

GARRETT T FORD, CPA
JEFFREY S ALLEN, CPA
TIMOTHY A BLANKS, CPA
CHARLES 'CHUCK' MCGINNIS, JR., CPA

ROBERT L HARDING, CPA
BARRY G. SLAUGHTER, CPA

BROCKMAN, DRINKARD
& PENNINGTON
CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL CORPORATION

MEMBERS:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS
THE VIRGINIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

The Board of Directors and Members
Lake Christian Ministries
Moneta, Virginia

We have audited the accompanying financial statements of Lake Christian Ministries (a nonprofit organization), which comprise the statement of assets and net assets - cash basis as of December 31, 2013, and the related statement of support, revenue, and expenses - cash basis, functional expenses - cash basis and cash flows - cash basis 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 the cash basis of accounting as described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

Auditor's 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 from 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.

In our opinion, the financial statements referred to above present fairly in all material respects, the assets, liabilities, and net assets of Lake Christian Ministries at December 31, 2013, and its support, revenue, expenses and cash flows for the year then ended in accordance with the cash basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Brockman, Drinkard & Pennington

Lynchburg, Virginia
February 16, 2014

104 ARCHWAY COURT
LYNCHBURG, VIRGINIA 24502
TEL (434) 846-8458 FAX (434) 847-2926
FAX (866) 721-8904