

Barnabas Foundation, Inc.

Independent Auditors' Report and
Financial Statements
Year Ended September 30, 2020

KPM
CPAS & ADVISORS



Independent Auditors' Report

To the Board of Directors
Barnabas Foundation, Inc.
Springfield, Missouri

We have audited the accompanying financial statements of Barnabas Foundation, Inc., (a nonprofit corporation), which comprise the statement of financial position as of September 30, 2020, and the related statement of activities and net assets, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Barnabas Foundation, Inc., as of September 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

KPM CPAs, PC

KPM CPAs, PC
Springfield, Missouri
October 28, 2021

Barnabas Foundation, Inc.

Statement of Financial Position

September 30, 2020

Assets

Current Assets

Cash and cash equivalents	\$ 2,859,761
Accounts receivable, net	261,848
Inventories	29,131
Prepaid expenses	2,408
Assets available for sale	3,639,088
Total current assets	<u>6,792,236</u>

Property and Equipment

Cost	10,530,437
Less accumulated depreciation	4,226,102
Net property and equipment	<u>6,304,335</u>

Total assets

\$ 13,096,571

Liabilities and Net Assets

Current Liabilities

Debt maturing within one year	\$ 97,200
Obligation under capital lease	24,159
Accounts payable	55,342
Accrued expenses	133,560
Deferred revenue, net	1,415,249
Total current liabilities	<u>1,725,510</u>

Other Liabilities

Long-term debt	3,481,872
Obligation under capital lease	23,474
Total other liabilities	<u>3,505,346</u>

Net Assets

Net assets without donor restrictions	6,857,798
Net assets with donor restrictions	1,007,917
Total net assets	<u>7,865,715</u>

Total liabilities and net assets

\$ 13,096,571

The accompanying notes are an integral part of these financial statements

Barnabas Foundation, Inc.

Statement of Activities and Net Assets

Year Ended September 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and public support			
Donations	\$ 921,469	\$ 1,260,658	\$ 2,182,127
Program revenue	725,148	-	725,148
Special events	278,825	-	278,825
Merchandise sales	24,322	-	24,322
Interest income	5,367	-	5,367
Miscellaneous	423,506	-	423,506
Total revenues and public support	<u>2,378,637</u>	<u>1,260,658</u>	<u>3,639,295</u>
Net assets released from restrictions	<u>318,092</u>	<u>(318,092)</u>	<u>-</u>
Total revenues, public support, and reclassifications	<u>2,696,729</u>	<u>942,566</u>	<u>3,639,295</u>
Expenses			
Program services	2,423,449	-	2,423,449
Management and general	506,946	-	506,946
Fundraising	420,768	-	420,768
Total expenses	<u>3,351,163</u>	<u>-</u>	<u>3,351,163</u>
Other income (expense)			
Gain on disposition of property and equipment	3,094	-	3,094
Loss on reclassification of assets to available for sale	<u>(3,136,663)</u>	<u>-</u>	<u>(3,136,663)</u>
Total other expense	<u>(3,133,569)</u>	<u>-</u>	<u>(3,133,569)</u>
Increase (decrease) in net assets	(3,788,003)	942,566	(2,845,437)
Net assets - beginning of year	<u>10,645,801</u>	<u>65,351</u>	<u>10,711,152</u>
Net assets - end of year	<u><u>\$ 6,857,798</u></u>	<u><u>\$ 1,007,917</u></u>	<u><u>\$ 7,865,715</u></u>

The accompanying notes are an integral part of these financial statements

Barnabas Foundation, Inc.

Statement of Cash Flows

Year Ended September 30, 2020

Cash flows from (used in) operating activities

Decrease in net assets	\$ (2,845,437)
Adjustments	
Depreciation	420,056
Gain on disposition of property and equipment	(3,094)
Loss on reclassifications of assets to available for sale	3,136,663
Net change in operating accounts	
Accounts receivable	(231,225)
Inventories	(9,614)
Prepaid expenses	4,524
Accounts payable	(39,321)
Accrued expenses	110,322
Deferred revenue	1,052,787
Net cash from operating activities	<u>1,595,661</u>

Cash flows from (used in) investing activities

Acquisition of property and equipment	(221,677)
Proceeds from sale of property and equipment	15,500
Net cash used in investing activities	<u>(206,177)</u>

