

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION
AND AFFILIATES**

**CONSOLIDATED FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

for the year ended December 31, 2024

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION
AND AFFILIATES**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Rescue Missions Ministries, Inc. d/b/a Durham Rescue Mission and Affiliates

Opinion

We have audited the accompanying consolidated financial statements of Rescue Missions Ministries, Inc. d/b/a Durham Rescue Mission and Affiliates (the "Mission"), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Mission as of December 31, 2024, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Mission and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Mission's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Mission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Mission's ability to continue as a going concern for a reasonable period of time.

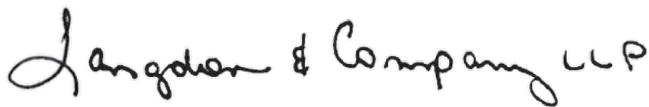
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information on pages 20-21 is presented for purposes 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 and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit 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 consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited the Mission's 2023 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated April 23, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.



Garner, North Carolina
May 6, 2025

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION
AND AFFILIATES**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

**as of December 31, 2024
with comparative totals as of December 31, 2023**

ASSETS			LIABILITIES AND NET ASSETS		
	2024	2023		2024	2023
Current assets:			Current liabilities:		
Cash and cash equivalents	\$ 9,063,984	\$ 7,939,169	Accounts payable	\$ 437,477	\$ 360,588
Investments	17,704,727	14,437,381	Accrued payroll liabilities	276,306	249,311
Pledges receivable (less allowance for uncollectible pledges of \$10,000 and \$11,100, respectively)	60,579	29,370	Employee savings	362,130	299,552
Accounts receivable	26,696	13,345	Current portion of operating lease liabilities	60,444	60,610
Other receivables	52,878	37,630	Total current liabilities	1,136,357	970,061
Inventory	1,533,851	1,401,595			
Prepaid expenses	17,485	18,591	Long-term liabilities:		
Total current assets	28,460,200	23,877,081	Operating lease liabilities, less current portion	83,291	123,724
			Total long-term liabilities	83,291	123,724
			Total liabilities	1,219,648	1,093,785
Long-term assets:					
Property and equipment, net	30,363,784	32,447,193	Net assets:		
Property held for sale	869,922	869,922	Without donor restrictions		
Operating right-of-use assets	139,697	180,353	Undesignated	55,342,705	53,559,108
Security deposits	25,000	25,000			
Investments - restricted in perpetuity	250,000	250,000	Board-designated for special purpose	285,811	272,178
Total long-term assets	31,648,403	33,772,468	Total without donor restrictions	55,628,516	53,831,286
			With donor restrictions		
			Purpose restricted	3,010,439	2,474,478
			Perpetual in nature	250,000	250,000
			Total with donor restrictions	3,260,439	2,724,478
			Total net assets	58,888,955	56,555,764
Total assets	\$ 60,108,603	\$ 57,649,549	Total liabilities and net assets	\$ 60,108,603	\$ 57,649,549

*The accompanying notes are an integral
part of the consolidated financial statements.*

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION
AND AFFILIATES**

CONSOLIDATED STATEMENT OF ACTIVITIES

**for the year ended December 31, 2024
with comparative totals for December 31, 2023**

	2024			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Public support and revenue:				
Public support:				
Contributions	\$ 6,649,198	\$ 744,298	\$ 7,393,496	\$ 6,887,965
In-kind contributions	9,122,328	-	9,122,328	8,294,722
Fundraising events:				
Fundraising events revenue	107,170	213,283	320,453	258,614
Less: direct expenses	(34,201)	(38,823)	(73,024)	(49,682)
Total public support	15,844,495	918,758	16,763,253	15,391,619
Revenue:				
Thrift store sales and services	8,172,522	-	8,172,522	7,998,426
Rent	415,230	-	415,230	394,417
Program services	244,090	-	244,090	271,169
Other income	138,545	-	138,545	30,014
TTTR labor income	-	-	-	41,436
Total revenue	8,970,387	-	8,970,387	8,735,462
Net assets released from restrictions	454,508	(454,508)	-	-
Total public support and revenue	25,269,390	464,250	25,733,640	24,127,081
Expenses:				
Program expenses:				
Durham Rescue Mission program services	15,191,932	-	15,191,932	13,204,438
Rescue Legacy Fund program services	1,044,888	-	1,044,888	600,211
Temps to the Rescue program services	3,242,495	-	3,242,495	2,632,896
Total program services	19,479,315	-	19,479,315	16,437,545
Supporting services:				
Management and general	2,645,677	-	2,645,677	2,497,656
Fundraising	1,698,576	-	1,698,576	1,774,857
Total supporting services	4,344,253	-	4,344,253	4,272,513
Total expenses	23,823,568	-	23,823,568	20,710,058
Changes in net assets from operations	1,445,822	464,250	1,910,072	3,417,023
Other changes in net assets:				
Investment income, net	2,575,276	71,711	2,646,987	2,125,413
Loss on disposal of property and equipment	(2,223,868)	-	(2,223,868)	(2,687)
Total other changes in net assets	351,408	71,711	423,119	2,122,726
Change in net assets	1,797,230	535,961	2,333,191	5,539,749
Net assets at beginning of year	53,831,286	2,724,478	56,555,764	51,016,015
Net assets at end of year	\$ 55,628,516	\$ 3,260,439	\$ 58,888,955	\$ 56,555,764

