
Hernando, Mississippi  
October 24, 2019



**C2K Ministries, Inc.**  
**Statement of Financial Position**  
**June 30, 2019**

**Assets**

Current Assets

Cash and cash equivalents	\$ 19,351
Accounts receivable	<u>1,366</u>
Total Current Assets	<u>20,717</u>

Property and equipment

Property and equipment (Net of accumulated depreciation)	<u>19,927</u>
Total Property and Equipment	<u>19,927</u>

**Total Assets** \$ 40,644

**Liabilities**

Current Liabilities

Other current liabilities	<u>2,850</u>
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**Total Liabilities** 2,850

**Net Assets**

Without donor restrictions	<u>37,795</u>
<b>Total Net Assets</b>	<u>37,795</u>

**Total Liabilities and Net Assets** \$ 40,645

See independent accountants' review report and the accompanying notes to the financial statements.

**C2K Ministries, Inc.**  
**Statement of Activities**  
**For the Year Ending June 30, 2019**

<b>Revenue</b>	
Donations	\$ 99,529
Interest income	<u>57</u>
<b>Total Revenue</b>	<u>99,586</u>
<b>Expenses</b>	
Program Services	79,933
Supporting Services	
Management and general	33,021
Fundraising	<u>8,618</u>
Total Supporting Expenses	<u>41,638</u>
<b>Total Expenses</b>	<u>121,571</u>
<b>Change in Net Assets</b>	(21,985)
<b>Net Assets at Beginning of Year</b>	<u>59,779</u>
<b>Net Assets at End of Year</b>	<u><u>\$ 37,795</u></u>

See independent accountants' review report and the accompanying notes to the financial statements.



**C2K Ministries, Inc.**  
**Statement of Cash Flows**  
**For the Year Ending June 30, 2019**

<b>Cash Flows From Operating Activities</b>	
Change in net assets	\$ (21,985)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	4,925
Other current assets	(430)
Increase (decrease) in operating liabilities:	
Other current liabilities	<u>2,083</u>
 <b>Net Cash Provided By (Used In)</b>	
<b>Operating Activities</b>	<u>(15,407)</u>
 <b>Cash Flows From Investing Activities</b>	
Purchase of property and equipment	<u>(13,182)</u>
 <b>Net Cash Provided By (Used In)</b>	
<b>Investing Activities</b>	<u>(13,182)</u>
 <b>Net Increase (Decrease) in Cash and cash equivalents</b>	 (28,589)
 <b>Cash and cash equivalents, Beginning of Year</b>	 <u>47,940</u>
 <b>Cash and cash equivalents, End of Year</b>	 <u><u>\$ 19,352</u></u>

See independent accountants' review report and the accompanying notes to the financial statements.

**C2K Ministries, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ending June 30, 2019**

**NOTE A: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

CK2 Ministries, Inc., (the "Organization"), located in Mound Bayou, Mississippi, is a non-profit organization formed in 2016 for the purpose of providing tools and resources to help children who are challenged academically and socially. The organization is exempt from income taxes under section 501 (c)(3).

**Basis of Accounting**

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

**Basis of Presentation**

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: with donor restrictions and without donor restrictions. The Organization had only Net Assets without donor restrictions as of June 30, 2019.

**Cash and Cash Equivalents**

For the purpose of the statements of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash.

**Accounts Receivable**

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Due to the nature of accounts receivables, no allowance is estimated, as the Organization does not have customers.

**Property and Equipment**

All acquisitions of property and equipment in excess of \$500 and all expenditures for repairs and maintenance and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using primarily the straight-line method with an estimated useful life of 5 to 15 years.

**Federal Tax Status**

The Organization is exempt from federal income taxes under the provisions of the Internal Revenue Code as an entity described in Section 501(c)(3).

The Organization follows the provisions of FASB ASC 740-10, Accounting for Uncertainty in Income Taxes, which requires the computation of any current income tax assets or liabilities and only consider tax positions that are more likely than not (defined as a greater than 50% chance) to be sustained if the taxing authorities examined the positions. U.S. federal income tax returns older than three years are closed. U.S. state jurisdictions generally have a statute of limitations of three to five years.