Cash flows from (used in) financing activities

Borrowing on long-term debt	357,100
Repayment of long-term debt	(88,994)
Principal payments under capital lease obligation	(22,869)
Net cash from financing activities	<u>245,237</u>

Net increase in cash and cash equivalents

	1,634,721
Cash and cash equivalents - beginning of year	<u>1,225,040</u>

Cash and cash equivalents - end of year

\$ 2,859,761

Supplemental disclosures for cash flow information

Cash paid during the year for interest	<u><u>\$ 151,953</u></u>
Schedule of non-cash donations	
Donated vehicle not for use in program	<u><u>\$ 35,000</u></u>

The accompanying notes are an integral part of these financial statements

Barnabas Foundation, Inc.

Statement of Functional Expenses

Year Ended September 30, 2020

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Salaries and benefits	\$ 948,614	\$ 259,173	\$ 275,720	\$ 1,483,507
Payroll taxes	68,377	18,682	19,874	106,933
Rent	1,050	30,000	-	31,050
Food and kitchen supplies	72,382	3,171	19,627	95,180
Merchandise	22,570	-	-	22,570
Repairs and maintenance	119,585	19,585	-	139,170
Advertising and promotion	19,516	887	1,101	21,504
Postage	3,558	3,195	4,654	11,407
Supplies	93,806	21,301	27,704	142,811
Insurance	165,315	18,368	-	183,683
Utilities	122,400	16,843	-	139,243
Computer and phone expense	54,061	29,922	14,218	98,201
Travel	80,746	6,180	2,175	89,101
Depreciation and amortization	378,050	42,006	-	420,056
Bad debt expense	26,961	-	-	26,961
Bank and credit card fees	37,272	6,603	8,015	51,890
Professional fees	15,812	16,516	5,292	37,620
Charitable contribution	2,000	-	-	2,000
Printing and copying	5,554	6,108	28,608	40,270
Interest	148,658	3,307	-	151,965
Dues and subscriptions	360	191	3,262	3,813
Miscellaneous	36,802	4,908	10,518	52,228
Total expenses	\$ 2,423,449	\$ 506,946	\$ 420,768	\$ 3,351,163

The accompanying notes are an integral part of these financial statements

Barnabas Foundation, Inc.

Notes to Financial Statements

Year Ended September 30, 2020

1. Summary of Significant Accounting Policies

Nature of business: Barnabas Foundation, Inc. (the Foundation) operates Camp Barnabas, a non-denominational Christian summer camp for children with chronic or terminal illnesses and their siblings. The camp is located in Purdy, Missouri. In addition, the Foundation operates Barnabas Prep, located in Branson, Missouri, an academic-year program that allows older students to grow in community living, independent living skills and to choose a vocational training track. The Foundation is primarily supported with donations and camp fees.

Accounting pronouncement adopted: During the year ended September 30, 2020, the Foundation adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers* (Topic 606), as amended. The ASU applies to exchange transactions with customers that are bound by contracts or similar arrangements and establishes a performance obligation approach to revenue recognition.

Revenue recognition: The Foundation recognizes revenue using the following methods:

Contributions: Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

Program revenues: Camper and missionary registration payments, Prep tuition, and retreat income and are recorded as revenue and are recognized when the related obligation is met. Program revenue received in advance is deferred to the applicable period in which the related revenues are performed, or expenditures are incurred, respectively. Economic factors such as changes in the economy and the number of registrants impact the nature, amount, timing and variability of revenues and cash flows. Deferred revenue is presented net of refunds issued.

Special events: Fundraising event revenue consists of event sponsorships and ticket sales. Event sponsorships result in minimal benefit to the sponsor. Therefore, payments are considered to be contributions. Ticket sales, which comprise both exchange and non-exchange transactions, are covered by FASB ASU Topic 606. Management has evaluated these exchange transactions by estimating the value of the goods received and has concluded the value to be immaterial.

Merchandise sales: Merchandise sales are conducted both in person while camp is in session and throughout the year on the Foundations' website. Management has concluded refunds of merchandise sales would be immaterial.

Basis of presentation: The Foundation is required to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets not subject to donor restrictions may be expended for any purpose in performing the primary objectives of the Foundation. These net

Barnabas Foundation, Inc.

Notes to Financial Statements

Year Ended September 30, 2020

assets may be used at the discretion of the Foundation's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors must be expended in accordance with donor restrictions. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The Foundation does not have any net assets with donor restrictions held in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or the purpose is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as net assets without donor restrictions.

