Truth For Life

Financial Statements
December 31, 2021 and 2020

Independent Auditor's Report

Board of Directors
Truth For Life

Opinion

We have audited the accompanying financial statements of Truth For Life (the "Organization", a nonprofit corporation), which comprise the statements of financial position as of December 31, 2021 and 2020, 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 the Organization as of December 31, 2021 and 2020, 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 the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

C&P Advisors, LLC
Ciuni & Panichi, Inc.
C&P Wealth Management, LLC

25201 Chagrin Boulevard
Cleveland, Ohio 44122.5683
p. 216.831.7171
f. 216.831.3020
www.cp-advisors.com
Independent Member of
Geneva Group International

Board of Directors
Truth For Life

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 the Organization'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 the Organization'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.

Ciuni + Panichi, Inc.

Cleveland, Ohio
March 29, 2022

Truth For Life

Statements of Financial Position

December 31, 2021 and 2020

Assets

		2021		2020
Current assets:				
Cash and cash equivalents	$	2,855,767	$	3,571,889
Accounts receivable		19,963		47
Inventory, net		335,340		330,961
Investments		14,334,740		7,531,811
Prepaid expenses and deposits		400,383		340,919
Total current assets		17,946,193		11,775,627
Fixed assets:				
Land		408,766		408,766
Land improvements		187,615		187,615
Building and improvements		10,097,149		10,097,149
Furniture and equipment		2,525,027		2,213,597
Capital equipment in progress		12,191		-
Total fixed assets, at cost		13,230,748		12,907,127
Less accumulated depreciation		(2,611,120)		(1,997,694)
Total fixed assets, net		10,619,628		10,909,433
Cash restricted for purchases of fixed assets		-		50,000
Total assets	$	28,565,821	$	22,735,060

Liabilities and Net Assets

		2021		2020
Current liabilities:				
Accounts payable and accrued liabilities	$	1,283,342	$	751,151
Capital lease obligations		22,547		47,632
Total current liabilities		1,305,889		798,783
Capital lease obligations, net of current portion		34,145		22,310
Total liabilities		1,340,034		821,093
Net assets:				
Without donor restrictions:				
Opportunity Fund – undesignated		11,701,277		6,114,448
Board-designated:				
Building Fund		9,145,875		9,459,038
Operating Fund – working capital reserve		5,000,000		5,000,000
Facilities Fund – replacement reserve		1,378,635		1,290,481
Total without donor restrictions		27,225,787		21,863,967
With donor restrictions		-		50,000
Total net assets		27,225,787		21,913,967
	$	28,565,821	$	22,735,060

The accompanying notes are an integral part of these financial statements

Truth For Life

Statement of Activities

For the year ended December 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Operating support, revenues, and gains:			
Contributions	$ 20,682,426	$ -	$ 20,682,426
Sales	1,433,670	-	1,433,670
Less: cost of sales	(1,458,859)	-	(1,458,859)
Investment income, net	15,487	-	15,487
Total support and revenues	20,672,724	-	20,672,724
Gain on asset disposals	649	-	649
Total support, revenues, and gains	20,673,373	-	20,673,373
Net assets released from restrictions	50,000	(50,000)	-
	20,723,373	(50,000)	20,673,373
Operating expenses:			
Program activities	12,953,267	-	12,953,267
Supporting services:			
General and administrative	1,571,391	-	1,571,391
Fundraising	836,895	-	836,895
Total operating expenses	15,361,553	-	15,361,553
Total changes in net assets	5,361,820	(50,000)	5,311,820
Net assets, beginning of year	21,863,967	50,000	21,913,967
Net assets, end of year	$ 27,225,787	$ -	$ 27,225,787

