

# INVESTING IN FAMILY

FOCUS<sup>ON</sup><sub>THE</sub> FAMILY<sup>®</sup>

## Focus on the Family and CitizenLink 2012 Annual Report

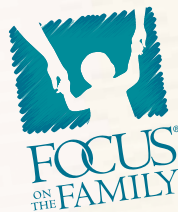
Consolidated Financial Statements with Independent  
Auditors' Report, September 30, 2012 & 2011





<b>Jim Daly's Letter .....</b>	<b>3</b>
<b>Independent Auditors' Report .....</b>	<b>4</b>
<b>Consolidated Financial Statements .....</b>	<b>5</b>
Consolidated Statements of Financial Position .....	6
Consolidated Statements of Activities .....	7
Consolidated Statements of Cash Flows .....	8
<b>Notes to Consolidated Financial Statements.....</b>	<b>9</b>
<b>Supplemental Information .....</b>	<b>18</b>
Independent Auditors' Report on Supplemental Information .....	19
Consolidating Statement of Financial Position - September 30, 2012 .....	20
Consolidating Statement of Financial Position - September 30, 2011 .....	21
Consolidating Statement of Activities - Year Ended September 30, 2012 .....	22
Consolidating Statement of Activities - Year Ended September 30, 2011 .....	23
<b>Board of Directors and Executive Leadership .....</b>	<b>24</b>
<b>Guidelines for Fund-raising.....</b>	<b>25</b>





8605 Explorer Dr., Colorado Springs, CO 80920  
FocusOnTheFamily.com  
719-531-3400

## Jim Daly's Letter

We had an exhilarating year in 2012, and it's encouraging to look back on all God enabled us to accomplish through Focus on the Family and CitizenLink. The Lord has been gracious to us, and we're thankful for his continued blessing on our labors.

Last year an estimated 238 million people in 124 countries viewed or listened to one of Focus' programs. In fact, our daily broadcast was named the 2012 Radio Program of the Year by the National Religious Broadcasters! In response, 13.1 million people contacted us via email, letter, phone and social media. Our licensed counselors alone provided advice to more than 75,000 individuals. We're expanding our outreach through our social media sites, too. Our Facebook page has over 770,000 fans, we've had more than 2.7 million views on Focus' YouTube channel and 87,000+ people follow the ministry's various Twitter accounts!

Today's fast-paced families are looking for ways to stay connected with organizations like ours through online tools, so we've made it a priority to utilize this venue. Our online presence is growing rapidly. Our Plugged In website, for instance, receives about 1.4 million visits each month, while the Plugged In Movie Review radio feature and videos are accessed by a total of 10 million people every week.

Focus' message is also being delivered globally by our 11 associate offices around the world. Their resources are extremely limited, but the Lord is blessing them and granting them an impact beyond all proportion to their size and monetary assets. In 2012, more than 1,200 individuals were trained as leaders for The Truth Project worldwide, and a Polish translation was made available. In addition, through our No Apologies program, 58,000 young adults prepared for marriage and pledged to be abstinent until then. In Malaysia, an effectiveness study found that roughly 92% of participants stated they kept their pledge!

In all that we do, our overarching goal remains the same: to spread the Gospel through compassionate, grace-filled, truth-centered ministry. Whether engaging an individual one-on-one or addressing the culture at large, we trust the Lord will honor our devotion to representing Him in an authentic and respectful way.

Before closing, I'd like to draw your attention to CitizenLink. Needless to say, 2012 was extremely busy for our CitizenLink staff as they were actively involved in multiple state legislative and election efforts. More than 2 million emails were sent to CitizenLink constituents regarding important issues. In addition, CitizenLink produced mailers for the November election that went to more than 8 million homes in 16 swing states. And that was just the beginning!

We've provided more details about our ministry impact in the following report. None of this would be possible without the sacrificial participation of friends like you. Your involvement is deeply appreciated!

Sincerely,

James D. Daly  
President and CEO

FROM THE DESK OF JIM DALY



## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Focus on the Family and CitizenLink  
Colorado Springs, Colorado

We have audited the accompanying consolidated statements of financial position of Focus on the Family and CitizenLink as of September 30, 2012 and 2011, and the related consolidated statements of activities and cash flows for the years then ended. The consolidated financial statements are the responsibility of the organizations' management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits 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 consolidated financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Focus on the Family and CitizenLink's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Focus on the Family and CitizenLink as of September 30, 2012 and 2011, and the changes in their net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Capin Crouse LLP*

Colorado Springs, Colorado  
December 20, 2012

Independent  
Auditors' Report





# CONSOLIDATED FINANCIAL STATEMENTS

2012 Focus on the Family and  
CitizenLink Annual Report



# CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (IN THOUSANDS)

ASSETS:	September 30,	
	2012	2011
<b>Current assets:</b>		
Cash and cash equivalents	\$ 13,145	\$ 9,653
Investments	5,022	4,908
Accounts receivable–net	887	650
Inventory	315	326
Pledges receivable	722	1,834
Prepaid expenses	2,571	2,084
	<u>22,662</u>	<u>19,455</u>
Property and equipment–net	38,839	43,264
Film production costs–net	1,529	1,637
Other assets	5,702	5,308
Endowment assets	133	116
<b>Total Assets</b>	<u>\$ 68,865</u>	<u>\$ 69,780</u>
<b>LIABILITIES AND NET ASSETS:</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 3,598	\$ 3,514
Accrued expenses	2,714	3,370
Deferred revenue	2,811	2,838
Current portion of charitable gift annuities liability	429	444
	<u>9,552</u>	<u>10,166</u>
Charitable gift annuities liability–net of current portion	2,867	3,033
	<u>12,419</u>	<u>13,199</u>
<b>Net assets:</b>		
<b>Unrestricted:</b>		
Operations	16,264	9,435
Equity in property and equipment	38,839	43,264
	<u>55,103</u>	<u>52,699</u>
Temporarily restricted	1,252	3,791
Permanently restricted	91	91
	<u>56,446</u>	<u>56,581</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 68,865</u>	<u>\$ 69,780</u>



