RESCUE MISSION OF MIDDLE GEORGIA, INC.

FINANCIAL STATEMENTS

For the Years Ended December 31, 2024 and 2023

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HOWARD, MOORE & MCDUFFIE, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Rescue Mission of Middle Georgia, Inc.

Opinion

We have audited the accompanying financial statements of Rescue Mission of Middle Georgia, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rescue Mission of Middle Georgia, Inc. as of December 31, 2024 and 2023, and the changes in net assets and its cash flows for the years 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 Financial Statements section of our report. We are required to be independent of Rescue Mission of Middle Georgia, Inc. and to meet our other ethical responsibilities in accordance with 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 Financial Statements

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

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

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Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 it higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 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 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 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 Rescue Mission of Middle Georgia, Inc.'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 financial statements.

- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Rescue Mission of Middle Georgia, Inc.'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.

Howard, Moore & McDuffie, P.C.

Macon, Georgia
October 10, 2025

RESCUE MISSION OF MIDDLE GEORGIA, INC.

STATEMENTS OF FINANCIAL POSITION

December 31, 2024 and 2023

	2024	2023
ASSETS		
Cash and cash equivalents - without donor restrictions	$ 3,284,845	$ 682,888
Cash and cash equivalents - with donor restrictions	118,237	95,156
Investments, at market (Note 5)	3,734,946	4,833,894
Unconditional promises to give, net of discount (Note 6)	15,000	515,000
Accounts receivable	38,199	58,678
Interest receivable	24,011	9,390
Inventories	50,675	49,979
Prepaid expenses	27,448	33,574
Cash restricted for capital improvement projects	540,911	1,218,611
Property and equipment, net (Note 7)	10,500,757	7,781,517
Beneficial interest in perpetual trust	320,619	299,169
TOTAL ASSETS	$ 18,655,648	$ 15,577,856

The accompanying notes are an integral part of these financial statements.

RESCUE MISSION OF MIDDLE GEORGIA, INC.

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

December 31, 2024 and 2023

	2024	2023
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable	$ 68,528	$ 40,989
Accounts payable-construction	1,455,000	-
Payroll and benefits payable	43,713	36,204
Sales tax payable	8,832	8,014
Accrued interest	-	352
Rental deposits and deferred rent	17,671	4,112
Note payable, net (Note 8)	-	17,337
TOTAL LIABILITIES	1,593,744	107,008
NET ASSETS		
Without donor restrictions		
Undesignated	14,693,687	13,777,912
Designated by Board	80,000	80,000
	14,773,687	13,857,912
With donor restrictions		
Purpose restricted	659,148	1,313,767
Perpetual in nature	320,619	299,169
Time restricted	1,308,450	-
	2,288,217	1,612,936
TOTAL NET ASSETS	17,061,904	15,470,848
TOTAL LIABILITIES AND NET ASSETS	$ 18,655,648	$ 15,577,856

The accompanying notes are an integral part of these financial statements.

RESCUE MISSION OF MIDDLE GEORGIA, INC.

STATEMENTS OF ACTIVITIES

For the Years Ended December 31, 2024 and 2023

	2024	2023
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
REVENUES, GAINS AND OTHER SUPPORT		
Contributions		
Cash	$ 1,623,577	$ 1,426,585
Donated property and equipment	58,478	68,064
Donated food and supplies	1,011,738	994,179
Donated goods for sale	527,718	501,710
Donated stock	18,471	1,002
Donated services	-	2,405
Grants	7,000	-
Retail sales-Bargain Center, net of donated goods	881,888	833,293
Retail sales-Barn Center, net of donated goods	244,636	209,192
Distribution from perpetual trust	11,684	11,702
Interest income	189,117	56,856
Rental income	234,391	219,210
Unrealized gain on investments	101,495	140,115
Miscellaneous	1,225	1,247
	4,911,418	4,465,560
Revenue from special events		
Golf tournament and auction	1,227,155	1,148,658
Less: direct costs	(283,181)	(305,055)
Less: bad debts	(11,000)	(24,500)
Net revenue from special events	932,974	819,103
TOTAL REVENUES, GAINS AND OTHER SUPPORT	5,844,392	5,284,663
NET ASSETS RELEASED FROM RESTRICTIONS		
Restrictions satisfied by payments	159,762	547,589
TOTAL REVENUES, GAINS, OTHER SUPPORT AND RECLASSIFICATIONS WITHOUT DONOR RESTRICTIONS	6,004,154	5,832,252

The accompanying notes are an integral part of these financial statements.

