

Ecclesia Houston

Financial Statements
and Independent Auditors' Report
for the years ended December 31, 2019 and 2018

Ecclesia Houston

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Independent Auditors' Report

To the Board of Overseers of
Ecclesia Houston:

We have audited the accompanying financial statements of Ecclesia Houston, which comprise the statements of financial position as of December 31, 2019 and 2018 and the related statements of activities, of functional expenses, and of cash flows for the years then ended, and the related notes to the financial statements.

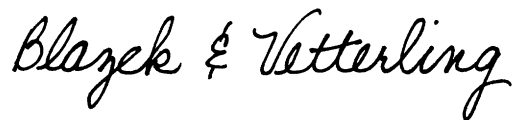
Management's Responsibility for the Financial Statements – Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance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

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

Opinion – In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ecclesia Houston as of December 31, 2019 and 2018 and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.



May 30, 2020

Ecclesia Houston

Statements of Financial Position as of December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Cash	\$ 1,550,018	\$ 1,105,058
Prepaid expenses and other assets (Note 3)	510,449	974,805
Investments (Note 5)	8,075,562	8,883,064
Property and equipment, net (Note 6)	<u>20,091,162</u>	<u>19,981,658</u>
TOTAL ASSETS	<u>\$ 30,227,191</u>	<u>\$ 30,944,585</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$ 135,131	\$ 347,040
Mission grants payable	255,779	651,222
Deferred program fee revenue	<u>32,300</u>	<u>264,825</u>
Total liabilities	<u>423,210</u>	<u>1,263,087</u>
Net assets:		
Without donor restrictions	18,055,689	17,822,204
With donor restrictions (Note 7)	<u>11,748,292</u>	<u>11,859,294</u>
Total net assets	<u>29,803,981</u>	<u>29,681,498</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 30,227,191</u>	<u>\$ 30,944,585</u>

See accompanying notes to financial statements.

Ecclesia Houston

Statement of Activities for the year ended December 31, 2019

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE:			
Contributions	\$ 4,655,994	\$ 682,437	\$ 5,338,431
Special event		71,740	71,740
Direct donor benefit cost of special event		(10,424)	(10,424)
Program fees	593,683		593,683
Paper Co. café sales	263,716		263,716
Cost of goods sold – Paper Co. café	(163,597)		(163,597)
Net investment return	<u>272,818</u>		<u>272,818</u>
Total revenue	5,622,614	743,753	6,366,367
Net assets released from restrictions:			
Expenditure for missions and outreach	538,080	(538,080)	
Expenditure for hurricane disaster relief	<u>316,675</u>	<u>(316,675)</u>	
Total	<u>6,477,369</u>	<u>(111,002)</u>	<u>6,366,367</u>
EXPENSES:			
Program expenses:			
Ministry and education	3,893,709		3,893,709
Missions and outreach	<u>1,213,708</u>		<u>1,213,708</u>
Total program expenses	5,107,417		5,107,417
Management and general	859,206		859,206
Paper Co. café	<u>277,261</u>		<u>277,261</u>
Total expenses	<u>6,243,884</u>		<u>6,243,884</u>
CHANGES IN NET ASSETS	233,485	(111,002)	122,483
Net assets, beginning of year	<u>17,822,204</u>	<u>11,859,294</u>	<u>29,681,498</u>
Net assets, end of year	<u>\$ 18,055,689</u>	<u>\$ 11,748,292</u>	<u>\$ 29,803,981</u>

See accompanying notes to financial statements.