The accompanying notes are an integral part of these financial statements

Truth For Life

Statement of Activities

For the year ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Operating support and revenues:			
Contributions	$ 17,781,432	$ 50,000	$ 17,831,432
Sales	794,755	-	794,755
Less: cost of sales	(750,704)	-	(750,704)
Investment income, net	34,461	-	34,461
Total support and revenues	17,859,944	50,000	17,909,944
Net assets released from restrictions	65,000	(65,000)	-
	17,924,944	(15,000)	17,909,944
Operating expenses:			
Program activities	11,861,888	-	11,861,888
Supporting services:			
General and administrative	1,438,693	-	1,438,693
Fundraising	732,835	-	732,835
Total operating expenses	14,033,416	-	14,033,416
Loss on asset disposals	4,122	-	4,122
Total expenses and losses	14,037,538	-	14,037,538
Total changes in net assets	3,887,406	(15,000)	3,872,406
Net assets, beginning of year	17,976,561	65,000	18,041,561
Net assets, end of year	$ 21,863,967	$ 50,000	$ 21,913,967

The accompanying notes are an integral part of these financial statements

Truth For Life

Statement of Functional Expenses

For the year ended December 31, 2021

	Program	Support Services: General and Administrative	Support Services: Fundraising	Total
Radio distribution/syndication	$ 5,664,648	$ 260	$ 136,666	$ 5,801,574
Content production	390,457	-	-	390,457
Direct mail communications	696,454	36,126	122,038	854,618
Donor communication and development	40,450	2,625	429	43,504
Digital communication costs	1,512,776	68,274	92,555	1,673,605
Customer care/shipping	1,192,986	381,298	255,280	1,829,564
Human resources	2,385,611	654,382	159,041	3,199,034
Professional services	-	46,903	-	46,903
Facility costs	163,481	43,595	10,899	217,975
Information technology/equipment	430,479	114,794	28,699	573,972
Other operating expenses	475,925	223,134	31,288	730,347
	$ 12,953,267	$ 1,571,391	$ 836,895	$ 15,361,553

The accompanying notes are an integral part of these financial statements

Truth For Life

Statement of Functional Expenses

For the year ended December 31, 2020

	Program	Support Services: General and Administrative	Support Services: Fundraising	Total
Radio distribution/syndication	$ 5,335,369	$ 259	$ 116,721	$ 5,452,349
Content production	538,576	-	-	538,576
Direct mail communications	619,102	33,603	110,291	762,996
Donor communication and development	59,773	160	-	59,933
Digital communication costs	1,217,795	55,337	74,773	1,347,905
Customer care/shipping	901,441	325,768	218,836	1,446,045
Human resources	2,229,029	607,150	148,602	2,984,781
Professional services	-	93,850	-	93,850
Facility costs	133,101	35,494	8,873	177,468
Information technology/equipment	401,721	107,125	26,781	535,627
Other operating expenses	425,981	179,947	27,958	633,886
	$ 11,861,888	$ 1,438,693	$ 732,835	$ 14,033,416

The accompanying notes are an integral part of these financial statements

Truth For Life

Statements of Cash Flows

For the years ended December 31, 2021 and 2020

	2021	2020
Cash flows from operating activities:		
Changes in net assets	$ 5,311,820	$ 3,872,406
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	623,726	555,985
(Gain) loss on disposal of fixed assets	(649)	4,122
Realized/unrealized loss on investments	7,141	17,535
Inventory reserve	(8,236)	(6,617)
Contributions restricted for purchase of fixed assets	-	(50,000)
Changes in operating assets and liabilities:		
Accounts receivable	(19,916)	43,454
Inventory	3,857	201,099
Prepaid expenses and deposits	(59,464)	(260,643)
Accounts payable and accrued liabilities	532,191	(398,938)
Net cash provided by operating activities	6,390,470	3,978,403
Cash flows from investing activities:		
Purchases of fixed assets	(301,450)	(502,752)
Proceeds from sale of fixed assets	2,338	-
Purchases of investments	(12,122,628)	(5,026,480)
Proceeds from sales of investments	5,312,558	2,836,486
Net cash used by investing activities	(7,109,182)	(2,692,746)
Cash flows from financing activities:		
Principal payments on capital lease obligations	(47,410)	(48,841)
Collection of contributions restricted for purchase of fixed assets	-	50,000
Net cash (used) provided by financing activities	(47,410)	1,159
Net (decrease) increase in cash and cash equivalents	(766,122)	1,286,816
Cash and cash equivalents, beginning of year	3,621,889	2,335,073
Cash and cash equivalents, end of year	$ 2,855,767	$ 3,621,889