Contributions of property and equipment or cash restricted to acquire property and equipment are reported as net assets with donor restriction if the donor has restricted the use of the property and equipment to a particular program. The Foundation considers the restriction met when the assets are placed in service.

Accounting estimates: Management uses estimates and assumptions in preparing these financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Receivables and credit policies: Accounts receivable are uncollateralized obligations for camp tuition and Barnabas Prep program fees. Unpaid balances at the end of the camp session and Barnabas Prep academic-year are considered delinquent. It is the Foundation's policy not to charge interest on past due accounts.

The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of the amounts that will not be collected. Management individually reviews all accounts receivable balances that remain after the camp season is closed and based on an assessment of current creditworthiness, estimates the portion, if any, of the balance that will not be collected.

Inventories: Inventories consist of food, clothing and various resale items and have been valued at the lower of cost or market as determined by the first-in first-out method.

Barnabas Foundation, Inc.

Notes to Financial Statements

Year Ended September 30, 2020

Property and equipment and related depreciation: Property and equipment has been stated at cost. Depreciation has been computed using the straight-line method over the following useful lives:

<u>Category</u>	<u>Estimated Life</u>
Transportation equipment	5 years
Equipment	5–15 years
Building and improvements	5–40 years

Acquisitions of property and equipment or repairs, maintenance or betterments that materially prolong the useful lives of assets in excess of \$5,000 are capitalized.

Paycheck Protection Program: During April 2020, the Foundation was granted a \$357,100 loan under the Paycheck Protection Program “PPP” administered by Arvest Bank, a Small Business Administration (SBA) approved partner. The loan is uncollateralized and is fully guaranteed by the Federal government. The loan was recorded as a financial liability in accordance with FASB ASC 835-30. The Foundation is eligible for loan forgiveness of up to 100% of the loan, as long as (1) the loan proceeds are used to cover payroll costs and certain other eligible costs over the covered period after the loan is made; and (2) employees and compensation levels are maintained. During the year ended September 30, 2020, the Foundation made payments on the PPP loan; however subsequent to year end, the full balance of \$357,100 was forgiven.

Functional allocation of expenses: The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis. All other costs have been directly applied.

<u>Expense</u>	<u>Method of Allocation</u>
Salaries, benefits, and payroll taxes	Time and effort
Travel	Full time equivalent
Depreciation and amortization	Square footage
Supplies	Full time equivalent
Office expenses	Full time equivalent
Insurance	Full time equivalent
Computer and phone expense	Full time equivalent
Utilities	Square footage

Advertising costs: The Foundation expenses non-direct response advertising costs as they are incurred.

Statement of cash flows: Cash equivalents include time deposits, certificates of deposit, money market funds, and all highly liquid debt instruments with maturities of six months or less at the date of their acquisition.

Fair value measurement: The definition of fair value focuses on the exit price (i.e., 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) not the entry price (i.e., the price that would be paid to acquire

Barnabas Foundation, Inc.

Notes to Financial Statements

Year Ended September 30, 2020

the asset or received to assume the liability at the measurement date). Fair value is a market-based measurement; not an entity-specific measurement. Therefore, the fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability.

Tax exempt status: The Foundation has been classified as an exempt organization under Internal Revenue Code Section 501(c)(3) and as a public charity qualified for charitable contributions under Internal Revenue Code Section 170.

The Foundation has analyzed the tax positions taken and has concluded that as of September 30, 2020, there are no uncertain positions taken, or expected to be taken, that would require recognition of an asset or liability or disclosure in the financial statements. A tax asset or liability would be recognized if the Foundation has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. The Foundation is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Foundation does not believe it likely that changes will occur within the next fiscal year that will have a material impact on the financial statements.

2. Risks and Uncertainties

During the year ended September 30, 2020, a strain of coronavirus was identified as a global pandemic and began affecting the health of large portions of the global population (COVID-19). The detrimental impact of this virus is not yet determinable, but will likely be significant for both the Foundation and the overall economy. The Foundation chose to cancel in-person camp for summer 2020 and transitioned to an online camper experience. The overall effects of COVID-19 on the Foundation are also not yet determinable, however COVID-19 has been identified as a significant risk and uncertainty that could impact future operations and result in changes in estimates and assumptions made in the financial statements.

