

**FELLOWSHIP OF ASSOCIATES  
OF MEDICAL EVANGELISM**

FINANCIAL STATEMENTS  
With Independent Auditors' Report

June 30, 2010 and 2009

# FELLOWSHIP OF ASSOCIATES OF MEDICAL EVANGELISM

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## **INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Fellowship of Associates of Medical Evangelism  
Indianapolis, Indiana

We have audited the accompanying statements of financial position of Fellowship of Associates of Medical Evangelism (FAME) (a nonprofit corporation) as of June 30, 2010 and 2009, and the related statements of activities, cash flows, and functional expenses for the years then ended. These financial statements are the responsibility of FAME's management. 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 the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used, and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 2, FAME has adopted the new provisions of the *Income Tax Topic* of the FASB Accounting Standards Codification (ASC). The adoption of this standard had no impact on previously reported net assets in total.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Fellowship of Associates of Medical Evangelism as of June 30, 2010 and 2009, and the changes in its net assets, its cash flows, and its functional expenses for the years then ended in conformity with accounting principles generally accepted in the United States of America.



Greenwood, Indiana  
April 7, 2011

# FELLOWSHIP OF ASSOCIATES OF MEDICAL EVANGELISM

## Statements of Financial Position

	June 30,	
	2010	2009
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 376,303	\$ 94,975
Investments	17,531	112,873
Medical supplies inventory	561,465	246,149
Other	29,992	8,652
	985,291	462,649
Property and equipment:		
Land	23,000	23,000
Building	846,398	846,398
Vehicles	29,025	39,825
Furniture and office equipment	20,244	29,319
Computer software	13,750	13,750
Less accumulated depreciation	(134,494)	(124,394)
	797,923	827,898
Property and equipment–net		
	797,923	827,898
Total Assets	\$ 1,783,214	\$ 1,290,547
<b>LIABILITIES AND NET ASSETS:</b>		
Liabilities:		
Accounts payable and other liabilities	\$ 32,955	\$ 45,139
Accrued salaries and payroll tax liabilities	9,633	16,075
Annuities payable	1,794	2,099
Debt	330,431	458,812
Total liabilities	374,813	522,125
Net assets:		
Unrestricted	1,143,113	733,278
Temporarily restricted	265,288	35,144
Total net assets	1,408,401	768,422
Total Liabilities and Net Assets	\$ 1,783,214	\$ 1,290,547

See notes to financial statements

# FELLOWSHIP OF ASSOCIATES OF MEDICAL EVANGELISM

## Statements of Activities

	Year Ended June 30,					
	2010			2009		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>SUPPORT, REVENUE, AND RECLASSIFICATIONS:</b>						
Contributions	\$ 726,316	\$ 802,824	\$ 1,529,140	\$ 795,482	\$ 540,023	\$ 1,335,505
Gift-in-kind contributions	1,906,823	-	1,906,823	1,746,569	-	1,746,569
Interest income	5,739	-	5,739	3,324	-	3,324
Other income	20,905	-	20,905	6,504	-	6,504
Net assets released from restriction by satisfaction of purpose restrictions	572,680	(572,680)	-	540,351	(540,351)	-
<b>Total Support, Revenue, and Reclassifications</b>	<b>3,232,463</b>	<b>230,144</b>	<b>3,462,607</b>	<b>3,092,230</b>	<b>(328)</b>	<b>3,091,902</b>
<b>EXPENSES:</b>						
Program services:						
Mission projects	1,791,411	-	1,791,411	2,581,868	-	2,581,868
Supporting activities:						
Management and general	897,924	-	897,924	597,465	-	597,465
Fund-raising	133,293	-	133,293	137,680	-	137,680
	1,031,217	-	1,031,217	735,145	-	735,145
<b>Total Expenses</b>	<b>2,822,628</b>	<b>-</b>	<b>2,822,628</b>	<b>3,317,013</b>	<b>-</b>	<b>3,317,013</b>
<b>Change in Net Assets</b>	<b>409,835</b>	<b>230,144</b>	<b>639,979</b>	<b>(224,783)</b>	<b>(328)</b>	<b>(225,111)</b>
<b>Net Assets, Beginning of Year</b>	<b>733,278</b>	<b>35,144</b>	<b>768,422</b>	<b>958,061</b>	<b>35,472</b>	<b>993,533</b>
<b>Net Assets, End of Year</b>	<b>\$ 1,143,113</b>	<b>\$ 265,288</b>	<b>\$ 1,408,401</b>	<b>\$ 733,278</b>	<b>\$ 35,144</b>	<b>\$ 768,422</b>

