

2020 Year End Financials and 2021 budgeting

We end 2020 with the same quote from Barna that we shared at the end of the 3rd quarter. For most of us, if we would have known how many weeks people were not able to come to church because it was physically closed and then to see how many did not return out of caution, it is quite an achievement to end the year in a relatively healthy financial position.

Barna's Latest research

Seven in 10 churches (73%) say that financial giving has either stayed the same or increased—and in fact, most churches are meeting their expenses. About half of pastors (48%) report that their church's income is meeting all expenses.

First, our cash reserves actually improved

Cash

Balance 12/31/2020:	\$546,746
Belgrade:	\$ 15,000
Because:	<u>\$ 14,000</u>
Balance undesignated:	\$517,746
Reserves:	101 days
2019 Year End:	\$258,605

We ended the year in a good cash position. In fact better than 2019 with 101 days of reserves. There were four major reasons:

1. Our vendors and landlords worked with us on our 2020 expenses.
2. Overall expenses were down especially since our

buildings were closed for several weeks.

3. The payroll protection program funded our overhead and allowed us to preserve resources.
4. Giving was not at 2019 levels, but it did not decline drastically. We are grateful for digital giving and the faithfulness of our congregation even when they could not physically attend at a campus.

While our objective is to always maximize our resources in ministry impact, we like to have 90 days of cash reserves(just in case there is a pandemic). We felt good that our reserves would help us significantly navigate the pandemic, but we are exceptionally grateful that we ended the year without tapping those reserves.

Second, while attendance was affected, giving was proportionate to reduced expenses

	2021(Budget)	2020	2019	2018	2017	2016	2015
East	\$900,000	\$945,011	\$913,525	\$900,489	\$794,372	\$833,284	\$741,324
Henderson	\$562,332	\$561,478	\$657,696	\$698,743	\$713,365	\$767,465	\$751,793
West	\$294,476	\$307,557	\$305,157	\$305,229	\$329,492	\$357,759	\$400,365
Total	\$1,756,808	\$1,814,046	\$1,876,378	\$1,904,461	\$1,837,229	\$1,958,508	\$1,893,482

Overall, our tithes and offerings for 2020 ended 3% short of 2019 year end. Based on year end trends, we are projecting another 3% decline in tithes and offerings as we budget 2021.

Physical attendance in December of 2020 was an average of 444 per week as compared to 1352 in 2019 or about 33% of the previous year. In addition, we averaged 332 online digital units per week which represents devices and can be multiple people on any one device.

We ended the year with 78% of our income coming through digital giving. The rest came through the post office or the secure boxes in our buildings. Overall we just deeply appreciate people prioritizing church giving in the middle of a complex year.

Thank you for your faithfulness. The following pages are the accountant's compilation of 2020 financials.

One Life Church

One Life Network, Inc.

Financial Statements
Modified Cash Basis

For the Year Ended December 31, 2020

Vowells & Schaaf, LLP
PO Box 119
Evansville, IN 47701
812-421-4165

February 23, 2021

One Life Network, Inc.

Management is responsible for the accompanying financial statements of One Life Network, Inc., which comprise the statements of assets, liabilities, and equity - modified cash basis as of December 31, 2020 and the related statements of revenues and expenses-modified cash basis for the year ended, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all the disclosures ordinarily included in financial statements prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues, and expenses and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Vowells & Schaaf LLP
CERTIFIED PUBLIC ACCOUNTANTS

One Life Network, Inc.
Statement of Assets, Liabilities, and Net Assets - Modified Cash Basis
December 31, 2020

ASSETS

CURRENT ASSETS

Cash	\$ 525,887
Investments	5,000
TOTAL CURRENT ASSETS	<u>530,887</u>

PROPERTY AND EQUIPMENT	2,072,147
Less Accumulated Depreciation	<u>(1,302,468)</u>
TOTAL PROPERTY AND EQUIPMENT, NET	<u>769,679</u>

OTHER ASSETS

Employee Advances	12,012
TOTAL OTHER ASSETS	<u>12,012</u>

TOTAL ASSETS	<u>\$ 1,312,578</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Payroll Taxes Withheld	11,840
TOTAL CURRENT LIABILITIES	<u>11,840</u>

TOTAL LIABILITIES	11,840
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NET ASSETS

Unrestricted	1,300,738
Temporarily Restricted	0
Permanently Restricted	<u>0</u>
TOTAL NET ASSETS	<u>1,300,738</u>

TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,312,578</u>
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One Life Network, Inc.
Statement of Revenues, Expenses and Other Changes
In Net Assets-Modified Cash Basis
For the Year Ended December 31, 2020

REVENUES

Tithes and Offerings	\$ 1,825,530
Uncharted - Global Missions	19,713
Engage - Local Missions	18,084
Next Generation	17,108
Church Planting	3,397
Leadership Development	27,078
Digital Missions	43,945
Miscellaneous Income	8,057
Other Income	<u>180,800</u>
 TOTAL REVENUES	 2,143,712

EXPENSES

Administration	164,560
Church Planting	1,478
Communication	8,915
Depreciation	78,239
Digital Missions	34,108
Engage Local Missions	45,916
Facilities	326,194
Frontline	31,194
Leadership Development	35,587
Life Groups	3,387
Next Generation-Kids and Students	33,157
Uncharted Global Missions	125,199
Technology	36,427
Worship Services	5,547
Wages and Benefits	1,057,303
Gain/(Loss) on Sale of Assets	<u>(6)</u>

TOTAL EXPENSES 1,987,205

CHANGE IN NET ASSETS 156,507

NET ASSETS AT BEGINNING OF YEAR 1,144,231

NET ASSETS AT END OF YEAR \$ 1,300,738