# CONSOLIDATED STATEMENTS OF ACTIVITIES (IN THOUSANDS)

	Year Ended September 30,							
	2012				2011			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>SUPPORT AND REVENUE:</b>								
Contributions	\$ 79,121	\$ 11,951	\$ —	\$ 91,072	\$ 80,245	\$ 7,638	\$ —	\$ 87,883
Sales	6,376	—	—	6,376	7,179	—	—	7,179
Royalty and licensing revenue	1,850	—	—	1,850	1,768	—	—	1,768
Institute income	406	—	—	406	726	—	—	726
Investment income	822	—	—	822	26	—	—	26
Event revenue	242	—	—	242	200	—	—	200
Membership dues	42	—	—	42	47	—	—	47
Other revenue	515	—	—	515	388	—	—	388
Total Support and Revenue	89,374	11,951	—	101,325	90,579	7,638	—	98,217
<b>NET ASSETS RELEASED:</b>								
Time restrictions	4,954	(4,954)	—	—	1,994	(1,994)	—	—
Purpose restrictions	9,536	(9,536)	—	—	4,069	(4,069)	—	—
Total Net Assets Released	14,490	(14,490)	—	—	6,063	(6,063)	—	—
<b>EXPENSES:</b>								
<b>Program services:</b>								
Broadcasts	17,648	—	—	17,648	20,642	—	—	20,642
Resources	9,041	—	—	9,041	10,073	—	—	10,073
Publications	12,636	—	—	12,636	14,798	—	—	14,798
Correspondence	10,004	—	—	10,004	11,677	—	—	11,677
Public policy awareness	9,565	—	—	9,565	5,059	—	—	5,059
Internet	4,665	—	—	4,665	4,897	—	—	4,897
Events	1,470	—	—	1,470	168	—	—	168
Other ministries	21,044	—	—	21,044	22,674	—	—	22,674
	86,073	—	—	86,073	89,988	—	—	89,988
<b>Supporting activities:</b>								
General and administrative	7,578	—	—	7,578	7,696	—	—	7,696
Fund-raising	7,809	—	—	7,809	8,791	—	—	8,791
Total Expenses	101,460	—	—	101,460	106,475	—	—	106,475
Changes in Net Assets	2,404	(2,539)	—	(135)	(9,833)	1,575	—	(8,258)
Net Assets, Beginning of Year	52,699	3,791	91	56,581	62,532	2,216	91	64,839
Net Assets, End of Year	\$ 55,103	\$ 1,252	\$ 91	\$ 56,446	\$ 52,699	\$ 3,791	\$ 91	\$ 56,581



# CONSOLIDATED STATEMENTS OF CASH FLOWS (IN THOUSANDS)

	Year Ended September 30,	
	2012	2011
<b>OPERATING ACTIVITIES:</b>		
Change in net assets	\$ (135)	\$ (8,258)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization of property and equipment	6,074	6,910
Amortization of film production costs	872	1,590
Actuarial change in charitable gift annuities liability	(76)	(78)
Payments on charitable gift annuities	430	445
Realized loss on sale, disposal, and abandonment of assets	11	239
Noncash contributions	(941)	(1,413)
Net realized and unrealized (gains) losses on investments and endowment assets	(458)	213
Changes in operating assets:		
Accounts receivable	(237)	128
Inventory	10	(17)
Prepaid expenses	(487)	856
Pledges receivable	1,112	(824)
Other assets	(394)	(362)
Changes in operating liabilities:		
Accounts payable	84	(1,284)
Accrued expenses	(657)	(2,647)
Deferred revenue	(27)	(169)
Net Cash Provided (Used) by Operating Activities	5,181	(4,671)
<b>INVESTING ACTIVITIES:</b>		
Purchases of property and equipment	(1,676)	(2,817)
Purchases of investments	(300)	(333)
Proceeds from sales of investments	1,568	2,095
Proceeds from sales of property and equipment	16	17
Payments for film production	(764)	(590)
Net Cash Used by Investing Activities	(1,156)	(1,628)
<b>FINANCING ACTIVITIES:</b>		
Charitable gift annuity maturities	(105)	(31)
Payments on charitable gift annuities	(430)	(445)
Net Cash Used by Financing Activities	(535)	(476)
Net Change in Cash and Cash Equivalents	3,490	(6,775)
Cash and Cash Equivalents, Beginning of Year	9,653	16,428
Cash and Cash Equivalents, End of Year	\$ 13,143	\$ 9,653





NOTES TO  
**CONSOLIDATED  
FINANCIAL  
STATEMENTS**

2012 Focus on the Family and  
CitizenLink Annual Report



## 1. Nature of Organizations:

These consolidated financial statements include Focus on the Family and CitizenLink, previously known as Focus on the Family Action, Inc. (collectively, referred to as Focus).

Focus on the Family (FOF) is a nondenominational religious organization whose primary objective is to spread the Gospel of Jesus Christ by helping to preserve traditional values and the institution of the family. The primary means of accomplishing these goals are radio broadcasts, periodicals, books, films, videos, internet and events which share the message with constituents, schools, churches and the public at large in the United States, as well as around the world. The primary sources of revenue are contributions from individuals, businesses, and foundations, and sales of books and audio-visual materials.

FOF is organized as a nonprofit religious corporation under the laws of California and operates under Section 501(c)(3) of the Internal Revenue Code and is not a private foundation under Section 509(a).

CitizenLink (CL) was organized as a religious corporation under the Colorado Nonprofit Corporation Act for religious purposes. CL was formed for the express purpose of spreading the Gospel of Jesus Christ, and to provide an educational service to parents and others who are concerned with healthy family living, toward the end of strengthening the family in its varied dimensions.

CL is active in the promotion of social welfare by addressing the Christian community and the Christian's responsibility in the public policy arena, both locally and nationally. CL uses regular media channels, such as radio, television, periodicals, internet and events to discuss critical legislation and policy matters that significantly impact Christian world view issues. CL is a membership organization that is supported by members who are dedicated to the defense of moral values and the institution of the family. Membership is open to the public and is attained by the annual affirmation of joining as a member and paying the annual membership dues of \$1. CL operates under Section 501(c)(4) of the Internal Revenue Code. As such, contributions made to CL are not tax-deductible for federal income tax purposes.

RezilientKidz (RK) was organized on March 11, 2011, as a nonprofit corporation under the laws of Colorado and operates under Section 501(c)(3) of the Internal Revenue Code and is not a private foundation under Section 509(a). The purpose of RK is to provide adoptive parents with training and instruction about how to begin the adoption process. RK will raise awareness of the need for placing foster children in "forever homes." RK teaches children the fundamental character traits that embody a solid foundation of ethics and personal responsibility.

Pine Creek Entertainment, LLC (PC) was formed on March 11, 2011 under the laws of Colorado with the purpose of collaborative media and entertainment ventures.

RK and PC are legally recognized entities that FOF operates. Neither organization had any material activity or balances during the years ended September 30, 2012 and 2011, that were included in the consolidated financial statements.

