

**MATTHEW 25: MINISTRIES, INC.**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED**  
**DECEMBER 31, 2017 AND 2016**

## **INDEX**

<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>1</b>
<b>STATEMENTS OF FINANCIAL POSITION</b>	<b>3</b>
<b>STATEMENTS OF ACTIVITIES</b>	<b>4</b>
<b>STATEMENTS OF CASH FLOWS</b>	<b>5</b>
<b>STATEMENTS OF FUNCTIONAL EXPENSES</b>	<b>6</b>
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	<b>7</b>

# Steven Potter & Company, CPA's, Inc.

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Matthew 25: Ministries, Inc.

We have audited the accompanying financial statements of Matthew 25: Ministries, Inc., which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities, 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 U.S. generally accepted accounting principles. 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 audits. We conducted our audits in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

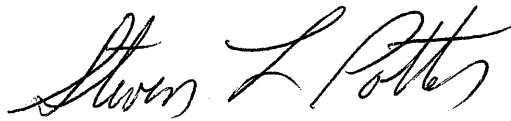
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or 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 do not express such an 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 Matthew 25: Ministries, Inc. as of December 31, 2017 and 2016 and the changes in its net assets and cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

A handwritten signature in cursive script that reads "Steven L. Potts".

Certified Public Accountant

August 15, 2018

**MATTHEW 25: MINISTRIES, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2017 AND 2016**

	<u>ASSETS</u>	<u>2017</u>	<u>2016</u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents-unrestricted	\$	2,041,505	\$ 1,030,422
Accounts receivable		152,373	127,153
Prepaid insurance		9,728	13,010
Other current assets		31,058	7,688
Inventory		64,502,225	61,526,318
Marketable securities (Notes 4, 5)		5,915,344	5,491,564
<b>TOTAL CURRENT ASSETS</b>		<u>72,652,233</u>	<u>68,196,155</u>
<b>NON CURRENT ASSETS</b>			
Property and equipment, net (Note 10)		6,022,416	4,651,638
Cash and cash equivalents-restricted (Note 7)		2,140,760	365,340
<b>TOTAL NON CURRENT ASSETS</b>		<u>8,163,176</u>	<u>5,016,978</u>
<b>TOTAL ASSETS</b>		<u>\$ 80,815,409</u>	<u>\$ 73,213,133</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable	\$	231,193	\$ 155,220
Salaries, benefits and taxes payable		55,840	51,606
Current portion of long term liabilities		100,000	-
<b>TOTAL CURRENT LIABILITIES</b>		<u>387,033</u>	<u>206,826</u>
<b>LONG TERM LIABILITIES</b>			
Asset purchase agreement payable (Note 15)		100,000	-
<b>TOTAL LONG TERM LIABILITIES</b>		<u>100,000</u>	<u>-</u>
<b>NET ASSETS</b>			
Unrestricted		78,187,616	72,640,967
Temporarily restricted (Note 7)		2,140,760	365,340
<b>TOTAL NET ASSETS</b>		<u>80,328,376</u>	<u>73,006,307</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>		<u>\$ 80,815,409</u>	<u>\$ 73,213,133</u>

