

LifeChurch.tv

Statements of Activities (unaudited)

For the Nine Months Ending September 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
UNRESTRICTED NET ASSETS		
Contributions	\$37,062,182	\$26,890,963
Other income	718,550	463,480
Net assets released from restrictions	5,768,594	2,372,065
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TOTAL CONTRIBUTIONS AND REVENUE	43,549,326	29,726,508
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EXPENSES:		
Program expenses:		
Campus and central operations	8,368,973	6,058,904
Weekend experiences	5,664,211	4,474,308
LifeKIDS	2,540,212	2,127,931
YouVersion	2,402,654	0 *
LifeYouth	1,583,103	1,255,185
LifeGroups	1,252,757	1,090,730
Digital missions	1,207,602	2,089,531
Compassion	1,198,452	1,289,188
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TOTAL PROGRAM EXPENSES	24,217,964	18,385,777
Supporting expenses:		
Technology and logistics	1,263,912	1,018,856
Human resources	916,919	765,233
Financial operations	733,714	628,546
Depreciation and amortization	1,932,672	1,913,260
Interest	1,128,302	1,213,719
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TOTAL SUPPORTING EXPENSES	5,975,519	5,539,614
Other income (expense): Net realized gains (losses)	1,316,604	(56,888)
CHANGE IN UNRESTRICTED NET ASSETS	14,672,447	5,744,229
TEMPORARILY RESTRICTED NET ASSETS		
Contributions (cash and noncash)	5,770,131	2,409,014
Net assets released from restrictions	(5,768,594)	(2,372,065)
Change in fair value of temporarily restricted investments	2,571	(1,033)
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CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	4,108	35,916
TOTAL CHANGE IN NET ASSETS	14,676,555	5,780,145
NET ASSETS, beginning of year	38,541,785	28,903,151
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NET ASSETS, end of year	\$53,218,340	\$34,683,296
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*In 2010, YouVersion expenses were included as a component of Digital Missions.

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Statements of Financial Position (unaudited)

September 30, 2011 and January 1, 2011

	<u>09/30/11</u>	<u>01/01/11</u>
ASSETS		
CURRENT ASSETS		
Cash	\$1,868,112	\$3,836,638
Short-term investments	6,294,865	6,615,353
Accounts receivable	56,427	83,014
Other current assets	64,896	82,759
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TOTAL CURRENT ASSETS	8,284,300	10,617,764
INVESTMENTS	4,046,679	4,408,623
BENEFICIAL INTEREST IN ASSETS HELD BY OTHERS	39,467	35,359
ASSETS HELD FOR SALE	810,000	2,107,470
PROPERTY AND EQUIPMENT, net	52,952,855	45,801,940
OTHER ASSETS, net	305,546	382,591
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TOTAL ASSETS	<u>\$66,438,847</u>	<u>\$63,353,747</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$188,064	\$642,709
Accrued liabilities	1,397,785	1,927,232
Current portion of capital leases payable	0	175,434
Current portion of notes payable	428,694	555,680
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TOTAL CURRENT LIABILITIES	2,014,543	3,301,055
LONG-TERM LIABILITIES		
Capital leases payable, less current portion	0	64,728
Notes payable, less current portion	11,205,964	21,446,179
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TOTAL LONG-TERM LIABILITIES	11,205,964	21,510,907
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TOTAL LIABILITIES	13,220,507	24,811,962
NET ASSETS		
Unrestricted	53,178,873	38,506,426
Temporarily restricted	19,467	15,359
Permanently restricted	20,000	20,000
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TOTAL NET ASSETS	53,218,340	38,541,785
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TOTAL LIABILITIES AND NET ASSETS	<u>\$66,438,847</u>	<u>\$63,353,747</u>



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STATEMENTS OF ACTIVITIES

For the Nine Months Ending September 30, 2011 and 2010

- Unrestricted contributions increased approximately 38% from 2010 to 2011. By comparison, average weekly attendance increased approximately 21% over the same period, from approximately 32,000 to approximately 39,000. This increase is attributable, in part, to improvements in the local economies of the communities in which LifeChurch.tv campuses are located. Net assets released from restrictions, which consists of giving designated for Spaces and Places, Digital Missions, YouVersion and Compassion, increased approximately 143% from 2010 to 2011. This increase is primarily attributable to an initiative to promote Spaces and Places giving and gifts received for initiatives to expand YouVersion development.
- Total expenses increased approximately 26% from 2010 to 2011, following an approximate 21% increase in attendance and the added launch and operating expenses of one new campus launched in June 2011. Excluding the increases generated by this new campus, total expenses increased approximately 21%.
- Approximately 11% of total revenue is “sent out,” or invested in opportunities outside our existing physical campuses, through our Compassion, YouVersion and Digital Missions ministries.



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STATEMENTS OF FINANCIAL POSITION (BALANCE SHEETS)

As of September 30 and January 1, 2011

- Current assets decreased approximately \$2.3 million from January 1, consisting primarily of investments in fixed assets and debt repayments, offset by positive cash flows from operating activities, as well as changes in other current assets and liabilities.
- Property and equipment increased approximately \$9.1 million (before change in accumulated depreciation of approximately \$1.9 million) from January 1 to September 30. This increase represents investments in fixed assets, of which all were funded with cash. Investments in property and equipment during the period consisted primarily of the renovation of a building for a campus in Midwest City, Oklahoma, facility renovations for the Edmond, Oklahoma campus, the purchase of a building for a campus in Broken Arrow, Oklahoma and the construction of a building for the Wellington, Florida campus.
- Total liabilities decreased approximately \$11.6 million from January 1 to September 30. No new debt was incurred during the period. Debt repayments totaled approximately \$10.6 million, including the pay down of notes payable, the early pay-off of three capital leases, and scheduled repayments on remaining notes. The decrease in debt was combined with a decrease in Accounts Payable and Accrued Liabilities of approximately \$984,000.