*The accompanying notes are an integral
part of the consolidated financial statements.*

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION
AND AFFILIATES**

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

**for the year ended December 31, 2024
with comparative totals for December 31, 2023**

	2024							2023	
	Program Services				Supporting Services				
	DRM Program Services	RLF Program Services	TTTR Program Services	Total Program Expenses	Management and General	Fund- Raising	Total Supporting Services	Grand Total	Grand Total
Salaries, taxes, and benefits	\$ 1,638,751	\$ -	\$ 3,061,226	\$ 4,699,977	\$ 758,218	\$ 691,303	\$ 1,449,521	\$ 6,149,498	\$ 5,305,683
Food, including in-kind	816,559	573	-	817,132	-	-	-	817,132	713,625
Cost of goods sold (thrift stores) - in-kind	8,439,666	-	-	8,439,666	-	-	-	8,439,666	7,326,383
Depreciation	326,162	594,911	-	921,073	137,957	104,320	242,277	1,163,350	1,058,516
Postage and printing	234,970	69,112	-	304,082	140,982	93,988	234,970	539,052	365,950
Maintenance and repairs	226,506	103,687	-	330,193	95,806	72,446	168,252	498,445	561,646
Community events	319,827	-	-	319,827	-	-	-	319,827	173,443
Utilities	649,783	3,765	-	653,548	275,636	208,429	484,065	1,137,613	1,150,622
Development	-	-	-	-	123,082	492,326	615,408	615,408	717,057
Taxes and licenses	259,577	86,581	-	346,158	259,577	-	259,577	605,735	544,352
Insurance	509,456	26,997	130,319	666,772	74,778	35,764	110,542	777,314	719,058
Benevolent gifts	539,448	-	-	539,448	-	-	-	539,448	486,007
Membership and dues	-	3,048	-	3,048	61,154	-	61,154	64,202	96,905
Program supplies	397,128	-	-	397,128	-	-	-	397,128	453,129
Transportation	389,683	5,749	226	395,658	-	-	-	395,658	381,407
Professional fees	346,031	104,722	22,810	473,563	346,031	-	346,031	819,594	250,171
Bank and service charges	-	-	21,588	21,588	222,412	-	222,412	244,000	192,910
Office expense	31,192	3,737	-	34,929	31,192	-	31,192	66,121	90,145
Miscellaneous	67,193	42,006	6,326	115,525	118,852	-	118,852	234,377	123,049
Total expenses	\$ 15,191,932	\$ 1,044,888	\$ 3,242,495	\$ 19,479,315	\$ 2,645,677	\$ 1,698,576	\$ 4,344,253	\$ 23,823,568	\$ 20,710,058

*The accompanying notes are an integral
part of the consolidated financial statements.*

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION
AND AFFILIATES**

CONSOLIDATED STATEMENT OF CASH FLOWS

**for the year ended December 31, 2024
with comparative totals for December 31, 2023**

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities:		
Cash received from grantors and contributors	\$ 7,229,986	\$ 6,346,221
Cash received from clients and third-party payers	8,817,894	8,763,582
Cash paid to suppliers and employees	(13,838,235)	(12,513,001)
Interest and dividends received	1,031,539	770,074
Net cash provided by operating activities	<u>3,241,184</u>	<u>3,366,876</u>
Cash flows from investing activities:		
Purchases of property and equipment	(1,293,371)	(7,341,052)
Sales of investments	51,201,776	58,315,386
Purchases of investments	(52,404,504)	(60,759,662)
Net cash used in investing activities	<u>(2,496,099)</u>	<u>(9,785,328)</u>
Cash flows from financing activities:		
Contributions restricted for capital campaign	379,730	912,019
Net cash provided by financing activities	<u>379,730</u>	<u>912,019</u>
Net increase (decrease) in cash	1,124,815	(5,506,433)
Cash at beginning of year	<u>7,939,169</u>	<u>13,445,602</u>
Cash at end of year	<u>\$ 9,063,984</u>	<u>\$ 7,939,169</u>
Noncash investing activities:		
Donated stock	\$ 177,572	\$ 287,524
Donated vehicles	22,343	36,000
	<u>\$ 199,915</u>	<u>\$ 323,524</u>

*The accompanying notes are an integral
part of the consolidated financial statements.*

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION AND
AFFILIATES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Rescue Missions Ministries, Inc., doing business as Durham Rescue Mission, is a nonprofit organization that was formed in 1973. The Mission's purpose is to offer food to the hungry, clothes and shelter to the needy, vocational training and medical, dental, and vision care through a partnership with Samaritan Health Center, Inc., to its residents, and Christ to the hurting through programs for men, women and children in Durham, North Carolina. The Mission is governed by a Board of Directors which meets regularly to conduct the business of the Mission. The Mission's revenue consists primarily of individual, corporate, and church contributions as well as thrift store sales from six different thrift store locations.