See notes to financial statements

# FELLOWSHIP OF ASSOCIATES OF MEDICAL EVANGELISM

## Statements of Cash Flows

	Year Ended June 30,	
	2010	2009
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 639,979	\$ (225,111)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	29,325	28,639
Gain on sale of fixed assets	(150)	-
Change in:		
Medical supplies inventory	(315,316)	298,109
Other assets	(21,340)	12,405
Accounts payable and other liabilities	(12,184)	(54,548)
Accrued salaries and payroll tax liabilities	(6,442)	(206)
Annuities payable	(305)	(305)
Net Cash Provided by Operating Activities	313,567	58,983
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sale of investments	96,654	-
Purchase of investments	(1,312)	(97,779)
Proceeds from sale of property and equipment	800	-
Purchase of property and equipment	-	(22,364)
Net Cash Provided (Used) by Investing Activities	96,142	(120,143)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Payments on debt	(128,381)	(375,549)
Proceeds from debt	-	465,365
Net Cash Provided (Used) by Financing Activities	(128,381)	89,816
Change in Cash and Cash Equivalents	281,328	28,656
Cash and Cash Equivalents, Beginning of Year	94,975	66,319
Cash and Cash Equivalents, End of Year	\$ 376,303	\$ 94,975
<b>SUPPLEMENTAL DATA:</b>		
Gifts-in-kind received	\$ 1,906,823	\$ 1,746,569
Gifts-in-kind disbursed	\$ 1,179,685	\$ 2,044,688
Cash paid for interest (\$-0- and \$12,944 capitalized)	\$ 35,277	\$ 31,447

See notes to financial statements

# FELLOWSHIP OF ASSOCIATES OF MEDICAL EVANGELISM

## Statement of Functional Expenses

Year Ended June 30, 2010

	Program Services	Supporting Activities			Total
	Mission Projects	Management and General	Fund-raising	Total Supporting Activities	
Salaries	\$ 41,154	\$ 174,359	\$ 50,119	\$ 224,478	\$ 265,632
Fringe benefits	-	98,903	28,430	127,333	127,333
Payroll taxes	-	10,555	3,034	13,589	13,589
Mission support—clinic operation	42,315	-	-	-	42,315
Mission support—capital project grants	260,983	-	-	-	260,983
Mission support—scholarship	24,842	-	-	-	24,842
Gift-in-kind distribution	1,179,685	-	-	-	1,179,685
Occupancy	-	23,931	-	23,931	23,931
Telephone	-	12,015	-	12,015	12,015
Postage	-	4,842	4,794	9,636	9,636
Printing and publications	-	3,407	5,561	8,968	8,968
Professional fees	-	24,503	-	24,503	24,503
Travel	242,432	29,174	1,699	30,873	273,305
Meals and entertainment	-	3,893	908	4,801	4,801
Licenses and fees	-	2,680	-	2,680	2,680
Vehicle costs	-	2,330	8,237	10,567	10,567
Equipment maintenance and repairs	-	10,120	-	10,120	10,120
Depreciation	-	29,325	-	29,325	29,325
Interest expense	-	31,887	-	31,887	31,887
Expired medicine disposed	-	381,930	-	381,930	381,930
Other expense	-	54,070	30,511	84,581	84,581
	<u>\$ 1,791,411</u>	<u>\$ 897,924</u>	<u>\$ 133,293</u>	<u>\$ 1,031,217</u>	<u>\$ 2,822,628</u>

See notes to financial statements

# FELLOWSHIP OF ASSOCIATES OF MEDICAL EVANGELISM

## Statement of Functional Expenses

Year Ended June 30, 2009

	Program Services	Supporting Activities			Total
	Mission Projects	Management and General	Fund-raising	Total Supporting Activities	
Salaries	\$ 51,329	\$ 221,185	\$ 49,620	\$ 270,805	\$ 322,134
Fringe benefits	-	109,128	24,481	133,609	133,609
Payroll taxes	-	16,678	3,742	20,420	20,420
Mission support—clinic operation	56,666	-	-	-	56,666
Mission support—capital project grants	127,500	-	-	-	127,500
Mission support—scholarship	25,740	-	-	-	25,740
Gift-in-kind distribution	2,044,688	-	-	-	2,044,688
Occupancy	146	24,081	-	24,081	24,227
Telephone	-	11,406	-	11,406	11,406
Postage	-	5,081	10,564	15,645	15,645
Printing and publications	-	7,799	10,466	18,265	18,265
Professional fees	-	22,812	-	22,812	22,812
Travel	275,799	38,749	3,435	42,184	317,983
Meals and entertainment	-	3,896	1,380	5,276	5,276
Licenses and fees	-	2,614	-	2,614	2,614
Vehicle costs	-	1,672	5,880	7,552	7,552
Equipment maintenance and repairs	-	28,450	-	28,450	28,450
Depreciation	-	28,639	-	28,639	28,639
Interest Expense	-	33,362	-	33,362	33,362
Other expense	-	41,913	28,112	70,025	70,025
	\$ 2,581,868	\$ 597,465	\$ 137,680	\$ 735,145	\$ 3,317,013