**Management's Use of Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

**C2K Ministries, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ending June 30, 2019**

**Concentrations**

The Organization maintains its cash in bank deposit accounts which, at time, may exceed federally insured limits. The Organization has not experienced any losses in such accounts nor does management of the organization believe there is any significant credit risk on cash and cash equivalents.

**Functional Allocation of Expenses**

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**NOTE B: LIQUIDITY AND AVAILABILITY**

The Organization routinely monitors liquidity for operations in accordance with its financial policies. Additionally, liquidity measures are tracked and provided to donors as part of its regular yearly reporting requirements. Financial assets available for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position, are made of the following:

Cash and cash equivalents	\$	19,351
Accounts receivable, net		1,366
<b>Total financial assets</b>		20,717
Less amounts not available due to restrictions		-
<b>Financial assets available to meet cash needs for general expenses within one year</b>	<b>\$</b>	<b>20,717</b>

**NOTE C: PROPERTY AND EQUIPMENT**

Property and equipment consist of the following for the year ended June 30, 2019:

Furniture and Equipment	\$	6,787
Vehicles		22,232
<b>Total property and equipment</b>		29,019
Less accumulated depreciation		9,092
<b>Net property and equipment</b>		<b>19,927</b>

As discussed in the summary of accounting policies, Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method with an estimated useful life of 5 to 15 years.

Depreciation expense was \$4,925 for June 30, 2019.

**C2K Ministries, Inc.**  
**Notes to the Financial Statements**  
**For the Year Ending June 30, 2019**

**NOTE D: FUNCTIONAL EXPENSES**

The Organization's financial statements report certain expense categories that are attributable to more than one program service or support function. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, are allocated to a function based on management's judgement. Expenses related to providing these services as of June 30, 2019 are approximately as follows:

	<b>2019</b>			
	<b>Program Services</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total</b>
Conferences and training	\$ 9,419	\$ -	\$ -	\$ 9,419
Depreciation expense	4,925	-	-	4,925
Events	-	-	1,032	1,032
Executive respite	1,500	-	-	1,500
Insurance	4,821	4,821	-	9,642
Membership & subscriptions	3,615	-	-	3,615
Payroll expenses	25,009	25,010	-	50,019
Processing fees	-	-	1,490	1,490
Professional fees	-	3,190	-	3,190
Program operations	24,535	-	-	24,535
Supplies	3,603	-	-	3,603
Travel	-	-	3,589	3,589
Vehicle expense	2,506	-	2,507	5,013
	\$ 79,933	\$ 33,021	\$ 8,618	\$ 121,571

**NOTE E: SUBSEQUENT EVENTS**

Events that occur after the Statements of Financial Position date but before the financial statements are available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the Statements of Financial Position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the Statements of Financial Position date require disclosure in the accompanying notes. Management of the Organization evaluated the activity of the Organization through October 24, 2019, the date the financial statements were available to be issued and determined that no subsequent events occurred requiring disclosure in the notes to the financial statements.