Principles of Consolidation

The consolidated financial statements include the accounts of Rescue Missions Ministries, Inc. d/b/a Durham Rescue Mission (DRM), Rescue Legacy Fund (RLF), and Temps to the Rescue, Inc. (TTTR). RLF and TTTR are consolidated due to Durham Rescue Mission having an economic interest and control of appointments to the boards.

The purpose of RLF is to provide continuing financial support to Durham Rescue Mission. RLF's activity includes the activity of seven LLCs, each of which own the building and land associated with the thrift stores, the training and distribution center for which Durham Rescue Mission operates, and the student housing building and land for which Durham Rescue Mission operates. RLF is the sole member of each LLC, which are disregarded for tax purposes. The majority of RLF's revenue is from Durham Rescue Mission related to the rental of these properties and contributions to RLF's investments.

The purpose of TTTR is to facilitate the transition of Durham Rescue Mission residents into society by assisting them in obtaining and maintaining jobs. Through guidance by TTTR staff, employees are placed in temporary positions primarily with Durham Rescue Mission's thrift stores, but also with partnering companies from post-secondary institutions to construction contractors, in the Triangle. Approximately 97% and 99% of TTTR's income is from Durham Rescue Mission for the years ended December 31, 2024 and 2023, respectively.

Cash and Cash Equivalents

For the purpose of reporting the consolidated statement of cash flows, the Mission considers cash in banks and investments with an original maturity of three months or less when purchased to be cash equivalents. Amounts received with donor-imposed restrictions which limit their use to long-term purposes are not considered cash and cash equivalents for purposes of the consolidated statement of cash flows. The Mission maintains its cash accounts with financial institutions, which at times, exceed federally insured limits. The Mission has not experienced any losses in such accounts.

Inventory

Inventory consists of donated and purchased food (primarily used in its programs), clothing, furniture, appliances, electronics, books, and other items that are primarily sold in its thrift stores, as well as vehicles that are either used in the Mission's programs or sold in its independent auto dealership. Donated items are recorded at estimated fair value at date of donation. The Mission receives a significant amount of contributed goods and materials that it processes as merchandise available for sale in its thrift stores. The Mission believes that these donated items do not possess an attribute that is easily measurable or verifiable with sufficient reliability to determine inventory value at the time of the donation. Instead, the value at the end of the year is estimated using the selling price.

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION AND
AFFILIATES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Investments in marketable securities with readily determinable fair values are reported at their fair values in the consolidated statement of financial position. Unrealized gains and losses are included in the changes in net assets. Unless they are specifically restricted by the donor, investment earnings and losses are reported as increases or decreases in net assets without donor restriction.

Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Management considers the estimates of the valuation of donated inventory, including food, clothing, vehicles, etc. to be critical accounting policies requiring extensive subjective judgments. The valuation of donated food, clothing, vehicles, etc. is based on quoted valuations, price per pound, historical experience and sales, and/or price comparisons for similar products/items. Actual results could differ from these estimates under different assumptions or conditions.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Mission. These net assets may be used at the discretion of the Mission's management and the Board of Directors.

Net Assets with Donor Restrictions – Net assets that are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Mission or by the passage of time. Other donor restrictions are perpetual in nature, where the donor has stipulated the funds be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenue Recognition and Receivables

Support and Receivables

Contributions and Pledges Receivable

Contributions received by the Mission are recorded as support without donor restrictions or support with donor restrictions, depending on the existence and/or nature of any donor restrictions. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return - are recognized when the conditions on which they depend are substantially met. Unconditional promises to give, due in subsequent years, are reported at the present value of their net realizable value using a risk adjusted discount rate. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions.

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION AND
AFFILIATES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition and Receivables (Continued)

Support and Receivables (Continued)

Contributions and Pledges Receivable (Continued)

Pledges receivable consists of unconditional promises to give and are stated at unpaid balances, less an allowance for doubtful accounts. The Mission periodically evaluates pledges and other receivable balances as well as the status of any significant past due accounts to determine if any balances are uncollectible. When management determines that a promise to give is uncollectible, bad debt expense and allowance are recorded. Subsequent recoveries of amounts previously written off are credited directly to earnings.

Donated Food, Clothing, Furniture, and Other

The Mission received the following donated assets for the year ended December 31:

	<u>2024</u>	<u>2023</u>
Clothing, materials, and supplies	\$ 7,455,706	\$ 6,438,738
Furniture	904,352	1,089,184
Food	422,790	378,337
Media/Electronics	62,115	64,939
Vehicles	99,793	36,000
Stock	177,572	287,524
	<u>\$ 9,122,328</u>	<u>\$ 8,294,722</u>

Donations of clothing, materials, and supplies are either monetized or utilized by the Mission. Donated clothing, materials, and supplies, when utilized, are used in the Mission's programs and are valued by weight based on the average selling price per pound in the Mission's thrift stores.

Donations of furniture are either monetized or utilized by the Mission. Donated furniture, when utilized, is used in the Mission's programs and are valued by the selling price in the Mission's thrift stores, which varies depending on the type of furniture, size of the furniture, condition, etc.

Donations of media and electronic items are either monetized or utilized by the Mission. Donated media and electronic items are used in the Mission's programs and are valued by the selling price in the Mission's thrift stores or by researching the price of similar items, depending on if the item will be monetized or utilized in the Mission's programs.