RESCUE MISSION OF MIDDLE GEORGIA, INC.

STATEMENTS OF ACTIVITIES (CONTINUED)

For the Years Ended December 31, 2024 and 2023

	2024	2023
EXPENSES		
Program services		
Mission	$ 2,687,505	$ 2,448,507
Women's Division	509,666	429,927
Bargain Center	977,953	916,184
Barn Center	273,723	226,730
	4,448,847	4,021,348
Supporting services		
Management and general	253,438	244,562
Fundraising	386,094	368,094
	639,532	612,656
TOTAL EXPENSES	5,088,379	4,634,004
Loss on disposal of assets	-	17,192
TOTAL EXPENSES AND LOSSES	5,088,379	4,651,196
INCREASE (DECREASE) IN NET ASSETS WITHOUT DONOR RESTRICTIONS	915,775	1,181,056
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Contributions - capital campaign	593,500	1,459,380
Contributions - other	93,963	43,521
Grants	126,130	132,000
Increase (decrease) in beneficial interest in perpetual trust	21,450	24,065
Net assets released from restrictions by payment	(159,762)	(547,589)
INCREASE (DECREASE) IN NET ASSETS WITH DONOR RESTRICTIONS	675,281	1,111,377
INCREASE (DECREASE) IN NET ASSETS	1,591,056	2,292,433
NET ASSETS - BEGINNING	15,470,848	13,178,415
NET ASSETS - ENDING	$ 17,061,904	$ 15,470,848

The accompanying notes are an integral part of these financial statements.

RESCUE MISSION OF MIDDLE GEORGIA, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2024

	Program Services				Supporting Services		Total
	Mission	Women's Division	Bargain Center	Barn Center	Management and General	Fund-Raising	2024
Salaries	$ 477,904	$ 237,292	$ 489,239	$ 177,749	$ 190,340	$ 81,840	$ 1,654,364
Payroll taxes	37,686	18,712	38,580	14,016	15,010	6,454	130,458
Employee benefits	41,791	30,413	57,972	23,461	22,383	2,168	178,188
Worker's compensation	6,012	2,995	6,360	-	2,041	983	18,391
Advertising and direct mail campaigns	1,680	2,036	1,118	3,790	-	180,373	188,997
Assistance to residents	65,249	33,168	211	-	-	-	98,628
Bank charges and merchant fees	28,848	-	20,405	9,913	-	-	59,166
Contract labor	-	30	39,765	-	-	-	39,795
Depreciation	252,747	46,342	38,574	7,061	-	-	344,724
Dues and subscriptions	30,786	690	5,902	-	-	-	37,378
Meals, ($851,210 in-kind)	1,053,008	11,800	310	34	-	-	1,065,152
Insurance	114,672	31,161	39,859	2,393	-	-	188,085
Interest	19,295	-	-	-	-	-	19,295
Miscellaneous	48,272	4,161	1,556	6,866	-	-	60,855
Office supplies	16,994	1,825	1,705	1,037	-	-	21,561
Printing and publications	-	-	-	-	-	40,507	40,507
Professional fees	33,347	-	-	-	14,824	-	48,171
Postage and direct mail fees	5,243	710	1,420	-	4,023	72,473	83,869

The accompanying notes are an integral part of these financial statements.

RESCUE MISSION OF MIDDLE GEORGIA, INC.

STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)

For the Year Ended December 31, 2024

	Program Services				Supporting Services		Total
	Mission	Women's Division	Bargain Center	Barn Center	Management and General	Fund-Raising	2024
Repairs and maintenance	$ 111,094	$ 9,862	$ 38,606	$ 3,938	$ 127	$ 63	$ 163,690
Supplies	40,718	3,217	64,720	6,011	-	-	114,666
Taxes and licenses	3,667	292	1,528	60	-	-	5,547
Utilities	253,308	57,105	86,896	17,394	4,690	1,233	420,626
Vehicle	45,184	17,855	43,227	-	-	-	106,266
Total Expenses, Year Ended December 31, 2024	$ 2,687,505	$ 509,666	$ 977,953	$ 273,723	$ 253,438	$ 386,094	$ 5,088,379

The accompanying notes are an integral part of these financial statements.