**C2K Ministries**  
**Grouping Schedule Report**  
**Leadsheet**

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	Adjusted Balance Jun 30, 2018	Unadjusted Jun 30, 2019	Adjusting AJE	Adjusted Balance Jun 30, 2019
<b>A Cash</b>				
10100 - C2K Ministries Checking	2,014.00	3,147.00		3,147.00
10200 - C2K Savings	5,428.00	11,201.00		11,201.00
10400 - Megan Munro Checking	603.00	327.00		327.00
10410 - Payroll Savings	18,270.00	2,955.00		2,955.00
10600 - Grant Savings	6,593.00	942.00		942.00
10700 - Vehicle Savings	14,987.00	734.00		734.00
10800 - Petty Cash	45.00	45.00		45.00
<b>A Cash Total</b>	<u>47,940.00</u>	<u>19,351.00</u>	<u>0.00</u>	<u>19,351.00</u>
<b>HA Accounts Receivable</b>				
<b>HA, 1 A/R</b>				
11000 - Accounts Receivable	936.00	1,366.00		1,366.00
<b>Total A/R</b>	<u>936.00</u>	<u>1,366.00</u>	<u>0.00</u>	<u>1,366.00</u>
<b>HA Accounts Receivable Total</b>	<u>936.00</u>	<u>1,366.00</u>	<u>0.00</u>	<u>1,366.00</u>
<b>Current Assets Total</b>	<u>48,876.00</u>	<u>20,717.00</u>	<u>0.00</u>	<u>20,717.00</u>
<b>UV Property Plant &amp; Equipmen</b>				
<b>UV, 2 Furniture &amp; Fixtures</b>				
15000 - Furniture and Equipment	6,787.00	6,787.00		6,787.00
15200 - Van	9,050.00	9,050.00		9,050.00
15205 - Vehicles	0.00	13,182.00		13,182.00
<b>Total Furniture &amp; Fixtures</b>	<u>15,837.00</u>	<u>29,019.00</u>	<u>0.00</u>	<u>29,019.00</u>
<b>UV, 10 Accumulated Depreciation</b>				
16000 - Accumulated Depreciation	(4,167.00)	(4,167.00)		(9,092.00)
AJE.01 To record CY depreciation			(4,925.00)	
<b>Total Accumulated Depreciation</b>	<u>(4,167.00)</u>	<u>(4,167.00)</u>	<u>(4,925.00)</u>	<u>(9,092.00)</u>
<b>UV Property Plant &amp; Equipmen Total</b>	<u>11,670.00</u>	<u>24,852.00</u>	<u>(4,925.00)</u>	<u>19,927.00</u>
<b>Net Property and Equipment Total</b>	<u>11,670.00</u>	<u>24,852.00</u>	<u>(4,925.00)</u>	<u>19,927.00</u>
<b>Assets Total</b>	<u>60,546.00</u>	<u>45,569.00</u>	<u>(4,925.00)</u>	<u>40,644.00</u>
<b>CC Accrued Expenses</b>				
24010 - Wage Garnishment	(99.00)	0.00		0.00
24600 - Payroll Liabilities	(668.00)	(504.00)		(504.00)
24601 - Direct Deposit Liabilities	0.00	(2,346.00)		(2,346.00)
<b>CC Accrued Expenses Total</b>	<u>(767.00)</u>	<u>(2,850.00)</u>	<u>0.00</u>	<u>(2,850.00)</u>
<b>Current Liabilities Total</b>	<u>(767.00)</u>	<u>(2,850.00)</u>	<u>0.00</u>	<u>(2,850.00)</u>
<b>SS Fund Balance</b>				
30000 - Opening Balance Equity	(3,439.00)	(3,439.00)		(3,439.00)
33000 - Retained Earnings	(8,130.00)	(56,340.00)		(56,340.00)
<b>SS Fund Balance Total</b>	<u>(11,569.00)</u>	<u>(59,779.00)</u>	<u>0.00</u>	<u>(59,779.00)</u>
<b>(Profit)/Loss</b>	(48,210.00)	17,060.00	4,925.00	21,985.00
<b>Equity Total</b>	<u>(59,779.00)</u>	<u>(42,719.00)</u>	<u>4,925.00</u>	<u>(37,794.00)</u>
<b>Liabilities/Equity Total</b>	<u>(60,546.00)</u>	<u>(45,569.00)</u>	<u>4,925.00</u>	<u>(40,644.00)</u>
<b>101 Donations - Other</b>				
40150 - Donations	(113,979.00)	0.00		0.00
40200 - Donations: ACH Donations	(10,020.00)	(916.00)		(916.00)
40201 - Donations: Community Relief Projects	(2,569.00)	0.00		0.00
40202 - Donations: Computers	0.00	(220.00)		(220.00)