Donations of food are utilized in the Mission's programs. Donated food is valued by researching the price of similar items.

Donated vehicles are either monetized or utilized by the Mission. Donated vehicles, when utilized, are used in the Mission's programs and are valued by researching the price of similar vehicles.

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION AND
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition and Receivables (Continued)

Support and Receivables (Continued)

Donated Food, Clothing, Furniture, and Other (Continued)

The Mission recognizes the fair value of contributed services received if such services a) create or enhance a nonfinancial asset or b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed.

The Mission receives services from a large number of volunteers who give significant amounts of their time to the Mission's programs, but which do not meet the criteria for financial statement recognition.

Donations of marketable securities are monetized promptly upon receipt.

Revenue and Receivables

The Mission accounts for revenue in accordance with Financial Accounting Standards Board ("FASB") Codification Topic 606: *Revenue from Contracts with Customers*.

Thrift Store Sales and Services

Thrift store sales and service revenue is recognized when control transfers to the customer, at a point in time.

The Mission determines the transaction price based on standard charges for goods and services provided, reduced by any applicable discounts.

Rent and Program Services

While contribution revenue and thrift store sales and services provide the majority of the support and revenue for the Mission, the Mission also derives a small portion of their revenue from rent charged to unrelated third parties for office and commercial space as well as boat/vehicle storage space and program service fees charged to clients participating in the program. Revenue is recognized as performance obligations are satisfied, over time (generally monthly) for both rent and program service fees. The Mission determines the transaction price based on signed rental agreements and standard charges for program fees. Consistent with the Mission's cause, care is provided to clients regardless of their ability to pay the program service fees.

TTTR Labor Income

TTTR primarily derives its revenues from temporary staffing to the Durham Rescue Mission and other local businesses throughout the greater Triangle area. TTTR recognizes revenue at the time employees render services, based on completed timesheets, generally in the month services are rendered.

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION AND
AFFILIATES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition and Receivables (Continued)

Revenue and Receivables (Continued)

Total revenue from contracts for the years ended December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Revenue recognized over time:		
Program services	\$ 244,090	\$ 271,169
Rent	415,230	394,417
	<u>659,320</u>	<u>665,586</u>
Revenue recognized at a point in time:		
Thrift store sales and services	8,172,522	7,998,426
TTTR labor income	-	41,436
	<u>8,172,522</u>	<u>8,039,862</u>
	<u>\$ 8,831,842</u>	<u>\$ 8,705,448</u>

Accounts Receivable and Allowance for Credit Losses

Accounts receivable principally consists of amounts due for contracted labor. The allowance estimate is derived from a review of the Mission's historical losses based on the aging of receivables and adjusted for management's assessment of current conditions and reasonable and supportable forecasts regarding future economic conditions or events. The Mission believes historical loss information is a reasonable starting point in which to calculate expected losses as the Mission's customers have remained consistent for many years.

Amounts are past due when they are not paid within the terms agreed upon by the Mission and the customer. As of December 31, 2024 and 2023, no allowance for credit losses was deemed necessary as management considered all accounts receivable to be fully collectible at that time.

Leases

The Mission determines if an arrangement is a lease at inception. Operating leases are included in Operating right-of-use (ROU) assets and Operating lease liabilities on the consolidated statement of financial position.

Right-of-use asset represents the Mission's right to use an underlying asset for the lease term and lease liabilities represent the Mission's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the term. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Mission will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term. The Mission has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right-of-use assets on the consolidated statement of financial position. The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Mission has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of all lease liabilities. In addition, the Mission has elected not to separate non-lease components from lease components and instead accounts for each separate lease component and the non-lease component as a single lease component.

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION AND
AFFILIATES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Property and equipment are stated at cost if purchased and at fair value at the date of contribution of assets donated to the Mission. The Mission capitalizes additions of property and equipment in excess of \$2,500.

Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donor assets must be maintained, the Mission reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Mission reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Expenditures for repairs and maintenance are charged to expense as incurred. The cost of major renewals and betterments are capitalized and depreciated over their estimated useful lives. Upon disposition of property and equipment, the related asset and accumulated depreciation accounts are removed and any gain or loss is reflected in the consolidated statement of activities for the period.

Property and equipment are depreciated using the straight-line method over the following useful lives:

	<u>Years</u>
Furniture and equipment	5 - 20
Vehicles	3 - 5
Buildings and improvements	7 - 40

Income Taxes

Durham Rescue Mission is exempt from Federal income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and has been classified as a church by the Internal Revenue Service. In addition, Durham Rescue Mission qualifies for the charitable contribution deduction under Section 107(b)(1)(a). RLF and TTTR are exempt from income tax under Internal Revenue Code Section 501(c)(3). There is no unrelated business income tax for the years ended December 31, 2024 and 2023.

The Mission evaluates any uncertain tax positions. Accordingly, the Mission's policy is to record a liability for any tax position taken that is beneficial to the Mission, including any related interest and penalties, when it is more likely than not the position of management with respect to a transaction or class of transactions will be overturned by a taxing authority upon examination. Management believes there are no such positions as of December 31, 2024 and 2023.

