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JOBS FOR LIFE, INC.

Financial Statements

December 31, 2014

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The Board of Directors
Jobs for Life, Inc.
Raleigh, North Carolina

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of Jobs for Life, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2014, and the related statements of activities, functional expenses, and 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.

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 Jobs for Life, Inc. as of December 31, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Jobs for Life, Inc.'s 2013 financial statements, and our report dated June 30, 2014, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Koonce, Wooten & Haywood, LLP

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March 27, 2015

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JOBS FOR LIFE, INC.
Statement of Financial Position
December 31, 2014
(With Summarized Financial Information for December 31, 2013)

	ASSETS	
	2014	2013 (Summarized Information)
CURRENT ASSETS:		
Cash	\$ 232,650	\$ 167,447
Pledges Receivable	310,000	93,174
Sales Tax Refund Receivable	1,458	848
Prepaid Expense	12,308	4,548
Total Current Assets	556,416	266,017
PROPERTY AND EQUIPMENT:		
Office Equipment and Software	16,247	22,826
Less Accumulated Depreciation and Amortization	8,594	17,167
Net Property and Equipment	7,653	5,659
Total Assets	\$ 564,069	\$ 271,676
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts Payable	\$ 6,530	\$ 5,082
Accrued Payroll	35,908	30,006
Deferred Revenue	-	2,705
Total Current Liabilities	42,438	37,793
NET ASSETS:		
Unrestricted	333,771	201,272
Temporarily Restricted	187,860	32,611
Total Net Assets	521,631	233,883
Total Liabilities and Net Assets	\$ 564,069	\$ 271,676

The accompanying notes are an integral part of the financial statements.

JOBS FOR LIFE, INC.
Statement of Activities
For the Year Ended December 31, 2014
(With Summarized Financial Information for the Year Ended December 31, 2013)

	2014			2013 (Summarized Information)
	Unrestricted	Temporarily Restricted	Total	Total
SUPPORT AND REVENUES:				
Contributions	\$ 971,246	\$ 187,860	\$ 1,159,106	\$ 700,128
Sale of Training Materials	99,752	-	99,752	135,343
Conferences and Workshops	14,358	-	14,358	9,071
Interest and Other	4	-	4	1,431
Total Support and Revenues	<u>1,085,360</u>	<u>187,860</u>	<u>1,273,220</u>	<u>845,973</u>
Net Assets Released From Restrictions	<u>32,611</u>	<u>(32,611)</u>	<u>-</u>	<u>-</u>
Total Support and Revenues After Releases From Restrictions	<u>1,117,971</u>	<u>155,249</u>	<u>1,273,220</u>	<u>845,973</u>
EXPENSES:				
Program Services:				
Engagement and Awareness	548,862	-	548,862	-
Training and Leadership Development	135,044	-	135,044	-
Strategic Initiatives	91,217	-	91,217	-
International Development	303	-	303	-
Total Program Services	<u>775,426</u>	<u>-</u>	<u>775,426</u>	<u>697,913</u>
Supporting Services:				
Management and General	135,429	-	135,429	114,102
Fund-Raising	74,617	-	74,617	79,573
Total Supporting Services	<u>210,046</u>	<u>-</u>	<u>210,046</u>	<u>193,675</u>
Total Expenses	<u>985,472</u>	<u>-</u>	<u>985,472</u>	<u>891,588</u>
CHANGES IN NET ASSETS	<u>132,499</u>	<u>155,249</u>	<u>287,748</u>	<u>(45,615)</u>
NET ASSETS--Beginning of Year	<u>201,272</u>	<u>32,611</u>	<u>233,883</u>	<u>279,498</u>
NET ASSETS--End of Year	<u>\$ 333,771</u>	<u>\$ 187,860</u>	<u>\$ 521,631</u>	<u>\$ 233,883</u>

The accompanying notes are an integral part of the financial statements.

