

Fellowship of Associates of Medical Evangelism

FINANCIAL STATEMENTS

Years Ended June 30, 2016 and June 30, 2015

L | M | H

L. M. HENDERSON & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS / ADVISORS

Fellowship of Associates of Medical Evangelism

Table of Contents

June 30, 2016 and June 30, 2015

	<u>Page Number</u>
FINANCIAL STATEMENTS	
Independent Auditor's Report	1
Statements of Financial Position	2
Statements of Activities and Changes in Net Assets	3
Statements of Cash Flows	4
Statements of Functional Expenses	5 - 6
Notes to Financial Statements	7 - 14

L. M. HENDERSON & COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS / ADVISORS

James J. Cline, Jr.
Jason L. Confer
Michael A. Rasor
Michelle L. Zimmerman

450 E. 96th Street, Suite 200
Indianapolis, IN 46240
Telephone: 317.566.1000

Independent Auditor's Report

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

We have audited the accompanying financial statements of Fellowship of Associates of Medical Evangelism (an Indiana not-for-profit corporation), which comprise the statements of financial position as of June 30, 2016 and June 30, 2015, and the related statements of activities and changes in net assets, cash flows and functional expenses 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.

Auditor's Responsibility

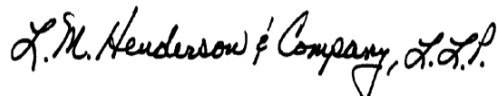
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about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

Opinion

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, 2016 and June 30, 2015, 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.



Certified Public Accountants
Indianapolis, Indiana

August 5, 2016

Fellowship of Associates of Medical Evangelism

Statements of Financial Position

at June 30, 2016 and June 30, 2015

	June 30, 2016	June 30, 2015
<u>ASSETS</u>		
<u>CURRENT ASSETS:</u>		
Cash and cash equivalents	\$ 173,290	\$ 214,305
Cash restricted for annuities	5,618	6,622
Total cash and cash equivalents	<u>178,908</u>	<u>220,927</u>
Accounts receivable	12,281	2,986
Medical supplies inventory - Note 2	415,972	371,137
Other current assets	<u>1,172</u>	<u>598</u>
Total current assets	<u>608,333</u>	<u>595,648</u>
<u>PROPERTY AND EQUIPMENT:</u>		
Building	884,163	865,282
Vehicles	15,200	15,200
Furniture and office equipment	32,087	32,087
Computer software	30,250	30,250
Computer equipment	<u>5,123</u>	<u>5,123</u>
	966,823	947,942
Less: Accumulated depreciation	<u>297,598</u>	<u>270,666</u>
	669,225	677,276
Land	<u>23,000</u>	<u>23,000</u>
Total property and equipment	<u>692,225</u>	<u>700,276</u>
Total assets	<u>\$ 1,300,558</u>	<u>\$ 1,295,924</u>

See Notes to Financial Statements.

	June 30, 2016	June 30, 2015
<u>LIABILITIES AND NET ASSETS</u>		
<u>CURRENT LIABILITIES:</u>		
Accounts payable and other liabilities	\$ 42,900	\$ 33,078
Accrued salaries and payroll tax liabilities	6,727	9,528
Current portion of annuities payable - Note 2	1,005	1,005
Current portion of note payable - Note 4	28,385	24,789
Total current liabilities	<u>79,017</u>	<u>68,400</u>
<u>LONG-TERM LIABILITIES:</u>		
Annuities payable - Note 2	6,269	6,600
Note payable - Note 4	194,374	217,265
Less: Current portion	29,390	25,794
Total long-term liabilities	<u>171,253</u>	<u>198,071</u>
	<u>250,270</u>	<u>266,471</u>
<u>NET ASSETS:</u>		
Unrestricted net assets - Note 6	951,296	863,279
Temporarily restricted net assets - Note 6	98,992	166,174
Total net assets	<u>1,050,288</u>	<u>1,029,453</u>
Total liabilities and net assets	<u>\$ 1,300,558</u>	<u>\$ 1,295,924</u>

