

**SHIVELY AREA MINISTRIES, INC.
LOUISVILLE, KENTUCKY**

FINANCIAL STATEMENTS

**YEARS ENDED
JUNE 30, 2023 AND 2022**

SHIVELY AREA MINISTRIES, INC.

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Independent Auditor's Report

Board of Directors
Shively Area Ministries, Inc.
Louisville, Kentucky

Opinion

We have audited the accompanying financial statements of **Shively Area Ministries, Inc.**, which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Shively Area Ministries, Inc.** as of June 30, 2023 and 2022, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **Shively Area Ministries, Inc.** and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about **Shively Area Ministries, Inc.'s** ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

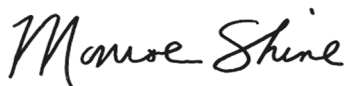
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 **Shively Area Ministries, Inc.'s** internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about **Shively Area Ministries, Inc.'s** ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Louisville, Kentucky
September 7, 2023

SHIVELY AREA MINISTRIES, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2023 AND 2022

ASSETS		<u>2023</u>	<u>2022</u>
CURRENT ASSETS			
Cash	\$	541,985	\$ 601,552
Grants receivable		144,690	117,000
Contributions receivable		12,500	25,000
Donated food and other in-kind inventory		10,609	21,437
Investments		467,910	433,898
Prepaid expenses		15,734	12,480
Total Current Assets		1,193,428	1,211,367
OTHER ASSETS			
Contributions receivable, net		12,500	10,000
Total Other Assets		12,500	10,000
PROPERTY AND EQUIPMENT			
Building		708,747	708,747
Furniture and equipment		48,052	53,028
		756,799	761,775
Less accumulated depreciation		(469,672)	(443,097)
Net Property and Equipment		287,127	318,678
TOTAL ASSETS		\$ 1,493,055	\$ 1,540,045
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts payable	\$	3,780	\$ 2,000
Deferred revenue		17,190	24,664
Accrued expenses		19,179	19,414
Total Current Liabilities		40,149	46,078
NET ASSETS			
Without donor restrictions		718,863	830,637
Without donor restrictions - board designated		467,910	433,898
With donor restrictions		266,133	229,432
Total Net Assets		1,452,906	1,493,967
TOTAL LIABILITIES AND NET ASSETS		\$ 1,493,055	\$ 1,540,045

See notes to financial statements.

SHIVELY AREA MINISTRIES, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2023 AND 2022

	2023			2022		
	Without donor restrictions	With donor restrictions	Totals	Without donor restrictions	With donor restrictions	Totals
REVENUES AND SUPPORT						
Public support	\$ 273,182	\$ 88,522	\$ 361,704	\$ 304,660	\$ 61,317	\$ 365,977
Fundraising, net of event expenses (\$22,356 and \$18,461 in fiscal years 2023 and 2022, respectively)	52,334	-	52,334	61,385	-	61,385
In-kind donated food	48,078	-	48,078	42,568	-	42,568
Other in-kind	6,672	-	6,672	10,955	-	10,955
Governmental grants	84,700	-	84,700	84,700	-	84,700
Organizational grants	133,191	81,678	214,869	177,143	122,291	299,434
Organizational support	37,375	-	37,375	34,372	-	34,372
Other income	6,522	-	6,522	5,661	-	5,661
Net investment return	34,012	-	34,012	(73,452)	-	(73,452)
Interest income	337	-	337	413	-	413
Net assets released from restrictions	133,499	(133,499)	-	129,361	(129,361)	-
Total Revenues and Support	809,902	36,701	846,603	777,766	54,247	832,013
EXPENSES						
Program services	752,898	-	752,898	685,635	-	685,635
Management and general	65,209	-	65,209	60,406	-	60,406
Fundraising	69,557	-	69,557	63,545	-	63,545
Total Expenses	887,664	-	887,664	809,586	-	809,586
Change in Net Assets	(77,762)	36,701	(41,061)	(31,820)	54,247	22,427
Net Assets at Beginning of Year	1,264,535	229,432	1,493,967	1,296,355	175,185	1,471,540
Net Assets at End of Year	\$ 1,186,773	\$ 266,133	\$ 1,452,906	\$ 1,264,535	\$ 229,432	\$ 1,493,967

See notes to financial statements.