STATEMENT OF FUNCTIONAL EXPENSES
December 31, 2014

JOBS FOR LIFE
Statement of Functional Expenses
For the Year Ended December 31, 2014
(With Summarized Financial Information for the Year Ended December 31, 2013)

	Program Services			
	Engagement and Awareness	Training and Leadership Development	Strategic Initiatives	International Development
Salaries, Payroll Taxes, Employee Benefits	\$ 359,770	\$ 107,829	\$ 84,999	\$ 303
Marketing and Promotion	77,870	1,450	105	-
Professional Fees	43,990	-	-	-
Office Rent	-	-	-	-
Conferences and Events	10,010	14,982	84	-
Travel and Meals	14,641	6,678	1,709	-
Service Delivery Costs	18,297	422	-	-
Telephone and Internet	4,564	1,900	700	-
Office Supplies and Equipment	826	1,697	20	-
Postage and Shipping	8,839	-	-	-
Bank Fees	8,536	86	-	-
Insurance	-	-	-	-
Staff Development	-	-	3,600	-
Other	1,519	-	-	-
Depreciation	-	-	-	-
Total Expenses	<u>\$ 548,862</u>	<u>\$ 135,044</u>	<u>\$ 91,217</u>	<u>\$ 303</u>

The accompanying notes are an integral part of the financial statements.

Total Program Services	Supporting Services			2014 Totals	2013 Totals (Summarized Information)
	Management and General	Fund-Raising	Total Supporting Services		
\$ 552,901	\$ 47,765	\$ 57,255	\$ 105,020	\$ 657,921	\$ 577,745
79,425	2,679	3,654	6,333	85,758	92,650
43,990	15,492	1,824	17,316	61,306	63,585
-	41,535	-	41,535	41,535	44,548
25,076	32	4,255	4,287	29,363	20,227
23,028	1,860	1,452	3,312	26,340	37,675
18,719	20	1,295	1,315	20,034	14,594
7,164	7,027	1,175	8,202	15,366	11,102
2,543	10,142	28	10,170	12,713	4,944
8,839	501	1,784	2,285	11,124	7,851
8,622	271	28	299	8,921	6,541
-	4,785	-	4,785	4,785	3,950
3,600	108	150	258	3,858	563
1,519	269	1,717	1,986	3,505	3,473
-	2,943	-	2,943	2,943	2,140
<u>\$ 775,426</u>	<u>\$ 135,429</u>	<u>\$ 74,617</u>	<u>\$ 210,046</u>	<u>\$ 985,472</u>	<u>\$ 891,588</u>

JOBS FOR LIFE, INC.
Statement of Cash Flows
For the Year Ended December 31, 2014
(With Summarized Financial Information for December 31, 2013)

	2014	2013 (Summarized Information)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in Net Assets	\$ 287,748	\$ (45,615)
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation	2,943	2,140
Changes In:		
Pledges Receivable	(216,826)	(87,955)
Sales Tax Refund Receivable	(610)	79
Prepaid Expense	(7,760)	(1,372)
Accounts Payable	1,448	(1,287)
Accrued Payroll	5,902	11,399
Deferred Revenue	(2,705)	2,705
Net Cash Provided (Used) by Operating Activities	70,140	(119,906)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(4,937)	(5,144)
Net Cash Used by Investing Activities	(4,937)	(5,144)
NET INCREASE (DECREASE) IN CASH	65,203	(125,050)
CASH--Beginning of Year	167,447	292,497
CASH--End of Year	\$ 232,650	\$ 167,447

The accompanying notes are an integral part of the financial statements.

JOBS FOR LIFE, INC.
Notes to Financial Statements
December 31, 2014

1. Nature of Activities and Summary of Significant Accounting Policies

A. Nature of Activities:

Jobs for Life, Inc. (the Organization) is a global nonprofit that equips Christ-centered churches and organizations to prepare unemployed or under-employed individuals for work and life. The Organization does this by providing resources, tools, and training containing all of the materials needed for churches and organizations to lead a JfL training class, which teaches timeless biblical principles concerning work and the ways those principles are applied in the marketplace. Through this training, men and women develop character and become connected to a community of support to help them obtain meaningful employment. Additionally, students experience life, a life filled with faith, confidence, and discipline. Periodically, the Organization hosts training events, including conferences, webinars, and seminars. The Organization is headquartered in Raleigh, North Carolina.