See notes to financial statements

# FELLOWSHIP OF ASSOCIATES OF MEDICAL EVANGELISM

## Notes to Financial Statements

June 30, 2010 and 2009

1. NATURE OF ORGANIZATION:

Fellowship of Associates of Medical Evangelism (FAME), an Indiana not-for-profit corporation, is a network of medical professionals, evangelists, missionaries, and other dedicated workers in over 30 countries.

FAME exists to spread the fame of Jesus Christ to all nations through medical evangelism. FAME has a special focus of bringing help and hope to people in underdeveloped nations and providing badly needed assistance to the least-reached and under-served. FAME is making a difference by providing medical facilities, medicines, and medical equipment and by mobilizing medical personnel and evangelistic teams to serve the poorest of the poor around the world.

FAME is exempt from federal and state income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code (code) and comparable state law. FAME is also classified as a publicly supported organization, which is not a private foundation under Section 509(a)(2) of the code. Contributions to FAME are deductible for income tax purposes.

2. SIGNIFICANT ACCOUNTING POLICIES:

The financial statements have been prepared on the accrual basis. 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 the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### CASH AND CASH EQUIVALENTS AND CREDIT RISK

For purposes of the statements of cash flows, FAME considers cash to be amounts in checking and savings accounts, money market accounts, and cash on hand. FAME maintains its cash in bank deposit accounts, which at times may exceed federally insured limits. FAME has not experienced any losses in such accounts. Financial instruments that potentially subject FAME to credit risk include unsecured deposits with Church Development Fund, Inc. (CDF), a not-for-profit corporation, of approximately \$227,500 and \$-0- as of June 30, 2010 and 2009, respectively. FAME believes it is not exposed to any significant credit risk on these bank accounts.

### INVESTMENTS AND CREDIT RISK

Investments in equity securities with readily determinable fair values and all debt securities when present are reported at fair value. Donated investments are initially reported at fair value on the date of the gift and thereafter reported in accordance with the above policy. Current investments consist of a certificate of deposit. Financial instruments that potentially subject FAME to credit risk include unsecured deposits with CDF of approximately \$-0- and \$96,700 as of June 30, 2010 and 2009, respectively. FAME believes it is not exposed to any significant credit risk on these investment accounts. (See Note 3.)

# FELLOWSHIP OF ASSOCIATES OF MEDICAL EVANGELISM

## Notes to Financial Statements

June 30, 2010 and 2009

### 2. SIGNIFICANT ACCOUNTING POLICIES, continued:

#### DISCLOSURES ABOUT FAIR VALUE OF ASSETS AND LIABILITIES

Effective July 1, 2008, FAME adopted the new provisions of the *Fair Value Measurements and Disclosure Topic* of the FASB Accounting Standards Codification. The new provisions have been applied prospectively as of the beginning of the year. These standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. FAME uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, FAME measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available.

#### **Level 1**

Quoted prices in active markets for identical assets or liabilities.

#### **Level 2**

Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in active markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

#### **Level 3**

Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

# FELLOWSHIP OF ASSOCIATES OF MEDICAL EVANGELISM

## Notes to Financial Statements

June 30, 2010 and 2009

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

DISCLOSURES ABOUT FAIR VALUE OF ASSETS AND LIABILITIES, continued:

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at June 30, 2010 and 2009, respectively:

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
June 30, 2010:				
Assets:				
Investments	\$ 17,531	\$ -	\$ 17,531	\$ -
June 30, 2009:				
Assets:				
Investments	\$ 112,873	\$ -	\$ 112,873	\$ -

Following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such instruments pursuant to the valuation hierarchy.

*Investments*

- Investments consist of a certificate of deposit and a time deposit. The fair values of the deposits are based on observable inputs other than the quoted prices included in Level 1 and thus are based on yields for securities of comparable maturity, quality, and type as obtained from market makers.