The accompanying notes are an integral part of these financial statements

Truth For Life

Statements of Cash Flows (continued)

For the years ended December 31, 2021 and 2020

		2021		2020
Supplemental disclosures of cash flow information:				
Non-cash investing and financing activities:				
Fixed assets acquired by capital lease obligations	$	34,160	$	-
Reconciliation to cash and cash equivalents on				
Statement of Financial Position				
Cash and cash equivalents	$	2,855,767	$	3,571,889
Cash restricted to acquire property and equipment		-		50,000
	$	2,855,767	$	3,621,889

The accompanying notes are an integral part of these financial statements

Truth For Life

Notes to the Financial Statements

December 31, 2021 and 2020

Note 1: Summary of Significant Accounting Policies

Nature of Organization

Truth For Life (the "Organization"), incorporated in December 1994, under the laws of the State of Ohio, is a not-for-profit religious corporation. The Organization is dedicated to proclaiming the Gospel through radio and digital programs and related study materials. The programs consist of the sermons of Pastor Alistair Begg, Senior Pastor at Parkside Church in Ohio.

COVID-19

In March 2020, the outbreak of COVID-19 caused by a novel strain of the coronavirus was recognized as a pandemic by the World Health Organization. The pandemic outbreak has caused an economic downturn on a global scale. The Organization continues to monitor the impact of the pandemic as it unfolds. As of December 31, 2021, the Organization did not experience a material adverse impact due to COVID-19, and cannot, at this time, predict the impact the pandemic will have on its future financial position, cash flows or results of operations.

Basis of Presentation

The Organization follows authoritative guidance issued by the Financial Accounting Standards Board (FASB) which established the FASB Accounting Standards Codification (ASC) as the single source of authoritative accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared on the accrual basis of accounting. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations, whether due to time or purpose. These include net assets designated by the Board of Directors to be set aside for specific purposes over which the Board retains control and may, at its discretion, subsequently be used for other purposes.

Net Assets With Donor Restrictions – Net assets whose use has been limited to a specific time period or purpose. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Note 1: Summary of Significant Accounting Policies (continued)

Revenue Recognition

Revenue is recognized upon transfer of control of products. Control transfers when products are shipped (point in time). Products include books, recordings, and other materials. The products are available to the general public on the Organization's website, and revenue is recognized as products are shipped to these individuals. As a practical expedient, the Organization may apply revenue recognition guidance to a portfolio of contracts with similar characteristics if the Organization reasonably expects the effects on the financial statements of applying this guidance to the portfolio would not differ materially from applying this guidance to the individual contracts (or performance obligations) within that portfolio. The Organization is taking the practical expedient approach, as all contracts with the general public for the purchase of items for sale are similar.

Truthpartner memberships are primarily contributions; however they include a right for Truthpartners to elect to receive premiums throughout the year. Not every member elects to receive such premiums. While this right to elect to receive premiums represents an exchange transaction, management has determined that the effect of the Organization recognizing Truthpartner revenue at the time of contribution is not materially different than if the Organization were to identify and recognize the exchange portion at the time a Truthpartner exercises their right to receive a premium, or such right expires. The Organization is taking the practical expedient approach, as memberships are very similar for each individual membership purchased.

There were no material contract assets or liabilities at December 31, 2021, 2020, and 2019.