B. Basis of Accounting:

The accompanying financial statements are prepared on the accrual basis. The accrual method records revenue when earned and expenses when incurred. As a result, receivables are recorded as assets, and obligations due are shown as liabilities.

C. Basis of Presentation:

The Organization follows standards for external financial reporting by not-for-profit organizations that requires its resources be classified for accounting and reporting purposes into three net asset categories according to externally imposed restrictions. Accordingly, net assets of the Organization and changes therein may be classified and reported as follows:

Unrestricted Net Assets--Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets--Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Organization and/or the passage of time.

Permanently Restricted Net Assets--Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. The Organization currently has no permanently restricted net assets.

D. Cash and Cash Equivalents:

For the purposes of the statement of cash flows, all highly liquid investments with an initial maturity of three months or less are considered to be cash equivalents.

E. Accounts Receivable:

Accounts receivable are amounts due for training materials sold. Management deems all receivables to be collective.

F. Pledges Receivable:

Pledges are recorded when the donor makes an unconditional promise to give. All pledges are expected to be collected within one year and an allowance is not deemed necessary.

G. Deferred Revenue:

Deferred revenue consists of conference fees collected prior to year end for conferences to be held in the following fiscal year.

JOBS FOR LIFE, INC.
Notes to Financial Statements
December 31, 2014

1. Nature of Activities and Summary of Significant Accounting Policies (Continued)

H. Restricted and Unrestricted Revenue:

Contributions of cash and other assets, as well as grants, are recorded as increases in unrestricted, temporarily restricted, or permanently restricted net assets, depending on the existence or nature of any donor restrictions.

All donor-restricted contributions and grants are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restriction. When a 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 statement of activities as net assets released from restrictions.

I. Functional Allocation of Expenses:

The costs of providing the program and supporting services of the Organization have been summarized on a functional basis in the statements of functional expenses. Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of estimates made by the Organization's management.

J. Accounting Estimates:

The preparation of financial statements in accordance 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.

K. Property and Equipment:

Property and equipment are recorded at cost if purchased and fair market value if donated. Depreciation has been calculated by using the double declining balance method, which is an accelerated method of depreciation. A capitalization threshold of \$1,000 is utilized.

L. Income Tax Status:

The Organization is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code and is classified under Section 501(c)(3) as a public charity. The Organization has also been classified as an entity that is not a private foundation within the meaning of Section 509(a) and qualifies for deductible contributions provided in Section 170(b)(1)(A)(vi). The Organization files information returns in the U.S. Federal jurisdiction. Tax years subsequent to 2010 remain subject to examination by Federal tax authorities.

M. Subsequent Events:

The Organization has evaluated subsequent events through March 27, 2015, the date the financial statements were available to be issued, and is not aware of any subsequent events that would require recognition or disclosure in the financial statements.

2. Concentration of Credit Risk

The Organization maintains cash balances at a financial institution located in Raleigh, North Carolina. Accounts at the institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2014, all deposit amounts were fully insured.

JOBS FOR LIFE, INC.
Notes to Financial Statements
December 31, 2014

3. Temporarily Restricted Net Assets

Temporarily restricted net assets at December 31, 2014 are available for the following purposes:

Atlanta Jobs for Life Expansion Efforts	\$ 72,025
Charleston Jobs for Life Expansion Efforts	25,000
Tampa Jobs for Life Expansion Efforts	<u>90,835</u>
Total Jobs for Life Expansion Efforts	<u>\$ 187,860</u>

4. Lease Commitments

The Organization leases office space under a non-cancelable operating lease that expiring on September 30, 2015. Rent expense of this lease for year ended December 31, 2014 was \$41,535. Future minimum lease payments are \$31,500 for 2015.

5. Prior Year Summarized Financial Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended December 31, 2013 from which the summarized information was derived.