Ecclesia Houston

Statement of Activities for the year ended December 31, 2018

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
REVENUE:			
Contributions	\$ 5,261,181	\$ 834,809	\$ 6,095,990
Special event		126,040	126,040
Direct donor benefit cost of special event		(15,377)	(15,377)
Program fees	376,227		376,227
Paper Co. café sales	372,679		372,679
Cost of goods sold – Paper Co. café	(189,082)		(189,082)
Net investment return	<u>163,265</u>		<u>163,265</u>
Total revenue	5,984,270	945,472	6,929,742
Net assets released from restrictions:			
Expenditure for missions and outreach	1,540,162	(1,540,162)	
Expenditure for hurricane disaster relief	871,695	(871,695)	
Expenditure for acquisition of property	<u>140,047</u>	<u>(140,047)</u>	
Total	<u>8,536,174</u>	<u>(1,606,432)</u>	<u>6,929,742</u>
EXPENSES:			
Program expenses:			
Ministry and education	3,767,018		3,767,018
Missions and outreach	<u>2,689,706</u>		<u>2,689,706</u>
Total program expenses	6,456,724		6,456,724
Management and general	1,307,233		1,307,233
Paper Co. café	<u>411,932</u>		<u>411,932</u>
Total expenses	<u>8,175,889</u>		<u>8,175,889</u>
CHANGES IN NET ASSETS	360,285	(1,606,432)	(1,246,147)
Net assets, beginning of year	<u>17,461,919</u>	<u>13,465,726</u>	<u>30,927,645</u>
Net assets, end of year	<u>\$ 17,822,204</u>	<u>\$ 11,859,294</u>	<u>\$ 29,681,498</u>

See accompanying notes to financial statements.

Ecclesia Houston

Statement of Functional Expenses for the year ended December 31, 2019

	<u>MINISTRY AND EDUCATION</u>	<u>MISSIONS AND OUTREACH</u>	<u>MANAGEMENT AND GENERAL</u>	<u>PAPER CO. CAFÉ</u>	<u>TOTAL EXPENSES</u>
Payroll and related benefits	\$ 2,512,568		\$ 493,690	\$ 214,158	\$ 3,220,416
Grants to other non-profits		\$ 787,373			787,373
Retreat/mission travel	372,159	69,155			441,314
Professional services	322,429		40,393	19	362,841
Occupancy	164,681		16,491	4,863	186,035
Benevolence assistance		177,137			177,137
Program equipment and supplies	108,118	44,289	773	8,826	162,006
Depreciation	132,935		14,771	7,717	155,423
Repairs and maintenance	89,627		20,037		109,664
Insurance	90,155		13,482		103,637
Software, subscriptions, and other technology	32,194		64,045		96,239
Bank fees			57,993	8,465	66,458
Furniture and equipment	12,790		21,891	20,128	54,809
Travel	23,626		26,681		50,307
Property taxes			29,656		29,656
Staff training and development	9,453		17,246	2,331	29,030
Outreach/direct disaster assistance		25,299			25,299
Meals and entertainment	11,351		11,105		22,456
Office supplies	886		11,691	5,286	17,863
Marketing and advertisement			9,014	1,600	10,614
Other	<u>10,737</u>	<u>110,455</u>	<u>10,247</u>	<u>3,868</u>	<u>135,307</u>
Total expenses	<u>\$ 3,893,709</u>	<u>\$ 1,213,708</u>	<u>\$ 859,206</u>	<u>\$ 277,261</u>	6,243,884
Direct donor benefit cost of special event					10,424
Cost of goods sold – Paper Co. café					<u>163,597</u>
Total					<u>\$ 6,417,905</u>

See accompanying notes to financial statements.

