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Statements of Activities (unaudited)

For the Twelve Months Ending December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
<b>UNRESTRICTED NET ASSETS</b>		
Contributions	\$ 29,074,381	\$ 27,926,546
Other income	511,042	1,000,220
Net assets released from restrictions	2,482,507	3,320,979
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<b>TOTAL CONTRIBUTIONS AND REVENUE</b>	<b>32,067,930</b>	<b>32,247,745</b>
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<b>EXPENSES:</b>		
Program expenses:		
Campus and central operations	7,984,267	7,295,647
Weekend experiences	6,261,753	5,583,281
LifeKIDS	2,691,513	2,529,658
Compassion	1,453,162	1,844,499
LifeYouth	1,666,142	1,796,919
LifeGroups	1,200,679	1,103,595
Digital missions	1,561,494	1,376,175
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<b>TOTAL PROGRAM EXPENSES</b>	<b>22,819,010</b>	<b>21,529,774</b>
Supporting expenses:		
Technology and logistics	1,991,744	1,896,260
Human resources	904,283	897,268
Financial operations	920,214	802,925
Depreciation and amortization	2,658,227	2,356,348
Interest	1,573,961	1,277,855
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<b>TOTAL SUPPORTING EXPENSES</b>	<b>8,048,429</b>	<b>7,230,656</b>
Other income (expense): Net realized gains (losses)	246,099	(540,416)
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>	<b>1,446,590</b>	<b>2,946,899</b>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>		
Contributions (cash and noncash)	2,002,361	2,784,441
Net assets released from restrictions	(2,482,507)	(3,320,979)
Change in fair value of temporarily restricted investments	(1,614)	-
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<b>CHANGE IN TEMPORARILY RESTRICTED NET ASSETS</b>	<b>(481,760)</b>	<b>(536,538)</b>
<b>TOTAL CHANGE IN NET ASSETS</b>	<b>964,830</b>	<b>2,410,361</b>
NET ASSETS, beginning of year	27,938,321	25,527,960
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<b>NET ASSETS, end of year</b>	<b>\$ 28,903,151</b>	<b>\$ 27,938,321</b>
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Statements of Financial Position (unaudited)

December 31, 2009 and January 1, 2008

	<u>12/31/09</u>	<u>01/01/09</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 2,432,147	\$ 2,611,247
Short-term investments	2,537,864	1,291,310
Accounts receivable	227,499	305,144
Other current assets	68,779	103,417
Contributions receivable, net	-	429,317
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TOTAL CURRENT ASSETS	5,266,289	4,740,435
INVESTMENTS	2,160,308	2,376,093
BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS	33,474	22,540
PROPERTY AND EQUIPMENT, net	46,818,479	44,460,355
OTHER ASSETS, net	345,109	315,834
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TOTAL ASSETS	<u>\$ 54,623,659</u>	<u>\$ 51,915,257</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 278,183	\$ 231,727
Accrued liabilities	1,112,618	1,217,623
Current portion of capital leases payable	577,745	578,908
Current portion of notes payable	1,319,768	1,462,401
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TOTAL CURRENT LIABILITIES	3,288,314	3,490,659
LONG-TERM LIABILITIES		
Capital leases payable, less current portion	240,161	497,287
Notes payable, less current portion	22,192,033	19,988,990
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TOTAL LONG-TERM LIABILITIES	22,432,194	20,486,277
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TOTAL LIABILITIES	25,720,508	23,976,936
NET ASSETS		
Unrestricted	28,736,964	27,290,374
Temporarily restricted	146,187	627,947
Permanently restricted	20,000	20,000
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TOTAL NET ASSETS	28,903,151	27,938,321
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TOTAL LIABILITIES AND NET ASSETS	<u>\$ 54,623,659</u>	<u>\$ 51,915,257</u>



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### **STATEMENTS OF ACTIVITIES**

For the Twelve Months Ending December 31, 2009 and 2008

- Unrestricted contributions increased approximately 4% from 2008 to 2009, despite the significant downturn in the global economy and in charitable giving trends worldwide. By comparison, year-to-date average weekly attendance increased approximately 21% over the same period, from approximately 22,400 to approximately 27,000. Net assets released from restrictions, which primarily consists of giving designated for Spaces and Places, decreased approximately 25% (approximately \$838,000) from 2008 to 2009, due to the end of a two-year designated giving campaign in mid-2009.
- Total expenses increased approximately 7% (approximately \$2.10 million) from 2008 to 2009, despite an approximate 21% increase in attendance, and the added launch and operating expenses of two new campuses launched between January 2008 and February 2009. Excluding the increases generated by these new campuses, and one-time project related costs, expenses increased approximately 2%.
- Approximately 9% of total revenue is “sent out” through our Compassion and Digital Missions ministries.



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### **STATEMENTS OF FINANCIAL POSITION (BALANCE SHEETS)**

As of December 31 and January 1, 2009

- Current assets increased approximately \$955,000 from January, consisting primarily of positive cash flows from operating activities, offset by purchases of fixed assets and payments on debt, as well as changes in other current assets and liabilities.
- Property and equipment increased approximately \$4.90 million (before change in accumulated depreciation of approximately \$2.54 million) from January 1 to December 31. The increase represents investments in fixed assets, of which approximately one-half were funded with cash and the remainder funded with financing proceeds. Investments in property and equipment during the period consisted primarily of the construction of a building for the South Tulsa, Oklahoma campus, purchase of land for the Owasso, Oklahoma campus and several smaller projects in other locations.
- Total liabilities increased approximately \$1.74 million from January 1 to December 31. This change primarily consists of proceeds from capital leases and notes payable of approximately \$2.88 million, offset by scheduled repayments of notes payable of approximately \$1.08 million, and a decrease in Accounts Payable and Accrued Liabilities of approximately \$56,000.