

DEREK PRINCE MINISTRIES—  
INTERNATIONAL, INC  
FINANCIAL STATEMENTS  
YEARS ENDED SEPTEMBER 30, 2020 AND 2019  
AND  
INDEPENDENT AUDITOR'S REPORT

FRANKLIN & FRANKLIN, PA  
CERTIFIED PUBLIC ACCOUNTANTS

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**DEREK PRINCE MINISTRIES—INTERNATIONAL, INC.**  
YEARS ENDED SEPTEMBER 30, 2020 AND 2019

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# FRANKLIN & FRANKLIN, PA

CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Derek Prince Ministries - International, Inc.  
Charlotte, North Carolina

We have audited the accompanying financial statements of Derek Prince Ministries - International, Inc. (a nonprofit organization), which comprise the statements of financial position as of September 30, 2020 and 2019, 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*

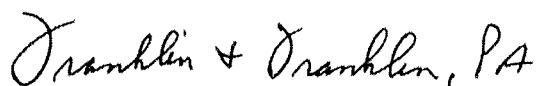
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 Derek Prince Ministries - International, Inc. as of September 30, 2020 and 2019, 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.



Franklin & Franklin, PA  
Matthews, North Carolina  
November 6, 2020

# DEREK PRINCE MINISTRIES-INTERNATIONAL, INC.

## STATEMENTS OF FINANCIAL POSITION

SEPTEMBER 30, 2020 AND 2019

	September 30, 2020	September 30, 2019
ASSETS		
CURRENT ASSETS:		
Cash and equivalents - without donor restrictions	\$ 1,412,021	\$ 503,241
Cash and equivalents - with donor restrictions	409,187	748,593
Investments	1,379,598	727,019
Accounts receivable, net of allowance of \$-0- for 2020 and \$-0- for 2019	1,357	1,828
Other receivables	18,000	13,533
Inventory	211,048	182,174
Prepaid expenses	47,758	66,930
Total Current Assets	3,478,969	2,243,318
PROPERTY AND EQUIPMENT:		
Building, furniture and equipment	1,408,399	1,361,500
Less accumulated depreciation	(697,640)	(639,697)
Total Property and Equipment	710,759	721,803
OTHER ASSETS-INVESTMENTS	414,574	1,008,099
TOTAL ASSETS	<u>\$ 4,604,302</u>	<u>\$ 3,973,220</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	\$ 10,962	\$ 37,270
Accrued expenses	109,167	146,124
	120,129	183,394
LONG-TERM DEBT	-	-
TOTAL LIABILITIES	120,129	183,394
NET ASSETS:		
Net assets without donor restrictions	4,074,986	3,041,233
Net assets with donor restrictions	409,187	748,593
TOTAL NET ASSETS	4,484,173	3,789,826
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,604,302</u>	<u>\$ 3,973,220</u>

# DEREK PRINCE MINISTRIES-INTERNATIONAL, INC.

STATEMENTS OF ACTIVITIES  
YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	Years Ended	
	September 30, 2020	September 30, 2019
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:		
Revenue and Support:		
Contributions	\$ 2,757,346	\$ 2,223,424
Sales	145,008	167,163
Royalties	103,496	98,713
Loss on disposal of property	-	(29,382)
Other income	600	-
Investment income	60,772	33,834
Total Revenue and Support	3,067,222	2,493,752
Net Assets Released from Restrictions:		
Satisfaction of donor restrictions	970,443	881,805
Total Revenue and Support Without Donor Restrictions	4,037,665	3,375,557
Expenses:		
Cost of sales	185,628	179,450
Program services	2,093,283	2,096,532
Supporting services	591,441	749,098
Fund raising	133,560	161,635
Total Expenses	3,003,912	3,186,715
Change in Net Assets Without Donor Restrictions	1,033,753	188,842
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS:		
Contributions	577,258	973,754
Transfer from international offices	53,779	13,323
Net Assets Released from Restrictions	(970,443)	(881,805)
Change in Net Assets with Donor Restrictions	(339,406)	105,272
CHANGE IN NET ASSETS	694,347	294,114
NET ASSETS AT BEGINNING OF FISCAL YEAR	3,789,826	3,495,712
NET ASSETS AT END OF FISCAL YEAR	\$ 4,484,173	\$ 3,789,826