SHIVELY AREA MINISTRIES, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2023 AND 2022

	2023				2022			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
DIRECT ASSISTANCE								
Utility assistance	\$ 197,181	\$ -	\$ -	\$ 197,181	\$ 194,144	\$ -	\$ -	\$ 194,144
Housing assistance	71,477	-	-	71,477	62,679	-	-	62,679
Food distributed	68,544	-	-	68,544	69,552	-	-	69,552
Winter help expenses	22,837	-	-	22,837	23,735	-	-	23,735
Kids programs	4,102	-	-	4,102	-	-	-	-
Medical assistance	4,068	-	-	4,068	1,251	-	-	1,251
Transportation	4,000	-	-	4,000	1,500	-	-	1,500
Education and empower expenses	3,878	-	-	3,878	28,761	-	-	28,761
COVID assistance	849	-	-	849	432	-	-	432
Other assistance	720	-	-	720	1,226	-	-	1,226
Total Direct Assistance	377,656	-	-	377,656	383,280	-	-	383,280
ADMINISTRATIVE EXPENSES								
Salaries and wages	205,552	36,858	52,729	295,139	177,149	37,455	49,909	264,513
Professional fees	42,581	10,645	-	53,226	33,252	8,313	-	41,565
Employee benefits	30,051	5,389	7,709	43,149	4,114	870	1,159	6,143
Depreciation	31,017	2,215	-	33,232	31,788	2,271	-	34,059
Payroll taxes	15,681	2,812	4,023	22,516	14,101	2,981	3,973	21,055
Office supplies	18,911	3,965	-	22,876	14,100	5,845	-	19,945
Utilities	14,153	1,011	-	15,164	12,208	872	-	13,080
Insurance	7,175	513	-	7,688	6,763	483	-	7,246
Repairs and maintenance	4,260	1,065	-	5,325	4,429	1,107	-	5,536
Fundraising supplies	-	-	4,115	4,115	-	-	5,845	5,845
Other operating expenses	2,837	177	-	3,014	1,342	(95)	-	1,247
Volunteer appreciation	2,195	-	-	2,195	2,621	-	-	2,621
Bank charges	829	276	-	1,105	476	159	-	635
Public relations	-	-	981	981	-	-	2,659	2,659
Membership fees	-	283	-	283	-	144	-	144
Interest	-	-	-	-	12	1	-	13
Total Administrative Expenses	375,242	65,209	69,557	510,008	302,355	60,406	63,545	426,306
Total Functional Expenses	\$ 752,898	\$ 65,209	\$ 69,557	\$ 887,664	\$ 685,635	\$ 60,406	\$ 63,545	\$ 809,586

See notes to financial statements.

SHIVELY AREA MINISTRIES, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2023 AND 2022

	<u>2023</u>	<u>2022</u>
OPERATING ACTIVITIES		
Change in net assets	\$ (41,061)	\$ 22,427
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	33,232	34,059
Imputed interest on interest-free debt	-	13
(Gains) losses on investments	(23,352)	81,338
(Increase) decrease in assets:		
Grants receivable	(27,690)	(49,000)
Prepaid expenses	(3,254)	2,362
Donated food inventory	10,828	3,946
Contributions receivable	10,000	(29,914)
Increase (decrease) in liabilities:		
Accounts payable	1,780	(803)
Deferred revenue	(7,474)	5,304
Accrued expenses	(235)	(4,043)
Net Cash Provided By (Used In) Operating Activities	(47,226)	65,689
INVESTING ACTIVITIES		
Purchases of investments	(10,660)	(7,886)
Purchase of property and equipment	(1,681)	(1,480)
Net Cash Used In Investing Activities	(12,341)	(9,366)
FINANCING ACTIVITIES		
Repayment of long-term debt	-	(2,500)
Net Cash Used In Financing Activities	-	(2,500)
Net Increase (Decrease) in Cash	(59,567)	53,823
Cash at beginning of year	601,552	547,729
Cash at End of Year	\$ 541,985	\$ 601,552

See notes to financial statements.