Ecclesia Houston

Statement of Functional Expenses for the year ended December 31, 2018

	<u>MINISTRY AND EDUCATION</u>	<u>MISSIONS AND OUTREACH</u>	<u>MANAGEMENT AND GENERAL</u>	<u>PAPER CO. CAFÉ</u>	<u>TOTAL EXPENSES</u>
Payroll and related benefits	\$ 2,408,150		\$ 623,495	\$ 324,605	\$ 3,356,250
Grants to other non-profits		\$ 1,672,883			1,672,883
Retreat/mission travel	257,913	33,747			291,660
Professional services	337,548		116,824	30,000	484,372
Occupancy	152,115		16,682	3,401	172,198
Benevolence assistance		157,164			157,164
Program equipment and supplies	121,501		21,428	13,921	156,850
Depreciation	128,783		14,309	6,136	149,228
Repairs and maintenance	137,721		20,929		158,650
Insurance			109,697		109,697
Software, subscriptions, and other technology	26,206		55,678		81,884
Bank fees and early loan repayment fee			154,634	10,771	165,405
Furniture and equipment	61,466		38,433	6,848	106,747
Travel	59,764		62,360	91	122,215
Staff training and development	10,033		19,592	4,234	33,859
Outreach/direct disaster assistance		825,912			825,912
Meals and entertainment	8,400		23,738	69	32,207
Office supplies	776		21,538	694	23,008
Marketing and advertisement			5,155	1,168	6,323
Other	<u>56,642</u>		<u>2,741</u>	<u>9,994</u>	<u>69,377</u>
Total expenses	<u>\$ 3,767,018</u>	<u>\$ 2,689,706</u>	<u>\$ 1,307,233</u>	<u>\$ 411,932</u>	8,175,889
Direct donor benefit cost of special event					15,377
Cost of goods sold – Paper Co. café					<u>189,082</u>
Total					<u>\$ 8,380,348</u>

See accompanying notes to financial statements.

Ecclesia Houston

Statements of Cash Flows for the years ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	\$ 122,483	\$ (1,246,147)
Adjustments to reconcile changes in net assets to net cash used by operating activities:		
Depreciation	155,422	149,228
Net realized and unrealized (gain) loss on investments	(92,374)	12,707
Contributions restricted for property purchase		(140,047)
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	464,356	164,491
Accounts payable and accrued expenses	(211,909)	179,644
Mission grants payable	(395,443)	651,222
Deferred program fee revenue	<u>(232,525)</u>	<u>128,705</u>
Net cash used by operating activities	<u>(189,990)</u>	<u>(100,197)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales of investments	66,400	43,807
Purchases of investments	(82,128)	(76,372)
Net change in cash and money market mutual funds held as investments	915,604	580,049
Proceeds from sale of property		21,000
Purchases of property and equipment	<u>(264,926)</u>	<u>(891,244)</u>
Net cash provided (used) by investing activities	<u>634,950</u>	<u>(322,760)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from contributions restricted for property purchase		140,047
Payments on note payable		<u>(734,866)</u>
Net cash used by financing activities		<u>(594,819)</u>
NET CHANGE IN CASH	444,960	(1,017,776)
Cash, beginning of year	<u>1,105,058</u>	<u>2,122,834</u>
Cash, end of year	<u>\$ 1,550,018</u>	<u>\$ 1,105,058</u>
 <i>Supplemental disclosure of cash flow information:</i>		
Cash paid for interest		\$4,562

See accompanying notes to financial statements.

Ecclesia Houston

Notes to Financial Statements for the years ended December 31, 2019 and 2018

NOTE 1 – ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

Organization – Ecclesia Houston (Ecclesia) is a nonprofit organization located in Houston, Texas incorporated under the laws of the State of Texas. Ecclesia is a holistic, missional, Christian community that seeks to spread the Gospel of Jesus Christ, teaching the Bible and sharing the Christian faith with as many people as possible. Ecclesia is primarily supported by contributions provided through their Christian community in two locations. Ecclesia has created a café and coffee shop at the Elder Street location to provide a place of community for the congregation and others in Houston.

Federal income tax status – Ecclesia is exempt from federal income tax under §501(c)(3) of the Internal Revenue Code and is classified as a religious organization under §509(a)(1) and §170(b)(1)(A)(i).

Cash concentration – Bank deposits exceed the federally insured limit per depositor per institution.

Investments are reported at fair value. Net investment return consists of interest and dividends, realized and unrealized gains and losses, net of external and direct internal investment expenses. Cash which is held for long-term investment is grouped with investments and excluded from cash in the statement of cash flows.