The Organization recognizes unconditional promises to give as revenue in the period in which the promise is received. If there are no donor-imposed restrictions on the use of funds, then those revenues are classified as without donor restrictions. If a donor-imposed restriction exists, then it must be determined if this restriction is with regard to time or purpose, or in perpetuity and classified in the financial statements as net assets with donor restrictions. A donor-imposed restriction is present when the contributor of funds designates a specific purpose or time period in which the funds may be used. At the time when this donor-imposed restriction has been satisfied, net assets with donor restrictions are reclassified as net assets without donor restrictions, and would be disclosed in the statement of activities.

Note 1: Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

If donor-imposed conditions exist, revenue is recognized when the conditions are substantially met. A donor-imposed condition exists when (a) one or more barriers must be overcome before a recipient is entitled to the assets transferred or promised, and (b) a right of return to the contributor for assets transferred or a right of release of the promisor from its obligation to transfer assets exists. When the conditions are substantially met, revenue is recognized as support without donor restrictions or revenue with donor restrictions if donor-imposed stipulations are present. No funding with donor-imposed conditions was received during the years ended December 31, 2021 and 2020.

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 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.

Cash and Cash Equivalents

The Organization considers deposits in financial institutions or time deposits, excluding brokerage cash and money market funds, with an original maturity date of 90 days or less to be cash and cash equivalents. The balances, at times, may exceed federally insured limits.

Accounts Receivable

Accounts receivable are uncollateralized obligations due under predetermined payment schedules.

Accounts receivable are stated at the amount billed. Customer account balances with invoices dated over 90 days old are considered delinquent.

The carrying amount of accounts receivable may be reduced by an allowance that reflects management's best estimate of the amounts that will not be collected. Management individually reviews all accounts receivable balances that exceed 90 days from invoice date and based on an assessment of current creditworthiness, estimates the portion, if any, of the balance that will not be collected. At December 31, 2021 and 2020, management estimated that no reserve was required.

Note 1: Summary of Significant Accounting Policies (continued)

Inventory

Inventory is carried at the lower of cost or net realizable value. Cost is determined using the average cost method. Inventory consists principally of recorded versions of Alistair Begg's Bible teachings, books, and other materials for distribution to listeners of the radio broadcasts and website visitors. Management periodically reviews its inventory for excess and obsolescence. At December 31, 2021 and 2020, management estimated that a reserve of $35,147 and $43,383, respectively, was required.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Interest, dividends, realized and unrealized gains and losses, if any, and investment fees are included in investment income, net in the statements of activities. Cash flows from donated securities which are sold immediately are considered operating cash flows in the accompanying statements of cash flows.

Investment income, net consisted of the following for the years ended December 31:

	2021	2020
Interest and dividends	$ 22,628	$ 51,996
Net realized and unrealized loss	(7,141)	(17,535)
	$ 15,487	$ 34,461

Property and Equipment

The Organization's purchased equipment is carried at cost. Donated assets to be used in the ministry are capitalized at their fair market value on the date of the gift. Maintenance and repairs are charged to expense as incurred, whereas the cost of property and equipment additions and improvements are capitalized. The cost of assets sold, retired or abandoned, and the related amounts of accumulated depreciation are removed from the accounts in the year of disposition and any resultant gain or loss is recognized in the statement of activities.

Depreciation is provided on the straight-line basis over the estimated useful lives of the assets as follows:

Land improvements	20 years
Building and improvements	25 – 40 years
Furniture and equipment	3 – 15 years

Note 1: Summary of Significant Accounting Policies (continued)

Income Taxes

The Organization is tax-exempt, under Section 501(c)(3) of the Internal Revenue Code of 1986. No provision for federal or state income taxes has been reported in its financial statements.

The Organization accounts for income taxes in accordance with the "Income Taxes" topic of the FASB ASC. Uncertain income tax positions are evaluated at least annually by management. As of December 31, 2021 and 2020, the Organization has identified no uncertain income tax positions and has incurred no amounts for income tax penalties and interest for the years then ended.

The Organization files its Federal Form 990 in the U.S. federal jurisdiction and a state registration in the office of the state's attorney general for the State of Ohio.