SHIVELY AREA MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

(1) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Nature of Operations

Shively Area Ministries, Inc. (the “Organization”) is a nonprofit organization whose goal is to provide for the needs of low-income individuals and families in the Shively, Kentucky area.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting.

Basis of Presentation

The Organization presents its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The terms are defined below:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations.

Certain prior year accounts have been reclassified to conform with current year presentations.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all cash and highly liquid investment securities with maturities of three months or less at time of purchase to be cash and cash equivalents.

Concentration of Credit Risk

The Organization maintains its cash at various financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation. At times, the balances may be in excess of federal insured limits. At June 30, 2023, the Organization had \$150,905 of funds in excess of insured limits. The Organization believes it is not exposed to any significant credit risk on cash and cash equivalent balances.

Grants Receivable

Receivables consist of grants due to the Organization from various parties. The Organization utilizes the allowance method for recording bad debts. Management has determined no allowance was required at June 30, 2023 and 2022.

SHIVELY AREA MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2023 AND 2022

(1 – continued)

Inventory

Inventory consists of donated food items acquired primarily through donations from the general public. Management determines the value of donated food items based on a per-pound value using the weighted average price per pound as determined by Feeding America. This valuation method is applied to all the items donated throughout the year as well as to the items on hand as of year-end.

Revenues and Support

The Organization's non-contribution revenue, which is most commonly associated with fundraising events, contain a single delivery element and revenue is recognized at a single point in time when control transfers to the customer. Revenue is recognized for exchange transactions when the customers receive the services provided. Customers are generally billed before attending events. In some instances, the Organization receives deposits from customers before the events are held, which result in contract liabilities.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as support with donor restrictions that increases that net asset class.

Contributions receivable are stated at the amount management expects to collect from outstanding balances. Management reviews all contribution receivable balances that are past due and based on an assessment of current creditworthiness, estimates the portion, if any, of the balance that will not be collected. Estimated uncollectible accounts increase the allowance for doubtful accounts and when the accounts receivable are written off, the allowance for doubtful accounts is decreased.

Contributions of noncash assets are recorded at their fair value at the date of donation. Contributed services that require specific expertise and would normally have been purchased and donated services that create or enhance non-financial assets are recorded at fair market value. Those donated services that do not meet these specific criteria are not reflected in the financial statements.

Investments

The Organization's investments are stated at fair value. See Note 11 for additional discussions of fair value measurement. Purchases and sales of securities are recorded on a trade-date basis.

Management fees and operating expenses charged to the Organization for investments within the pooled separate accounts are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for these investments.

SHIVELY AREA MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2023 AND 2022

(1 – continued)

Property and Equipment

Purchased property and equipment are recorded at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are recorded as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Property and equipment are depreciated using the straight-line method over the assets useful lives.

Expenditures for maintenance and repairs are expensed as incurred.

Expense Allocation

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 periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Income Taxes

The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, the financial statements do not provide for income taxes.

The Organization has implemented the accounting guidance for uncertainty in income taxes. Under that guidance, tax positions need to be recognized in the financial statements when it is more-likely-than-not the position will be sustained upon examination by the tax authorities. As of June 30, 2023, the Organization has no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. The Organization files federal Form 990. The Organization is not currently being examined and management believes its tax-exempt status would be upheld under examination.

