

GO YE FELLOWSHIP
FINANCIAL STATEMENTS
and
INDEPENDENT ACCOUNTANTS' REVIEW REPORT
March 31, 2016

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

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Independent Accountants' Review Report

Board of Trustees
Go Ye Fellowship
Monrovia, California

We have reviewed the accompanying statements of Go Ye Fellowship, which comprise the statement of financial position as of March 31, 2016, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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 the financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

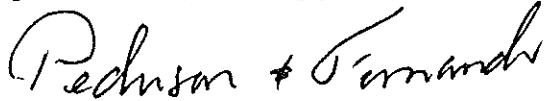
Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Service Committee of the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Other Matters

We have previously audited Go Ye Fellowship's financial statements as of and for the year ended March 31, 2015, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 6, 2015, but we have not performed any auditing procedures since that date.

A handwritten signature in cursive script that reads "Pedruson & Fernandez".

Certified Public Accountants

Cerritos, California

October 5, 2016

GO YE FELLOWSHIP
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2016
(With comparative totals for March 31, 2015)

ASSETS

	<u>March 31</u>	
	<u>2016</u>	<u>2015</u>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 566,761	\$ 571,445
Investments	162,511	160,126
Other current assets	9,541	7,644
Total current assets	738,813	739,215
EQUIPMENT, net	3,842	2,181
TOTAL ASSETS	\$ 742,655	\$ 741,396

(See accompanying Independent Accountants' Review Report and notes to financial statements)

GO YE FELLOWSHIP
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2016
(With comparative totals for March 31, 2015)

LIABILITIES AND NET ASSETS

	<u>March 31</u>	
	<u>2016</u>	<u>2015</u>
CURRENT LIABILITIES:		
Accounts payable and accrued expenses	\$ 44,400	\$ 50,461
Total current liabilities	44,400	50,461
TOTAL LIABILITIES	44,400	50,461
 NET ASSETS:		
Unrestricted	53,844	78,142
Temporarily restricted	644,411	612,793
Total net assets	698,255	690,935
TOTAL LIABILITIES AND NET ASSETS	\$ 742,655	\$ 741,396

(See accompanying Independent Accountants' Review Report and notes to financial statements)

**GO YE FELLOWSHIP
STATEMENT OF ACTIVITIES
YEAR ENDED MARCH 31, 2016**
(With comparative totals for year ended March 31, 2015)

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>Year ended March 31 2016 TOTAL</u>	<u>2015 TOTAL</u>
SUPPORT AND REVENUE				
SUPPORT:				
Contributions	\$ 76,198	\$ 1,396,678	\$ 1,472,876	\$ 1,669,482
Total support	76,198	1,396,678	1,472,876	1,669,482
REVENUE:				
Field Assessments	151,229	(151,229)		
Other income	397		397	476
Interest and dividends	5,782		5,782	3,145
Total revenue	157,408	(151,229)	6,179	3,621
Total support and revenue	233,606	1,245,449	1,479,055	1,673,103
Net Assets released from restriction	1,213,831	(1,213,831)		
EXPENSES:				
Program expenses	1,251,215		1,251,215	1,235,034
Supporting services				
Administrative	147,058		147,058	134,737
Fund raising	73,462		73,462	75,548
Total supporting services	220,520	-	220,520	210,285
Total expenses	1,471,735	-	1,471,735	1,445,319
CHANGE IN NET ASSETS	(24,298)	31,618	7,320	227,784
BEGINNING NET ASSETS	78,142	612,793	690,935	463,151
ENDING NET ASSETS	<u>\$ 53,844</u>	<u>\$ 644,411</u>	<u>\$ 698,255</u>	<u>\$ 690,935</u>

(See accompanying Independent Accountants' Review Report and notes to financial statements)

GO YE FELLOWSHIP
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED MARCH 31, 2016
(With comparative totals for year ended March 31, 2015)