**C2K Ministries**  
**Grouping Schedule Report**  
**Leadsheet**

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	Adjusted Balance Jun 30, 2018	Unadjusted Jun 30, 2019	Adjusting AJE	Adjusted Balance Jun 30, 2019
40203 - Donations: Food	(750.00)	0.00		0.00
40206 - Donations: Payroll	(18,600.00)	0.00		0.00
40207 - Donations: Scholarship Fund	(1,600.00)	0.00		0.00
40208 - Donations: Churches	0.00	(11,300.00)		(11,300.00)
40209 - Donations: Foundations/Grants	0.00	(21,592.00)		(21,592.00)
40300 - Donations: Individuals	0.00	(65,501.00)		(65,501.00)
<b>101 Donations - Other Total</b>	<u>(147,518.00)</u>	<u>(99,529.00)</u>	<u>0.00</u>	<u>(99,529.00)</u>
<b>120 Interest Income</b>				
49000 - Interest Income	(45.00)	(57.00)		(57.00)
<b>120 Interest Income Total</b>	<u>(45.00)</u>	<u>(57.00)</u>	<u>0.00</u>	<u>(57.00)</u>
<b>Sales Total</b>	<u>(147,563.00)</u>	<u>(99,586.00)</u>	<u>0.00</u>	<u>(99,586.00)</u>
<b>Revenue Total</b>	<u>(147,563.00)</u>	<u>(99,586.00)</u>	<u>0.00</u>	<u>(99,586.00)</u>
<b>201 Program Operations</b>				
62100 - C2k Advertising/Marketing	110.00	1,285.00		1,285.00
62151 - RE Books/Materials	501.00	1,635.00		1,635.00
62840 - RE Food	3,809.00	4,560.00		4,560.00
62860 - RE Furniture	555.00	0.00		0.00
62870 - RE Internet at Center	1,556.00	2,019.00		2,019.00
65010 - RE Marketing	1,098.00	0.00		0.00
65020 - RE Ministry Development	1,363.00	3,010.00		3,010.00
65025 - RE Office Supplies/Materials	3,444.00	3,404.00		3,404.00
65040 - RE Payroll Expenses	53,810.00	50,019.00		50,019.00
65045 - RE Program Curriculum	49.00	0.00		0.00
65046 - RE Software Programs	5,707.00	6,748.00		6,748.00
65049 - Moving	0.00	1,456.00		1,456.00
65068 - Professional Fees	0.00	3,190.00		3,190.00
65125 - Other Taxes	0.00	25.00		25.00
65160 - Other Costs	0.00	392.00		392.00
<b>201 Program Operations Total</b>	<u>72,002.00</u>	<u>77,743.00</u>	<u>0.00</u>	<u>77,743.00</u>
<b>203 Supplies</b>				
65050 - RE Stroe Supplies	3,514.00	3,603.00		3,603.00
<b>203 Supplies Total</b>	<u>3,514.00</u>	<u>3,603.00</u>	<u>0.00</u>	<u>3,603.00</u>
<b>205 Conferences &amp; Training</b>				
62111 - C2k Conference/Training	2,938.00	9,419.00		9,419.00
<b>205 Conferences &amp; Training Total</b>	<u>2,938.00</u>	<u>9,419.00</u>	<u>0.00</u>	<u>9,419.00</u>
<b>206 Executive respite</b>				
62112 - C2k Executive Respite	1,500.00	1,500.00		1,500.00
<b>206 Executive respite Total</b>	<u>1,500.00</u>	<u>1,500.00</u>	<u>0.00</u>	<u>1,500.00</u>
<b>207 Travel</b>				
62113 - C2k Fundraising Travel	1,775.00	1,056.00		1,056.00
62114 - C2k Fundraising: Airfare	0.00	312.00		312.00
62115 - C2k Fundraising: Food	0.00	654.00		654.00
62116 - C2k Fundraising: Gas	0.00	384.00		384.00
62117 - C2k Fundraising: Lodging	0.00	1,183.00		1,183.00
<b>207 Travel Total</b>	<u>1,775.00</u>	<u>3,589.00</u>	<u>0.00</u>	<u>3,589.00</u>
<b>208 Insurance</b>				
62150 - Insurance	8,125.00	9,642.00		9,642.00
<b>208 Insurance Total</b>	<u>8,125.00</u>	<u>9,642.00</u>	<u>0.00</u>	<u>9,642.00</u>
<b>209 Memberships &amp; Sub</b>				

