

ABCUSA MATTHEW 25 GRANT APPLICATION

A generous donor has given a sum of money through American Baptist Churches USA to be used for programs that address *"housing, feeding, education and health with regard to the less fortunate."* The donor's primary concern is to help ameliorate poverty. ABCUSA will distribute grants of up to \$5,000 semi-annually as long as the generosity of this donor continues. A panel will select recipients largely based on the degree to which the funds will be used to directly assist persons in poverty. Ministries must be in relationship with American Baptist Churches USA to be eligible to apply.

1. General Information:

Organization Name: Norristown Ministries Inc. Hospitality Center

Affiliation with ABCUSA: Three of 24 Founding Congregations were ABC; and five of 30 currently supporting congregations are ABC. Present ED is ABC Ordained, and one of Founding Pastors.

Address: 530 Church Street, 1st floor
Norristown, PA 19401-4825

Phone: 610-277-1321


Federal Tax ID#: 22-2505101

Contact person: Rev. Mr. Kim Egolf-Fox

Email: director@hospitalitycenter.org

2. Please submit with your application a copy of:
 - Your mission statement
 - Your most recent annual report or audited financial statement
3. How do you plan to use the requested funds? How will the funds specifically assist individuals battling poverty and its effects? (Please submit on separate sheet. Maximum of one page.)
4. **Total cost of the project:** \$9,300
5. **Amount being requested from the ABCUSA Matthew 25 Grant:** \$3,300
6. **Your other funding source(s):** NMIHC FY13 Budget, which is being overspent by 55% due to increased attendance by new clients, resulting in increased expenses for food and food supplies (cups, plates, dish soap, etc.).

I certify that all the information submitted with this application is true and correct, and that we will use any granted funds as described. We will supply a 1-page report on the use of the funds and a photo within six months of receipt of the grant.

(Signed)  Date 2-26-2013

Printed Name/Title: Kim Egolf-Fox, Executive Director

Please note:

- Incomplete applications will not be considered.
- Recipients agree to share their stories via the ABCUSA website.
- Application deadline is March 1 for grants distributed on April 15; Sept. 1 for grants distributed on Oct. 15
- Completed applications should be sent to:
Mission Resource Development
American Baptist Churches USA
P.O. Box 851
Valley Forge, PA 19482-0851
Or emailed to: Beth.Fogg@abc-usa.org



Matthew 25 ABC Grant

2.26.13

Norristown Ministries Inc. Hospitality Center

Mission Statement

To be an instrument of God's love by serving the poor and homeless through advocacy, support, and the continuum of care.

Use of Funds

The Center, a homeless day shelter, is the only place in Norristown where the poor and homeless can get a free breakfast six days a week beginning at 7:00 am.

In 2011, the Center served 20,000 breakfasts. In 2012, the Center served 22,000 breakfasts; with 1,000 more breakfasts served in the latter half of the year compared to the first half. These meals are sustaining clients' lives, all of which live below the Federal Poverty Level.

The drastic increase in attendance, and in the demand for food, has occurred after the Board passed this fiscal year's budget. The fiscal year ends June 30.

Each breakfast costs \$0.40, which is only possible because this ministry is heavily subsidized by donations as well as donated labor. A grant of \$3,300 would be used for the purchase of additional food and food supplies (cups, plates, dish soap, etc.) to keep pace with the increased demands, until a new budget is passed.

The chart below compares the last two years in the following categories (left to right). YEAR; NUMBER OF DAYS THE CENTER WAS OPEN; NUMBER OF PERSONS TO WHOM THE CENTER PROVIDED SHELTER; AVERAGE NUMBER PER DAY TO WHOM SHELTER WAS PROVIDED; NUMBER OF BREAKFASTS SERVED; AVERAGE ATTENDANCE PER DAY FOR BREAKFAST; AVERAGE PERCENT OF TOTAL ATTENDANCE THAT ATE BREAKFAST; NUMBER OF DAYS ATTENDANCE WAS 100 OR MORE; NUMBER OF DAYS ATTENDANCE WAS 90 OR MORE; PERCENT OF DAYS IN THE YEAR WITH ATTENDANCE AT 90 OR ABOVE; HIGH ATTENDANCE MARK FOR THE YEAR, AND LOW ATTENDANCE MARK FOR THE YEAR.