Expense Allocation

The costs of program and supporting services activities have been summarized on a functional basis in the consolidated statement of activities. The consolidated statement of functional expenses presents the natural classification detail of expenses by function. The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied.

Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management uses multiple allocation bases to the management and general and fundraising supporting service categories based on historical time and effort. Expenses are directly coded, where possible, and include food, community events, bank and service charges, benevolent gifts, membership and dues, program supplies, transportation, and cost of goods sold. All other expenses are allocated based on estimated time spent.

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION AND
AFFILIATES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Comparative Totals

The consolidated 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 the Mission's consolidated financial statements for the year ended December 31, 2023, from which the summarized information was derived.

Reclassifications

Certain items included in the 2023 consolidated financial statements have been reclassified to conform to the 2024 presentation. Change in net assets of the Mission previously reported for 2023 was not affected by these reclassifications.

2. LIQUIDITY AND AVAILABILITY

The Mission's working capital and cash flows vary throughout the year due to timing of cash receipts from thrift store sales and contributions from donors. The Mission also received a significant amount of restricted contributions in the current and prior year for capital campaigns. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Mission must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Mission's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Mission invests cash in excess of daily requirements into short-term investments.

The following reflects the Mission's financial assets as of the consolidated statement of financial position date, reduced by amounts that are not available for general use due to contractual or donor-imposed restrictions within one year of the consolidated statement of financial position date. Amounts that are not available also include board-designated amounts that could be utilized if the board approved the use.

Financial assets at year-end:	2024	2023
Cash and cash equivalents	\$ 9,063,984	\$ 7,939,169
Investments	17,704,727	14,437,381
Pledges receivable	60,579	29,370
Accounts receivable	26,696	13,345
Other receivables	52,878	37,630
	<u>26,908,864</u>	<u>22,456,895</u>
Less amounts not available to be used within one year, due to:		
Donor-imposed restrictions	3,010,439	2,474,478
Board-designated for special purpose	285,811	272,178
	<u>3,296,250</u>	<u>2,746,656</u>
Financial assets available to meet general expenditures within one year	<u>\$ 23,612,614</u>	<u>\$ 19,710,239</u>

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION AND
AFFILIATES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. INVESTMENTS AND FAIR VALUE MEASUREMENTS

Financial assets valued using level 1 inputs are based on unadjusted quoted market prices within active markets. Level 2 inputs are those inputs that are observable, either directly or indirectly, for the assets or liability other than quoted prices included in level 1. Level 3 inputs are unobservable and apply only when there is little or no market activity for the asset or liability.

The Mission recognizes transfers of assets into and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels in the years ended December 31, 2024 and 2023.

Fair value for assets measured on a recurring basis as of December 31, 2024 and 2023 are as follows:

		Fair Value Measurements at Reporting Date Using		
		Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>December 31, 2024</u>	Fair Value			
Common stocks	\$ 9,534,760	\$ 9,534,760	\$ -	\$ -
Bonds	8,419,967	8,419,967	-	-
	<u>\$ 17,954,727</u>	<u>\$ 17,954,727</u>	<u>\$ -</u>	<u>\$ -</u>

		Fair Value Measurements at Reporting Date Using		
		Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>December 31, 2023</u>	Fair Value			
Common stocks	\$ 7,880,921	\$ 7,880,921	\$ -	\$ -
Bonds	6,806,460	6,806,460	-	-
	<u>\$ 14,687,381</u>	<u>\$ 14,687,381</u>	<u>\$ -</u>	<u>\$ -</u>

The following schedule summarizes the investment earnings for the year ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Net realized and unrealized gains	\$ 1,751,247	\$ 1,487,160
Interest and dividends	1,031,539	770,074
Investment fees	(135,799)	(131,821)
	<u>\$ 2,646,987</u>	<u>\$ 2,125,413</u>

The following schedule summarizes the investment gains and its classification in the consolidated statement of activities:

	<u>2024</u>	<u>2023</u>
Without donor restrictions	\$ 2,575,276	\$ 2,069,437
With donor restrictions	71,711	55,976
	<u>\$ 2,646,987</u>	<u>\$ 2,125,413</u>

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION AND
AFFILIATES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. ENDOWMENT

Durham Rescue Mission's endowment consists of one donor-restricted endowment that supports particular programs or types of expenditure. As required by generally accepted accounting principles (GAAP), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Durham Rescue Mission has interpreted the North Carolina Uniform Management of Institutional Funds Act (the Act) 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, Durham Rescue Mission classifies as net assets with donor restrictions (1) the original value of gifts donated to the perpetual endowments, (2) the original value of subsequent gifts to the perpetual endowments, and (3) accumulations to the perpetual endowments made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Amounts not retained in perpetuity are subject to appropriation for expenditure by Durham Rescue Mission in a manner consistent with the standard of prudence prescribed by the Act. In accordance with the Act, Durham Rescue Mission considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation or deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of Durham Rescue Mission, and (7) Durham Rescue Mission's investment policies.

Investment Return Objectives, Risk Parameters and Strategies. Durham Rescue Mission has adopted investment and spending policies, as approved by their Board, for endowment assets that attempt to provide a predictable stream of funding to the program supported by the endowment fund while also maintaining the purchasing power of those endowment assets over the long-term. Durham Rescue Mission's primary goals are to preserve the principal and to provide a dependable and competitive rate of long-term investment return consistent with balanced investment risk. The endowment investment account will typically be allocated across major asset categories and may include non-traditional investment exposure appropriate for moderate risk tolerance.