SEE NOTES TO FINANCIAL STATEMENTS

**MATTHEW 25: MINISTRIES, INC.**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED DECEMBER 31, 2017 AND 2016**

	2 0 1 7			2 0 1 6		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>SUPPORT AND REVENUES</b>						
Donated products received	\$ 204,924,191	-	\$ 204,924,191	\$ 228,955,311	-	\$ 228,955,311
Contributions	5,740,015	3,628,880	9,368,895	3,514,766	558,853	4,073,619
Handling and shipping fees	2,307,447	-	2,307,447	2,227,771	-	2,227,771
Investment income, net (Note 4)	818,059	-	818,059	218,697	-	218,697
Event revenue (Note 13)	247,285	-	247,285	282,746	-	282,746
Other program revenue	430,945	-	430,945	181,589	-	181,589
Missions hotel revenue	198,055	-	198,055	71,639	-	71,639
Other income	61,025	-	61,025	35,409	-	35,409
Assets released from restrictions	1,853,460	(1,853,460)	-	437,107	(437,107)	-
<b>TOTAL SUPPORT AND REVENUE</b>	<b>216,580,482</b>	<b>1,775,420</b>	<b>218,355,902</b>	<b>235,925,035</b>	<b>121,746</b>	<b>236,046,781</b>
<b>EXPENSES</b>						
Program services	209,641,361	-	209,641,361	220,411,514	-	220,411,514
General and administrative	523,815	-	523,815	432,266	-	432,266
Fundraising	868,656	-	868,656	753,310	-	753,310
<b>TOTAL EXPENSES</b>	<b>211,033,832</b>	<b>-</b>	<b>211,033,832</b>	<b>221,597,090</b>	<b>-</b>	<b>221,597,090</b>
<b>CHANGE IN NET ASSETS</b>	<b>5,546,650</b>	<b>1,775,420</b>	<b>7,322,070</b>	<b>14,327,945</b>	<b>121,746</b>	<b>14,449,691</b>
<b>NET ASSETS - BEGINNING</b>	<b>72,640,966</b>	<b>365,340</b>	<b>73,006,306</b>	<b>58,313,021</b>	<b>243,594</b>	<b>58,556,615</b>
<b>NET ASSETS - ENDING</b>	<b>\$ 78,187,616</b>	<b>\$ 2,140,760</b>	<b>\$ 80,328,376</b>	<b>\$ 72,640,967</b>	<b>\$ 365,340</b>	<b>\$ 73,006,307</b>

SEE NOTES TO FINANCIAL STATEMENTS

**MATTHEW 25: MINISTRIES, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>2017</u>	<u>2016</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 7,322,070	\$ 14,449,691
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	555,331	490,546
Change in donated goods and property	(2,975,907)	(14,460,683)
Net appreciation in fair value of investments	(599,657)	(229,730)
Loss (Gain) on sale of assets	(4,000)	1,280
(Increase) decrease in:		
Accounts receivable	(25,220)	10,517
Other current assets	(23,370)	8,383
Prepaid insurance	3,282	(13,010)
Note receivable	-	20,000
Increase (decrease) in:		
Accounts payable	75,973	34,936
Salaries, benefits and taxes payable	4,234	12,681
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>4,332,736</u>	<u>324,611</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(1,942,110)	(447,376)
Donated property	-	(16,925)
Proceeds from sale of fixed assets	20,000	-
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<u>(1,922,110)</u>	<u>(464,301)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from land contract	200,000	-
Purchase of investments	(3,138,729)	(5,528,430)
Proceeds from sale of investments	3,980,277	5,475,625
Donated marketable securities	(447,269)	(134,402)
Investment income	(218,402)	14,346
<b>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>	<u>375,877</u>	<u>(172,861)</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	2,786,503	(312,551)
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>1,395,762</u>	<u>1,708,313</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 4,182,265</u>	<u>\$ 1,395,762</u>

SEE NOTES TO FINANCIAL STATEMENTS

**MATTHEW 25: MINISTRIES, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**YEARS ENDED DECEMBER 31, 2017 AND 2016**

	2017					2016				
	Program Services	General & Administrative	Fund Raising	Total	Program Services	General & Administrative	Fund Raising	Total		
Compensation and related expenses	\$ 2,420,891	\$ 267,032	\$ 312,549	\$ 3,000,471	\$ 2,158,135	\$ 237,208	\$ 255,954	\$ 2,651,298		
Salaries	358,769	39,573	46,319	444,661	322,894	35,490	38,295	396,679		
Employee benefits	189,865	20,943	24,512	235,320	175,767	19,319	20,846	215,932		
Payroll taxes	33,240	3,666	4,291	41,198	27,759	3,051	3,292	34,102		
Retirement ( Note 11)	3,002,765	331,214	387,671	3,721,650	2,684,555	295,068	318,387	3,298,011		
Total compensation and related expenses										
Humanitarian supplies and aid	204,578,004	-	-	204,578,004	216,049,592	-	-	216,049,592		
Depreciation	519,668	34,754	909	555,331	459,043	30,699	804	490,546		
Supplies	460,761	12,674	19,085	492,520	313,443	11,016	22,603	347,062		
Other program expenses	478,109	-	-	478,109	379,028	-	-	379,028		
Occupancy	325,090	21,741	569	347,400	296,847	19,852	520	317,219		
Event expenses	-	-	217,384	217,384	-	-	201,438	201,438		
Printing and publication	20,813	10,633	74,224	105,670	19,749	10,934	84,645	115,327		
Staff Expense	54,902	6,481	11,057	72,440	63,323	7,538	8,292	79,154		
Equipment rental and maintenance	100,493	-	-	100,493	66,101	-	-	66,101		
Other expenses	-	4,860	87,784	92,644	-	-	56,726	56,726		
Postage and shipping	2,878	2,879	56,970	62,727	2,053	2,053	48,596	52,701		
Professional services	53,492	6,802	6,194	66,488	34,762	5,502	5,137	45,401		
Bank charges	-	87,642	-	87,642	-	44,428	-	44,428		
Telephone	29,450	3,477	5,931	38,858	26,636	3,171	3,488	33,295		
Volunteer education	14,277	-	-	14,277	14,377	-	-	14,377		
Conference and meeting	659	658	878	2,195	2,005	2,005	2,674	6,683		
TOTAL EXPENSES	\$ 209,641,361	\$ 523,815	\$ 868,656	\$ 211,033,832	\$ 220,411,514	\$ 432,266	\$ 753,310	\$ 221,597,090		