Note that in every category but one, every number increased in 2012 over 2011.

YEAR	DAYS	SHELT	AVE S	BREAK	AVE B	% B	100 or>	90 or>	90 or>	HI	LO
2011	309	25,614	83	19,853	64	79	37	57	30%	122	30
2012	313	28,258	90	22,458	72	78	78	80	50%	129	33

NORRISTOWN MINISTRIES, INC.

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2012

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Independent Auditor's Report

Board of Directors
Norristown Ministries, Inc.

I have audited the accompanying statements of financial position of Norristown Ministries, Inc. (a non-profit organization) as of June 30, 2012 and the related statements of activities and of cash flows, for the years then ended. The financial statements are the responsibility of the Organization's management. My responsibility is to express an opinion on the financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Norristown Ministries, Inc. as of June 30, 2012, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



September 10, 2012

NORRISTOWN MINISTRIES, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2012

ASSETS

Cash and cash equivalents	\$ 104,414
Receivables	20,110
Prepaid expenses	<u>1,000</u>
Total current assets	<u>125,524</u>
 Computer equipment	 15,462
Leasehold improvements	<u>15,062</u>
	30,524
 Less: Accumulated depreciation	 <u>19,632</u>
	<u>10,892</u>
	 <u><u>\$ 136,416</u></u>

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts payable	\$ 1,548
Deferred revenue	5,000
Accrued payroll	<u>3,606</u>
Total liabilities	<u>10,154</u>
 Net assets:	
Unrestricted	118,962
Temporarily restricted	<u>7,300</u>
Total net assets	<u>126,262</u>
	 <u><u>\$ 136,416</u></u>

See notes to financial statements.

NORRISTOWN MINISTRIES, INC.
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2012

Unrestricted:	
Revenues:	
Congregations	\$ 43,153
Groups & Corporations	28,719
Individuals	58,400
Foundations	43,725
Other	3,095
In-kind contributions	66,010
Net assets released from restrictions	<u>0</u>
Total revenues	<u>243,102</u>
Expenses:	
Program expenses	233,365
Support services:	
Management and general	16,637
Fundraising	<u>30,988</u>
Total expenses	<u>280,990</u>
Decrease in unrestricted net assets	<u>(37,888)</u>
Temporarily restricted:	
Contributions	7,300
Net assets released from restrictions	<u>0</u>
Increase in temporarily restricted net assets	<u>7,300</u>
Decrease in net assets	(30,588)
Net assets at beginning of year	<u>156,850</u>
Net assets at end of year	<u>\$ 126,262</u>

See notes to financial statements.

NORRISTOWN MINISTRIES, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2012

	Program Services	Support Services	Fundraising Expenses	Total
Salaries	\$ 94,800	\$ 5,510	\$ 22,040	\$ 122,350
Employee benefits	5,919	968	3,873	10,760
Payroll taxes, etc.	<u>5,149</u>	<u>299</u>	<u>1,197</u>	<u>6,645</u>
Total salaries and related expenses	105,868	6,777	27,110	139,755
Professional fees	0	4,113	0	4,113
Supplies	13,925	0	0	13,925
Telephone	3,134	146	364	3,644
Postage and shipping	1,016	58	93	1,167
Occupancy	26,112	2,975	666	29,753
Office supplies	7,898	449	628	8,975
Computer	3,179	187	374	3,740
Repairs	0	646	0	646
Other expenses	5,372	234	1,685	7,291
In-kind contributions expended	66,010	0	0	66,010
Depreciation of buildings and equipment	<u>851</u>	<u>1,052</u>	<u>68</u>	<u>1,971</u>
Total functional expenses	<u>\$ 233,365</u>	<u>\$ 16,637</u>	<u>\$ 30,988</u>	<u>\$ 280,990</u>

See notes to financial statements.