Spending Policy. Durham Rescue Mission has a policy that annual distributions will be limited to the greater of (1) 5% of the average market value of the endowment, so long as the average market value is greater than 105.3% of the contributed capital or (2) the accumulated net income earned from the contributed capital. No distributions from the endowment are permitted if the fair market value of the endowment is less than the amount that is restricted in perpetuity.

Endowment net asset composition by type of endowment as of December 31, 2024 and 2023 is as follows:

	<u>2024</u>	<u>2023</u>
GlaxoSmithKline (GSK) Endowment:		
Original donor-restricted gifts in perpetuity	\$ 250,000	\$ 250,000
Accumulated investment gains	311,494	239,783
	<u>\$ 561,494</u>	<u>\$ 489,783</u>

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION AND
AFFILIATES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. ENDOWMENT (Continued)

Changes in endowment net assets as of December 31, 2024 and 2023, are as follows:

	With Donor Restrictions
Endowment Net Assets, December 31, 2022	\$ 433,808
Investment income	14,857
Amounts appropriated for expenditure	(2,777)
Net appreciation (realized and unrealized)	43,895
Endowment Net Assets, December 31, 2023	\$ 489,783
Investment income	23,852
Net appreciation (realized and unrealized)	47,859
Endowment Net Assets, December 31, 2024	\$ 561,494

5. PROPERTY HELD FOR SALE

During the year ended December 31, 2023, the Board of Directors of RLF voted to sell a property owned by the RLF in Durham, North Carolina. During the year ended December 31, 2024, a purchase and sale agreement was entered into and subsequently terminated. Subsequent to year end (see Note 10), another purchase and sale agreement was entered into. As such, the property is reported as being held for sale on the consolidated statement of financial position.

6. PROPERTY AND EQUIPMENT

Property and equipment in the accompanying consolidated financial statements is presented net of accumulated depreciation. The components of property and equipment at December 31, 2024 and 2023 are as follows:

	2024	2023
Land	\$ 6,029,363	\$ 5,814,463
Buildings and improvements	31,336,716	32,498,640
Furniture and equipment	1,205,811	1,147,223
Vehicles	729,729	618,283
Construction in progress	-	170,487
	<u>39,301,619</u>	<u>40,249,096</u>
Less accumulated depreciation and amortization	<u>(8,937,835)</u>	<u>(7,801,903)</u>
Net property and equipment	<u>\$ 30,363,784</u>	<u>\$ 32,447,193</u>

7. LEASES

Lease Transactions as Lessee

The Mission leases office equipment under the terms of non-cancelable operating leases. The leases have remaining lease terms of 2 to 5 years with options for renewal. The exercise of the renewal option is at the Mission's sole discretion. Only renewal options that have been exercised or are reasonably expected to be recognized as of the consolidated statement of financial position date are recognized in the ROU assets and operating lease liabilities calculation.

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION AND
AFFILIATES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. LEASES (Continued)

Additional information about the Mission's leases is as follows:

<u>Lease Cost</u>	<u>2024</u>	<u>2023</u>
Operating lease cost, included in maintenance and repairs on the consolidated statement of functional expenses	\$ 40,656	\$ 52,481
 <u>Other Information</u>		
Cash paid for amounts included in measuring operating lease liabilities:		
Operating cash flows from operating leases	40,656	52,481
Weighted average remaining lease term	2.8 years	3.1 years
Weighted average discount rate	2.55%	2.55%

Future minimum lease payments under non-cancellable operating leases are as follows:

<u>Year ending December 31,</u>	
2025	\$ 59,238
2026	55,542
2027	24,179
2028	5,935
2029	4,109
Total lease payments	149,003
Less interest	5,268
Present value of lease liabilities	<u>\$ 143,735</u>

Lease Transactions between Affiliated Organizations

DRM leases retail and operational locations used in its thrift store operations in Durham, Raleigh, Wake Forest, and Roxboro from lessor entities wholly owned by RLF. DRM also leases student housing building and land from a lessor entity wholly owned by RLF. The lease terms are for a period of 5 years with the option to extend for additional one-year terms from year-to-year unless either party gives 30 days' written notice to terminate. Monthly payments range from \$4,250 to \$27,867. Total rents paid for the years ended December 31, 2024 and 2023 were \$1,310,600 and \$1,116,576, respectively and have been eliminated in consolidation.

DRM also leases office space to RLF and TTTR. Rent expense was \$16,200 for the years ended December 31, 2024 and 2023, and has been eliminated in consolidation.

Lease Transactions as Lessor

DRM operates a boat, vehicle, and storage rental facility at its Raleigh thrift store location. Rentals are generally short-term. Rental income was \$105,084 and \$107,395 for the years ended December 31, 2024 and 2023, respectively. Additionally, DRM leases parking lots and land to unrelated third-parties under month-to-month and annual lease agreements. Rental income was \$70,804 and \$79,431 for the years ended December 31, 2024 and 2023, respectively.