SEE NOTES TO FINANCIAL STATEMENTS



**MATTHEW 25: MINISTRIES, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

NOTE 1 - THE ORGANIZATION

Matthew 25: Ministries, Inc. (the Organization) is a not-for-profit, non-denominational, ecumenical, inter-faith ministry headquartered in Blue Ash, Ohio. The purpose of the Organization is to help those in need regardless of religious tradition or political persuasion. The Organization receives goods donated by United States corporations, hospitals, and individuals. The goods are processed and distributed to those in need, both domestically and internationally. Other funding is from shipping and handling fees collected to defray warehousing and transportation expenses and monetary contributions from individuals, businesses and churches. The organization has a 100% subsidiary, M25M Haiti, LLC which was formed to lease, purchase, invest in the renovation, construction, management and operation of lodging and hotel facilities for missionaries and their guests in the country of Haiti and to undertake programs for aid and humanitarian relief.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies followed in preparation of the financial statements. These policies conform to accounting principles generally accepted in the United States of America for not-for-profit organizations.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Contributions whose restrictions are met within the same reporting period are reported as unrestricted net assets. The Organization has no permanently restricted net assets.

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor, including pledges, is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Contributed Services

Contributed services are recognized as contributions only if the contributed services create or enhance nonfinancial assets or require specialized skills, and would typically be purchased if not

**MATTHEW 25: MINISTRIES, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

provided by donation to the Organization. There were no such contributed services recorded in 2017 or 2016.

Many individuals volunteer their time and perform a variety of tasks that assist the Organization in the accomplishment of its programs, but these services do not meet the criteria for recognition as contributed services. The Organization received approximately 174,200 volunteer hours in 2017 and 160,000 volunteer hours in 2016.

Inventory

Donated inventory consists primarily of clothing, fabric, food, personal care items, medical and school supplies donated by businesses, individuals, and other organizations. Donated inventory is recorded as revenue at estimated wholesale value on the date of the receipt and such items are recorded as an expense when they are shipped. Purchased inventory is recorded at the lower of cost or market using the FIFO method. The Organization uses the specific identification method to determine the value of ending donated inventory. The value of inventory was \$64,502,225, and \$61,526,318, as of December 31, 2017 and 2016 respectively.

Investments

Investments in marketable securities with readily determinable fair market values and all investments in debt securities are reported at their fair market values in the statement of financial position. Fair market value of equity and debt investments is based on the quoted market price of the underlying securities. Unrealized gains and losses are included as a change in net assets.

Property and Equipment

Property and equipment with an economic life of more than one year are capitalized and recorded at cost, if purchased or at fair market value at the time of receipt, if contributed. Maintenance and repair costs are charged to expense as incurred. Depreciation is provided over the estimated useful lives of property and equipment using the straight-line method.

Accounts and Pledges Receivable

Accounts receivable are amounts due from organizations for shipping and handling fees. Management believes that all accounts receivable are fully collectible within a reasonable period after year end. Therefore, no allowance for uncollectible accounts is provided.

Income Tax Status

The Organization is a not-for profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and is, therefore, not subject to federal income tax. The Organization qualifies for deductible contributions as provided in IRC Section

**MATTHEW 25: MINISTRIES, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

170(b)(1)(A)(vi) and has not been classified as a private foundation within the meaning of IRC Section 509(a).

Functional Allocation of Expenses

The cost of programs and other activities have been summarized on a functional basis in the Statement of Functional Expenses. Management has made certain allocations of expenses among program, administrative and fund raising expenses according to their judgment of the categories receiving the benefit.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

NOTE 3 - STATEMENT OF CASH FLOWS--SUPPLEMENTAL INFORMATION

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

No income taxes or interest were paid in the years ended December 31, 2017 and 2016.

