

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

FINANCIAL STATEMENTS

**YEARS ENDED
JUNE 30, 2024 AND 2023**

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, 2024 and 2023, 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, 2024 and 2023, 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.

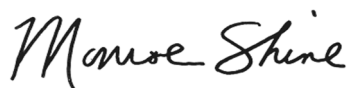
Auditor's Responsibilities for the Audit of the Financial Statements

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
November 12, 2024

SHIVELY AREA MINISTRIES, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

	ASSETS	
	<u>2024</u>	<u>2023</u>
CURRENT ASSETS		
Cash	\$ 306,839	\$ 541,985
Certificates of deposit	126,954	-
Grants receivable	103,646	144,690
Contributions receivable	10,000	12,500
Donated food and other in-kind inventory	9,423	10,609
Investments	525,145	467,910
Prepaid expenses	17,545	15,734
Total Current Assets	1,099,552	1,193,428
OTHER ASSETS		
Contributions receivable, net	-	12,500
Total Other Assets	-	12,500
PROPERTY AND EQUIPMENT		
Building	725,280	708,747
Furniture and equipment	80,639	48,052
	805,919	756,799
Less accumulated depreciation	(503,756)	(469,672)
Net Property and Equipment	302,163	287,127
TOTAL ASSETS	\$ 1,401,715	\$ 1,493,055
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 11,155	\$ 3,780
Deferred revenue	24,425	17,190
Accrued expenses	17,668	19,179
Total Current Liabilities	53,248	40,149
NET ASSETS		
Without donor restrictions	664,295	718,863
Without donor restrictions - board designated	525,145	467,910
With donor restrictions	159,027	266,133
Total Net Assets	1,348,467	1,452,906
TOTAL LIABILITIES AND NET ASSETS	\$ 1,401,715	\$ 1,493,055

See notes to financial statements.

SHIVELY AREA MINISTRIES, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2024 AND 2023

	2024			2023		
	Without donor restrictions	With donor restrictions	Totals	Without donor restrictions	With donor restrictions	Totals
REVENUES AND SUPPORT						
Public support	\$ 314,067	\$ 3,095	\$ 317,162	\$ 273,182	\$ 88,522	\$ 361,704
Fundraising, net of event expenses (\$26,221 and \$22,356 in fiscal years 2024 and 2023, respectively)	45,663	-	45,663	52,334	-	52,334
In-kind donated food	52,510	-	52,510	48,078	-	48,078
Other in-kind	18,030	-	18,030	6,672	-	6,672
Governmental grants	84,700	-	84,700	84,700	-	84,700
Organizational grants	139,070	67,861	206,931	133,191	81,678	214,869
Organizational support	29,647	-	29,647	37,375	-	37,375
Other income	21,401	-	21,401	6,522	-	6,522
Net investment return	57,234	-	57,234	34,012	-	34,012
Interest income	2,761	-	2,761	337	-	337
Net assets released from restrictions	178,062	(178,062)	-	133,499	(133,499)	-
Total Revenues and Support	943,145	(107,106)	836,039	809,902	36,701	846,603
EXPENSES						
Program services	794,687	-	794,687	752,898	-	752,898
Management and general	68,266	-	68,266	65,209	-	65,209
Fundraising	77,525	-	77,525	69,557	-	69,557
Total Expenses	940,478	-	940,478	887,664	-	887,664
Change in Net Assets	2,667	(107,106)	(104,439)	(77,762)	36,701	(41,061)
Net Assets at Beginning of Year	1,186,773	266,133	1,452,906	1,264,535	229,432	1,493,967
Net Assets at End of Year	\$ 1,189,440	\$ 159,027	\$ 1,348,467	\$ 1,186,773	\$ 266,133	\$ 1,452,906

See notes to financial statements.