Contributed Services

The Organization recognizes contributions of services received when those services (1) create or enhance nonfinancial assets or (2) require specialized skills that are provided by individuals possessing those skills, and would typically need to be purchased if not provided by the donation. Donated contributions of services were recognized in the amount of $-0- and $5,488 for the years ended December 31, 2021 and 2020, respectively.

Many volunteers have contributed significant amounts of their time to the Organization. The volunteer assistance is used primarily in assembling materials for sale and for processing orders. No amounts have been reflected in the financial statements for these contributed services. The value of these donated services is not recorded because the services do not meet the criteria for recording as outlined above.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases* (ASU 2016-02). The new standard establishes a right-of-use model that requires a lessee to record a right-of-use asset and a lease liability on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statements of activities and functional expenses. FASB issued ASU 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842),* that deferred the effective date for the Organization until annual periods beginning after December 15, 2021.

Note 1: Summary of Significant Accounting Policies (continued)

Recent Accounting Pronouncements (continued)

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which clarifies the presentation of contributed nonfinancial assets as a separate line item in the statement of activities and enhances disclosure requirements. This ASU is effective for fiscal years beginning after June 15, 2021, and interim periods within fiscal years beginning after June 15, 2022.

Management is currently evaluating the impact of these ASUs on its financial statements.

Subsequent Events

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through March 29, 2022, the date the financial statements were available to be issued.

Note 2: Fair Value Measurements

In accordance with the "Fair Value Measurements" topic of the FASB ASC, the Organization uses a three-level fair value hierarchy that categorizes assets and liabilities measured at fair value based on the observability of the inputs utilized in the valuation. This hierarchy prioritizes the inputs into three broad levels as follows: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly; and Level 3 inputs are unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own valuation assumptions. These inputs reflect management's judgment about the assumptions that a market participant would use in pricing the asset, and are based on the best available information which has been internally developed.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2021 and 2020.

Money market funds: Valued at amortized cost, which approximates fair value.

Mutual funds: Valued at the daily closing price as reported by the fund. The money market mutual fund held by the Organization is an open-end fund that is registered with the Securities and Exchange Commission. This fund is required to publish its daily net asset value and to transact at that price. The money market mutual fund held by the Organization is deemed to be actively traded.

Note 2: Fair Value Measurements (continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value:

	Level 1	Level 2	Level 3	2021
Money market funds	$ 4,319,584	$ -	$ -	$ 4,319,584
Mutual funds- equities	2,027,764	-	-	2,027,764
Mutual funds- fixed income and preferred securities	7,987,392	-	-	7,987,392
	$ 14,334,740	$ -	$ -	$ 14,334,740

	Level 1	Level 2	Level 3	2020
Money market funds	$ 102,618	$ -	$ -	$ 102,618
Money market mutual fund	982,536	-	-	982,536
Bond mutual fund	4,446,657	-	-	4,446,657
	$ 5,531,811	$ -	$ -	$ 5,531,811

At December 31, 2021 and 2020, the Organization had $-0- and $2,000,000, respectively, of funds in transit from their operating cash account to their investment account. These funds are included with investments in the accompanying statements of financial position.

Note 3: Net Assets with Donor Restrictions

Net assets with donor restrictions are available for the following purposes as of December 31:

	2021	2020
IT Integration project	$ -	$ 50,000
Total net assets with donor restrictions	$ -	$ 50,000

Net assets were released from time and/or donor restrictions during the years ended 2021 and 2020 by incurring expenses satisfying the restricted purpose specified by the donors as follows:

	2021	2020
IT Integration project	$ 50,000	$ -
Studio Refresh project	-	65,000
Total net assets released from restriction	$ 50,000	$ 65,000

Note 4: Obligations Under Leases

The Organization leases equipment under capital and operating lease agreements. The equipment secures the leases. The following is a schedule of future minimum lease payments under capital lease agreements:

2022	$ 24,292
2023	17,104
2024	8,956
2025	8,210
Future minimum lease payments	58,562
Less amount representing interest	(1,870)
Net present value of minimum lease payments	56,692
Less amount due within one year	(22,547)
Amount due in greater than one year	$ 34,145

Fixed assets include the following amounts for equipment under capital leases:

	2021	2020
Fixed assets	$ 297,770	$ 263,610
Accumulated depreciation	(251,893)	(200,078)
	$ 45,877	$ 63,532

Amortization of the fixed assets held under capital leases is included in depreciation expense.