NOTE 4 - MARKETABLE SECURITIES

The Organization invests excess cash in portfolios that contain mutual funds, equity securities, corporate bonds, government securities, and certificates of deposit. All of the Organization's investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term would materially affect investment balances and the amounts reported in the financial statements.

Marketable securities as of December 31 consist of the following:

	2017	2016
Equity securities	\$ 3,844,020	\$ 3,257,319
Bonds	2,051,789	2,214,710
Certificate of deposits	19,535	19,535
Total	<u>\$ 5,915,344</u>	<u>\$ 5,491,564</u>

**MATTHEW 25: MINISTRIES, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

Cost, market value, and unrealized gains and losses of marketable securities as of December 31 are summarized as follows:

	2017	2016
Market Value	\$ 5,915,344	\$ 5,491,564
Cost	5,124,802	5,261,834
Unrealized investment gain	<u>\$ 790,542</u>	<u>\$ 229,730</u>

Investment income consists of the following and is included in support and revenue on the Statements of Activities:

	2017	2016
Interest and dividends	\$ 96,525	\$ 92,328
Realized gains (losses)	152,856	(75,396)
Unrealized gains (losses)	599,657	229,730
Investment fees	<u>(30,979)</u>	<u>(27,965)</u>
Net investment income	<u>\$ 818,059</u>	<u>\$ 218,697</u>

Included in certificates of deposit are four CD's with a total market value of \$19,535 in 2017 and \$ 19,535 in 2016 which are assigned to Ohio Department of Job and Family Services as a pledge against future unemployment benefits.

**NOTE 5 - FAIR VALUE MEASUREMENTS**

The Financial Accounting Standards Board, in FASB *Accounting Standards Codification 820, Fair Value Measurements and Disclosures* (ASC 820), defined fair value, established a framework for measuring fair value, and expanded disclosures about fair value measurements. 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. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability, or in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by ASC 820, are used to measure fair value. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels as follows:

**MATTHEW 25: MINISTRIES, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

**Level 1**-inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets (examples include equity securities);

**Level 2**-inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability other than quoted prices, either directly or indirectly, including inputs in market that are not considered to be active (examples include corporate or municipal bonds);

**Level 3**-inputs to the valuation methodology are unobservable and significant to the fair value measurement. The inputs to the determination of fair value require significant management judgment (examples include certain private equity securities and hedge funds)

The following presents assets carried at fair value as of December 31, 2017 by ASC 820 valuation hierarchy (as described above):

Description	Level 1	Level 2	Level 3	Total
Equity securities	\$ 3,844,020	\$ -	\$ -	\$ 3,844,020
Mutual funds	-	-	-	-
Bonds	-	2,051,789	-	2,051,789
Certificates of deposit	-	19,535	-	19,535
Total fair value of investments	<u>\$ 3,844,020</u>	<u>\$ 2,071,324</u>	<u>\$ -</u>	<u>\$ 5,915,344</u>

The following presents assets carried at fair value as of December 31, 2016 ASC 820 valuation hierarchy (as described above):

Description	Level 1	Level 2	Level 3	Total
Equity securities	\$ 3,257,319	\$ -	\$ -	\$ 3,257,319
Mutual funds	-	-	-	-
Bonds	-	2,214,710	-	2,214,710
Certificate of deposit	-	19,535	-	19,535
Total fair value of investments	<u>\$ 3,257,319</u>	<u>\$ 2,234,245</u>	<u>\$ -</u>	<u>\$ 5,491,564</u>

The fair value of a financial instrument is defined in FASB ASC Topic 825, *Financial Instruments*, as “the amount at which the instrument could be exchanged in a current transaction between willing parties.” The carrying amounts reported in the accompanying statements of financial position for cash and cash equivalents, accounts receivable, other receivables, and payables approximate fair value given the short-term nature of each financial instrument.

**MATTHEW 25: MINISTRIES, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

**NOTE 6 - CONCENTRATIONS OF RISK**

The Organization distributes humanitarian supplies to other not-for-profit organizations who pay shipping and handling fees to cover warehousing and transportation costs. The volume of business conducted with one such organization was 73% and 76% of the total shipping and handling revenue in 2017 and 2016, respectively.

The value of the inventory is not covered under any of the Organization's insurance policies.