RESCUE MISSION OF MIDDLE GEORGIA, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2023

	Program Services				Supporting Services		Total
	Mission	Women's Division	Bargain Center	Barn Center	Management and General	Fund-Raising	2023
Salaries	$ 422,902	$ 195,197	$ 423,273	$ 151,075	$ 181,075	$ 75,832	$ 1,449,354
Payroll taxes	32,994	15,229	33,023	11,787	14,127	5,916	113,076
Employee benefits	43,032	26,521	53,428	19,295	20,518	3,564	166,358
Worker's compensation	6,583	2,681	5,968	-	2,720	1,006	18,958
Advertising and direct mail campaigns	5,169	689	547	1,765	-	177,185	185,355
Assistance to residents	75,669	17,381	-	-	-	-	93,050
Bank charges and merchant fees	20,844	-	18,025	9,571	-	-	48,440
Contract labor	1,411	708	71,058	-	-	-	73,177
Depreciation	218,477	46,272	36,121	5,467	-	-	306,337
Dues and subscriptions	27,502	206	6,312	90	-	-	34,110
Meals, ($829,189 in-kind)	1,022,910	8,540	861	478	-	-	1,032,789
Insurance	101,198	25,646	32,680	2,176	-	-	161,700
Interest	13,788	-	-	-	-	-	13,788
Miscellaneous	34,010	3,001	65	-	84	166	37,326
Office supplies	16,472	2,696	3,272	732	20	-	23,192
Printing and publications	-	-	-	-	-	44,980	44,980
Professional fees	6,099	1,492	-	-	17,092	-	24,683
Postage and direct mail fees	5,525	809	1,617	-	4,582	58,322	70,855

The accompanying notes are an integral part of these financial statements.

RESCUE MISSION OF MIDDLE GEORGIA, INC.

STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)

For the Year Ended December 31, 2023

	Program Services				Supporting Services		Total
	Mission	Women's Division	Bargain Center	Barn Center	Management and General	Fund-Raising	2023
Repairs and maintenance	$ 99,245	$ 11,686	$ 31,731	$ 2,069	$ 124	$ 62	$ 144,917
Supplies	41,432	1,568	66,070	8,676	-	-	117,746
Taxes and licenses	4,903	370	1,637	-	-	-	6,910
Utilities	208,648	53,523	82,900	13,549	4,220	1,061	363,901
Vehicle	39,694	15,712	47,596	-	-	-	103,002
Total Expenses, Year Ended December 31, 2023	$ 2,448,507	$ 429,927	$ 916,184	$ 226,730	$ 244,562	$ 368,094	$ 4,634,004

The accompanying notes are an integral part of these financial statements.

RESCUE MISSION OF MIDDLE GEORGIA, INC.

STATEMENTS OF CASH FLOWS

For the Years Ended December 31, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	$ 1,591,056	$ 2,292,433
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	344,724	306,337
Amortization of debt issuance cost	19,536	4,597
Loss (gain) on sale of assets	-	17,192
Change in beneficial interest in perpetual trust	(21,450)	(24,065)
Unrealized loss (gain) on investments	(101,495)	(127,011)
Realized loss (gain) on investments	-	(12,214)
Investment earnings reinvested	-	(613)
Donated stock	(18,471)	(1,002)
Donated property and equipment	(33,250)	(16,104)
(Increase) decrease in:		
Accounts receivable	20,479	13,872
Interest receivable	(14,621)	(3,231)
Inventories	(696)	18,070
Prepaid expenses	6,126	(471)
Increase (decrease) in:		
Accounts payable	(1,427,461)	(8,461)
Payroll and benefits	7,509	(2,244)
Accrued interest	(352)	-
Sales tax payable	818	327
Rental deposits and prepaid rent	13,559	(12,744)
Payables related to construction	1,455,000	-
Contributions restricted for renovations	(593,500)	(1,459,380)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	1,247,511	985,288
CASH FLOWS FROM (TO) INVESTING ACTIVITIES		
Cash proceeds from the sale of marketable securities	5,418,490	294,325
Change in assets restricted to building	677,700	(1,102,606)
Purchase of marketable securities	(4,199,576)	(3,610,797)
Cash payments for the purchase of property and equipment	(1,575,714)	(690,332)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	320,900	(5,109,410)

The accompanying notes are an integral part of these financial statements.