# DEREK PRINCE MINISTRIES--INTERNATIONAL, INC.

## STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED SEPTEMBER 30, 2020

	COST OF SALES	PROGRAM EXPENSES	SUPPORTING SERVICES	FUND RAISING	OCCUPANCY EXPENSES	TOTAL
Advertising	\$ 795	-	-	-	-	795
Airtime	-	29,055	-	1,529	-	30,584
Vehicle expense	-	-	3,824	-	-	3,824
Bank and credit card charges	7,911	-	31,816	-	-	39,727
Building repairs and maintenance	-	-	-	-	6,013	6,013
Contract services	5,681	115,107	43,680	-	-	164,468
Depreciation	-	10,000	40,943	7,000	-	57,943
Domestic outreach	-	74,110	-	-	-	74,110
Donor relations	-	-	-	10,184	-	10,184
Dues and subscriptions	-	-	7,530	-	-	7,530
Freight, shipping and postage	31,015	-	14,959	-	-	45,974
Insurance	-	-	-	-	17,016	17,016
Ministry Outreach	-	957,939	-	-	-	957,939
Janitorial	-	-	-	-	16,826	16,826
Less international office reimbursement	-	-	(58,673)	-	-	(58,673)
Materials	52,488	-	-	-	-	52,488
Direct mail expense, including partner letters	-	49,552	-	38,289	-	87,841
Operating supplies and other operating expenses	-	-	14,713	-	-	14,713
Other	477	5,800	731	-	-	7,008
Production expense	-	39,406	-	-	-	39,406
Professional fees	-	-	22,971	-	-	22,971
Rent	-	-	-	-	4,166	4,166
Repairs and maintenance	-	-	114,942	-	-	114,942
Salaries and benefits	72,656	730,211	300,515	67,599	-	1,170,981
Telephone	-	-	-	-	20,422	20,422
Travel, meetings and seminars	-	-	39,186	-	-	39,186
Utilities	-	-	-	-	13,587	13,587
Web site	14,605	36,200	-	-	-	41,941
Occupancy	-	45,903	14,304	-	(78,030)	-
	\$ 185,628	\$ 2,093,283	\$ 591,441	\$ 133,560	\$ -	\$ 3,003,912

See accompanying notes and independent auditor's report.

# DEREK PRINCE MINISTRIES--INTERNATIONAL, INC.

STATEMENT OF FUNCTIONAL EXPENSES  
YEAR ENDED SEPTEMBER 30, 2019

	COST OF SALES	PROGRAM EXPENSES	SUPPORTING SERVICES	FUND RAISING	OCCUPANCY EXPENSES	TOTAL
Advertising	\$ 1,876	\$ -	\$ -	\$ -	\$ -	1,876
Airtime	-	29,622	-	1,559	-	31,181
Vehicle expense	-	-	6,638	-	-	6,638
Bank and credit card charges	7,089	-	28,159	-	-	35,248
Building repairs and maintenance	-	-	-	-	11,533	11,533
Contract services	6,142	70,065	64,185	-	-	140,392
Depreciation	-	9,496	42,377	6,647	-	58,520
Domestic outreach	-	75,832	-	-	-	75,832
Donor relations	-	-	-	23,336	-	23,336
Dues and subscriptions	-	-	8,476	-	-	8,476
Freight, shipping and postage	25,805	-	18,146	-	-	43,951
Insurance	-	-	-	-	13,519	13,519
Ministry Outreach	-	947,528	-	-	-	947,528
Janitorial	-	-	-	-	15,322	15,322
Less international office reimbursement	-	-	(48,997)	-	-	(48,997)
Materials	47,171	-	-	-	-	47,171
Direct mail expense, including partner letters	-	48,281	-	49,523	-	97,804
Operating supplies and other operating expenses	-	-	58,379	-	-	58,379
Other	525	9,100	1,320	-	-	10,945
Production expense	-	40,499	-	-	-	40,499
Professional fees	-	-	27,906	-	-	27,906
Rent	-	-	-	-	4,008	4,008
Repairs and maintenance	-	-	98,963	-	-	98,963
Salaries and benefits	77,289	792,693	357,463	72,179	-	1,299,624
Telephone	-	-	-	-	12,508	12,508
Travel, meetings and seminars	-	-	71,717	-	-	71,717
Utilities	-	-	-	-	16,234	16,234
Web site	-	31,112	-	-	-	31,112
Occupancy	13,553	42,304	14,366	2,901	(73,124)	36,602
	\$ 179,450	\$ 2,096,532	\$ 749,098	\$ 161,635	\$ -	\$ 3,186,715