RK, PC and CL have common board members and officers, as well as some common management with FOF.

## 2. Summary of Significant Accounting Policies:

Focus uses estimates and assumptions in preparing the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of any contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the consolidated financial statements. The significant accounting policies followed are described below to enhance the usefulness of the consolidated financial statements to the reader.

### Principles of Consolidation

The consolidated financial statements include the consolidated financial resources and activities of Focus on the Family and CitizenLink. All material transactions and balances between the entities have been eliminated in the consolidation.

In 1983, a related entity, Focus on the Family (Canada) Association, was formed under the nonprofit laws of Canada. In addition, FOF works with several other related organizations throughout the world. These related organizations are legally separate from FOF, and each organization is governed by an independent board of directors; therefore, the assets, liabilities, net assets and results of their activities have not been included in this report.

### Cash and Cash Equivalents

Focus considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash includes demand deposit accounts, commercial paper, and money market accounts recorded at cost, which approximates fair value. These accounts may, at times, exceed federally insured limits. Focus has not experienced any losses in such accounts.

### Investments

Investments are carried at fair market value, with realized and unrealized gains and losses included as unrestricted revenue in the consolidated statements of activities. Donated investments are recorded at the fair market value on the date of donation and thereafter carried in accordance with the above provisions.



## 2. Summary of Significant Accounting Policies, continued:

### Accounts Receivable

Accounts receivable consist primarily of receivables from events, licensees, trade sales and related international organizations. Accounts receivable are net of an allowance for uncollectible accounts of \$167,000 and \$232,000 as of September 30, 2012 and 2011, respectively. The allowance for doubtful accounts is maintained at a level that, in management's judgment, is adequate to absorb possible losses. The amount is based upon an analysis of overall trade receivables by management that includes, but is not limited to, the historical experience of payment patterns from the customer, financial condition of the customer, other known facts and circumstances and general economic conditions. This process is based on estimates, and ultimately losses may vary from current estimates. As changes in estimates occur, adjustments to the level of the allowance are recorded in the provision for doubtful accounts in the period in which they become known. Receivables are written off when all methods of collection have been exhausted.

### Inventory

Inventory consists of books, literature and audio-visual materials, which are recorded at the lower of cost or market, using the weighted-average cost method (this method approximates the first-in first-out methodology).

### Pledges Receivable

Pledges receivable are unconditional promises to give that are recognized as assets and support in the period made and are recorded at their estimated net present value. The recorded value includes an allowance for uncollectible amounts of \$209,000 and \$253,000 as of September 30, 2012 and 2011, respectively. This allowance is calculated based on the historical collectability of the related pledges.

### Film Production Costs

Film production costs are amortized over the estimated period during which the related income is expected to be earned (three to five years). At September 30, 2012 and 2011, accumulated amortization was \$24,893,000 and \$28,568,000, respectively. Focus periodically reviews film production costs for impairment, retirement or abandonment. Upon impairment, retirement or abandonment, the cost of the assets disposed of and the related accumulated amortization are removed from the accounts and any resulting gain or loss is reflected.

### Property and Equipment-Net

Property and equipment-net are recorded on the basis of cost, or estimated fair value if donated. Focus capitalizes most purchases in excess of \$2,500, with lesser amounts expensed in the year purchased. Software purchases are capitalized if the amount is in excess of \$100,000. Upon retirement or sale, the cost of the assets disposed of and the related accumulated amortization are removed from the accounts and any resulting gain or loss is reflected in operations for the period. Depreciation and amortization are provided using the straight-line method over the following estimated useful lives of the assets:

	Estimated Useful Lives
Land improvements	10 years
Building and building improvements	20-30 years
Furniture, equipment and software	3-7 years
Website	3 years

### Operating Line of Credit

In 2009, FOF established a line of credit with a bank for \$15,000,000, which is renewable annually by the Lender. Advances under the agreements bear interest at the Lender's Prime Rate (the "Index"), which was 4.0% as of September 30, 2012 and 2011. The line of credit is collateralized by real property. As of September 30, 2012 and 2011, there were no outstanding balances on the line of credit and there were no borrowings during the fiscal years ended September 30, 2012 and 2011.

### Letter of Credit

In 2011, FOF established a letter of credit with a bank for \$1,360,000 for the benefit of the Colorado Department of Labor and Employment, Unemployment Insurance Operations. If FOF were to fail to pay unemployment obligations, the bank could draw upon this letter of credit to pay the obligation. As of September 30, 2012 and 2011, there were no outstanding balances on the letter of credit and there were no draws during the fiscal years ended September 30, 2012 and 2011.

### Deferred Income

Deferred revenue is recorded for the unearned portion of subscriptions, event pre-registrations, tuition, advertising and the advance royalties received on book and film resources. Revenue is recognized as earned when the related products are fulfilled and classes or events are held.



## 2. Summary of Significant Accounting Policies, continued:

### Classes of Net Assets

The net assets of Focus are reported in the following categories:

**Unrestricted net assets** consist of amounts currently available for use in the ministries of Focus and resources invested in property and equipment.

**Temporarily restricted net assets** consist of unexpended, donor-restricted contributions and pledges receivable for special projects and contributions with time restrictions attached.

**Permanently restricted net assets** consist of unexpended endowment funds subject to restriction of gift instruments requiring that the principal be invested in perpetuity.

The management of Focus has interpreted the Colorado Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, Focus classifies as permanently restricted net assets (a) the original value of the gifts donated to the permanent endowment, and (b) the original value of subsequent gifts to the permanent endowment. Thus, the permanently restricted net assets reflect the historical cost value of the endowment.

Focus has a policy consistent with the intent of the endowment agreement. The primary investment objective of endowment funds is to follow those policies that will preserve the principal value, provide predictable income and, to the extent possible with prudence, increase the principal to offset the long-term effects of inflation. Accordingly, over the long-term, Focus expects the current spending policy to allow its endowment to grow on an annual basis. Actual results in any given year may vary.

### Support and Revenue

Contributions are recorded when made, which may be when cash is received or unconditionally promised, or when ownership of donated assets is transferred to Focus. Contributions restricted by the donor for a specific purpose are recorded as support in the temporarily restricted class of net assets until funds have been expended for the purpose specified. Upon satisfaction of the purpose restriction, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities as net assets released from restrictions.

Focus, through media and various publications, offers ministry-related materials to the public. These materials are available whether or not a contribution is made; however, a suggested donation is requested. During the years ended September 30, 2012 and 2011, material costs of \$718,000 and \$681,000 were incurred, respectively, and are included in resources expense in the consolidated statements of activities.