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION AND
AFFILIATES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. LEASES (Continued)

Lease Transactions as Lessor (Continued)

As noted above, RLF leases buildings and operational space to DRM for use in its thrift store operations and for student housing. Additionally, it leases retail and operational space to unrelated third parties in Roxboro. Monthly rental receipts range from \$663-\$10,409 a month in base rent as well as additional rental income per the terms of the agreement with terms expiring in 2025 through 2034. Rental income for the years ended December 31, 2024 and 2023 was \$239,341 and \$207,591 respectively and is included in rent income on the consolidated statement of activities.

Future minimum rentals to be received are as follows:

<u>Year ending December 31,</u>	
2025	\$ 202,144
2026	208,360
2027	205,538
2028	188,045
2029	161,525
Thereafter	276,526
	<u>\$ 1,242,138</u>

The rental property assets, which are included in property and equipment in the accompanying consolidated statement of financial position, are summarized as follows for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Land	\$ 2,985,553	\$ 2,975,553
Buildings and improvements	15,234,288	10,551,631
Furniture and equipment	743,059	684,472
	18,962,900	14,211,656
Less accumulated depreciation and amortization	(3,062,759)	(2,522,806)
Net property and equipment	<u>\$ 15,900,141</u>	<u>\$ 11,688,850</u>

8. NET ASSETS

At December 31, 2024 and 2023, net assets with donor restrictions were available for the following purposes:

	<u>2024</u>	<u>2023</u>
Restricted in perpetuity - endowment	\$ 250,000	\$ 250,000
Restricted for purpose:		
Capital Campaign - GSI Capital Projects	2,126,663	1,831,570
Endowment earnings - Victory Program scholarships	311,494	239,783
Thanksgiving	147,400	196,478
Men's program	322,746	112,316
Women's program	102,136	94,331
Total restricted for purpose	<u>3,010,439</u>	<u>2,474,478</u>
Total net assets with donor restrictions	<u>\$ 3,260,439</u>	<u>\$ 2,724,478</u>

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION AND
AFFILIATES**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. NET ASSETS (Continued)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the year ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Capital Campaign - GSI Capital Projects	\$ 84,638	\$ 221,288
Thanksgiving	83,738	46,486
Men's program	262,299	154,346
Women's program	23,833	9,802
	<u>\$ 454,508</u>	<u>\$ 431,922</u>

9. RETIREMENT PLAN

DRM, RLF, and TTTR have a safe-harbor 401(k) plan. RLF's plan started on January 1, 2022. For RLF, employees are eligible to participate upon reaching 21 years of age and 1,000 hours of service. For DRM and TTTR, employees are eligible to participate upon reaching 18 years of age and 3 months of service. Contributions are determined solely at the discretion of the Board of Directors, subject to a limit of 8% of each participant's salary for DRM and TTTR and 4% of each participant's salary for RLF. Contributions under the plans totaled \$155,352 (DRM), \$17,457 (RLF), and \$35,458 (TTTR) for the year ended December 31, 2024. Contributions under the plan totaled \$127,809 (DRM), \$12,760 (RLF), and \$28,432 (TTTR) for the year ended December 31, 2023. The RLF plan was terminated during 2024.

10. SUBSEQUENT EVENTS

On January 29, 2025, RLF entered into a purchase and sale agreement for a Durham, NC property in the amount of \$1,650,000. This property was classified as being held for sale at December 31, 2024.

On March 17, 2025, RLF purchased a property in Garner, NC for \$2,850,000 with plans to lease this property to DRM, who is expected to use the location as a new thrift store.

Management has evaluated subsequent events through May 6, 2025, the date which the consolidated financial statements are available for issue.

RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION AND AFFILIATES

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION

as of December 31, 2024

ASSETS					LIABILITIES AND NET ASSETS				
2024					2024				
	Durham Rescue Mission	Rescue Legacy Fund	Temps to the Rescue	Consolidated		Durham Rescue Mission	Rescue Legacy Fund	Temps to the Rescue	Consolidated
Current assets:					Current liabilities:				
Cash and cash equivalents	\$ 6,355,879	\$ 1,979,968	\$ 728,137	\$ 9,063,984	Accounts payable	\$ 384,605	\$ 46,542	\$ 6,330	\$ 437,477
Investments	1,392,460	16,312,267	-	17,704,727	Accrued payroll liabilities	260,130	16,176	-	276,306
Pledges receivable (less allowance for uncollectible pledges of \$10,000 and \$11,100, respectively)	60,579	-	-	60,579	Employee savings	-	-	362,130	362,130
Accounts receivable	2,123	-	24,573	26,696	Current portion of operating lease liabilities	60,444	-	-	60,444
Other receivables	52,878	-	-	52,878	Total current liabilities	705,179	62,718	368,460	1,136,357
Inventory	1,533,851	-	-	1,533,851	Long-term liabilities:				
Prepaid expenses	100	-	17,385	17,485	Operating lease liabilities, less current portion	83,291	-	-	83,291
Total current assets	9,397,870	18,292,235	770,095	28,460,200	Total long-term liabilities	83,291	-	-	83,291
					Total liabilities	788,470	62,718	368,460	1,219,648
Long-term assets:					Net assets:				
Property and equipment, net	10,590,983	19,772,801	-	30,363,784	Without donor restrictions:				
Property held for sale	-	869,922	-	869,922	Undesignated	16,068,830	38,872,240	401,635	55,342,705
Operating right-of-use assets	139,697	-	-	139,697	Board-designated for special purpose	285,811	-	-	285,811
Security deposits	25,000	-	-	25,000	Total without donor restrictions	16,354,641	38,872,240	401,635	55,628,516
Investments - restricted in perpetuity	250,000	-	-	250,000	With donor restrictions:				
Total long-term assets	11,005,680	20,642,723	-	31,648,403	Purpose restricted	3,010,439	-	-	3,010,439
					Perpetual in nature	250,000	-	-	250,000
					Total with donor restrictions	3,260,439	-	-	3,260,439
					Total net assets	19,615,080	38,872,240	401,635	58,888,955
Total assets	\$ 20,403,550	\$ 38,934,958	\$ 770,095	\$ 60,108,603	Total liabilities and net assets	\$ 20,403,550	\$ 38,934,958	\$ 770,095	\$ 60,108,603