SHIVELY AREA MINISTRIES, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2024 AND 2023

	2024				2023			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
DIRECT ASSISTANCE								
Utility assistance	\$ 182,381	\$ -	\$ -	\$ 182,381	\$ 197,181	\$ -	\$ -	\$ 197,181
Housing assistance	91,925	-	-	91,925	71,477	-	-	71,477
Food distributed	76,454	-	-	76,454	68,544	-	-	68,544
Winter help expenses	24,761	-	-	24,761	22,837	-	-	22,837
Kids programs	11,322	-	-	11,322	4,102	-	-	4,102
Transportation	3,525	-	-	3,525	4,000	-	-	4,000
Education and empower expenses	3,219	-	-	3,219	3,878	-	-	3,878
Medical assistance	3,148	-	-	3,148	4,068	-	-	4,068
COVID assistance	1,472	-	-	1,472	849	-	-	849
Other assistance	308	-	-	308	720	-	-	720
Total Direct Assistance	398,515	-	-	398,515	377,656	-	-	377,656
ADMINISTRATIVE EXPENSES								
Salaries and wages	198,194	33,719	57,856	289,769	205,552	36,858	52,729	295,139
Professional fees	51,508	12,877	-	64,385	42,581	10,645	-	53,226
Employee benefits	32,582	5,543	9,511	47,636	30,051	5,389	7,709	43,149
Depreciation	32,867	2,348	-	35,215	31,017	2,215	-	33,232
Office supplies	19,458	4,170	-	23,628	18,911	3,965	-	22,876
Payroll taxes	15,190	2,584	4,434	22,208	15,681	2,812	4,023	22,516
Utilities	12,787	913	-	13,700	14,153	1,011	-	15,164
Other operating expenses	11,182	2,363	-	13,545	2,837	177	-	3,014
Repairs and maintenance	9,404	2,351	-	11,755	4,260	1,065	-	5,325
Insurance	7,892	564	-	8,456	7,175	513	-	7,688
Fundraising supplies	-	-	4,292	4,292	-	-	4,115	4,115
Volunteer appreciation	3,078	-	-	3,078	2,195	-	-	2,195
Public relations	-	-	1,432	1,432	-	-	981	981
Bank charges	1,030	343	-	1,373	829	276	-	1,105
Bad debt expense	1,000	-	-	1,000	-	-	-	-
Membership fees	-	491	-	491	-	283	-	283
Total Administrative Expenses	396,172	68,266	77,525	541,963	375,242	65,209	69,557	510,008
Total Functional Expenses	\$ 794,687	\$ 68,266	\$ 77,525	\$ 940,478	\$ 752,898	\$ 65,209	\$ 69,557	\$ 887,664

See notes to financial statements.

SHIVELY AREA MINISTRIES, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
OPERATING ACTIVITIES		
Change in net assets	\$ (104,439)	\$ (41,061)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	35,215	33,232
Donated property and equipment	(7,800)	-
Gains on investments	(46,874)	(23,352)
(Increase) decrease in assets:		
Grants receivable	41,044	(27,690)
Prepaid expenses	(1,811)	(3,254)
Donated food inventory	1,186	10,828
Contributions receivable	15,000	10,000
Increase (decrease) in liabilities:		
Accounts payable	7,375	1,780
Deferred revenue	7,235	(7,474)
Accrued expenses	(1,511)	(235)
Net Cash Used In Operating Activities	<u>(55,380)</u>	<u>(47,226)</u>
INVESTING ACTIVITIES		
Purchases of investments	(10,361)	(10,660)
Purchase of property and equipment	(42,451)	(1,681)
Net Cash Used In Investing Activities	<u>(52,812)</u>	<u>(12,341)</u>
Net Decrease in Cash and Cash Equivalents	(108,192)	(59,567)
Cash and Cash Equivalents at beginning of year	<u>541,985</u>	<u>601,552</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 433,793</u></u>	<u><u>\$ 541,985</u></u>

See notes to financial statements.

SHIVELY AREA MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

(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, 2024, the Organization had \$22,552 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, 2024 and 2023.

SHIVELY AREA MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2024 AND 2023

(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, and reasonable and supportable forecasts, estimates the portion, if any, of the balance that will not be collected. Estimated uncollectible accounts increase the allowance for expected credit losses and when the accounts receivable are written off, the allowance for expected credit losses 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 10 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, 2024 AND 2023

(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, 2024, 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, 2024 AND 2023

(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>2024</u>	<u>2023</u>
Cash	\$ 306,839	\$ 541,985
Certificates of deposit	126,954	-
Grants receivable	103,646	144,690
Contributions receivable	10,000	25,000
Investments	525,145	467,910
	<u>1,072,584</u>	<u>1,179,585</u>
Less net assets with donor restrictions	(149,027)	(253,633)
Less board designated net assets	<u>(525,145)</u>	<u>(467,910)</u>
	<u><u>\$ 398,412</u></u>	<u><u>\$ 458,042</u></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 \$525,145 and \$467,910 at June 30, 2024 and 2023, 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, 2024 AND 2023