	<u>Program</u>	<u>Administrative</u>	<u>Fund Raising</u>	<u>Year ended March 31</u>	
				<u>2016 Total</u>	<u>2015 Total</u>
Advertising	\$ -	\$ 40	\$ -	\$ 40	\$ -
Bank charges	5,734	644	-	6,378	5,469
Depreciation		1,066	-	1,066	1,140
Employee benefits	51,959	16,921	4,318	73,198	84,507
Equipment	14,092	84	2,502	16,678	14,353
Exec/Int'l Director expense	-	5,190	-	5,190	2,280
Field project expenditures	152,457	-	-	152,457	85,119
Field expenditures - other	15,594	485	-	16,079	20,236
Hospitality and gifts	3,323	4	-	3,327	7,408
Insurance		8,195	-	8,195	7,206
Legal and accounting		10,197	3,399	13,596	10,496
Meetings and conferences		4,976	4,976	9,952	8,656
Miscellaneous	479	2,001	-	2,480	335
Occupancy	7,426	16,987	4,308	28,721	24,919
Office supplies	1,747	1,655	600	4,002	4,952
Outside services		3,528	-	3,528	3,256
Payroll taxes	41,574	9,185	2,687	53,446	58,286
Pension/retirement plan	16,587	5,999	-	22,586	22,411
Postage and delivery	2,680	3,852	1,153	7,685	8,188
Printing and publishing	3,282	-	7,632	10,914	11,000
Salaries	880,971	53,076	31,955	966,002	964,873
Telephone	1,413	2,436	679	4,528	7,327
Travel	51,897	537	9,253	61,687	92,902
	<u>\$ 1,251,215</u>	<u>\$ 147,058</u>	<u>\$ 73,462</u>	<u>\$ 1,471,735</u>	<u>\$ 1,445,319</u>

(See accompanying Independent Accountants' Review Report and notes to financial statements)

**GO YE FELLOWSHIP
STATEMENT OF CASH FLOWS
YEAR ENDED MARCH 31, 2016**
(With comparative totals for year ended March 31, 2015)

	Year ended March 31	
	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 7,320	\$ 227,784
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,066	1,140
Increase in other current assets	(1,898)	(107)
Increase (decrease) in accounts payable and accrued expenses	(6,061)	2,815
Net cash provided by operating activities	427	231,632
CASH FLOWS FROM INVESTING ACTIVITIES:		
Change in investments, net	(2,385)	(1,013)
Purchases of fixed assets	(2,726)	(548)
Net cash used in investing activities	(5,111)	(1,561)
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	 (4,684)	 230,071
BEGINNING CASH AND CASH EQUIVALENTS	571,445	341,374
ENDING CASH AND CASH EQUIVALENTS	\$ 566,761	\$ 571,445

Supplemental disclosures:

No interest or taxes were paid for the year.

(See accompanying Independent Accountants' Review Report and notes to financial statements)

GO YE FELLOWSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

Note 1: Organization and Summary of Significant Accounting Policies

Organization

Go Ye Fellowship (the Organization), was incorporated in California on January 10, 1944, and is a nonprofit corporation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, and has been classified as an organization affiliated with a church or convention or association of churches. The Organization assists missionaries in the United States and abroad with financial support. Each supported missionary is responsible for raising funds for their own support. Donors and contributors provide support to the Organization for the support of missionaries, and may designate missionaries to whom such funds are to be directed. Go Ye Fellowship honors all donor designations whenever possible. However, all donations remain under the control and administration of Go Ye Fellowship to be used to fulfill the nonprofit mission of the Organization. The Organization retains an assessment amount for its administrative costs, ranging from six to 11% of the contributions.

The missionaries are employees of the Organization and are compensated with a monthly salary paid by the Organization to each missionary based on a budget submitted by the missionary to the Organization at the beginning of the year. If reasonable, the Organization approves the budget and salary amount. If no budget is submitted in a particular year, the prior year's budget prevails. Occasionally, reductions may need to be made if there are insufficient funds in a missionary's support fund. Also, occasionally, additional funds may be needed by a missionary in the field for a one-time special expenditure. In such cases, if approved by the Organization, the missionary can request and receive a one-time larger than usual salary amount. New salary budgets may be submitted at any time during the year for approval by the Organization. In addition, expenses are reimbursed upon approval by the Organization.

A summary of the Organization's significant accounting policies follows:

Basis of Financial Statement Presentation

The financial statements reflect the activities over which the organization exercises fiscal and/or administrative control, and are presented on the accrual basis of accounting.