The Organization leases certain equipment for use in its operations pursuant to operating lease agreements. Total lease and rental expenses were $19,717 and $22,792 for the years ended December 31, 2021 and 2020, respectively.

Future minimum lease payments under noncancelable operating leases with terms greater than one year are as follows for the years ending December 31:

2022	$ 6,096
2023	6,096
Total future minimum operating lease payments	$ 12,192

Note 5: Commitments

The cost of radio airtime was $5,617,652 and $5,357,523 for the years ended December 31, 2021 and 2020, respectively. Approximately 48% of over 1,900 radio stations account for approximately 87% of these costs. The contracts with those radio stations are cancelable with 30 days' notice.

Note 6: Related-Party Transactions

Expenses related to the Christmas concert held at Parkside Church were $84,678 for the year ended December 31, 2020. The Christmas concert was not held in fiscal 2021.

The Organization received approximately $25,000 and $25,000 in contributions from Parkside Church during the years ended December 31, 2021 and 2020, respectively. The Organization received $59,757 and $63,212 in livestream cost reimbursements from Parkside Church during the years ended December 31, 2021 and 2020, respectively.

The Organization received approximately $325,000 and $85,000 in contributions from members of the Board of Directors and the entities with which members of the Board of Directors are affiliated during the years ended December 31, 2021 and 2020, respectively.

Note 7: Retirement Plan

The Organization participates in the Truth For Life Retirement Plan (the "Plan"). The Plan covers all employees over the age of 18 who normally work at least 20 hours per week. All contributions and earnings are fully vested after three years of employment. Each participant may elect to defer a portion of their annual compensation up to the amounts allowed by law. The Organization matches 50% of the first 10% of deferrals made by employees. The Organization may also make discretionary contributions to the Plan. During the years ended December 31, 2021 and 2020, expense related to the matching and employer contributions to the Plan totaled $183,236 and $174,145, respectively.

Note 8: Allocation of Joint Activities Costs

For the years ended December 31, 2021 and 2020, Truth For Life incurred costs for producing and distributing their radio programming as well as direct mailings to listeners. These materials included: information, materials, and activities that included fundraising appeals. These costs were allocated to fundraising, management and general and program services as follows:

Note 8: Allocation of Joint Activities Costs (continued)

	2021	2020
Fundraising	$ 544,842	$ 492,381
Management and general	982,681	902,314
Program services	10,612,891	9,733,691
Total joint activities costs	$ 12,140,414	$ 11,128,386

Note 9: Functional Expenses

The statement of functional expenses presents expenses by functional and natural classification. Expenses directly attributable to program services, general and administrative, and fundraising are reported as expenses of those functional areas. Payroll expenses have been allocated between program, general and administrative, and fundraising functions based on job roles. Other indirect expenses have been allocated to functional areas on the basis of payroll per functional area as a percentage of total payroll costs.

Note 10: Liquidity and Availability of Resources

The Organization's financial assets available within one year of December 31 for general expenditure are as follows:

	2021	2020
Cash and cash equivalents	$ 2,855,767	$ 3,571,889
Investments	14,334,740	7,531,811
Accounts receivable	19,963	47
	17,210,470	11,103,747
Less amounts unavailable:		
Board-designated – Operating Fund	(5,000,000)	(5,000,000)
Board-designated – Facilities Fund	(1,378,635)	(1,290,481)
	(6,378,635)	(6,290,481)
Total financial assets available within one year	$ 10,831,835	$ 4,813,266

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Additionally, the Board of Directors, at its discretion, may repurpose Board-designated funds for the purpose of general expenditures.