Focus and Christian Book Distributors (CBD) operate under a strategic alliance agreement.

Under the alliance agreement, CBD provides ministry resource fulfillment services for catalog, telephone and online orders for Focus constituents. In connection with the CBD alliance, Focus has changed to the sales model for ministry resource distribution, which allows Focus to offer a wider range of ministry resources at competitive prices, while extending discounts, promotions and payment opportunities. Sales under the strategic alliance agreement are recorded net of cost, as CBD owns the inventory, and are reflected accordingly on the consolidated statements of activities.

Sales consist primarily of books and audio-visual materials made to Focus constituents, distributors and institutions.

### Functional Allocation of Expenditures

The cost of providing the various programs has been summarized on a functional basis in the consolidated statements of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

### Advertising, Promotion and Circulation Costs

Focus uses advertising, promotion and circulation costs to distribute information regarding programs among the audiences served. These costs, expensed as incurred, are (in thousands):

	Year Ended September 30,	
	2012	2011
Advertising	\$ 478	\$ 587
Promotion	804	994
Circulation costs	597	711
	<u>\$ 1,879</u>	<u>\$ 2,292</u>

### Uncertain Tax Positions

The financial statement effects of a tax position taken or expected to be taken are recognized in the consolidated financial statements when it is more likely than not, based on the technical merits, that the position will be sustained upon examination. Interest and penalties, if any, are included in expenses in the consolidated statements of activities. As of September 30, 2012, Focus had no uncertain tax positions that qualify for recognition or disclosure in the consolidated financial statements.

### Reclassifications

Certain prior year amounts have been reclassified in order to conform to the current year presentation.



### 3. Fair Value Measurements:

Focus uses appropriate valuation techniques to determine fair value based on inputs available. When available, Focus measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs were not available.

Fair values of assets measured on a recurring basis at September 30, 2012 and 2011 are:

Fair Value Measurements Using (in thousands):					
	September 30, 2012	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
<b>Investments:</b>					
<b>Fixed Income Securities:</b>					
U.S. government bonds	\$ 1,260	\$ 1,260	\$ —	\$ —	
Corporate bonds	880	880	—	—	
<b>Equities:</b>					
Consumer discretionary	116	116	—	—	
Consumer staples	149	149	—	—	
Energy	133	133	—	—	
Financials	182	182	—	—	
Health care	137	137	—	—	
Industrials	123	123	—	—	
Information technology	236	236	—	—	
Materials	38	38	—	—	
Utilities	34	34	—	—	
<b>Mutual funds:</b>					
Small cap funds	247	247	—	—	
Mid cap funds	201	201	—	—	
Large cap funds	334	334	—	—	
International funds	688	688	—	—	
<b>Endowments:</b>					
<b>Fixed income securities:</b>					
Corporate bonds	53	53	—	—	

#### Fair Value Measurements Using (in thousands):

	September 30, 2012, continued	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Mutual funds:</b>				
Small cap funds	5	5	—	—
Mid cap funds	6	6	—	—
Large cap funds	53	53	—	—
International funds	12	12	—	—
<b>Other assets:</b>				
Cash surrender value of life insurance	5,568	—	5,568	—

#### Fair Value Measurements Using (in thousands):

	September 30, 2011	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Investments:</b>				
<b>Fixed Income Securities:</b>				
U.S. government bonds	\$ 1,183	\$ 1,183	\$ —	\$ —
Corporate bonds	965	965	—	—
<b>Equities:</b>				
Consumer discretionary	123	123	—	—
Consumer staples	149	149	—	—
Energy	145	145	—	—
Financials	160	160	—	—
Health care	152	152	—	—
Industrials	118	118	—	—
Information technology	218	218	—	—
Materials	41	41	—	—
Utilities	36	36	—	—



### 3. Fair Value Measurements, continued:

Fair Value Measurements Using (in thousands):				
	September 30, 2011, continued	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>Mutual funds:</b>				
Small cap funds	241	241	—	—
Mid cap funds	120	120	—	—
Large cap funds	348	348	—	—
International funds	664	664	—	—
<b>Endowments:</b>				
<b>Fixed income securities:</b>				
Corporate bonds	47	47	—	—
<b>Mutual funds:</b>				
Small cap funds	5	5	—	—
Mid cap funds	4	4	—	—
Large cap funds	42	42	—	—
International funds	10	10	—	—
<b>Other assets:</b>				
Cash surrender value of life insurance	5,255	—	5,255	—

**Valuation techniques:** Fair value for equities, fixed income securities and mutual funds are based on quoted prices in active markets. The fair value of the cash surrender value of life insurance is based on observable inputs other than the quoted prices included in Level 1 and thus are based on yields for securities and assets of comparable maturity, quality and type as obtained from market makers.

### 4. Investments:

Investments at estimated fair value consist of (in thousands):

	Year Ended September 30,	
	2012	2011
<b>National gift annuities:</b>		
Fixed income securities	\$ 1,852	\$ 1,859
Equities	1,148	1,142
Mutual funds	1,213	1,120
Money market accounts	126	94
	<u>4,339</u>	<u>4,215</u>
<b>California gift annuities:</b>		
Fixed income securities	289	253
Mutual funds	258	288
Money market accounts	9	23
	<u>556</u>	<u>564</u>
<b>Wisconsin gift annuities:</b>		
Fixed income securities	123	—
Money market accounts	4	129
	<u>127</u>	<u>129</u>
	<u>\$ 5,022</u>	<u>\$ 4,908</u>

Investment income including return from endowment assets, consists of (in thousands):

	Year Ended September 30,	
	2012	2011
Interest and dividends	\$ 364	\$ 239
Realized and unrealized gains (losses)	458	(213)
	<u>\$ 822</u>	<u>\$ 26</u>



## 5. Pledges Receivable:

Pledges receivable consist of (in thousands):

	Year Ended September 30,	
	2012	2011
Due in less than one year	\$ 931	\$ 2,087
Less allowance for uncollectible amounts	(209)	(253)
	<u>\$ 722</u>	<u>\$ 1,834</u>

## 6. Property and Equipment—Net:

Property and equipment—net consists of (in thousands):

	Year Ended September 30,	
	2012	2011
Land	\$ 8,239	\$ 8,239
Land improvements	3,872	3,872
Buildings and building improvements	54,562	54,409
Furniture, equipment and software	37,075	38,305
Website	3,824	3,701
	<u>107,572</u>	<u>108,526</u>
Accumulated depreciation and amortization	(69,191)	(65,406)
	<u>38,381</u>	<u>43,120</u>
Projects in progress	458	144
	<u>\$ 38,839</u>	<u>\$ 43,264</u>