# DEREK PRINCE MINISTRIES-INTERNATIONAL, INC.

## STATEMENTS OF CASH FLOWS YEARS ENDED SEPTEMBER 30, 2020 AND 2019

	September 30, 2020	September 30, 2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 694,347	\$ 294,114
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	57,943	58,520
Loss on disposal of equipment	-	29,382
Change in:		
investments	(59,054)	(30,958)
accounts receivable	471	8,697
inventory	(28,874)	(9,964)
prepaid expense	19,172	1,453
other receivables	(4,467)	(1,475)
accounts payable	(26,308)	37,270
accrued expenses	(36,957)	47,182
Net Cash Provided by Operating Activities	616,273	434,221
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Disposition of property and equipment	-	-
Purchase of certificates of deposit	-	(1,600,000)
Purchase of property and equipment	(46,899)	(109,963)
Net Cash Used for Investing Activities	(46,899)	(1,709,963)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from long-term debt	-	-
Payment of long-term debt	-	-
Net Cash Used for Financing Activities	-	-
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	569,374	(1,275,742)
<b>CASH AND CASH EQUIVALENTS, Beginning of fiscal year</b>	1,251,834	2,527,576
<b>CASH AND CASH EQUIVALENTS, End of fiscal year</b>	\$ 1,821,208	\$ 1,251,834

### SUPPLEMENTAL DATA

The Ministries paid no income tax during 2020 or 2019.

The Ministries paid interest of \$-0- during 2020, and \$-0- during 2019.



# DEREK PRINCE MINISTRIES—INTERNATIONAL, INC.

## NOTES TO FINANCIAL STATEMENTS YEARS ENDED SEPTEMBER 30, 2020 AND 2019

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### NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Organization

Derek Prince Ministries—International, Inc. (the “Ministry”) was incorporated on December 18, 1990, and is located in Charlotte, North Carolina. The Ministry is involved in developing books, audio materials, video materials, and other teaching materials related to evangelism that it distributes worldwide in more than 100 languages. The distribution of the material is made through donations to international outreach offices and sales to the general public. It also prepares evangelical radio programs for worldwide distribution. These outreach efforts are primarily supported by contributions. Reverend Derek Prince was the founding teacher.

Various Ministry offices exist throughout the world that are separate nonprofit corporations, formed under the laws of the respective countries in which they operate. These corporations are governed by independent Boards of Directors; therefore, the results of their operations have not been included in these financial statements.

#### Basis of Accounting

Basis of accounting refers to when revenue and expenses are recognized in the accounts and reported in the financial statements. The Ministry uses the accrual basis of accounting as required by generally accepted accounting principles, whereby revenue is recognized when it is earned and expenses are recognized when they are incurred.

#### Financial Statement Presentation

In accordance with Financial Accounting Standards Board ASC Topic 958, *Financial Statements for Not-For-Profit Entities*, the Ministry is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

*Net assets without donor restrictions* are those currently available for use in the operations of the Ministry under the direction of the Board.