Classes in Net Assets

The financial statements report amounts separately by class of net assets.

GO YE FELLOWSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

(continued)

Note 1: Organization and Summary of Significant Accounting Policies (continued)

- a) **Unrestricted** amounts are those currently available at the discretion of the Board of Trustees for use in the organization's operations and those resources invested in equipment.
- b) **Temporarily Restricted** amounts are those amounts specifically assigned for the support of such designated missionaries.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking, savings, and money market accounts and certificates of deposit with original maturities of less than 90 days.

Revenues and Expenses

Unrestricted contributions are recognized when cash or ownership of donated assets is unconditionally promised to the organization.

Temporarily restricted contributions are recognized as contribution income in the statement of activities when cash or the ownership of assets is unconditionally promised to the organization, and they are subsequently released to unrestricted net assets when conditions have occurred in satisfaction of those designations.

Other income is recognized when earned. Expenses are recognized when incurred in accordance with the accrual basis of accounting.

Allocation of Expenses

The costs of providing the various programs and supporting activities of the organization have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between program and supporting activities.

Land, Buildings and Equipment

Expenditures for equipment are capitalized at cost. Donated assets are capitalized at their fair market value on the date of the gift, if such value is readily ascertainable. Expenditures for repairs and maintenance are charged to expense. It is the Organization's policy to carry capitalized items at cost, with depreciation provided on a straight-line basis over the estimated useful lives of the assets as follows:

GO YE FELLOWSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

(continued)

Note 1: Organization and Summary of Significant Accounting Policies (continued)

Furniture, Fixtures and Equipment	5-7 years
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Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Income Tax Status

The Organization is classified as a Section 501(c)(3) organization under the Internal Revenue Code of 1986 and Section 23701(d) of the California Revenue and Taxation Code. However, income from certain activities not directly related to the Organization's tax exemption purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under section 170(b)(1)(A) and has been classified as an organization that is not a private foundation.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Organization, and has concluded that as of March 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Organization is subject to routine audits by taxing jurisdiction; however, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to income tax examinations for years prior to 2012.

Comparative Financial Information

The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with

GO YE FELLOWSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

(continued)

Note 1: Organization and Summary of Significant Accounting Policies (continued)

the Organization's financial statements for the year ended March 31, 2015, from which the summarized information was derived.

Note 2: Investments

Investments consist of Certificates of Deposit.

Note 3: Equipment

Equipment at March 31, 2016, consisted of the following:

Furniture, Fixtures and Equipment	\$ 17,748
Less: Accumulated Depreciation	13,906
	\$ 3,842

Note 4: Commitments and Contingencies

The Organization has entered into a three-year lease agreement commencing August 1, 2015, with options to extend the lease for two additional three-year terms.

The minimum annual lease commitments under the lease are as follows.

<u>Year ending March 31</u>	
2017	18,240
2018	18,605
2019	6,242
	\$ 43,087

GO YE FELLOWSHIP
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED MARCH 31, 2016

(continued)

Note 5: Net assets Released from Restriction

Net assets released from restriction includes missionary expenditures. Such amounts are considered released from restriction upon the completion of its designated purpose.

Certain amounts that have been previously recorded as temporarily restricted which are determined to be in excess of specific need may be released from restriction by the Organization.

Note 6: Off Balance Sheet Risk and Concentrations of Credit Risk:

Off balance Sheet Risk

As of March 31, 2016, the Organization did not have any financial instruments with off balance risk.

Concentrations of Credit Risk

Financial instruments that potentially expose the Organization to concentrations of credit risk consist primarily of contributions receivable. The Organization does not recognize or record contributions receivable based on pledges received or any other basis. Contributions are generally recognized and recorded when the contribution is received.

The Organization maintains its cash in bank accounts which, at times, may exceed federally insured limits. The Organization invests with financial institution of sound reputation and evaluates credit risk on an ongoing basis. The Company has not experienced any losses in such accounts.

Note 7: Subsequent Events:

The Organization has evaluated subsequent events through October 5, 2016, the date which the financial statements were available to be issued. There were no subsequent events noted that would require adjustment to or disclosure in these financial statements.