RESCUE MISSION OF MIDDLE GEORGIA, INC.

STATEMENTS OF CASH FLOWS (CONTINUED)

For the Years Ended December 31, 2024 and 2023

	2024	2023
CASH FLOWS FROM (TO) FINANCING ACTIVITIES		
Collection of contributions for long-term purposes	$ 1,093,500	$ 1,159,380
Principal payments on notes payable	(36,873)	(408,486)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	1,056,627	750,894
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,625,038	(3,373,228)
BEGINNING CASH AND CASH EQUIVALENTS	778,044	4,151,272
ENDING CASH AND CASH EQUIVALENTS	$ 3,403,082	$ 778,044
SUPPLEMENTAL DISCLOSURES		
Interest paid	$ 111	$ 9,191

The accompanying notes are an integral part of these financial statements.

RESCUE MISSION OF MIDDLE GEORGIA, INC.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. NATURE OF THE ORGANIZATION

Rescue Mission of Middle Georgia, Inc. (the Rescue Mission) is a nonprofit organization formed in 1952 to provide assistance to homeless, hungry, and abused individuals. The Rescue Mission provides a long-term life recovery program for men; a refuge and long-term program for battered women and children; food boxes and meals to homeless transients; and assistance with food, clothing and expenses to various citizens of the community.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Rescue Mission prepares its financial statements in accordance with generally accepted accounting principles. The basis of accounting involves application of accrual accounting; consequently, revenues and gains are recognized when earned, and expenses and losses are recognized when incurred.

Basis of Presentation

The Rescue Mission reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

The governing board has designated, from net assets without donor restrictions, net assets for an endowment.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Rescue Mission, the environment in which it operates, the purposes, specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (continued)

The Rescue Mission's unspent contributions are reported in net assets with donor restrictions if the donor limited their use or has promised contributions that are not yet due. Contributions of property and equipment or cash restricted for the acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. These restrictions expire when the assets are placed in service.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Cash and Cash Equivalents

For the purposes of presenting and reporting cash flows, the Rescue Mission considers highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents designated for long-term purposes or received with donor-imposed restrictions limiting their use to long-term purposes are not considered cash and cash equivalents for the purpose of the statement of cash flows.

Accounts Receivable

Accounts receivable are recorded when invoices are issued to special event participants. Generally accepted accounting principles in the United States of America require that an estimated allowance be made for credit losses. After considering historical losses, economic conditions, and participant financial stability, management's policy is to write off invoiced receivables when determined to be uncollectible. Management estimates the results of the direct write-off method of receivables to be similar to those obtained by recording credit loss allowances.

Donated Securities, Property, Equipment, and Materials

Donated marketable securities, property, and equipment are recorded as contributions at their estimated fair market values at the date of the donation. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Rescue Mission reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Rescue Mission reclassifies net assets with donor restrictions to net assets without donor restrictions.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Securities, Property, Equipment, and Materials (continued)

The Rescue Mission receives food from various suppliers and donors. The estimated value of donated food is based on the estimated cost of a meal provided times the number of meals provided during the year. Additionally, the Rescue Mission receives in-kind donations of food stamps from its residents.

Donated Inventory

The Rescue Mission sells donated goods in its retail store. The valuation of donated inventory is considered to be that portion of retail sales value that exceeds the cost of preparing the goods for sale. All donated goods, prior to being offered for sale, are considered to have a value of zero because of the uncertainty of fair value before being offered for sale. The value of donated goods revenue and inventory on hand at the end of the year is computed statistically using an inventory turnover rate applied to total computed donated goods value. The inventory turnover rate is four weeks for the years ended December 31, 2024 and 2023. Inventory consisted of donated goods for resale valued at $50,675 and $49,979 as of December 31, 2024 and 2023, respectively.

Donated Services

The Rescue Mission recognizes donated services that create or enhance nonfinancial assets, require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Donated services consisted of counseling services and various other professional repair services.