*Net assets with donor restrictions* are those stipulated by donors for specific purposes or those not currently available for use until commitments regarding their use have been fulfilled or lifetime beneficiary interest have ceased.

#### Cash and Cash Equivalents

Cash and cash equivalents consist of demand and time deposits, and money market accounts that mature within one year. As of September 30, 2020 and 2019, demand deposits and money market accounts consist of cash deposited in banks in the amount of \$1,809,236 and \$1,242,053, and in unsecured money market funds in national investment companies in the amount of \$11,472 and \$7,114 respectively. Cash and cash equivalents exceeded FDIC limits at September 30, 2020 by \$1,546,884. Management believes these financial institutions have strong credit ratings and that credit risk related to these deposits is minimal.

# DEREK PRINCE MINISTRIES—INTERNATIONAL, INC.

## NOTES TO FINANCIAL STATEMENTS YEARS ENDED SEPTEMBER 30, 2020 AND 2019

### Accounts Receivable

Accounts receivable consist of outstanding amounts due from the sale of religious material or other receivables due from affiliates. Management closely monitors the outstanding balances of accounts receivable and establishes an allowance for doubtful accounts when deemed necessary.

### Inventory

Inventories are valued at the lower of cost or market using the last in—first out (LIFO) cost method and consist of books, audio materials, video materials, and other teaching materials.

	September 30, <u>2020</u>	September 30, <u>2019</u>
Books	\$191,949	\$164,954
Other teaching materials	<u>19,099</u>	<u>17,220</u>
	<u>\$211,048</u>	<u>\$182,174</u>

### Property and Equipment

Property and equipment are stated at cost or, in the case of items contributed, the estimated fair value of the item at the date of receipt. Additions, improvements and expenditures for repairs and maintenance that significantly add to the productivity or extend the economic life of the assets are capitalized if they cost \$500 or more. Other expenditures for repairs and maintenance are charged to expense as incurred.

Depreciation is calculated using the straight-line method based on estimated useful lives ranging from three to forty years. When assets are retired, the assets and related accumulated depreciation are removed from the respective accounts and any profit or loss on the dispositions credited or charged to income. Depreciation expense was \$57,943 and \$58,520 for 2020 and 2019, respectively.

A summary of property is as follows:	September 30, <u>2020</u>	September 30, <u>2019</u>
Cost:		
Buildings and improvements	\$ 995,285	\$ 995,285
Furniture and equipment	<u>413,114</u>	<u>366,215</u>
	1,408,399	1,361,500
Accumulated Depreciation	<u>(697,640)</u>	<u>(639,697)</u>
Net Property	<u>\$ 710,759</u>	<u>\$ 721,803</u>

### Net Assets With Donor Restrictions

Net assets with donor restrictions of \$409,187 and \$748,593 for 2020 and 2019, respectively, relate to unspent contributions received by the Ministry, which have been designated by the donor for specific outreach programs and a reallocation of undesignated funds by the Board of Directors.

# DEREK PRINCE MINISTRIES—INTERNATIONAL, INC.

## NOTES TO FINANCIAL STATEMENTS YEARS ENDED SEPTEMBER 30, 2020 AND 2019

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### Revenue and Support

The Ministry receives revenue primarily from contributions and sales of books and other materials. Sale prices of the materials are fixed by the Ministry and are intended to represent the direct and indirect costs of producing them.

The Ministry reports gifts and other assets as restricted support if they are received with donor stipulations that limit the use of donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

The Ministry reports gifts of land, buildings, and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Ministry reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributions received in the form of securities are recorded at fair market value at the date of receipt. The Ministry's policy is to sell the securities shortly after receipt. Additionally, supporters of the Ministry provide volunteer service in various activities of the Ministry, which are not recorded as revenue.

### Expenses

The Ministry classifies its expenses on a functional basis under the following categories:

- 1) Cost of sales – direct and indirect costs related to cost of teaching materials.
- 2) Program Service Expenses - direct and indirect costs related to providing ministry services.
- 3) Fund Raising Expenses - direct and indirect costs of all activities that constitute an appeal for financial support.
- 4) Supporting Service Expenses - all other costs not directly related to program services or fund raising expenses.