## 7. Other Assets:

Other assets consist of (in thousands):

	Year Ended September 30,	
	2012	2011
Cash surrender value of life insurance policy	\$ 5,568	\$ 5,255
Deferred expenses	134	53
	<u>\$ 5,702</u>	<u>\$ 5,308</u>

## 8. Endowment Assets:

Endowment assets consist of (in thousands):

	Year Ended September 30,	
	2012	2011
Fixed income securities	\$ 53	\$ 47
Mutual funds	75	62
Money market funds	5	7
	<u>\$ 133</u>	<u>\$ 116</u>

## 9. Gift Annuities:

Upon receipt of charitable gift annuities, the actuarially computed present value of future payments is recognized as a liability, and the difference between the liability and the face value of the annuity is recognized as an unrestricted contribution. Subsequently, annuities payable are revalued annually using the federal mortality rates and discount factors applied at inception. Assets funding charitable gift annuities are included in investments.

Change in value of charitable gift annuities consists of (in thousands):

	Year Ended September 30,	
	2012	2011
Payments on charitable gift annuities	\$ (430)	\$ (445)
Actuarial change in charitable gift annuity liability	76	78
Charitable gift annuity maturities	105	31
Net investment income	—	(69)
	<u>\$ (249)</u>	<u>\$ (405)</u>



## 10. Temporarily Restricted Net Assets:

Temporarily restricted net assets consist of the following (in thousands):

	Year Ended September 30,	
	2012	2011
Pledges receivable	\$ 722	\$ 1,834
Reserve for annuities	429	444
Sanctity of life programs	97	829
Other temporary restrictions	4	74
Strengthen family resources	—	610
	<u>\$ 1,252</u>	<u>\$ 3,791</u>

## 11. Retirement Plan:

FOF sponsors a defined contribution retirement plan under section 403(b) of the Internal Revenue Code covering substantially all regular, full-time employees meeting certain eligibility requirements. FOF provides a matching discretionary contribution of 3% to 6% of participant compensation, depending on years of service. It is FOF's policy to fund the retirement plan costs. Total contributions for the years ended September 30, 2012 and 2011, were \$1,136,000 and \$1,189,000, respectively.

CL sponsors a defined contribution retirement plan under section 401(k) of the Internal Revenue Code covering substantially all regular, full-time employees meeting eligibility requirements. CL provides a discretionary matching contribution from 3% to 6% of participant compensation, depending on years of service. It is CL's policy to fund retirement plan costs. Total contributions for the years ended September 30, 2012 and 2011, were \$105,000 and \$117,000, respectively.

## 12. Allocation of Joint Costs:

During the years ended September 30, 2012 and 2011, Focus incurred joint costs for informational materials and activities that included fund-raising appeals. These programs include various newsletters, magazines and constituent relations.

Costs associated with the various programs have been allocated in the consolidated statements of activities according to their functional classification as follows (in thousands):

	Year Ended September 30,	
	2012	2011
Program services:		
Publications	\$ 5,799	\$ 6,143
Resources	4,024	3,869
Public policy awareness	1,426	738
Other ministries	210	639
	<u>11,459</u>	<u>11,389</u>
Fund-raising	1,216	1,894
	<u>\$ 12,675</u>	<u>\$ 13,283</u>

## 13. Transactions With Related Parties:

FOF offers various books and tapes for distribution that have been written by employees and members of the board of directors. During the years ended September 30, 2012 and 2011, approximately \$1,000 and \$3,000, respectively, of these materials were purchased from publishers. Focus employees and members of the board of directors waive their royalties on resources distributed by Focus that are created during their employment or service.



#### 14. Commitments:

In addition, Focus has entered into various service agreements with unrelated third party vendors. Future minimum payments required under these agreements in effect at September 30, 2012, are (in thousands):

Year Ending September 30,	
2013	\$ 3,171
2014	452
2015	61
	<u>\$ 3,684</u>

#### 15. Subsequent Events:

Subsequent events have been evaluated through the report date, which represents the date the financial statements were available to be issued. No subsequent events or disclosures were identified. Subsequent events after that date have not been evaluated.





## SUPPLEMENTAL INFORMATION

2012 Focus on the Family and  
CitizenLink Annual Report



## Independent Auditors' Report on Supplemental Information

CAPINCROUSE<sup>LLP</sup>  
Chartered Public Accountants

www.capincrouse.com

2435 Research Parkway, Suite 200 Colorado Springs, CO 80920 719.528.6225 719.528.5910 fax

### INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION

Board of Directors  
Focus on the Family and CitizenLink  
Colorado Springs, Colorado

We have audited the consolidated financial statements of Focus on the Family and CitizenLink as of and for the years ended September 30, 2012 and 2011, and have issued our report thereon dated December 20, 2012, which contained an unqualified opinion on those consolidated financial statements. Our audits were performed for the purpose of forming an opinion on the basic consolidated financial statements as a whole. The supplemental information located on pages 20-23 is presented for the purpose of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Capin Crouse LLP*

Colorado Springs, Colorado  
December 20, 2012



# CONSOLIDATING STATEMENT OF FINANCIAL POSITION

September 30, 2012

ASSETS:	Focus on the Family	CitizenLink	Eliminations	Total
<b>Current assets:</b>				
Cash and cash equivalents	\$ 9,228,991	\$ 3,916,434	\$ —	\$ 13,145,425
Investments	5,022,209	—	—	5,022,209
Accounts receivable—net	1,162,926	89,278	(365,444)	886,760
Inventory	315,499	—	—	315,499
Pledges receivable	721,887	—	—	721,887
Prepaid expenses	2,347,621	223,161	—	2,570,782
	18,799,133	4,228,873	(365,444)	22,662,562
Property and equipment—net	38,835,102	3,661	—	38,838,763
Film production costs—net	1,529,443	—	—	1,529,443
Other assets	5,702,444	—	—	5,702,444
Endowment assets	133,262	—	—	133,262
<b>Total Assets</b>	<b>\$ 64,999,384</b>	<b>\$ 4,232,534</b>	<b>\$ (365,444)</b>	<b>\$ 68,866,474</b>
<b>LIABILITIES AND NET ASSETS:</b>				
<b>Current liabilities:</b>				
Accounts payable	\$ 3,468,593	\$ 494,655	\$ (365,444)	\$ 3,597,804
Accrued expenses	2,476,776	237,057	—	2,713,833
Deferred revenue	2,811,264	—	—	2,811,264
Current portion of charitable gift annuities liability	429,343	—	—	429,343
	9,185,976	731,712	(365,444)	9,552,244
Charitable gift annuities liability—net of current portion	2,866,798	—	—	2,866,798
	12,052,774	731,712	(365,444)	12,419,042
<b>Net assets:</b>				
<b>Unrestricted:</b>				
Operations	12,768,695	3,497,161	—	16,265,856
Equity in property and equipment	38,835,102	3,661	—	38,838,763
	51,603,797	3,500,822	—	55,104,619
Temporarily restricted	1,251,813	—	—	1,251,813
Permanently restricted	91,000	—	—	91,000
	52,946,610	3,500,822	—	56,447,432
<b>Total Liabilities and Net Assets</b>	<b>\$ 64,999,384</b>	<b>\$ 4,232,534</b>	<b>\$ (365,444)</b>	<b>\$ 68,866,474</b>