Use of Estimates

The preparation of 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 amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Perpetual Trusts

The Rescue Mission is the beneficiary of a perpetual irrevocable trust held and administered by an independent trustee. Under the terms of the trust, the Rescue Mission has the irrevocable right to receive 25 percent of the income earned on trust assets in perpetuity. The fair value of the beneficial interest in a trust is recognized as an asset and as a contribution with donor restrictions at the date the trust is established. The Rescue Mission's estimate of fair value at each reporting date is based on fair value information about the trust's assets received from trustees. Trust assets consist of, but are not limited to, cash and cash equivalents, bonds, common stock, and other funds. These assets are not subject to control or direction by the Rescue Mission. Distributions of income from the trust are reported as trust fund distributions. Gains and losses, which are not distributed by the trust, are reflected as the change in value of perpetual trusts held by others in the Statement of Activities.

Income Tax Status

The Rescue Mission is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Rescue Mission's tax-exempt purpose is subject to taxation as unrelated business income. There was no unrelated business taxable income for the years ended December 31, 2024 and 2023. In addition, the Rescue Mission qualifies for the charitable contribution deduction under Section 170 (b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). The Rescue Mission believes that it has appropriate support for any tax positions it takes, and as such, does not have any uncertain tax positions that are material to the financial statements.

Functional Expense Allocation

Directly identifiable expenses are charged to program and supporting services. The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Rescue Mission. Occupancy costs are allocated based on square footage. Food expenses are allocated based on the average number of residents. Office expenses are allocated based on the number of employees serving each program. Salaries, health insurance, and workers compensation insurance are allocated based on estimated time spent. Vehicle insurance is allocated based on the number of vehicles and the programs that utilize them. Newsletter expenses are allocated based on the average utilization by program.

Advertising Costs

The Rescue Mission expenses advertising costs as incurred.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

The Rescue Mission capitalizes all expenditures for property and equipment and all expenditures for repairs, maintenance, renewals and betterments that materially prolong the useful lives of assets. Property and equipment are carried at cost or, if donated, at the approximate fair market value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful life of the asset, ranging from 5 to 40 years.

Investments

Investments in marketable securities are stated at quoted market value. Fair value is defined as the price that one would receive selling an asset in an orderly transaction among market participants at the measurement date.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to presentation in the current year financial statements.

Revenue and Revenue Recognition

The Rescue Mission records special events revenue equal at the fair value of direct benefit to donors, and contribution income for the excess received when the event takes place. The Organization recognizes retail sales of donated goods as disclosed in Note 3.

The Rescue Mission recognizes contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right to return – are not recognized until the conditions on which they depend have been met.

Revenue With and Without Donor Restrictions

Contributions received are recorded as increases in net assets without donor restrictions and net assets with donor restrictions depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restriction.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Debt Issuance Costs

The Rescue Mission follows FASB ASC 835-30 to present debt issuance costs as a reduction of the carrying amount of its long-term debt. The debt issuance costs are amortized over the term of the related debt and the amortization is included in interest expense on the Statement of Activities.

Subsequent Events

Subsequent events have been evaluated through October 10, 2025, which is the date the financial statements were available to be issued.

NOTE 3. RETAIL SALES

Retail sales totaled $1,652,806 and $1,562,265 for the years ended December 31, 2024 and 2023, respectively. Retail sales are presented in the Statements of Activities net of donated goods of $527,022 and $519,780 for the years ended December 31, 2024 and 2023, respectively. Donated goods are estimated to be the portion of retail sales that exceeds the cost of preparing the goods for placement in the retail store. This excess value was calculated to be 31.87 and 32.85 percent for the years ended December 31, 2024 and 2023, respectively.

NOTE 4. AVAILABILITY AND LIQUIDITY OF FINANCIAL ASSETS

The Rescue Mission's financial assets that are available within one year of the statement of financial position date for general expenditure are as follows:

	2024	2023
Cash and cash equivalents	$ 3,284,845	$ 682,888
Accounts receivable	38,199	58,678
Interest receivable	24,011	9,390
Investments	3,734,946	4,833,894
Short term unconditional promises to give	15,000	515,000
Total financial assets	$ 7,097,001	$ 6,099,850

As part of the Rescue 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 Rescue Mission has board designated net assets totaling $80,000 for an endowment. The amounts subject to board designations could be made available for operations if necessary.