SHIVELY AREA MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2023 AND 2022

(2) **LIQUIDITY**

The Organization's financial assets available within one year of the statement of financial position date for general expenditure are as follows:

	<u>2023</u>	<u>2022</u>
Cash	\$ 541,985	\$ 601,552
Grants receivable	144,690	117,000
Contributions receivable	25,000	35,000
Investments	467,910	433,898
	<u>1,179,585</u>	<u>1,187,450</u>
Less net assets with donor restrictions	(253,633)	(204,432)
Less board designated net assets	(467,910)	(433,898)
	<u>\$ 458,042</u>	<u>\$ 549,120</u>

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in short-term investments such as equity and fixed income funds.

(3) **INVESTMENTS**

Amounts reported in the statements of financial position under the caption of "Investments" represent the net cumulative transfers by the Organization to the Kentucky Baptist Foundation (the "Foundation"), as well as earnings thereon. These amounts totaled \$467,910 and \$433,898 at June 30, 2023 and 2022, respectively. The Foundation holds and invests the funds on behalf of the Organization. The Foundation has no variance power over the funds. Instead, the funds are distributed to the Organization upon request to the Foundation.

SHIVELY AREA MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2023 AND 2022

(3 – continued)

The following is a summary of the Organization’s investments held as of June 30, 2023 and 2022:

	Cost		Net Appreciation (Depreciation) in Fair Value of Assets	Fair Value
June 30, 2023:				
Kentucky Baptist Foundation				
Equity Fund	\$ 219,974	\$	16,388	\$ 236,362
Fixed Income Fund	245,401		(13,853)	231,548
	\$ 465,375	\$	2,535	\$ 467,910
June 30, 2022:				
Kentucky Baptist Foundation				
Equity Fund	\$ 211,129	\$	(10,328)	\$ 200,801
Fixed Income Fund	248,781		(15,684)	233,097
	\$ 459,910	\$	(26,012)	\$ 433,898

(4) **CONTRIBUTIONS RECEIVABLE**

A promise to give was received during the year ended June 30, 2018, as part of the Organization’s 30th anniversary campaign. An additional unrestricted promise to give was received during the year ended June 30, 2022. The balance of these promises is included in the financial statements as contributions receivable and revenue of the appropriate net asset category.

At June 30, 2023 and 2022, contributions receivable consisted of the following and are expected to be realized in the following periods:

	<u>2023</u>	<u>2022</u>
Amounts due in:		
Less than one year	\$ 12,500	\$ 25,000
One to five years	12,500	10,000
	\$ 25,000	\$ 35,000
Net contributions receivable	\$ 25,000	\$ 35,000

SHIVELY AREA MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2023 AND 2022

(5) **LONG-TERM DEBT**

A donor provided an unsecured, interest-free loan for the Organization's operations. The Organization discounted the note payable to impute interest expense using a discount rate of 5.5%. This loan was paid off during the year ended June 30, 2022. The discount was being amortized to interest expense over the life of the loan.

(6) **BOARD DESIGNATED FUNDS**

The Board approved the establishment of a Board designated fund to fund the continued expansion of the Organization's program services. These funds are held in an investment account with the Kentucky Baptist Foundation, and totaled \$467,910 and \$433,898 at June 30, 2023 and 2022, respectively.

(7) **NET ASSETS WITH DONOR RESTRICTIONS**

At June 30, 2023 and 2022, net assets with donor restrictions consisted of the following:

	<u>2023</u>	<u>2022</u>
Relatives raising kids	\$ 85,298	\$ 65,000
Utility assistance	67,728	41,424
Other program services	30,379	16,500
Financial assistance	28,125	45,000
Restricted due to time	25,000	35,000
Housing assistance	12,800	10,000
Food programs	11,803	6,590
Rent assistance	5,000	9,918
	<u>\$ 266,133</u>	<u>\$ 229,432</u>

(8) **CONCENTRATION**

For the year ended June 30, 2023, approximately 22% of revenue was from two donors. For the year ended June 30, 2022, approximately 17% of revenue was from one donor.

(9) **EMPLOYEE RETIREMENT PLAN**

The Organization sponsors a salary reduction contribution plan pursuant to Section 403(b) of the Internal Revenue Code, covering substantially all employees. Under the plan, employees contribute a specified percentage of their salary, or a fixed dollar amount, to the plan. The Organization contributes 3%. Contributions totaling \$5,965 and \$6,143 for the years ended June 30, 2023 and 2022, respectively, were made by the Organization, in addition to the elective deferrals made by employees.