**C2K Ministries**  
**Grouping Schedule Report**  
**Leadsheet**

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	<u>Adjusted Balance</u> <u>Jun 30, 2018</u>	<u>Unadjusted</u> <u>Jun 30, 2019</u>	<u>Adjusting AJE</u>	<u>Adjusted Balance</u> <u>Jun 30, 2019</u>
62110 - C2k Memberships & Subscriptions	1,176.00	3,615.00		3,615.00
<b>209 Memberships &amp; Sub Total</b>	<u>1,176.00</u>	<u>3,615.00</u>	<u>0.00</u>	<u>3,615.00</u>
<b>210 Processing fees</b>				
62140 - Donation Processing Fees	1,428.00	1,490.00		1,490.00
<b>210 Processing fees Total</b>	<u>1,428.00</u>	<u>1,490.00</u>	<u>0.00</u>	<u>1,490.00</u>
<b>211 Storage Rental</b>				
65065 - Storage Rental	345.00	0.00		0.00
<b>211 Storage Rental Total</b>	<u>345.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>213 Vehicle Exp</b>				
65051 - RE Van Gas	221.00	1,552.00		1,552.00
65055 - RE Van Maintenance	745.00	3,461.00		3,461.00
<b>213 Vehicle Exp Total</b>	<u>966.00</u>	<u>5,013.00</u>	<u>0.00</u>	<u>5,013.00</u>
<b>217 Scholarships</b>				
65075 - Scholarship Fund	1,600.00	0.00		0.00
<b>217 Scholarships Total</b>	<u>1,600.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Depr Depreciation Expense</b>				
78900 - DEPRECIATION EXPENSE	3,167.00	0.00		4,925.00
AJE.01 To record CY depreciation			4,925.00	
<b>Depr Depreciation Expense Total</b>	<u>3,167.00</u>	<u>0.00</u>	<u>4,925.00</u>	<u>4,925.00</u>
<b>218 Events</b>				
62865 - RE Group Events & Parties	817.00	1,032.00		1,032.00
<b>218 Events Total</b>	<u>817.00</u>	<u>1,032.00</u>	<u>0.00</u>	<u>1,032.00</u>
<b>Operating Expenses Total</b>	<u>99,353.00</u>	<u>116,646.00</u>	<u>4,925.00</u>	<u>121,571.00</u>
<b>Expense Total</b>	<u>99,353.00</u>	<u>116,646.00</u>	<u>4,925.00</u>	<u>121,571.00</u>
<b>Leadsheet Total</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>(Profit)/Loss</b>	<u>(48,210.00)</u>	<u>17,060.00</u>	<u>4,925.00</u>	<u>21,985.00</u>

**C2K Ministries**  
**Grouping Schedule Report**  
**Unassigned Accounts for Leadsheet**

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<b>Account Number</b>	<b>Description</b>	<b>Adjusted Balance Jun 30, 2018</b>	<b>Unadjusted Jun 30, 2019</b>	<b>Adjusting AJE</b>	<b>Adjusted Balance Jun 30, 2019</b>
11200	Technology	0.00	0.00		0.00
13000	Undeposited Funds	0.00	0.00		0.00
62130	Community Relief Projects	0.00	0.00		0.00
62810	Depr and Amort	0.00	0.00		0.00
64601	Direct Deposit Liabilities	0.00	0.00		0.00
65060	Bank Charges	0.00	0.00		0.00
65061	Interest Expense	0.00	0.00		0.00
65130	Repairs and Maintenance	0.00	0.00		0.00
66900	Reconciliation Discrepancies	0.00	0.00		0.00
80000	Ask My Accountant	0.00	0.00		0.00



**C2K Ministries**  
**Grouping Schedule Report**  
**Unassigned Accounts**

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**The Following Accounts Have Not Been Assigned  
To Any Schedule**

<u>Account Number</u>	<u>Description</u>	<u>Adjusted Balance Jun 30, 2018</u>	<u>Unadjusted Jun 30, 2019</u>	<u>Adjusting AJE</u>	<u>Adjusted Balance Jun 30, 2019</u>
13000	Undeposited Funds	0.00	0.00		0.00
62810	Depr and Amort	0.00	0.00		0.00
64601	Direct Deposit Liabilities	0.00	0.00		0.00
66900	Reconciliation Discrepancies	0.00	0.00		0.00
80000	Ask My Accountant	0.00	0.00		0.00