NOTE 5. INVESTMENTS

Investments at December 31, 2024 were as follows:

	Market	Cost
US Treasury notes	$ 3,734,946	$ 4,900,000
	$ 3,734,946	$ 4,900,000

Investments at December 31, 2023 were as follows:

	Market	Cost
US Treasury notes	$ 4,733,717	$ 4,900,000
Certificates of deposit	100,177	100,177
	$ 4,833,894	$ 5,000,177

NOTE 6. PROMISES TO GIVE

In 2023, the Rescue Mission began a capital campaign to construct a donated goods processing center, expand retail space, create a dedicated road at its Zebulon Road retail center, renovate existing buildings for multipurpose use, and construct transitional housing for its women's program. All unconditional promises to give are restricted for this purpose until released by purchasing and placing the property into service. Promises to give receivable in more than one year are discounted at 2.40 percent.

Unconditional promises to give consists of the following as of December 31:

	2024	2023
Receivable in less than one year	$ 15,000	$ 515,000
Receivable in one to five years	-	-
Total unconditional promises to give	15,000	515,000
Discount to net present value	-	-
Net unconditional promises to give	$ 15,000	$ 515,000

In January 2024, the Rescue Mission was awarded a grant of $500,000 contingent upon obtaining matching funds. The conditional grant will be considered unconditional when the matching requirement is met. The conditions for this grant were not yet met as of December 31, 2024, so the grant has not been recognized as a contribution.

NOTE 7. PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of December 31:

	2024	2023
Land	$ 1,505,153	$ 1,505,153
Buildings and improvements	6,409,765	6,350,558
Machinery and equipment	501,076	467,092
Furniture and fixtures	246,499	252,145
Vehicles	675,171	543,819
Construction in progress	3,160,720	356,964
	12,498,384	9,475,731
Accumulated depreciation	(1,997,627)	(1,694,214)
	$ 10,500,757	$ 7,781,517

NOTE 8. NOTE PAYABLE

Note payable consisted of the following as of December 31:

	2024	2023
Note payable with Capital City Bank with an amount of $2,584,523, payable in 84 payments of $34,807, including principal and interest at 3.49 percent with the unpaid balance due March 15, 2028. The note is secured by real estate.	$ -	$ 36,873
	$ -	$ 36,873

As described in Note 2, the balance of the note payable is present on the Statement of Financial Position net of unamortized debt issuance costs totaling $0 and $19,536 for the years ended December 31, 2024 and 2023, respectively. Amortization of the debt issuance costs of $19,184 and $4,597 is reported as interest expense in the Statements of Activities for the years ended December 31, 2024 and 2023.

Interest expense for the loan totaled $111 and $9,191 for the years ended December 31, 2024 and 2023, respectively.

NOTE 9. LEASES

The Rescue Mission leases apartment complexes to tenants under non-cancellable operating leases with terms of one year. The Rescue Mission also leases a gymnasium to a church under a non-cancellable operating lease. The gymnasium lease terminated February 2025. Future minimum rentals expected to be received under these leases total $41,916 for the year ended December 31, 2025.

NOTE 10. NET ASSETS WITHOUT DONOR RESTRICTIONS

The Rescue Mission's Board of Directors designated $80,000 of its net assets to build an endowment.

NOTE 11. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes:

	2024	2023
Subject to expenditure for specified purpose:		
Buildings and improvements	$ 538,661	$ 1,218,611
Furnishing and equipment	27,377	28,902
Supplies and support	40,604	38,116
Resident gifts and activities	-	1,050
Repairs	24,890	13,890
Resident dental and medical	27,616	13,198
	659,148	1,313,767
Subject to passage of time:		
Construction in progress donations spent	1,308,450	-
Not subject to spending policy or appropriation:		
Beneficial interest in perpetual trust held by others	320,619	299,169
Total net assets with donor restrictions	$ 2,288,217	$ 1,612,936

NOTE 12. RETIREMENT BENEFIT PLAN

The Rescue Mission has a 401(k) retirement plan in which all employees age 21 and over are eligible to participate in after 3 months of service with a minimum of 250 hours. The Rescue Mission contributes 2 percent of each eligible employee's salary to the plan regardless of whether the participant makes a voluntary employee contribution to the plan.

NOTE 12. RETIREMENT BENEFIT PLAN (continued)

The Rescue Mission also has a discretionary match on the voluntary employee contribution of 10 cents per dollar up to 6 percent of each eligible employee's salary for the years ended December 31, 2024 and 2023. This discretionary match percentage is determined by the Board each year. Participants are immediately 100 percent vested in the employee contributions. Participants are 100 percent vested in the employer non-elective contributions after six years. Retirement plan contributions totaled $34,553 and $27,427 for the years ended December 31, 2024 and 2023, respectively.