Fellowship of Associates of Medical Evangelism

Statements of Activities and Changes in Net Assets

Years Ended June 30, 2016 and June 30, 2015

	Year Ended June 30, 2016		Totals for the	Year Ended June 30, 2015		Totals for the
	Unrestricted	Temporarily Restricted	Year Ended June 30, 2016	Unrestricted	Temporarily Restricted	Year Ended June 30, 2015
SUPPORT AND REVENUE:						
Contributions	\$ 638,122	\$ 284,971	\$ 923,093	\$ 657,658	\$ 338,899	\$ 996,557
Gift-in-kind contributions	595,940	57,595	653,535	620,098	-	620,098
Gift-in-kind services	57,143	-	57,143	73,438	-	73,438
Interest income - Note 3	751	-	751	803	-	803
Other income	38,435	-	38,435	26,223	-	26,223
Net assets released from restriction by satisfaction of:						
Purpose restrictions	370,869	(370,869)	-	224,768	(224,768)	-
Administrative assessment	38,879	(38,879)	-	21,386	(21,386)	-
Total support and revenue	1,740,139	(67,182)	1,672,957	1,624,374	92,745	1,717,119
EXPENSES:						
Program services:						
Mission projects	1,206,784	-	1,206,784	1,231,386	-	1,231,386
Supporting activities:						
Management and general	256,435	-	256,435	288,680	-	288,680
Fundraising	188,903	-	188,903	181,178	-	181,178
Total expenses	1,652,122	-	1,652,122	1,701,244	-	1,701,244
CHANGES IN NET ASSETS	88,017	(67,182)	20,835	(76,870)	92,745	15,875
NET ASSETS:						
Net assets, beginning of year	863,279	166,174	1,029,453	940,149	73,429	1,013,578
Net assets, end of year	\$ 951,296	\$ 98,992	\$ 1,050,288	\$ 863,279	\$ 166,174	\$ 1,029,453

See Notes to Financial Statements.

Fellowship of Associates of Medical Evangelism

Statements of Cash Flows

at June 30, 2016 with Comparative Totals at June 30, 2015

	Year Ended	
	June 30, 2016	June 30, 2015
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Changes in net assets	\$ 20,835	\$ 15,875
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	26,932	28,740
Change in value of annuities	674	(21)
Change in medical supplies inventory	(44,835)	59,162
Changes in other assets and liabilities:		
Increase in accounts receivable	(9,295)	(869)
Increase in other assets	(574)	(120)
Increase in accounts payable and other liabilities	9,822	14,724
Increase (decrease) in accrued salaries and payroll tax liabilities	(2,801)	2,802
Total adjustments	<u>(20,077)</u>	<u>104,418</u>
Net cash provided by operating activities	<u>758</u>	<u>120,293</u>
<u>CASH FLOWS FROM FINANCING ACTIVITIES:</u>		
Purchase of fixed assets	(18,881)	-
Principal payments on notes payable	(22,891)	(23,116)
Annuity payments	(1,005)	(1,005)
Net cash used in financing activities	<u>(42,777)</u>	<u>(24,121)</u>
<u>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>	(42,019)	96,172
<u>CASH AND CASH EQUIVALENTS:</u>		
Beginning of year	220,927	124,755
End of year	<u>\$ 178,908</u>	<u>\$ 220,927</u>
<u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</u>		
Cash paid during the year for interest	\$ 11,651	\$ 16,110
Gifts-in-kind received	653,535	620,098
Gifts-in-kind disbursed	609,558	679,260
Gift-in-kind services	57,143	73,438

See Notes to Financial Statements.

Fellowship of Associates of Medical Evangelism

Statement of Functional Expenses

Year Ended June 30, 2016

	Program	Supporting Activities			Total
	Services	Management	Fundraising	Total	
	Mission	and		Supporting	
	Projects	General		Activities	Total
Advertising and promotion	\$ 2,103	\$ -	\$ 37,165	\$ 37,165	\$ 39,268
Annuity value increase	-	674	-	674	674
Depreciation	16,967	1,782	8,183	9,965	26,932
Fringe benefits	6,775	14,908	10,744	25,652	32,427
Insurance, licenses, and fees	2,199	19,955	-	19,955	22,154
Interest	10,032	1,619	-	1,619	11,651
Meals and entertainment	31,681	3,075	2,638	5,713	37,394
Mission - capital project grants	57,848	10,000	20,470	30,470	88,318
Mission - inventory (cash)	12,721	-	-	-	12,721
Mission - inventory and donated services (GIK)	612,203	-	-	-	612,203
Mission - scholarships	12,400	-	-	-	12,400
Occupancy	8,940	7,372	-	7,372	16,312
Office supplies	1,756	10,864	393	11,257	13,013
Other expense	92	2,084	-	2,084	2,176
Payroll taxes	9,962	5,418	-	5,418	15,380
Postage and shipping	47,279	2,335	772	3,107	50,386
Professional fees	53,640	35,476	26,610	62,086	115,726
Repairs and maintenance	1,050	3,001	345	3,346	4,396
Salaries	154,855	134,825	61,885	196,710	351,565
Telecommunications	3,102	2,268	1,737	4,005	7,107
Travel	161,179	779	17,961	18,740	179,919
Total functional expenses	<u>\$ 1,206,784</u>	<u>\$ 256,435</u>	<u>\$ 188,903</u>	<u>\$ 445,338</u>	<u>\$ 1,652,122</u>