Salaries, fringe benefits and other indirect expenses were allocated between program services, supporting services, and fund raising based on various allocation factors. See Note 6 for a schedule of joint cost allocation.

### Advertising Costs

Advertising costs are charged to expense as incurred. Total advertising costs were \$795 and \$1,712 for 2020 and 2019, respectively.

### Freight and Shipping

Freight and shipping costs are charged to expense as incurred. These costs are reflected in the schedule of joint cost allocation reflected in Note 6.

# DEREK PRINCE MINISTRIES—INTERNATIONAL, INC.

## NOTES TO FINANCIAL STATEMENTS YEARS ENDED SEPTEMBER 30, 2020 AND 2019

### Income Taxes

The Ministry has been granted an exemption from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and is not considered to be a private foundation. Accordingly, no provision for income taxes is provided in the financial statements.

### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from these estimates.

### NOTE 2 - ACCOUNTS RECEIVABLE

Accounts receivable related to the sale of religious material or other receivables due from affiliates and other customers at September 30, 2020 and 2019 is comprised of the following:

	September 30, 2020	September 30, 2019
Due from international affiliates	\$ 652	\$ 789
Due from commercial customers	705	5,818
	<u>1,357</u>	<u>1,828</u>
Less allowance for doubtful accounts	<u>-0-</u>	<u>-0-</u>
	<u>\$ 1,357</u>	<u>\$ 1,828</u>

### NOTE 3 - INVESTMENTS AND INVESTMENT INCOME

Investments are comprised of a short-term income fund and certificates of deposit in the amount of \$1,379,598 and \$727,019 at September 30, 2020 and 2019, respectively, and certificates of deposit with a maturity beyond one year of \$414,574 and \$1,008,099 at September 30, 2020 and 2019 respectively and are reported at fair value. A summary of investment income for 2020 and 2019 is as follows:

	Year Ended September 30, 2020	Year Ended September 30, 2019
Interest and dividends	\$ 60,953	\$ 33,304
Increase (decrease) in value of investments	(181)	530
	<u>\$ 60,772</u>	<u>\$ 33,834</u>

### NOTE 4 - FAIR VALUE OF FINANCIAL INSTRUMENTS

Statement of Financial Accounting Standards ASC and other valuation methodologies in accordance with Statement of Financial Accounting Standards ASC Topic 825, *Disclosures About Fair Value of Financial Instruments* and FASB ASC Topic 820, *Fair Value Measurements* require fair value of financial instruments to be determined based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction

# DEREK PRINCE MINISTRIES—INTERNATIONAL, INC.

## NOTES TO FINANCIAL STATEMENTS YEARS ENDED SEPTEMBER 30, 2020 AND 2019

between market participants. It establishes a three-level valuation hierarchy based upon observable and unobservable inputs, as follows:

Level 1- Fair value is based on quoted prices in active markets for identical assets or liabilities.

Level 2- Fair value is based on observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3- Fair value is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

As of September 30, 2020, and 2019, the Ministry's investments are classified as a Level 1 assets.

### NOTE 5 - RELATED PARTY TRANSACTIONS

Various Ministry offices exist throughout the world that are separate nonprofit corporations, formed under the laws of the respective countries in which they operate. These corporations are governed by independent Boards of Directors; therefore, the results of their operations have not been included in these financial statements. The Ministry made contributions to international outreach offices of \$826,646 and \$809,241 for 2020 and 2019, respectively, based on designated contributions made to the Ministry by various donors. Additionally, beginning in the year ended September 30, 1995, these offices reimbursed Derek Prince Ministries—International, Inc. for operating expenses of \$58,673 for the year ended September 30, 2020 and \$48,997 for the year ended September 30, 2019, which is reflected herein as a reduction of operating expenses. Two members of the Ministry Board of Directors were also members of two of the independent Boards of Directors in the other countries during the year. They periodically met with those organizations to be certain that their relationships with the Ministry were properly maintained.