Property and equipment is reported at cost. Contributions of property are reported at estimated fair value at the date of gift. Expenditures or contributions in excess of \$5,000 are capitalized as property. Depreciation is reported on a straight-line basis over estimated useful lives of 5 to 37 years.

Net asset classification – Net assets, revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions, as follows:

- *Net assets without donor restrictions* are not subject to donor-imposed restrictions even though their use may be limited in other respects such as by contract or board designation.
- *Net assets with donor restrictions* are subject to donor-imposed restrictions. Restrictions may be temporary in nature, such as those that will be met by the passage of time or use for a purpose specified by the donor, or may be perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Net assets are released from restrictions when the stipulated time has elapsed, or purpose has been fulfilled, or both. Absent explicit donor restrictions regarding use, contributions of long-lived assets and of assets restricted for acquisition of long-lived assets are released when those assets are placed in service.

Mission grants approved are recognized as expense when Ecclesia approves an unconditional commitment to a grant recipient. Commitments made but not yet funded are reported as mission grants payable. All grants are to be paid within one year. During 2019 and 2018, Ecclesia provided grants to Living Water International totaling approximately \$252,000 and \$1,200,000, respectively.

Contributions are recognized as revenue at fair value when an unconditional commitment is received from the donor. Contributions received with donor stipulations that limit their use are classified as restricted support.

Contributed materials, use of facilities, and services – Donated materials and use of facilities are recognized at fair value as contributions without donor restrictions when an unconditional commitment is received from the donor. The related expense is recognized as the item is used. Contributions of services are recognized when services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

A substantial number of volunteers have contributed their time to Ecclesia for which no amount has been recognized in the financial statements because the services did not meet the criteria for recognition under generally accepted accounting principles.

Program fees and café sales are recognized as the services or goods are provided as follows:

- *Holyland Trip* – Registration fees paid by trip participants. Ecclesia recognizes the revenue from these trips as performance obligations are satisfied at a point in time, when the trip takes place. Included in the price of the trip are overnight accommodations, meals, tour bus fees, tour guides, airport transfer fees, and entrance fees. Fees paid in advance are reported as deferred revenue. Total fees paid in advance in which the performance obligations were not satisfied prior to December 31, 2019 and 2018, totaled \$29,500 and \$264,825, respectively.
- *Mother's Day Out* – This child care program is offered to families within the Houston area. The program is for children of all ages and is offered two days a week at the West Side campus. The program seeks to engage the children in developmentally appropriate experiences with God's Word through storytelling. Registration for this program is typically on a 2 to 4 month basis, depending on the time of year. Ecclesia recognizes revenue ratably over 2 to 4 month time periods as performance obligations are met. There are explicit price concessions based on the number of children that a family enrolls. The program fees are billed monthly and are net of any discounts.
- *Café Sales* – Café sales are recognized when the goods are provided.

Functional allocation of expenses – Expenses are reported by their functional classification. Program services are the direct conduct or supervision of activities that fulfill the purposes for which the organization exists. Paper Co. café activities are the direct conduct or supervision of activities for the Paper Co. café. Management and general activities are not directly identifiable with specific program or café activities. Expenses that are attributable to more than one activity are allocated among the activities benefitted. Salaries and related costs are allocated on the basis of estimated time and effort expended. Depreciation and other occupancy costs are allocated based on square footage. Information technology costs are allocated based on estimates of time and costs of specific technology utilized.

Estimates – Management must make estimates and assumptions to prepare financial statements in accordance with generally accepted accounting principles. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, the amounts of reported revenue and expenses, and the allocation of expenses among various functions. Actual results could vary from the estimates that were used.

NOTE 2 – ADOPTION OF NEW ACCOUNTING STANDARDS

Ecclesia adopted Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The core principle of the new guidance is that the entity should recognize revenue in an

amount that reflects the consideration to which it expects to be entitled in exchange for transferred goods or services using a 5-step process to determine when performance obligations are satisfied and revenue is recognized and requires expanded disclosures related to the nature, amount, timing and uncertainty of revenue and cash flows from contracts with customers. Ecclesia adopted the ASU effective January 1, 2018 using the full retrospective method. The timing and amount of revenue recognized previously is consistent with how revenue is recognized under this ASU and therefore, adoption of this ASU had no impact on total beginning net assets, or changes in net assets for 2018 or 2019, but resulted in additional disclosures.