Fellowship of Associates of Medical Evangelism

Statement of Functional Expenses

Year Ended June 30, 2015

	Program	Supporting Activities			Total
	Services	Management	Fundraising	Total	
	Mission	and		Supporting	
	Projects	General		Activities	Total
Advertising and promotion	\$ 877	\$ -	\$ 63,213	\$ 63,213	\$ 64,090
Annuity value decrease	-	(21)	-	(21)	(21)
Depreciation	17,947	2,116	8,677	10,793	28,740
Fringe benefits	15,084	17,016	9,924	26,940	42,024
Insurance, licenses, and fees	578	23,468	-	23,468	24,046
Interest	13,819	2,291	-	2,291	16,110
Meals and entertainment	12,268	555	3,917	4,472	16,740
Mission - capital project grants	44,229	34,960	4,142	39,102	83,331
Mission - inventory (cash)	9,454	-	-	-	9,454
Mission - inventory and donated services (GIK)	743,653	4,850	-	4,850	748,503
Mission - scholarships	12,133	-	-	-	12,133
Occupancy	10,242	9,058	-	9,058	19,300
Office supplies	2,757	9,275	613	9,888	12,645
Other expense	399	25	125	150	549
Payroll taxes	9,410	5,444	-	5,444	14,854
Postage and shipping	48,120	1,775	997	2,772	50,892
Professional fees	-	38,198	13,400	51,598	51,598
Repairs and maintenance	315	4,237	1,470	5,707	6,022
Salaries	153,357	130,287	58,388	188,675	342,032
Telecommunications	3,250	2,159	1,284	3,443	6,693
Travel	133,494	2,987	15,028	18,015	151,509
Total functional expenses	<u>\$ 1,231,386</u>	<u>\$ 288,680</u>	<u>\$ 181,178</u>	<u>\$ 469,858</u>	<u>\$ 1,701,244</u>

Fellowship of Associates of Medical Evangelism

Notes to Financial Statements

June 30, 2016 and June 30, 2015

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

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies followed by FAME are listed below:

(a) **Basis of Accounting**

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and revenues and expenses are classified based on the existence or absence of donor imposed restrictions. The expiration of a donor-imposed restriction on a contribution is recognized in the period in which the restriction expires and at the time the related resources are reclassified to unrestricted net assets. A restriction expires when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

(b) **Use of Estimates**

The preparation of 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.

(c) **Reclassifications**

Certain reclassifications have been made to the prior period amounts to conform to the current presentation.

Fellowship of Associates of Medical Evangelism

Notes to Financial Statements

June 30, 2016 and June 30, 2015

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) **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 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 \$58,693 and \$58,169 as of June 30, 2016 and June 30, 2015, respectively. FAME believes it is not exposed to any significant credit risk on these bank accounts.

FAME maintains cash balances with financial institutions which may exceed the Federal Deposit Insurance Corporation limit of \$250,000.

(e) **Advertising Expenses**
Advertising costs are expensed as incurred. Advertising expense totaled \$39,628 and \$64,090 for the years ended June 30, 2016 and June 30, 2015, respectively.

(f) **Medical Supplies Inventory**
Medical supplies inventory is composed of donated medicine as well as medical supplies and equipment. All are valued at the fair value of the donated item. Medicine is valued based on Internet pricing from sources such as HenrySchein.com and Blessing.org which are deemed reliable. Medicine with overdue expiration dates are not included in inventory. Medical supplies and equipment are valued at 80% of the average cost from three sources including internet, catalogs, and other sources deemed reliable.