# CONSOLIDATING STATEMENT OF FINANCIAL POSITION

September 30, 2011

ASSETS:	Focus on the Family	CitizenLink	Eliminations	Total
<b>Current assets:</b>				
Cash and cash equivalents	\$ 8,896,272	\$ 756,353	\$ —	\$ 9,652,625
Investments	4,908,435	—	—	4,908,435
Accounts receivable—net	780,529	—	(130,995)	649,534
Inventory	325,745	—	—	325,745
Pledges receivable	1,834,122	—	—	1,834,122
Prepaid expenses	2,049,370	35,779	—	2,085,149
	18,794,473	792,132	(130,995)	19,455,610
Property and equipment—net	43,258,775	5,608	—	43,264,383
Film production costs—net	1,637,032	—	—	1,637,032
Other assets	5,307,998	—	—	5,307,998
Endowment assets	115,751	—	—	115,751
<b>Total Assets</b>	<b>\$ 69,114,029</b>	<b>\$ 797,740</b>	<b>\$ (130,995)</b>	<b>\$ 69,780,774</b>
<b>LIABILITIES AND NET ASSETS:</b>				
<b>Current liabilities:</b>				
Accounts payable	\$ 3,420,480	\$ 224,830	\$ (130,995)	\$ 3,514,315
Accrued expenses	3,111,035	259,905	—	3,370,940
Deferred revenue	2,838,178	—	—	2,838,178
Current portion of charitable gift annuities liability	443,811	—	—	443,811
	9,813,504	484,735	(130,995)	10,167,244
Charitable gift annuities liability—net of current portion	3,032,859	—	—	3,032,859
	12,846,363	484,735	(130,995)	13,200,103
<b>Net assets:</b>				
<b>Unrestricted:</b>				
Operations	9,127,486	307,397	—	9,434,883
Equity in property and equipment	43,258,775	5,608	—	43,264,383
	52,386,261	313,005	—	52,699,266
Temporarily restricted	3,790,405	—	—	3,790,405
Permanently restricted	91,000	—	—	91,000
	56,267,666	313,005	—	56,580,671
<b>Total Liabilities and Net Assets</b>	<b>\$ 69,114,029</b>	<b>\$ 797,740</b>	<b>\$ (130,995)</b>	<b>\$ 69,780,774</b>



# CONSOLIDATING STATEMENT OF ACTIVITIES

Year Ended September 30, 2012

	Focus on the Family				CitizenLink					
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Eliminations	Grand Total
SUPPORT AND REVENUE:										
Contributions	\$ 69,317,083	\$ 11,952,125	\$ —	\$ 81,269,208	\$ 9,803,301	\$ —	\$ —	\$ 9,803,301	\$ —	\$ 91,072,509
Sales	6,376,547	—	—	6,376,547	—	—	—	—	—	6,376,547
Reimbursement income	837,456	—	—	837,456	3,180,911	—	—	3,180,911	(4,018,367)	—
Royalty and licensing revenue	1,850,343	—	—	1,850,343	—	—	—	—	—	1,850,343
Institute income	406,054	—	—	406,054	—	—	—	—	—	406,054
Investment income	819,714	—	—	819,714	2,220	—	—	2,220	—	821,934
Event revenue	241,862	—	—	241,862	—	—	—	—	—	241,862
Membership dues	—	—	—	—	41,620	—	—	41,620	—	41,620
Other revenue	515,502	—	—	515,502	—	—	—	—	—	515,502
Total Support and Revenue	80,364,561	11,952,125	—	92,316,686	13,028,052	—	—	13,028,052	(4,018,367)	101,326,371
NET ASSETS RELEASED:										
Time restrictions	4,954,145	(4,954,145)	—	—	—	—	—	—	—	—
Purpose restrictions	9,536,572	(9,536,572)	—	—	—	—	—	—	—	—
Total Net Assets Released	14,490,717	(14,490,717)	—	—	—	—	—	—	—	—
EXPENSES:										
Program services:										
Broadcasts	17,415,366	—	—	17,415,366	282,063	—	—	282,063	(49,810)	17,647,619
Resources	9,040,709	—	—	9,040,709	—	—	—	—	—	9,040,709
Publications	11,999,159	—	—	11,999,159	858,369	—	—	858,369	(221,248)	12,636,280
Correspondence	9,968,451	—	—	9,968,451	62,892	—	—	62,892	(27,375)	10,003,968
Public policy awareness	5,329,655	—	—	5,329,655	7,435,935	—	—	7,435,935	(3,200,932)	9,564,658
Internet	4,358,731	—	—	4,358,731	306,726	—	—	306,726	—	4,665,457
Events	1,346,238	—	—	1,346,238	124,124	—	—	124,124	—	1,470,362
Other ministries	21,044,186	—	—	21,044,186	—	—	—	—	—	21,044,186
	80,502,495	—	—	80,502,495	9,070,109	—	—	9,070,109	(3,499,365)	86,073,239
Supporting activities:										
General and administrative	7,665,527	—	—	7,665,527	431,344	—	—	431,344	(519,002)	7,577,869
Fund-raising	7,469,720	—	—	7,469,720	338,782	—	—	338,782	—	7,808,502
Total Expenses	95,637,742	—	—	95,637,742	9,840,235	—	—	9,840,235	(4,018,367)	101,459,610
Change in Net Assets	(782,464)	(2,538,592)	—	(3,321,056)	3,187,817	—	—	3,187,817	—	(133,239)
Net Assets, Beginning of Year	52,386,261	3,790,405	91,000	56,267,666	313,005	—	—	313,005	—	56,580,671
Net Assets, End of Year	\$ 51,603,797	\$ 1,251,813	\$ 91,000	\$ 52,946,610	\$ 3,500,822	\$ —	\$ —	\$ 3,500,822	\$ —	\$ 56,447,432