The Federal Deposit Insurance Corporation insures cash balances at participating banks at amounts up to \$250,000. The Organization has \$2,644,662 in uninsured balances as of December 31, 2017. The uninsured balances are computed on the balances on deposit with the bank as of December 31 and do not take into consideration outstanding checks or deposits.

**NOTE 7 - TEMPORARILY RESTRICTED NET ASSETS**

Net assets are temporarily restricted as of December 31 for the following purposes:

	<u>2017</u>	<u>2016</u>
Domestic Disasters	\$ 997,154	\$ 74,338
Hurricane Irma / Maria	836,576	-
Loads of Hope Vehicle	136,348	-
Loads of Hope	54,300	-
Philippines relief	47,879	147,879
P&G disaster	38,212	-
Syrian Refugees	10,000	10,000
Ecuador Earthquake	8,928	8,928
Ebola relief	4,793	4,793
Nicaraguan housing	3,725	-
Food processing	2,345	-
Nigeria container	500	500
Hurricane Matthew	-	77,769
CEO supplement grant	-	32,451
Holy Land container	-	6,585
Haiti	-	2,100
	<u>\$ 2,140,760</u>	<u>\$ 365,342</u>

**MATTHEW 25: MINISTRIES, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

**NOTE 8 - LEASE COMMITMENTS**

The Organization leases a copier for \$933 per month and a trash compactor for \$355 per month.

In July 2014, the organization entered into a ten year land lease in Haiti with a non-profit organization. The lease is for \$1 per year.

The future minimum lease payments are:

	2018	\$	15,452
	2019		6,126
	2020		4,261
	2021		4,261
	2022		4,261
			4,261
		\$	34,361

**NOTE 9 - CREDIT LINE**

The Organization has an unsecured line of credit of \$150,000 on a credit card. The available credit as of December 31, 2017 was \$121,494.

**NOTE 10 - PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at December 31:

	2017	2016
Building and improvement	\$ 3,958,393	\$ 3,436,758
Land	1,366,674	361,200
Machinery and equipment	1,031,776	925,692
Office furniture and equipment	332,849	301,999
Vehicles	724,242	642,622
Leasehold improvements	1,214,466	919,509
Capital work in progress	58,800	252,199
Total cost	8,687,200	6,839,979
Less: Accumulated depreciation	(2,664,784)	(2,188,341)
Net property and equipment	\$ 6,022,416	\$ 4,651,638

**MATTHEW 25: MINISTRIES, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

Depreciation expense was \$556,331 and \$490,546 for the years ended December 31, 2017 and 2016, respectively.

**NOTE 11 - RETIREMENT PLANS**

The Organization has adopted a retirement plan under the provisions of Internal Revenue Code 403(b). The plan is a defined contribution plan and the Organization matches voluntary employee contributions up to 2% of employees' annual salary. All employees who have completed 3 months of service are eligible for participation in the plan. Matching contributions paid by the Organization were \$41,198 and \$34,102 for the years ended December 31, 2017 and 2016, respectively.

**NOTE 13 - FUNDRAISING EVENTS**

The following events contributed to the resources available for programs during the years ended December 31, 2017 and 2016.

	2017		
	Revenue	Expenses	Net Profit
5K race and hunger drive	139,985	112,332	27,652
Gala event	100,915	76,311	24,604
Other events	6,385	28,741	(22,355)
Golf outing	-	-	-
	\$ 247,285	\$ 217,384	\$ 29,901
	2016		
	Revenue	Expenses	Net Profit
5K race and hunger drive	143,801	103,269	40,532
Gala event	81,275	66,233	15,042
Other events	2,020	31,260	(29,241)
Golf outing	55,650	676	54,974
	\$ 282,746	\$ 201,438	\$ 81,307

**NOTE 14 - SUBSEQUENT EVENTS**

Subsequent events have been evaluated through August 15, 2018, the date of the audit report.



**MATTHEW 25: MINISTRIES, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017 AND 2016**

**NOTE 15 – ASSET PURCHASE AGREEMENT PAYABLE**

On July 10, 2017, Matthew 25: Ministries, Inc. purchased property in Wilmington, Ohio on an installment basis. As of 12-31-17, the balance on the contract was \$200,000, payable as follows:

2018	\$100,000
2019	\$ 50,000
2020	\$ 50,000

No interest is due nor has any been imputed on the remaining principal payments. The contract balance is disclosed at face value. Any imputed interest is considered immaterial to the financial statements taken as a whole. No specific assets are pledged as collateral. The final payment is due July 10, 2020.