(g) **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

Fellowship of Associates of Medical Evangelism

Notes to Financial Statements

June 30, 2016 and June 30, 2015

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) **Annuities Payable**

FAME has issued charitable gift annuity agreements. Under these agreements, a donor contributes assets to FAME in exchange for the right to receive a fixed dollar annual return for the donor's lifetime. A portion of the transfer is a charitable contribution for income tax purposes. The difference between the amount provided for the gift annuity and the liability for future payments, determined on an actuarial basis, is recognized as a contribution on the date of the gift. The liability, which is reflected as annuities payable on the statements of financial position, is revalued annually using a discount rate established at the inception of the agreement and appropriate actuarial assumptions. The annuity agreements require a separate annuity trust account for the annuity assets which has not yet been established. For the years ended June 30, 2016 and June 30, 2015, the current portion of the annuities payable is \$1,005. For the years ended June 30, 2016 and June 30, 2015, the long-term portion of the annuities payable is \$5,264 and \$5,595, respectively.

(i) **Net Assets**

The statements report amounts separately by class of net assets:

Unrestricted undesignated net assets are currently available for ministry purposes under the direction of the Board and 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 without external donor restrictions but require Board authorization for use.

Temporarily restricted net assets are stipulated by donors for specific operating purposes or not currently available for use until commitments regarding their use have been fulfilled.

(j) **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. Donor-restricted contributions released in the same year have been reported as restricted contributions with a corresponding release to 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. Noncash gifts-in-kind include inventory and professional services. The donated professional services are from FAME's auditors and medical professionals who volunteer on mission trips. Revenue is reported when earned.

Fellowship of Associates of Medical Evangelism

Notes to Financial Statements

June 30, 2016 and June 30, 2015

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) **Contributed Services**

FAME could not fully achieve their ministry goals without the dedicated efforts of many volunteers. Contributed services required to be recorded by current accounting standards for specialized medical and accounting skills totaled \$57,143 and \$73,438 for the years ended June 30, 2016 and June 30, 2015, respectively.

(l) **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, interest, and payroll, have been allocated among the program services and supporting activities benefited. FAME incurred joint advertising costs of \$39,268 for the year ended June 30, 2016. Of this amount, \$37,165 was allocated to fundraising and \$2,103 was allocated to program. FAME incurred joint advertising costs of \$64,090 for the year ended June 30, 2015. Of this amount, \$63,213 was allocated to fundraising and \$877 was allocated to program.

(m) **Subsequent Events**

Management has evaluated subsequent events through August 5, 2016, the date that the financial statements were available to be issued.

Note 3: INVESTMENT INCOME

Investment income is comprised of interest earned on an interest bearing savings account and totaled approximately \$751 and \$803 for the years ended June 30, 2016 and June 30, 2015, respectively.

Fellowship of Associates of Medical Evangelism

Notes to Financial Statements

June 30, 2016 and June 30, 2015

Note 4: NOTE PAYABLE

	<u>June 30,</u> <u>2016</u>	<u>June 30,</u> <u>2015</u>
On July 5, 2012, FAME executed a mortgage payable totaling \$279,692. The mortgage is secured by the mortgaged property, including the land located in Marion County, Indiana. The mortgage is amortized over 10 years and, beginning September 1, 2012, monthly principal and interest payments in the amount of approximately \$3,269 are due at a 6.10% fixed rate of interest with the final payment due August 1, 2022.	\$ 194,374	\$ 217,265
Less: Current portion	<u>28,385</u>	<u>24,789</u>
Total long-term note payable	<u>\$ 165,989</u>	<u>\$ 192,476</u>

Total debt matures as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Amounts</u>
2017	\$ 28,385
2018	30,166
2019	32,058
2020	34,069
2021-2022	<u>69,696</u>
	<u>\$ 194,374</u>

As part of its debt balance, FAME is required to comply with certain nonfinancial covenants. Management asserts that they are in compliance with all nonfinancial covenants for the years ended June 30, 2016 and June 30, 2015.

Note 5: LINE OF CREDIT

Effective June 27, 2012, FAME had available a revolving line of credit with the CDF secured by property. This line carried a fixed interest rate of 8.5% and a \$25,000 limit, matured August 1, 2015 and was not renewed. FAME had no outstanding balance on this line of credit as of June 30, 2016 and June 30, 2015.