# CONSOLIDATING STATEMENT OF ACTIVITIES

Year Ended September 30, 2011

	Focus on the Family				CitizenLink					
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Eliminations	Grand Total
SUPPORT AND REVENUE:										
Contributions	\$ 76,908,415	\$ 7,637,886	\$ —	\$ 84,546,301	\$ 3,336,948	\$ —	\$ —	\$ 3,336,948	\$ —	\$ 87,883,249
Sales	7,178,811	—	—	7,178,811	—	—	—	—	—	7,178,811
Reimbursement income	1,323,063	—	—	1,323,063	3,552,802	—	—	3,552,802	(4,875,865)	—
Royalty and licensing revenue	1,768,249	—	—	1,768,249	—	—	—	—	—	1,768,249
Institute income	726,151	—	—	726,151	—	—	—	—	—	726,151
Investment income	22,137	—	—	22,137	3,226	—	—	3,226	—	25,363
Event revenue	199,884	—	—	199,884	—	—	—	—	—	199,884
Membership dues	—	—	—	—	47,329	—	—	47,329	—	47,329
Other revenue	370,849	—	—	370,849	16,800	—	—	16,800	—	387,649
Total Support and Revenue	88,497,559	7,637,886	—	96,135,445	6,957,105	—	—	6,957,105	(4,875,865)	98,216,685
NET ASSETS RELEASED:										
Time restrictions	1,994,182	(1,994,182)	—	—	—	—	—	—	—	—
Purpose restrictions	4,068,889	(4,068,889)	—	—	—	—	—	—	—	—
Total Net Assets Released	6,063,071	(6,063,071)	—	—	—	—	—	—	—	—
EXPENSES:										
Program services:										
Broadcasts	20,469,819	—	—	20,469,819	302,703	—	—	302,703	(130,646)	20,641,876
Resources	10,073,175	—	—	10,073,175	—	—	—	—	—	10,073,175
Publications	14,142,136	—	—	14,142,136	1,351,144	—	—	1,351,144	(695,530)	14,797,750
Correspondence	11,610,672	—	—	11,610,672	65,754	—	—	65,754	—	11,676,426
Public policy awareness	3,196,089	—	—	3,196,089	5,462,897	—	—	5,462,897	(3,600,186)	5,058,800
Internet	4,672,367	—	—	4,672,367	224,374	—	—	224,374	—	4,896,741
Events	87,271	—	—	87,271	80,986	—	—	80,986	—	168,257
Other ministries	22,674,593	—	—	22,674,593	—	—	—	—	—	22,674,593
	86,926,122	—	—	86,926,122	7,487,858	—	—	7,487,858	(4,426,362)	89,987,618
Supporting activities:										
General and administrative	7,712,549	—	—	7,712,549	433,319	—	—	433,319	(449,503)	7,696,365
Fund-raising	8,407,976	—	—	8,407,976	382,809	—	—	382,809	—	8,790,785
Total Expenses	103,046,647	—	—	103,046,647	8,303,986	—	—	8,303,986	(4,875,865)	106,474,768
Change in Net Assets	(8,486,017)	1,574,815	—	(6,911,202)	(1,346,881)	—	—	(1,346,881)	—	(8,258,083)
Net Assets, Beginning of Year	60,872,278	2,215,590	91,000	63,178,868	1,659,886	—	—	1,659,886	—	64,838,754
Net Assets, End of Year	\$ 52,386,261	\$ 3,790,405	\$ 91,000	\$ 56,267,666	\$ 313,005	\$ —	\$ —	\$ 313,005	\$ —	\$ 56,580,671



We are governed  
by an independent  
board of directors  
committed to the  
Lordship of Jesus Christ  
and His principles  
for the success of the  
traditional family.

## BOARD OF DIRECTORS

### **Patrick P. Caruana, M.S.**

Chairman of Board of Directors  
Lieutenant General (Ret.), Air Force

### **R. Albert Mohler Jr., Ph.D.**

President of The Southern Baptist  
Theological Seminary

### **Joan K. Singleton, Ph.D.**

Vice President of Workforce & Organization  
Effectiveness for Milton Hershey School

### **James D. Daly**

Chief Executive Officer, President

### **Paul D. Nelson**

Retired President of Evangelical  
Council for Financial Accountability  
Former Executive Vice President/COO  
of Focus on the Family

### **Lee Torrence**

Former Managing Director for IBM,  
Senior State Executive for Georgia

### **Patricia Esser**

CEO of KTG Group, Inc.

### **Eric Pillmore**

Senior Advisor to the Deloitte Center  
for Corporate Governance  
Former Senior Vice President  
of Tyco International

### **Daniel L. Villanueva**

Managing Partner with Fontis Capital

### **Robert E. Hamby, C.P.A.**

Former Senior Vice President  
and CFO of Multimedia, Inc.

### **Kim A. Robinson**

President and CEO of the National  
Underground Railroad Freedom Center  
Former Vice President of Customer Business  
Development, Procter & Gamble

### **Tony Wauterlek**

Founder, Wauterlek and Brown, Inc.

## EXECUTIVE LEADERSHIP

### **James D. Daly**

Chief Executive Officer, President

### **Clark Miller**

Chief Strategy Officer

### **Bob Wood**

Chief Information Officer

### **Ken Windebank**

Chief Development Officer

### **Joel Vaughan**

Chief of Staff

### **Dan Mellema**

Chief Financial Officer, Treasurer



# GUIDELINES FOR FUND-RAISING

**Here at Focus on the Family, we believe that the way an organization handles its finances is a reflection of its integrity and reliability in every arena. As a result, we have chosen to limit and regulate our methods of money management with great care. Here are the principles and policies that have guided us through the years:**