Subsequent to year end, the Foundation obtained an additional \$357,160 in financing under the Paycheck Protection Program. The loan is subject to a note dated February 2021. The Foundation estimates the majority of the funds will be forgiven under the program. However, if any funds are not forgiven, the Foundation has five years to repay the remaining amount at a fixed interest rate of 1%.

3. Assets Available for Sale

During the year ended September 30, 2019, the board and management made the decision to not host camp at its Shell Knob, Missouri location and listed the camp real estate and equipment for sale. At September 30, 2020, assets available for sale presented in the accompanying statement of financial position includes the land, buildings, equipment, and furniture at the Shell Knob camp. During the year ended September 30, 2019, the Foundation recorded a total impairment of \$929,129, due to the write down of the long-lived assets to fair market value. See Note 14 for additional discussion regarding the disposition of this property.

Barnabas Foundation, Inc.

Notes to Financial Statements

Year Ended September 30, 2020

During December 2017, the Foundation received a property donation located in Stone County, Missouri with a fair market value of \$5,470,000. The property was held for investment and not placed in service. At September 30, 2020, assets available for sale presented in the accompanying statement of financial position includes this property's multiple structures, a children's playground, and a private boat dock on 106 acres of land. During the year ended September 30, 2020, the Foundation listed the property for sale for \$5,600,000; however at year end, the Foundation recorded a total impairment of \$3,136,663, due to the write down of the long-lived asset to fair market value. See Note 14 for additional discussion regarding the disposition of this property.

4. Availability & Liquidity

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. In addition, excess cash may be invested in short-term investments, including money market accounts.

In addition to cash and securities, the Foundation has a \$400,000 line of credit at Arvest Bank that was fully available at September 30, 2020.

The following represents the Foundation's financial assets at September 30, 2020:

	<u>2020</u>
Financial assets at year end	
Cash and cash equivalents	\$2,859,761
Accounts receivable	<u>261,848</u>
Total financial assets	3,121,609
Less amounts not available to be used within one year	
Assets held for long-lived assets	<u>(265,000)</u>
Financial assets available to meet general expenditures over the next twelve months	<u><u>\$2,856,609</u></u>

5. Property & Equipment

<u>Category</u>	
Transportation equipment	\$ 207,054
Equipment	606,542
Building and improvements	9,193,103
Land	<u>523,738</u>
	10,530,437
Less accumulated depreciation	<u>4,226,102</u>
Total	<u><u>\$ 6,304,335</u></u>

Barnabas Foundation, Inc.

Notes to Financial Statements

Year Ended September 30, 2020

Included above is equipment under capital leases in the amount of \$93,858. Accumulated amortization on these capital leases amounted to \$51,676 as of September 30, 2020. Depreciation and amortization charged to expense for the year ended September 30, 2020, amounted to \$420,056.

6. Deferred Revenue

Deferred revenue consists of the following:

	<u>10/1/2019</u>	<u>9/30/2020</u>
Barnabas Prep tuition	\$ 185,484	\$ 631,472
Camper/Missionary registration payments	176,978	738,477
Glamping sponsorships	-	45,300
Total deferred revenue	<u>\$ 362,462</u>	<u>\$ 1,415,249</u>

7. Debt

Long-term debt consists of the following:

3.950%; OakStar Bank; secured by real estate at Branson, MO; payable \$2,122 per month including interest; matures October 2021	\$ 308,167
1.00%; Arvest Bank pursuant to the Paycheck Protection Program (PPP); unsecured; matures April 2022 unless forgiven under requirements of PPP	290,100
4.630%; Arvest Bank; secured by real estate at Shell Knob, MO; payable \$10,545 per month including interest; matures April 2025	1,630,646
4.630%; Arvest Bank; secured by real estate at Branson, MO; payable \$8,731 per month including interest; matures April 2025	1,350,159
	<u>3,579,072</u>
Less debt maturing within one year	97,200
Long-term debt	<u>\$ 3,481,872</u>

Barnabas Foundation, Inc.

Notes to Financial Statements

Year Ended September 30, 2020

Principal payments due on long-term debt outstanding at September 30, 2020 are as follows:

Year Ended	
<u>September 30</u>	
2022	\$ 683,900
2023	103,900
2024	108,800
2025	2,585,272
	<u>\$ 3,481,872</u>

At September 30, 2020, the Organization had a \$400,000 unused line of credit. The note matures January 2022 and has an interest rate of Prime minus 0.25%.