**MEDICAL SUPPLIES INVENTORY**

Medical supplies inventory is composed of donated medical supplies and equipment. It is valued at the fair value of the donated item based upon the national “red book” standard, The Pharmacy’s Fundamental Reference Manual, and other sources deemed reliable. Medicine with overdue expiration dates are not included in inventory. Other supply items, while sometimes out of date per U.S. standards, are appropriate in the third world countries where they are sent. Such items would not usually be considered “obsolete.”

# FELLOWSHIP OF ASSOCIATES OF MEDICAL EVANGELISM

## Notes to Financial Statements

June 30, 2010 and 2009

### 2. SIGNIFICANT ACCOUNTING POLICIES, continued:

#### PROPERTY, EQUIPMENT, AND DEPRECIATION

Items greater than \$2,500 are capitalized as property and equipment and are reported at cost or, if donated, at fair market value on the date of donation. FAME reports donations of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Absent explicit donor stipulations about how long those long-lived assets must be maintained, FAME reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. Property and equipment are depreciated using the straight-line method over their estimated useful lives as follows:

Buildings	40 years
Furniture	7 years
Vehicles	5 years
Office equipment	5 years
Computer equipment	5 years
Computer software	5 years

#### ANNUITIES PAYABLE

Annuities payable represent the liabilities associated with the charitable gift annuities received with obligations of FAME to pay the donors a fixed dollar amount for the remainder of each annuitants' life. The liability is measured annually based on the age of the annuitants and discount rates from published IRS mortality tables.

#### NET ASSETS

The statements report amounts separately by class of net assets:

- *Unrestricted undesignated net assets* are those currently available for ministry purposes under the direction of the board and those resources invested in property and equipment. Net investment in property and equipment represents the net carrying value of property and equipment, less outstanding debt balances used to finance its acquisition.
- *Unrestricted board designated net assets* are those without external donors restrictions but require board authorization for use.
- *Temporarily restricted net assets* are those stipulated by donors for specific operating purposes or those not currently available for use until commitments regarding their use have been fulfilled.

# FELLOWSHIP OF ASSOCIATES OF MEDICAL EVANGELISM

## Notes to Financial Statements

June 30, 2010 and 2009

### 2. SIGNIFICANT ACCOUNTING POLICIES, continued:

#### SUPPORT, REVENUE, AND RECLASSIFICATIONS

Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a 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. However, donor-restricted contributions, whose restrictions are met in the same reporting period as received, are reported in the statements of activities as unrestricted contributions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Temporary restrictions on gifts to acquire long-lived assets are considered met in the period in which the assets are acquired or placed in service.

Contributions, including unconditional promises to give, are reported as support in the period received. Conditional promises to give are not reported until the conditions on which they depend are substantially met. Noncash gifts, including gifts-in-kind, are reported at their estimated fair market value on the date of the gift. Revenue is reported when earned.

#### CONCENTRATION OF SUPPORT RISK

FAME receives the majority of its support in the form of contributions from individuals, churches, businesses, civic organizations, and foundation grants.

#### CONTRIBUTED SERVICES

FAME could not fully achieve their ministry goals without the dedicated efforts of many volunteers. These contributed services are not reported as they do not meet the requirements under current accounting standards.

#### INCOME TAX POSITIONS

On July 1, 2009, FAME adopted the new provisions of the *Income Tax Topic* of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). These provisions clarify the accounting for uncertainty in tax positions and prescribe guidance related to the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The tax benefit from an uncertain tax position is only recognized in the statement of financial position if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Interest and penalties, if any, are included in expenses in the statement of activities. As of June 30, 2010, FAME had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

# FELLOWSHIP OF ASSOCIATES OF MEDICAL EVANGELISM

## Notes to Financial Statements

June 30, 2010 and 2009

### 2. SIGNIFICANT ACCOUNTING POLICIES, continued:

#### EXPENSES, FUNCTIONAL ALLOCATION OF EXPENSES, AND JOINT COSTS

Expenses are reported when incurred.

The costs of providing the various program services and supporting activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs, such as depreciation and payroll, have been allocated among the program services and supporting activities benefited. Advertising expenses totaled approximately \$28,000 and \$24,400 for the years ended June 30, 2010 and 2009, respectively. FAME incurred joint costs of \$4,906 for the year ended June 30, 2010, for the promotion and celebration of FAME's 40th anniversary. Of this amount, \$1,971 was allocated to fundraising, and \$2,935 was allocated to program. FAME incurred no joint costs for the year ended June 30, 2009.

### 3. INVESTMENTS:

Investments consist of:

	June 30,	
	2010	2009
Certificate of deposit:		
National City Bank—5%, due May 16, 2012	\$ 17,531	\$ 16,219
Time deposit:		
Church Development Fund—4.91%, matured July 2, 2009	-	96,654
	<u>\$ 17,531</u>	<u>\$ 112,873</u>

Investment income is comprised of interest earned on the certificate of deposit and an interest bearing cash sweep account and totaled approximately \$5,700 and \$3,300 for the fiscal years ended June 30, 2010 and 2009, respectively.

