



Jerkins Business Solutions

Accounting – Management Consulting – Tax Preparation
Corporate – Partnerships - Individuals

TO THE BOARD OF DIRECTORS LAYMAN LESSONS MINISTRIES - DISASTER RELIEF
488 LEMONT DRIVE L211
NASHVILLE TN 37216

MANAGEMENT IS RESPONSIBLE FOR THE ACCOMPANYING FINANCIAL STATEMENTS OF LAYMAN LESSONS MINISTRIES - DISASTER RELIEF WHICH COMPRISE THE STATEMENTS OF ASSETS, LIABILITIES, AND FUND BALANCE AS OF DECEMBER 31, 2017 AND THE RELATED STATEMENTS OF REVENUES AND EXPENSES- INCOME TAX BASIS, FOR THE ONE MONTH AND TWELVE MONTHS THEN ENDED IN ACCORDANCE WITH THE INCOME TAX BASIS OF ACCOUNTING. I HAVE PERFORMED A COMPILATION ENGAGEMENT IN ACCORDANCE WITH STATEMENTS ON STANDARDS FOR ACCOUNTING AND REVIEW SERVICES PROMULGATED BY THE ACCOUNTING AND REVIEW SERVICES COMMITTEE OF THE AICPA. I DID NOT AUDIT OR REVIEW THE FINANCIAL STATEMENTS NOR WAS I REQUIRED TO PERFORM ANY PROCEDURES TO VERIFY THE ACCURACY OR COMPLETENESS OF THE INFORMATION PROVIDED BY MANAGEMENT. ACCORDINGLY, I DO NOT PROVIDE AN OPINION, A CONCLUSION, NOR PROVIDE ANY FORM OF ASSURANCE ON THESE FINANCIAL STATEMENTS.

THE FINANCIAL STATEMENTS ARE PREPARED IN ACCORDANCE WITH THE TAX BASIS OF ACCOUNTING, WHICH IS A BASIS OF ACCOUNTING OTHER THAN ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN THE UNITED STATES OF AMERICA.

MANAGEMENT HAS ELECTED TO OMIT SUBSTANTIALLY ALL THE DISCLOSURES ORDINARILY INCLUDED IN FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH THE TAX BASIS OF ACCOUNTING. IF THE OMITTED DISCLOSURES WERE INCLUDED IN THE FINANCIAL STATEMENTS, THEY MIGHT INFLUENCE THE USER'S CONCLUSIONS ABOUT THE COMPANY'S ASSETS, LIABILITIES, EQUITY, REVENUE, AND EXPENSES. ACCORDINGLY, THE FINANCIAL STATEMENTS ARE NOT DESIGNED FOR THOSE WHO ARE NOT INFORMED ABOUT SUCH MATTERS.

I AM NOT INDEPENDENT WITH RESPECT TO LAYMAN LESSONS MINISTRIES - DISASTER RELIEF.

FRANKLIN, TN

October 23, 2018

Layman Lessons Ministries - Disaster Relief
Statement of Assets, Liabilites, and Fund Balance
As of December 31, 2017

	<u>Dec 31, 17</u>
ASSETS	
Current Assets	
Checking/Savings	
US Bank	502.24
Total Checking/Savings	<u>502.24</u>
Other Current Assets	
Food and Supplies	10,000.00
Total Other Current Assets	<u>10,000.00</u>
Total Current Assets	<u>10,502.24</u>
TOTAL ASSETS	<u>10,502.24</u>
LIABILITIES & EQUITY	
Equity	
Owners Equity	10,097.32
Net Income	404.92
Total Equity	<u>10,502.24</u>
TOTAL LIABILITIES & EQUITY	<u>10,502.24</u>

Layman Lessons Ministries - Disaster Relief
Profit & Loss
January through December 2017