Fellowship of Associates of Medical Evangelism

Notes to Financial Statements

June 30, 2016 and June 30, 2015

Note 6: NET ASSETS

Net assets consist of:

	June 30, 2016	June 30, 2015
Unrestricted:		
Undesignated	\$ 453,445	\$ 380,268
Net investment in property and equipment	<u>497,851</u>	<u>483,011</u>
Total unrestricted net assets	<u>\$ 951,296</u>	<u>\$ 863,279</u>
Temporarily restricted:		
Sustainable projects	\$ 39,957	\$ 46,497
Scholarships	25,305	16,029
Shipping	9,346	22,387
Mobilization	<u>24,384</u>	<u>81,261</u>
Total temporarily restricted net assets	<u>\$ 98,992</u>	<u>\$ 166,174</u>

As of June 30, 2016 and June 30, 2015, available liquid assets were sufficient relative to temporarily restricted assets.

Note 7: EMPLOYEE BENEFIT PLANS

FAME makes a fixed monthly payment to Health Spending Accounts for eligible employees. These expenses were approximately \$13,200 and \$31,893 for the years ended June 30, 2016 and June 30, 2015, respectively.

Effective January 1, 2011, FAME established a 403(b) retirement plan under section 403(b)(9) of the Internal Revenue Code (Code). Employer contributions are 3% of eligible compensation with discretionary matching contributions up to 3%. Contributions were approximately \$18,901 and \$9,319 for the years ended June 30, 2016 and June 30, 2015, respectively.

Fellowship of Associates of Medical Evangelism

Notes to Financial Statements

June 30, 2016 and June 30, 2015

Note 8: RELATED PARTY TRANSACTIONS

FAME has various transactions which are related because of a common Board of Directors or because individuals within the organizations have significant influence over how resources are directed.

	Year Ended June 30, 2016			
	Contributions Received	Gift-in-kind Received	Amounts Paid	Gift-in-kind Distribution
E 91 st Christian Church	\$ 1,000	\$ -	\$ -	\$ -
Plainfield Christian Church	20,200	-	-	-
Greenwood Christian Church	30,750	-	-	-
Indian Creek Christian Church	12,800	-	-	-
First Christian Church Fairfield	11,664	-	-	-
Sherwood Oaks Christian Church	13,875	-	-	-
Lincolnway Christian	12,541	-	-	-

	Year Ended June 30, 2015			
	Contributions Received	Gift-in-kind Received	Amounts Paid	Gift-in-kind Distribution
E 91 st Christian Church	\$ 4,400	\$ -	\$ -	\$ -
Plainfield Christian Church	20,000	-	-	-
Greenwood Christian Church	33,000	-	-	-
Indian Creek Christian Church	12,300	-	-	-
First Christian Church Fairfield	10,997	-	-	-
Sherwood Oaks Christian Church	12,732	-	-	100
Lincolnway Christian	13,047	-	-	-

Note 9: CONTINGENCIES

FAME is contingently liable for scholarships to individuals serving with established partners. Payment is conditional upon recipients remaining in school, serving with a FAME-approved partner mission, and providing an annual update that confirms satisfactory grades and progress.

Year Ending June 30,	Amounts
2017	\$ 19,080
2018	10,630
2019	5,880
2020	2,040
	<u>\$ 37,630</u>

Fellowship of Associates of Medical Evangelism

Notes to Financial Statements

June 30, 2016 and June 30, 2015

Note 10: TAX STATUS

On January 13, 2010, the corporation has been determined by the Internal Revenue Service to be tax exempt under Section 501(c)(3) of the Code. FAME is also classified as a publicly supported corporation, which is not a private foundation under Section 509(a)(2) of the Code. Contributions to FAME are deductible for income tax purposes.

Management evaluates all tax positions taken or expected to be taken on its annual information returns, including the position that the corporation continues to qualify to be treated as a Section 501(c)(3) corporation for both federal and state purposes. For the years ended June 30, 2016 and June 30, 2015, management does not feel it has taken any tax positions that would not be sustained under examination. Therefore, no interest or penalties have been accrued or charged to expense as of ended June 30, 2016 and June 30, 2015, or the periods then ended. The annual information returns for the corporation are subject to examination by taxing authorities for a period of three years from the date they are filed. As of June 30, 2016, the tax years 2015, 2014, and 2013 remain subject to examination.

Note 11: CONTRIBUTED SERVICES

During the years ended June 30, 2016 and June 30, 2015, FAME received contributed services from certified medical professionals to help with their mission projects and from certified financial professionals to help with the general management of FAME. Contributed services for the years ended June 30, 2016 and June 30, 2015 were \$57,143 and \$73,438, respectively.