**RESCUE MISSIONS MINISTRIES, INC. d/b/a DURHAM RESCUE MISSION AND
AFFILIATES**

CONSOLIDATING SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS

for the year ended December 31, 2024

	2024				
	Durham Rescue Mission	Rescue Legacy Fund	Temps to the Rescue	Eliminating Entries	Consolidated
Public support and revenue:					
Public support:					
Contributions	\$ 7,980,713	\$ 6,382,590	\$ -	\$ (6,969,807)	\$ 7,393,496
In-kind contributions	9,122,328	-	-	-	9,122,328
Fundraising events:					
Fundraising events revenue	320,453	-	-	-	320,453
Less: direct expenses	(73,024)	-	-	-	(73,024)
Total public support	<u>17,350,470</u>	<u>6,382,590</u>	<u>-</u>	<u>(6,969,807)</u>	<u>16,763,253</u>
Revenue:					
Thrift store sales and services	8,172,522	-	-	-	8,172,522
Rent	190,239	1,551,791	-	(1,326,800)	415,230
Program services	655,521	-	2,870	(414,301)	244,090
Other income	158,833	14,962	-	(35,250)	138,545
TTTR labor income	-	-	4,403,001	(4,403,001)	-
Total revenue	<u>9,177,115</u>	<u>1,566,753</u>	<u>4,405,871</u>	<u>(6,179,352)</u>	<u>8,970,387</u>
Total public support and revenue	<u>26,527,585</u>	<u>7,949,343</u>	<u>4,405,871</u>	<u>(13,149,159)</u>	<u>25,733,640</u>
Salaries, taxes and benefits	7,150,896	228,067	3,173,536	(4,403,001)	6,149,498
Food	816,559	573	-	-	817,132
Depreciation	568,439	594,911	-	-	1,163,350
Postage and printing	469,940	69,112	-	-	539,052
Maintenance and repairs	394,758	103,687	-	-	498,445
Community events	319,827	-	-	-	319,827
Utilities	1,133,848	3,765	-	-	1,137,613
Development	615,408	-	-	-	615,408
Miscellaneous	186,045	42,006	6,326	-	234,377
Taxes and licenses	519,154	86,581	-	-	605,735
Insurance	619,998	26,997	130,319	-	777,314
Benevolent gifts	539,448	-	-	-	539,448
Membership and dues	61,154	3,048	-	-	64,202
Program supplies	397,128	-	-	-	397,128
Transportation	389,683	5,749	35,476	(35,250)	395,658
Professional fees	692,062	104,722	22,810	-	819,594
Cost of goods sold (thrift stores) - in-kind	8,439,666	-	-	-	8,439,666
Bank and service charges	222,412	-	21,588	-	244,000
Office expense	62,384	3,737	-	-	66,121
Donations expense	6,369,807	-	600,000	(6,969,807)	-
Rent expense	1,310,600	4,200	12,000	(1,326,800)	-
Program fees	-	-	414,301	(414,301)	-
Total expenses	<u>31,279,216</u>	<u>1,277,155</u>	<u>4,416,356</u>	<u>(13,149,159)</u>	<u>23,823,568</u>
Changes in net assets from operations	<u>(4,751,631)</u>	<u>6,672,188</u>	<u>(10,485)</u>	<u>-</u>	<u>1,910,072</u>
Other changes in net assets:					
Investment income, net	530,949	2,111,510	4,528	-	2,646,987
Gain (loss) on disposal of property and equipment	11,538	(2,235,406)	-	-	(2,223,868)
Total other changes in net assets	<u>542,487</u>	<u>(123,896)</u>	<u>4,528</u>	<u>-</u>	<u>423,119</u>
Change in net assets	(4,209,144)	6,548,292	(5,957)	-	2,333,191
Net assets, beginning of year	<u>23,824,224</u>	<u>32,323,948</u>	<u>407,592</u>	<u>-</u>	<u>56,555,764</u>
Net assets, end of year	<u>\$ 19,615,080</u>	<u>\$ 38,872,240</u>	<u>\$ 401,635</u>	<u>\$ -</u>	<u>\$ 58,888,955</u>