	<u>Jan - Dec 17</u>	<u>% of Income</u>
Ordinary Income/Expense		
Income		
Donations - Cash	81,795.66	1.0%
Donations - Food and Drinks	8,200,000.00	99.0%
Total Income	<u>8,281,795.66</u>	<u>100.0%</u>
Cost of Goods Sold		
Food Delivered	8,200,000.00	99.0%
Freight Costs	23,200.47	0.3%
Ministry Packaging and Supplies	40,429.54	0.5%
Total COGS	<u>8,263,630.01</u>	<u>99.8%</u>
Gross Profit	18,165.65	0.2%
Expense		
Advertising	244.47	0.0%
Auto Expenses	2,396.29	0.0%
Bank Service Charges	150.72	0.0%
Computer and Internet	1,772.42	0.0%
Insurance	1,572.89	0.0%
Office Expense	1,677.25	0.0%
Parsonage Costs	4,800.00	0.1%
Postage	69.90	0.0%
Repairs and Maintenance	578.59	0.0%
Telephone, Telecommunications	886.81	0.0%
Utilities	2,555.39	0.0%
Volunteer Meals and Training	1,056.00	0.0%
Total Expense	<u>17,760.73</u>	<u>0.2%</u>
Net Ordinary Income	404.92	0.0%
Other Income/Expense		
Other Expense		
Ask My Accountant	0.00	0.0%
Total Other Expense	<u>0.00</u>	<u>0.0%</u>
Net Other Income	0.00	0.0%
Net Income	<u><u>404.92</u></u>	<u><u>0.0%</u></u>

1. SUMMARY OF ACCOUNTING POLICIES AND HISTORY

Basis of Accounting

Layman Ministries operates on the accrual basis of accounting to identify inventory as received and utilized. All accounts are reviewed and classified by management and financial counsel including David Hairston CPA and J Alex Jerkins CPA. All transactions are based on reasonable estimates of non cash items or cash transactions.

Nature of Operations

The Charity is engaged in the activities of feeding and sheltering the homeless of Greater Nashville. The history of the organization included the acquisition and donation of several shelters.

History of the Charity

Layman Lessons Ministries began in 2000, by Nashville Businessman Louie Johnston Jr., as Founder, Director, and when soon called of God into full time unpaid ministry became ordained Minister Louie Johnston Jr. of Nashville, TN, as Mr. Johnston quickly says “in spite of me, because I am of all men on earth the least qualified man to lead any Christian ministry.” Since its founding, all that God has done through Layman Lessons has been done with NO PAID STAFF, including Louie Johnston Jr. who has always been a primary donor, never taken a dime for personal use or gain.

Layman Lessons Ministries soon acquired Welcome Baptist Church/Rescue Mission Inc in Shelby, NC, a Church the IRS approved as a 501c3 on September 11, 2001, with identical mission as Layman Lessons Ministries to form “Layman Lessons Church and Welcome Baptist Church”, registered with the Secretary of State in both NC and TN, operating under the EIN 56-2209129, as a Church serving in North Carolina and Tennessee.

Tennessee outdoor Church services for the homeless started weekly in January, 2000 in downtown Nashville locations, using a Mobile Stage, tables and chairs for 150 homeless, a Mobile Clothing Store on a school bus, and feeding a hot banquet meal of donated food from his network of local restaurants and food stores, after the Church service concluded. We procure and deliver life saving donated food/drinks to faith based groups in 15 states that feed their local homeless and truly needy, including Tennessee cities Lebanon, Cookeville, Sparta, Murfreesboro, Franklin, Columbia, Pulaski, and Springfield.

This all volunteer Layman Lessons Church Ministry Team has served Homeless and Hopeless constantly since 2001. After 12 consecutive years of Louie Johnston Jr. led weekly Street Church ministry feeding hot meals and having outdoor Church services, often in extreme heat and cold weather, over 8,770 documented Homeless souls had given their hearts to Christ, and less than 100 of those remained on the streets of Nashville, TN. Layman Lessons Ministries has maintained EIN 56-2209129 as an approved 501C3 since 2001. In addition, Layman Lessons has maintained good standing with the Secretary of State of both states.

2. Use of Estimates

Weekly local food donations route since 2001 with Nashville restaurants, i.e. Chick Fil A, Olive Garden, Publix, Red Lobster, Longhorn Steakhouse, Pizza Huts, Papa Johns, Panera Bread. For 2016, 55 Semi Trailer Loads of Food and Lifesaving Supplies were delivered and for 2017 67 Semi Trailer Loads were delivered. The estimated fair market value varies depending on the donor with the average being \$100,000 per truckload.

3. Current Operations

Currently the Church office on Lemont Drive is a donated facility since 2009 from which all operations to 15 states are conducted. The Church owns and operates its Tithe Barn in Madison, TN to receive and distribute donated supplies directly to hidden homeless camps in Nashville, TN and to countless Churches and faith based groups that feed the homeless and truly needy in their local community area.

There are no paid employees or volunteers of Layman Lessons Ministries. Parsonage costs are used to cover basic housing expenses for the director.

Exclusive donor networks have been established with 700 Club, Feed the Children, Midwest Food banks, USA Produce Farmers, and One Warm Coat to ensure the best distribution practices and ensure that the largest number of people are assisted.