SHIVELY AREA MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2023 AND 2022

(10) GIFTS IN KIND

The Organization received gifts in kind for the years ended June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Food inventory	\$ 48,078	\$ 42,568
Gift cards	125	10,035
Information technology services	6,067	-
Miscellaneous	480	920
	\$ 54,750	\$ 53,523
Total gifts in kind	\$ 54,750	\$ 53,523

The Organization's policy related to gifts in kind is to utilize the assets given to carry out the mission of the Organization. If an asset is provided that does not allow the Organization to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset.

The Organization received donated food inventory with an estimated fair market value of \$48,078 and \$42,568 for the years ended June 30, 2023 and 2022, respectively. The inventory was provided to low-income individuals and families in the area.

The Organization received donated gift cards with an estimated fair market value of \$125 and \$10,035 for the years ended June 30, 2023 and 2022, respectively. The gift cards were used to purchase food for distribution to low-income individuals and families in the area.

The Organization received donated information technology services with an estimated fair market value of \$6,067 for the year ended June 30, 2023. The information technology services provided routine maintenance and support services for the Organization.

The Organization received miscellaneous donated items with an estimated fair market value of \$480 and \$920 for the years ended June 30, 2023 and 2022, respectively. These items were distributed to low-income individuals and families in the area.

(11) FAIR VALUE MEASUREMENTS

The Organization has adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820 Fair Value Measurements, for financial and nonfinancial assets and liabilities.

ASC 820 defines fair value as 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. ASC 820 establishes a fair value hierarchy that prioritizes the use of inputs used in valuation methodologies into the following three levels:

SHIVELY AREA MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2023 AND 2022

(11 – continued)

- Level 1: Inputs to the valuation methodology are quoted prices, unadjusted, for identical assets or liabilities in active markets. A quoted market price in an active market provides the most reliable evidence of fair value and shall be used to measure fair value whenever available.
- Level 2: Inputs to the valuation methodology include quoted market prices for similar assets or liabilities in active markets; quoted market prices for identical or similar assets or liabilities in markets that are not active; or inputs that are derived principally from or can be corroborated by observable market data by correlation or other means.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Level 3 assets and liabilities include financial instruments whose value is determined using discounted cash flow methodologies, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

A description of the valuation methodologies used for instruments measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below. These valuation methodologies were applied to all of the Organization’s financial assets and liabilities carried at fair value. The table below presents the balances of assets and liabilities measured at fair value on a recurring and non-recurring basis.

	Carrying Value			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
June 30, 2023:				
<i>Assets Measured on a Recurring Basis</i>				
Investments:				
Kentucky Baptist Foundation				
Equity Fund	\$ -	\$ 236,362	\$ -	\$ 236,362
Kentucky Baptist Foundation				
Fixed Income Fund	-	231,548	-	231,548
June 30, 2022:				
<i>Assets Measured on a Recurring Basis</i>				
Investments:				
Kentucky Baptist Foundation				
Equity Fund	\$ -	\$ 200,801	\$ -	\$ 200,801
Kentucky Baptist Foundation				
Fixed Income Fund	-	233,097	-	233,097

SHIVELY AREA MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2023 AND 2022

(11 – continued)

Investments – Units in pooled separate accounts by the Kentucky Baptist Foundation are valued at the fair value of the assets underlying the funds. There have been no changes in the valuation techniques and related inputs used for assets measured at fair value during the year ended June 30, 2023.

The Organization’s valuation methodologies may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. While management believes the Organization’s valuation methodologies are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

(12) **SUBSEQUENT EVENTS**

The Organization has evaluated whether any subsequent events that require recognition or disclosure in the accompanying financial statements and related notes thereto have taken place through September 7, 2023 the date these financial statements were available to be issued.