(3 – continued)

The following is a summary of the Organization's investments held as of June 30, 2024 and 2023:

	Cost	Net Appreciation (Depreciation) in Fair Value of Assets	Fair Value
June 30, 2024:			
Kentucky Baptist Foundation			
Equity Fund	\$ 305,603	\$ 53,036	\$ 358,639
Fixed Income Fund	166,506	-	166,506
	<u>\$ 472,109</u>	<u>\$ 53,036</u>	<u>\$ 525,145</u>
June 30, 2023:			
Kentucky Baptist Foundation			
Equity Fund	\$ 219,974	\$ 16,388	\$ 236,362
Fixed Income Fund	245,401	(13,853)	231,548
	<u>\$ 465,375</u>	<u>\$ 2,535</u>	<u>\$ 467,910</u>

(4) **CONTRIBUTIONS RECEIVABLE**

An unrestricted promise to give was received during the year ended June 30, 2022. The balance of this promise is included in the financial statements as contributions receivable and revenue of the appropriate net asset category.

At June 30, 2024 and 2023, contributions receivable consisted of the following and are expected to be realized in the following periods:

	<u>2024</u>	<u>2023</u>
Amounts due in:		
Less than one year	\$ 10,000	\$ 12,500
One to five years	-	12,500
	<u>\$ 10,000</u>	<u>\$ 25,000</u>
Net contributions receivable	<u>\$ 10,000</u>	<u>\$ 25,000</u>

SHIVELY AREA MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2024 AND 2023

(5) 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 \$525,145 and \$467,910 at June 30, 2024 and 2023, respectively.

(6) NET ASSETS WITH DONOR RESTRICTIONS

At June 30, 2024 and 2023, net assets with donor restrictions consisted of the following:

	<u>2024</u>	<u>2023</u>
Relatives raising kids	\$ 65,435	\$ 85,298
Utility assistance	51,099	67,728
Financial assistance	15,000	28,125
Restricted due to time	10,000	25,000
Food programs	7,825	11,803
Rent assistance	5,000	5,000
Other program services	4,668	30,379
Housing assistance	-	12,800
	<hr/>	<hr/>
	<u><u>\$ 159,027</u></u>	<u><u>\$ 266,133</u></u>

(7) CONCENTRATION

For the year ended June 30, 2024, approximately 10% of revenue was from one donor. For the year ended June 30, 2023, approximately 22% of revenue was from two donors.

(8) 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 \$4,824 and \$5,965 for the years ended June 30, 2024 and 2023, 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, 2024 AND 2023

(9) GIFTS IN KIND

The Organization received gifts in kind for the years ended June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Food inventory	\$ 52,510	\$ 48,078
Gift cards	2,910	125
Property and equipment	7,800	-
Information technology services	7,000	6,067
Miscellaneous	320	480
	<hr/>	<hr/>
Total gifts in kind	<u><u>\$ 70,540</u></u>	<u><u>\$ 54,750</u></u>

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 \$52,510 and \$48,078 for the years ended June 30, 2024 and 2023, 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 \$2,910 and \$125 for the years ended June 30, 2024 and 2023, 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 \$7,000 and \$6,067 for the years ended June 30, 2024 and 2023, respectively. The information technology services provided routine maintenance and support services for the Organization.

The Organization received donated property and equipment with an estimated fair market value of \$7,800 for the year ended June 30, 2024. These items were part of the installation of a new server.

The Organization received miscellaneous donated items with an estimated fair market value of \$320 and \$480 for the years ended June 30, 2024 and 2023, respectively. These items were distributed to low-income individuals and families in the area.

(10) 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, 2024 AND 2023

(10 – 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, 2024:					
<i>Assets Measured on a Recurring Basis</i>					
Investments:					
Kentucky Baptist Foundation					
Equity Fund	\$ -	\$ 358,639	\$ -	\$ 358,639	
Kentucky Baptist Foundation					
Fixed Income Fund	-	166,506	-	166,506	
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	

SHIVELY AREA MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2024 AND 2023

(10 – 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, 2024.

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.

(11) **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 November 12, 2024 the date these financial statements were available to be issued.