8. Net Assets

Net assets with donor restrictions were as follows for the year ended September 30, 2020, and are available for the following purposes or periods:

Specific Purpose

Teas Trail maintenance projects	\$ 9,063
Future scholarships	733,854
Barnabas Prep capital projects	265,000
Total net assets with donor restrictions	<u>\$ 1,007,917</u>

Net assets released from donor restrictions are as follows:

Satisfaction of Purpose Restrictions

Program activities and registration scholarships	\$ 108,761
Capital projects and maintenance	209,331
Total net assets released from donor restrictions	<u>\$ 318,092</u>

9. Retirement Plan

The Foundation has a SIMPLE IRA plan matching participant deferrals up to 3% of participant annual compensation. Contributions to the plan for the year ended September 30, 2020 amounted to \$21,602.

10. Leases

The Foundation leases its current office space from an unrelated party under a three-year operating lease that will expire in July 2022. The monthly rental fee is \$3,500 and can be renewed for an additional three-year period at \$3,700 per month.

Rent expense for the year ended September 30, 2020 totaled \$31,050.

Barnabas Foundation, Inc.

Notes to Financial Statements

Year Ended September 30, 2020

The Foundation leases equipment that meets the criteria of a capital lease. Accordingly, minimum rentals have been capitalized, and the related assets and obligation recorded at fair market value at the inception of the lease. The assets are amortized on a straight-line basis over the asset's useful life, and interest is accrued on the basis of the outstanding lease obligation.

The future minimum lease payments for capital leases at September 30, 2020, are as follows:

Year Ended September 30	Capital Leases	Operating Leases
2021	\$ 26,200	\$ 35,500
2022	22,800	38,000
2023	1,400	3,000
Total minimum lease payments	50,400	\$ 76,500
Less amount representing interest	2,767	
Present value of net obligations	47,633	
Less current maturities	24,159	
Non-current obligations under capital leases	\$ 23,474	

11. Contributed Services

Unpaid volunteers have made contributions of their time to assist with the Foundation's programs and fundraising campaigns. The value of this contributed time is not reflected in these statements since it does not meet the requirements of the accounting standards.

12. Fair Value Measurement

The Foundation has an established process for determining fair values. Fair value is based upon quoted market prices, where available. If listed prices or quotes are not available, fair value is based upon internally developed models or processes that use primarily market-based or independently sourced market data, including interest rate yield curves, option volatilities and third-party information. Valuation adjustments may be made to ensure that financial instruments are recorded at fair value. Furthermore, while the Foundation believes its valuation methods 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.

Valuation Hierarchy

ASC 820 establishes a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Barnabas Foundation, Inc.

Notes to Financial Statements

Year Ended September 30, 2020

Level 1: inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3: inputs to the valuation methodology are unobservable and significant to the fair value measurement.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. Following is 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.

Assets available for sale - Real estate owned by the Foundation that was not currently used in operations is measured based upon the estimated realizable value at the date the assets were listed for sale using customized discounting criteria. Assets available for sale and property held for investment are classified within level 2 of the valuation hierarchy.

The following table presents the financial instruments carried at fair value on a non-recurring basis as of September 30, 2020 by caption on the statement of financial position and by ASC 820 valuation hierarchy:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets available for sale	<u>\$ 3,639,088</u>	<u>\$ -</u>	<u>\$ 3,639,088</u>	<u>\$ -</u>

13. Concentration of Credit Risk

The Foundation maintains bank accounts with various financial institutions. On September 30, 2020, the balances with Arvest Bank and Oakstar Bank exceeded standard FDIC insurance limits.

14. Subsequent events

Management has evaluated subsequent events between the end of the most recent fiscal year end and October 28, 2021, the date the financial statements were available to be issued. See Note 2 for further discussion of risks related to the coronavirus pandemic occurring during the year ended September 30, 2020.

Subsequent to year end, the property located in Shell Knob, Missouri and included in the assets available for sale as reflected in the statement of financial position was sold. The property sold in March 2021, for \$1,500,000.

Barnabas Foundation, Inc.

Notes to Financial Statements

Year Ended September 30, 2020

Subsequent to year end, the property located in Stone County, Missouri and included in the assets available for sale as reflected in the statement of financial position was sold. The property sold in February 2021, for \$2,500,000.