NOTE 13. CONCENTRATION OF CREDIT RISK

The Rescue Mission maintains cash balances in two financial institutions located in Macon, Georgia and in others through its broker's deposit program. The balances at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. The Rescue Mission had $2,359,045 and $1,054,290 of cash deposits in banks and brokerage firms in excess of federally insured limits as of December 31, 2024 and 2023, respectively. Cash equivalents in brokerage accounts are considered securities and are not insured by FDIC. Cash on hand consisted of $3,605 and $3,505 for the years ended December 31, 2024 and 2023, respectively.

NOTE 14. FAIR VALUE MEASUREMENTS

The Financial Accounting Standards Board Codification No. ASC 820, *Fair Value Measurements*, defines fair value, establishes a framework for measuring fair value, establishes a three-level valuation hierarchy for disclosure of fair value measurement and enhances disclosure requirements for fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1 - inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets;

Level 2 - inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument; and

Level 3 - inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's and liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

NOTE 14. FAIR VALUE MEASUREMENTS (continued)

The following is a description of the methodologies used for measurement at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

Inventory: Determined using statistical computations (see Note 2).

Stocks, exchange traded funds: Valued at closing price reported on the active markets on which the individual securities are traded.

US Treasury notes: Valued at matrix or model-based evaluations that suggest current estimated market values.

Beneficial interest in perpetual trust: Valued at the fair value of the individual underlying securities of the entire trust, including the closing price reported on the active markets on which the individual securities are traded and the net asset value (NAV) of shares held at year end, multiplied by the Rescue Mission's interest in the trust.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values.

Furthermore, although the Rescue Mission believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Fair values of assets measured on a recurring basis at December 31, 2024 are as follows:

	Fair Value	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Inventory	$ 50,675	$ -	$ -	$ 50,675
US Treasury notes	3,734,946	3,734,946	-	-
Beneficial interest in perpetual trust	320,619	-	-	320,619
	$ 4,106,240	$ 3,734,946	$ -	$ 371,294

NOTE 14. FAIR VALUE MEASUREMENTS (continued)

Fair values of assets measured on a recurring basis at December 31, 2023 are as follows:

	Fair Value	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Inventory	$ 49,979	$ -	$ -	$ 49,979
US Treasury notes	4,733,717	4,733,717	-	-
Beneficial interest in perpetual trust	299,169	-	-	299,169
	$ 5,082,865	$ 4,733,717	$ -	$ 349,148

The table below sets forth a summary of changes in the fair value of the Rescue Mission's Level 3 assets for the year ended December 31, 2024:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)		
	Inventory	Beneficial Interest in Perpetual Trust	Total
Balance, beginning of year	$ 49,979	$ 299,169	$ 349,148
Unrealized gains (losses)	-	21,450	21,450
Purchases, sales, issuances, and settlements, net	696	-	696
Balance, end of year	$ 50,675	$ 320,619	$ 371,294
The amount of total gains for the period attributable to the change in unrealized gains (losses) relating to assets still held at December 31, 2024	$ -	$ 21,450	$ 21,450

NOTE 14. FAIR VALUE MEASUREMENTS (CONTINUED)

The table below sets forth a summary of changes in the fair value of the Rescue Mission's Level 3 assets for the year ended December 31, 2023:

	Fair Value Measurements Using Significant Unobservable Inputs (Level 3)		
	Inventory	Beneficial Interest in Perpetual Trust	Total
Balance, beginning of year	$ 68,049	$ 275,104	$ 343,153
Unrealized gains (losses)	-	24,065	24,065
Purchases, sales, issuances, and settlements, net	(18,070)	-	(18,070)
Balance, end of year	$ 49,979	$ 299,169	$ 349,148
The amount of total gains for the period attributable to the change in unrealized gains relating to assets still held at December 31, 2023	$ -	$ 24,065	$ 24,065

NOTE 15. RELATED PARTY TRANSACTIONS

The Rescue Mission purchased a vehicle from a board member totaling $76,759 in the year ended December 31, 2024. The transaction was considered an arms-length transaction.