NORRISTOWN MINISTRIES, INC.
STATEMENTS OF CASH FLOWS
JUNE 30, 2012

Cash flows from operating activities:	
Decrease in net assets	\$(30,588)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:	
Depreciation	1,971
(Increase) decrease in:	
Accounts receivable	(12,490)
Prepaid expenses	3,100
Increase (decrease) in:	
Accounts payable	530
Deferred revenue	5,000
Accrued expenses	<u>(572)</u>
Net cash used in operating activities	<u>(33,049)</u>
Cash flows from investing activities	
Purchase of fixed assets	<u>(9,674)</u>
Net cash used in investing activities	<u>(9,674)</u>
Cash flows from financing activities	<u>-</u>
Net decrease in cash	(42,723)
Cash and cash equivalents at beginning of year	<u>147,137</u>
Cash and cash equivalents at end of year	<u>\$ 104,414</u>

See notes to financial statements.

NORRISTOWN MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2012

1. **Nature of activities and summary of significant accounting policies:**

Nature of activities:

Norristown Ministries, Inc. is a non-profit corporation chartered in April 1983 for the purpose of promoting and developing the spiritual, physical, and mental welfare of the disadvantaged, underprivileged, or otherwise needy citizens of the Municipality of Norristown and its environs. The Organization provides full needs assessments ranging from counseling staff, counseling services, a referral service, a living skills program, job counseling and assistance. Shower facilities, clothing, personal hygiene items and other services are furnished to those in need.

Basis of accounting:

The accompanying financial statements are prepared on the accrual basis of accounting.

Property and equipment and depreciation and amortization:

Property and equipment are stated at cost. Expenditures for maintenance, repairs and renewals of a minor nature are charged against earnings as incurred. Major improvements and betterments are capitalized. Depreciation and amortization is provided by the use of the straight-line method over the estimated useful lives of the related assets.

Uses of estimates:

The preparation of financial statements in conformity 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 the 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.

Financial statement presentation:

The Organization has adopted FASB ASC 958-205, Presentation of Financial Statements. Under FASB ASC 958-205, the Organization is required to report information regarding its financial position and activities according to three classes of net assets; unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Organization is required to present a statement of cash flows. As permitted by the statement, the Organization does not use fund accounting.

NORRISTOWN MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEAR ENDED JUNE 30, 2012

1. **Nature of activities and summary of significant accounting policies - continued:**

Financial statement presentation – continued:

Contributions:

The Organization has also adopted FASB ASC 958-605 Accounting for Contributions Received and Contributions Made.” Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

Income Taxes:

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

Cash and cash equivalents:

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

2. **Property and equipment:**

Description	Estimated life range (years)	
Office equipment	5	\$ 15,462
Leasehold improvements	15	<u>15,062</u>
		30,524
Less accumulated depreciation		<u>19,632</u>
Net property and equipment		<u>\$ 10,892</u>

Depreciation expense for the year ended June 30, 2012 was \$1,971.

NORRISTOWN MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
YEAR ENDED JUNE 30, 2012

3. **Revenues:**

During the prior year the Organization received approximately \$100,000 from a bake sale conducted by one of its benefactors. The Organization expects to use these funds for operating purposes over the next four years starting in the current fiscal year.

4. **Donated services:**

Unpaid volunteers conduct a portion of the Organization's functions. These volunteers have provided 8,604 hours of contributed time during the year ended June 30, 2012. The value of this contributed time is not reflected in the accompanying financial statements as the volunteers' time does not meet criteria for recognition under SFAS No. 117.

5. **Related party transaction – Occupancy:**

The Organization currently rents offices and classrooms in Norristown, Pennsylvania. Rent expense for the year ended June 30, 2012 was \$ 12,000. Future minimum rental payments required under the operating lease at June 30, 2012 follows:

<u>Year Ending Jun 30,</u>	<u>Amount</u>
2013	\$ 12,000

Total occupancy costs for the years ended June 30, 2012 was \$ 29,753.

6. **Concentration of credit risk:**

The Organization maintains its cash and cash equivalents with a high quality financial institution. The balance is insured by the Federal Deposit Insurance Company ("FDIC") up to \$250,000. At June 30, 2012 all funds on deposit at the financial institution were covered by FDIC insurance.

7. **Subsequent events:**

In accordance with FASB Accounting Standards Codification Topic 855, Subsequent Events, the Company has evaluated subsequent events through September 10, 2012, which is the date these financial statements were available to be issued. All subsequent events requiring recognition as of June 30, 2012, have been incorporated into these financial statements herein.