# FELLOWSHIP OF ASSOCIATES OF MEDICAL EVANGELISM

## Notes to Financial Statements

June 30, 2010 and 2009

#### 4. DEBT:

On June 14, 2007, FAME executed a construction loan in the amount of \$507,500 for the purchase of land and building improvements. The note was secured by the mortgaged property, including the land located in Marion County, Indiana. In accordance with the loan agreement, the construction loan was due as of June 30, 2008. On July 31, 2008, in accordance with the loan agreement, the construction loan was converted to a mortgage payable, and the agreement was extended to July 1, 2012. At July 31, 2008, an additional draw was made on the mortgage raising the debt balance to \$465,365. Beginning August 12, 2008, monthly principal and interest payments in the amount of approximately \$3,440 were due at a 7.5 percent fixed rate of interest, with a final payment of principal and interest of approximately \$298,000 on July 1, 2012.

FAME maintains a revolving line of credit with the Church Development Fund secured by property. The line carries a fixed interest rate of nine percent and a \$251,875 limit, maturing November 2013. FAME had no outstanding balance on this line of credit as of June 30, 2010 and 2009, respectively.

Total debt matures as follows:

<u>For the Years Ending June 30,</u>	
2011	\$ 15,612
2012	16,824
2013	<u>297,995</u>
	<u>\$ 330,431</u>

As part of its debt balance, FAME is required to comply with certain nonfinancial covenants:

- All records are available to be inspected at any time by the lending institution.
- Provide an audited statement of financial position and a statement of operations to the lending institution within 120 days after fiscal year end.
- Provide a copy to the lending institution of all federal and state income tax returns within thirty days of filing.
- All new leases or lease renewals must be approved by the lending institution.
- The property that is mortgaged must be used for the same purpose as when the mortgage was executed.

FAME received a waiver of the requirement to provide an audited statement of financial position and a statement of operations to the lending institution within 120 days after fiscal year end.

# FELLOWSHIP OF ASSOCIATES OF MEDICAL EVANGELISM

## Notes to Financial Statements

June 30, 2010 and 2009

5. NET ASSETS:

Net assets consist of:

	June 30,	
	2010	2009
Unrestricted:		
Undesignated	\$ 604,579	\$ 295,922
Board designated for operating reserve	71,042	68,270
Net investment in property and equipment	467,492	369,086
	\$ 1,143,113	\$ 733,278
Temporarily restricted:		
Missionary support	\$ 28,754	\$ 28,754
Capital projects	30,318	318
Ministry projects	206,216	6,072
	\$ 265,288	\$ 35,144

6. EMPLOYEE BENEFIT PLANS:

Employee benefits include fully insured health coverage for eligible employees and their families. The expense for eligible employees was approximately \$58,000 and \$56,000 for the years ended June 30, 2010 and 2009, respectively. Retirement benefits include employer contributions to a single employer plan at 8.66 percent of net wages defined as gross wages less housing. Contributions to the plan were approximately \$19,300 and \$26,100 for the years ended June 30, 2010 and 2009, respectively.

7. RELATED PARTY TRANSACTIONS:

FAME has various transactions which are related because of a common board of directors. These organizations, with corresponding amounts paid during fiscal year 2010, are Christian Missionary Fellowship, \$32,974, and Haitian Christian Mission, \$2,220. These organizations, with corresponding amounts received during fiscal year 2010, are: First Christian Church of Columbus, \$45,885; Greenwood Christian Church, \$41,896; Chapel Rock Christian Church, \$11,687; and Post Road Christian Church, \$2,500. These organizations, with corresponding amounts paid during fiscal year 2009, are: Christian Missionary Fellowship, \$20,661; Del Corazon de Jesucristo, \$11,730; Ghana Christian Mission, \$31,303; Haitian Christian Outreach, \$5,638; His Eyes, \$4,132; Northwest Haitian Christian Ministry, \$51,500; and TECH, \$960. These organizations, with corresponding amounts received during the fiscal year 2009, are: First Christian Church of Columbus, \$21,250; Greenwood Christian Church, \$35,605; Chapel Rock Christian Church, \$50; and Post Road Christian Church, \$2,600.

# FELLOWSHIP OF ASSOCIATES OF MEDICAL EVANGELISM

## Notes to Financial Statements

June 30, 2010 and 2009

8. 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.