1. We believe that this ministry belongs to God and that we are merely His managers and stewards. Our role can be summed up in a single phrase: to stay accountable to *His* objectives, interests and concerns.
2. The Lord gives and the Lord takes away (Job 1:21). As long as He supplies the means, we will continue to serve others in His name. If He closes the door and cuts off our support, we will regard this as an indication of His sovereign will. We understand that the future of His work in the world does not depend upon the survival of this organization.
3. God sustains this work through the generosity of *His* people. Focus' continuation as a ministry is directly dependent upon *their* willingness and ability to give. It follows that our friends need to know about our financial circumstances. Accordingly, we will not hesitate to provide them with relevant information, both in the good times and in the bad. But we will not beg or resort to disrespectful or dishonorable methods of fund-raising, since this would only be to insult their sensibilities and disavow our confidence in the Lord. Nor will we ever attempt to raise more money than we need.
4. In the same attitude of high regard for those who make our ministry possible, we will never sell or rent our donor data base. On the contrary, we will treat our supporters' personal information as a solemn trust and maintain the tightest security on our list of contributors and friends.
5. In view of the sacrificial nature of the contributions we receive—contributions which, in many cases, come from families who are struggling to pay the mortgage and keep food on the table—we are determined to steward our financial resources as carefully and conservatively as possible. There is no room for extravagant or unnecessary expenditures in Focus on the Family's operating budget.
6. For similar reasons, we will resist the temptation to run the ministry at a deficit. If on occasion it becomes necessary to borrow funds to cover large and unforeseen expenditures, we will do our best to repay the loans as quickly as possible. When we make a purchase, we will pay the invoice within 30 days.
7. We believe that a Christian's first financial obligation is to the church; we have no desire to come between our friends and the local congregations to which they belong and from which they derive their spiritual sustenance. As a result, we do not expect them to contribute to our ministry until *after* they have supported the work of God's kingdom in their own faith communities.
8. We will implement measures to ensure fairness and accountability in all of our financial interactions with donors and supporters. To be specific, we will receipt all donations and show the fair market value of any materials requested and sent in order to help contributors determine the tax-deductible portion of their gifts.
9. As a way of holding ourselves accountable to the principles articulated above, we will conform to the standards established by the Evangelical Council for Financial Accountability (ECFA), an organization created to ensure ethical fund-raising and administration practices.
10. These, then, are the principles that have defined our philosophy of financial stewardship and shaped our approach to fund-raising. They are based upon a firm conviction that everything we are and everything we have comes to us by the grace of God. Provided we remain faithful, we are confident that the Lord will sustain us while His purposes for this ministry endure.



800-A-FAMILY FocusOnTheFamily.com  
(232-6459)

FOCUS ON THE FAMILY BELONGS TO THESE PROFESSIONAL GROUPS . . .















© 2013 Focus on the Family



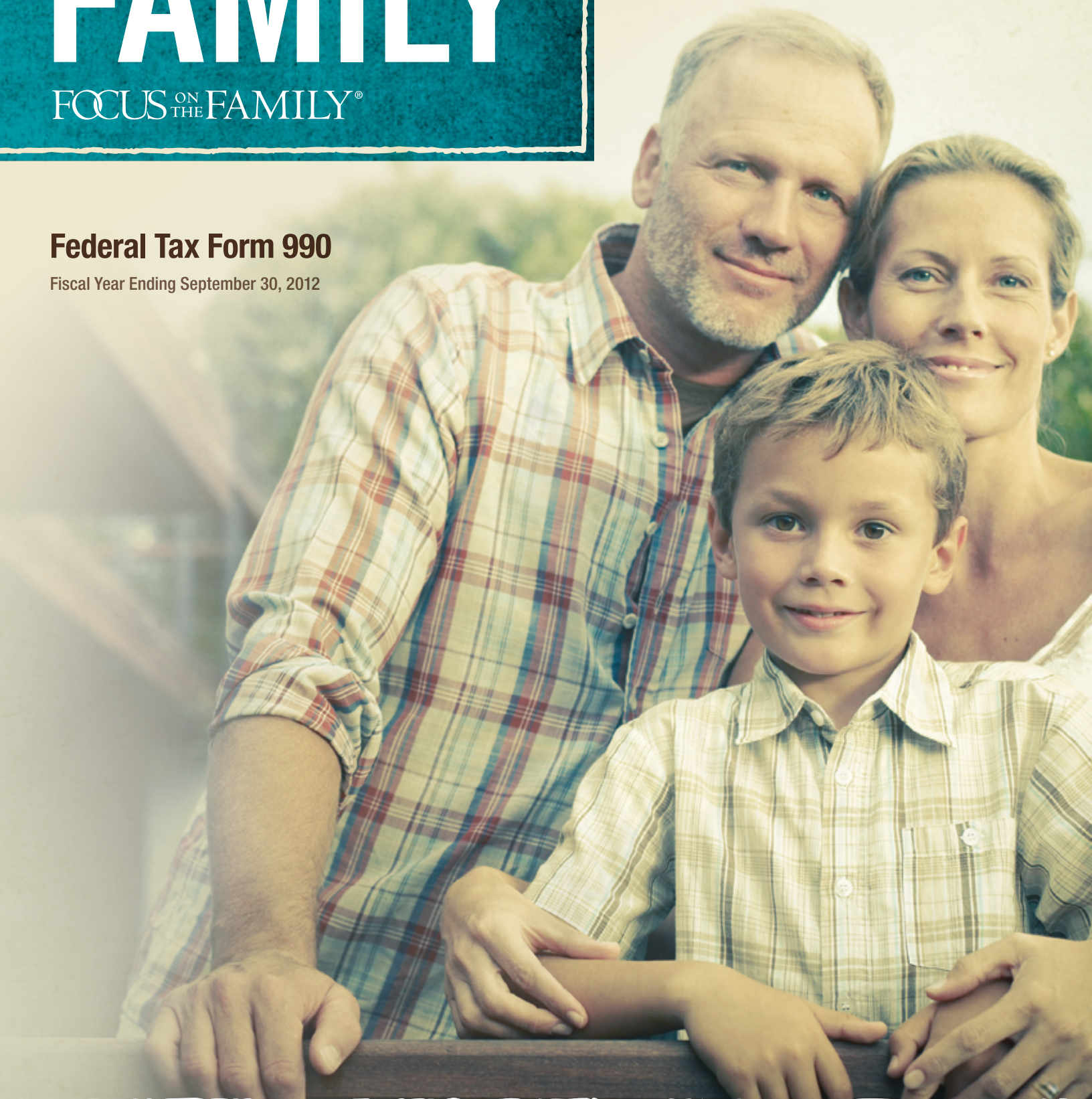
INVESTING IN

# FAMILY

FOCUS<sub>ON THE</sub> FAMILY<sup>®</sup>

## Federal Tax Form 990

Fiscal Year Ending September 30, 2012





INVESTING IN

# FAMILY

FOCUS<sub>ON THE</sub> FAMILY<sup>®</sup>

## Federal Tax Form 990-T

Fiscal Year Ending September 30, 2012