In conjunction with the adoption of ASU 2014-09, Ecclesia adopted ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this ASU clarify and improve current guidance about whether a transfer of assets (or the reduction, settlement, or cancellation of liabilities) is a contribution or an exchange transaction and provide additional guidance on determining whether a contribution is conditional or unconditional. Ecclesia adopted the ASU effective January 1, 2018. Adoption of this ASU had no impact on the financial statements.

NOTE 3 – RELATED PARTY TRANSACTIONS

Ecclesia provided a short-term loan to an employee for healthcare costs. Total payments made on behalf of the employee were approximately \$58,000 and \$510,000 in 2019 and 2018, respectively. The draws are being repaid with proceeds from the employee’s healthcare provider. Ecclesia offers Samaritan Ministries, Christian Health Care Sharing to its full-time employees as a healthcare benefit. Healthcare sharing is a way to pay for healthcare without using health insurance. When the employee has a medical need, the employee pays the cost up front directly to the healthcare providers and then are reimbursed from Samaritan members in shares sent directly to the member based on the need on a monthly basis. Ecclesia has decided to support employees in health crisis that require substantial payments upfront in an effort to bridge the gap of receiving payments from the Samaritan members. The remaining balance outstanding at December 31, 2019 and 2018 totaled approximately \$5,900 and \$512,000, respectively.

NOTE 4 – LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use within one year of December 31 comprise the following:

	<u>2019</u>	<u>2018</u>
Financial assets:		
Cash	\$ 1,550,018	\$ 1,105,058
Receivables	68,465	530,667
Investments	<u>8,075,562</u>	<u>8,883,064</u>
Total financial assets available for general expenditure	<u>\$ 9,694,045</u>	<u>\$10,518,789</u>

Financial assets available for general expenditures include cash, equity securities, and accounts receivable. Cash includes amounts restricted for program purposes which is expected to be used in the next fiscal year. Ecclesia expects to fund general expenditures in excess of financial assets available to meet cash needs with future contributions, program fees, and Paper Co. café sales.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, Ecclesia considers all expenditures related to its ongoing activities of providing ministry, mission and outreach programs, the operations of the Paper Co. café, as well as the conduct of services undertaken to support those activities, to be general expenditures.

NOTE 5 – INVESTMENTS AND FAIR VALUE MEASUREMENTS

Generally accepted accounting principles require that certain assets and liabilities be reported at fair value and establish a hierarchy that prioritizes inputs used to measure fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The three levels of the fair value hierarchy are as follows:

- *Level 1* – Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the reporting date.
- *Level 2* – Inputs are other than quoted prices included in Level 1, which are either directly observable or can be derived from or corroborated by observable market data at the reporting date.
- *Level 3* – Inputs are not observable and are based on the reporting entity’s assumptions about the inputs market participants would use in pricing the asset or liability.

Assets measured at fair value at December 31, 2019 are as follows:

	<u>LEVEL 1</u>	<u>LEVEL 2</u>	<u>LEVEL 3</u>	<u>TOTAL</u>
Investments:				
Mutual funds:				
Money market	\$ 7,662,788			\$ 7,662,788
Equity	64,030			64,030
Bond	32,478			32,478
Common stock	202,122			202,122
Exchange-traded funds	<u>53,449</u>			<u>53,449</u>
Total assets measured at fair value	<u>\$ 8,014,867</u>	<u>\$ 0</u>	<u>\$ 0</u>	8,014,867
Cash held as investments				<u>60,695</u>
Total investments				<u>\$ 8,075,562</u>

Assets measured at fair value at December 31, 2018 are as follows:

	<u>LEVEL 1</u>	<u>LEVEL 2</u>	<u>LEVEL 3</u>	<u>TOTAL</u>
Investments:				
Mutual funds:				
Money market	\$ 8,587,294			\$ 8,587,294
Equity	43,409			43,409
Bond	25,472			25,472
Common stock	123,275			123,275
Exchange-traded funds	<u>51,821</u>			<u>51,821</u>
Total assets measured at fair value	<u>\$ 8,831,271</u>	<u>\$ 0</u>	<u>\$ 0</u>	8,831,271
Cash held as investments				<u>51,793</u>
Total investments				<u>\$ 8,883,064</u>

Valuation methods used for assets measured at fair value are as follows:

- *Mutual funds* are valued at the reported net asset value.
- *Common stock* and *exchange-traded funds* are valued at the closing price reported on the active market on which the individual securities are traded.

These valuation methods may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while Ecclesia believes its valuation methods are appropriate, the use of different methods or assumptions could result in a different fair value measurement at the reporting date.

Investments are exposed to various risks such as interest rate, market, and credit risks. Because of these risks, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position and statement of activities.

NOTE 6 – PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	<u>2019</u>	<u>2018</u>
Land	\$ 16,036,251	\$ 16,010,734
Buildings and improvements	2,937,665	2,927,358
Furniture, fixtures, and equipment	558,019	540,258
Construction in progress	<u>1,437,854</u>	<u>1,226,514</u>
Total property and equipment, at cost	20,969,789	20,704,864
Accumulated depreciation	<u>(878,627)</u>	<u>(723,206)</u>
Property and equipment, net	<u>\$ 20,091,162</u>	<u>\$ 19,981,658</u>

In January 2016, Ecclesia entered into an agreement with a local area church to transfer all of the assets of the church to Ecclesia, which was appraised for approximately \$11,500,000. The agreement further provides that the property be used solely as a church operating as a member congregation of the Union Baptist Association for a period of 10 years from the date of the agreement. If Ecclesia does not utilize the property as a church, Union Baptist Association has the right to contest the title and revert the property. Ecclesia began operating a church at this location effective January 1, 2016.

NOTE 7 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted as follows:

	<u>2019</u>	<u>2018</u>
Subject to expenditure for specified purpose:		
Venezuela Missions	\$ 149,544	
Advent Conspiracy Outreach Grants	67,868	\$ 43,489
Hurricane Dorian Relief	20,084	
Emergency Fund	10,796	
Hurricane Harvey Relief		293,839
Kurdistan Missions		<u>21,966</u>
Total subject to expenditure for specified purpose	248,292	359,294
Not subject to appropriation or expenditure:		
Land to be used for a church for ten years (<i>Note 6</i>)	<u>11,500,000</u>	<u>11,500,000</u>
Total net assets with donor restrictions	<u>\$ 11,748,292</u>	<u>\$ 11,859,294</u>

NOTE 8 – RETIREMENT PLAN

Ecclesia maintains a §403(b) retirement savings plan to which all employees may contribute subject to Internal Revenue Service regulations. Ecclesia's contributions were approximately \$171,000 and \$149,000 in 2019 and 2018, respectively.

NOTE 9 – SUBSEQUENT EVENTS

On March 11, 2020, the Director-General of the World Health Organization (WHO) declared a pandemic related to the global outbreak of the new coronavirus COVID-19 and on March 13, 2020, a national emergency was declared in the United States. The extent of the impact of COVID-19 on Ecclesia's future financial performance will depend on developments such as the duration and spread of the outbreak, impact on parishioner gifts, and length of time Ecclesia remains closed to the public for program activities, Paper Co. sales and other events, all of which are uncertain and cannot be predicted. Therefore, while Ecclesia management expects this matter to impact its operating results and financial position, the financial impact cannot be reasonably estimated at this time.

Management has evaluated subsequent events through May 30, 2020, which is the date that the financial statements were available for issuance. As a result of this evaluation, no other events were identified that are required to be disclosed or would have a material impact on reported net assets or changes in net assets.