Additionally, the outstanding amount due from international affiliates is \$652 and \$785 at September 30, 2020 and 2019, as reflected in Note 2.

### NOTE 6 - ALLOCATION OF JOINT COSTS

Joint costs were allocated to functional activities as follows:

Year Ended September 30, 2020	<u>Ministry Program Expenses</u>				
	<u>Cost of Sales</u>	<u>Program Services</u>	<u>Supporting Services</u>	<u>Fund Raising</u>	<u>Total</u>
Salaries and benefits	\$ 72,656	\$730,211	\$300,515	\$ 67,599	\$1,170,981
Occupancy	14,605	45,903	14,304	3,218	78,030
Airtime	-0-	29,055	-0-	1,529	30,584
Freight and Shipping	31,015	-0-	14,959	-0-	45,974
	<u>\$118,276</u>	<u>\$805,169</u>	<u>\$329,778</u>	<u>\$ 72,346</u>	<u>\$1,325,569</u>

# DEREK PRINCE MINISTRIES—INTERNATIONAL, INC.

## NOTES TO FINANCIAL STATEMENTS YEARS ENDED SEPTEMBER 30, 2020 AND 2019

Year Ended September 30, <u>2019</u>	<u>Ministry Program Expenses</u>				
	<u>Cost of Sales</u>	<u>Program Services</u>	<u>Supporting Services</u>	<u>Fund Raising</u>	<u>Total</u>
Salaries and benefits	\$ 77,289	\$792,693	\$ 357,463	\$ 72,179	\$1,299,624
Occupancy	13,553	42,304	14,366	2,901	73,124
Airtime	-0-	29,622	-0-	1,559	31,181
Freight and Shipping	<u>25,805</u>	<u>-0-</u>	<u>18,146</u>	<u>-0-</u>	<u>43,951</u>
	<u>\$116,647</u>	<u>\$864,619</u>	<u>\$389,975</u>	<u>\$ 76,639</u>	<u>\$1,447,880</u>

### NOTE 7 - RETIREMENT PLAN

The Ministry provides a Section 403(b) retirement plan for all eligible employees. During the year ended September 30, 2020, the Ministry paid \$8,057 as a two percent match of salary for eligible employees plus a contribution of \$5,496 for certain board-approved employees for a total of \$13,553. \$20,536 was paid for the year ended September 30, 2019. Such amounts are reflected in salaries and benefits.

### NOTE 8 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

	<u>2020</u>	<u>2019</u>
Financial assets, at year end	\$3,220,163	\$1,994,214
Less those unavailable for general expenditures within one year, due to: Subject to appropriation and satisfaction of donor restrictions	<u>(409,187)</u>	<u>(\$748,593)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$2,810,976</u>	<u>\$1,245,621</u>

The Ministry has \$2,810,976 of financial assets available within one year of the statement of financial position date to meet cash needs for general operating expenditures, consisting of cash of \$1,412,021, receivables of \$19,357, and short-term investments of \$1,379,598.

### NOTE 9 - LEASES

The Ministry is committed to leases for office equipment with payments of \$407-\$3,933 for twenty-two to forty-eight months. Lease expense was \$73,307 for 2020 and \$59,860 for 2019 and is reflected in operating supplies and operating expenses. A summary of commitments for the next five years is as follows:

September 30, 2021	\$ 74,306
2022	70,558
2023	52,642
2024	1,813
2025	-0-

**DEREK PRINCE MINISTRIES—INTERNATIONAL, INC.**  
NOTES TO FINANCIAL STATEMENTS  
YEARS ENDED SEPTEMBER 30, 2020 AND 2019

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NOTE 10 - SUBSEQUENT EVENTS ANALYSIS

Management has evaluated subsequent events through November 6, 2020, the date on which the financial statements were available to be issued. During this period, no material recognizable subsequent events were identified.