AUDITED FINANCIAL STATEMENTS

OLIVER GOSPEL MISSION

September 30, 2023

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September 30, 2023

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Oliver Gospel Mission

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Oliver Gospel Mission (the "Mission"), which comprise the statements of financial position as of September 30, 2023 and 2022, 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 accompanying financial statements present fairly, in all material respects, the financial position of the Mission as of September 30, 2023 and 2022 and the changes in its 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 audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 the Mission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. 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 the 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 the Mission's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities 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 GAAS 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 financial statements.

In performing an audit in accordance with GAAS, 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 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 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.

The Holler Group, P.A.

Columbia, South Carolina
March 6, 2024

AUDITED FINANCIAL STATEMENTS

STATEMENTS OF FINANCIAL POSITION

OLIVER GOSPEL MISSION

	September 30, 2023	September 30, 2022
ASSETS		
Current Assets		
Cash and cash equivalents	$ 1,439,875	$ 4,254,417
Investments	5,244,565	1,885,509
Prepaid expenses and other current assets	26,396	5,507
Inventory	34,561	19,119
Pledges receivable	50,000	50,000
Total Current Assets	6,795,397	6,214,552
Noncurrent Assets		
Pledges receivable	45,708	94,266
Land, buildings and equipment, net	11,378,201	11,739,125
Total Noncurrent Assets	11,423,909	11,833,391
TOTAL ASSETS	$ 18,219,306	$ 18,047,943
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	$ 216,109	$ 61,150
Accrued payroll	89,612	80,000
Accrued expenses	76,581	-
Current portion of mortgage payable	-	348,430
Total Current Liabilities	382,302	489,580
Net Assets		
Without donor restrictions		
Undesignated	16,675,717	15,867,148
Designated by Board - contingency funds	550,000	550,000
With donor restrictions	611,287	1,141,215
Total Net Assets	17,837,004	17,558,363
TOTAL LIABILITIES AND NET ASSETS	$ 18,219,306	$ 18,047,943

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

STATEMENT OF ACTIVITIES

OLIVER GOSPEL MISSION

For the Year Ended September 30, 2023

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
REVENUES, GAINS AND OTHER SUPPORT			
Contributions			
Individuals, Businesses, Churches	$ 3,816,976	$ 260,242	$ 4,077,218
Foundations and grants	359,045	46,672	405,717
In-kind	81,041		81,041
Special events	452,972		452,972
Program income	686,650		686,650
Interest and dividends	97,126		97,126
Gain (loss) on investments	359,973		359,973
Miscellaneous	8,934		8,934
Net assets released from restriction	836,842	(836,842)	-
Total Revenues, Gains and Other Support	6,699,559	(529,928)	6,169,631
EXPENSES			
Program Services	3,725,467		3,725,467
Supporting Services			
Administrative and general	800,025		800,025
Fundraising	1,365,498		1,365,498
Total Expenses	5,890,990	-	5,890,990
CHANGE IN NET ASSETS	808,569	(529,928)	278,641
Net assets at beginning of year	16,417,148	1,141,215	17,558,363
NET ASSETS AT END OF YEAR	$ 17,225,717	$ 611,287	$ 17,837,004

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

STATEMENT OF ACTIVITIES

OLIVER GOSPEL MISSION

For the Year Ended September 30, 2022

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
REVENUES, GAINS AND OTHER SUPPORT			
Contributions			
Individuals, Businesses, Churches	$ 3,785,567	$ 159,334	$ 3,944,901
Foundations and grants	163,086	43,900	206,986
In-kind	137,892		137,892
Special events	325,720		325,720
Program income	576,777		576,777
Interest and dividends	47,082		47,082
Gain (loss) on investments	(579,785)		(579,785)
Miscellaneous	10,030		10,030
Net assets released from restriction	291,839	(291,839)	-
Total Revenues, Gains and Other Support	4,758,208	(88,605)	4,669,603
EXPENSES			
Program Services	3,486,699		3,486,699
Supporting Services			
Administrative and general	568,993		568,993
Fundraising	1,400,375		1,400,375
Total Expenses	5,456,067	-	5,456,067
CHANGE IN NET ASSETS	(697,859)	(88,605)	(786,464)
Net assets at beginning of year	17,115,007	1,229,820	18,344,827
NET ASSETS AT END OF YEAR	$ 16,417,148	$ 1,141,215	$ 17,558,363

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

STATEMENT OF FUNCTIONAL EXPENSES
OLIVER GOSPEL MISSION
For the Year Ended September 30, 2023

	Program Services	Administrative and General	Fundraising	Total
Salaries	$ 1,845,377	$ 253,406	$ 517,746	$ 2,616,529
Payroll taxes	156,117	20,502	41,814	218,433
Advertising	3,753	376	338,480	342,609
Bank service and finance charges	28,171	11,661	32,693	72,525
Building repairs	194,713	1,626	184	196,523
Casual labor	313	-	-	313
Computer expense	5,530	9,999	3,482	19,011
Contributions	-	500	-	500
Copying and printing	5,587	822	27,419	33,828
Depreciation	185,806	185,805	-	371,611
Equipment expense	18,312	15,414	4,445	38,171
Food and other supplies	412,543	632	86	413,261
Gifts in-kind	81,041	-	-	81,041
Health insurance and benefits	230,687	17,118	61,055	308,860
Insurance	32,931	99,068	3,083	135,082
Dues, licenses and subscriptions	12,649	24,839	8,330	45,818
Meetings, registration and training	15,761	29,636	3,851	49,248
Office expense, postage and supplies	54,763	5,323	165,622	225,708
Professional fees	3,647	50,565	61,345	115,557
Security guard	100,148	10,219	2,555	112,922
Travel, mileage, and parking	8,793	32,647	547	41,987
Utilities and telephone	204,815	15,451	2,906	223,172
Grant expense	64,902	-	-	64,902
Ministry expense	44,242	-	-	44,242
Special event costs	-	-	82,404	82,404
Volunteer expense	2,062	703	6,741	9,506
Vehicles	12,804	1,031	710	14,545
Miscellaneous	-	12,682	-	12,682
TOTAL FUNCTIONAL EXPENSES	$ 3,725,467	$ 800,025	$ 1,365,498	$ 5,890,990

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

STATEMENT OF FUNCTIONAL EXPENSES
OLIVER GOSPEL MISSION
For the Year Ended September 30, 2022

	Program Services	Administrative and General	Fundraising	Total
Salaries	$ 1,738,605	$ 352,948	$ 371,496	$ 2,463,049
Payroll taxes	143,154	11,780	38,265	193,199
Advertising	4,704	4,694	335,479	344,877
Bank service and finance charges	34,187	333	53,213	87,733
Building repairs	132,183	6,661	312	139,156
Computer expense	6,544	968	1,170	8,682
Copying and printing	4,989	436	56,081	61,506
Depreciation	186,758	-	186,758	373,516
Equipment expense	24,608	16,580	1,708	42,896
Food and other supplies	359,499	349	-	359,848
Gifts in-kind	137,892	-	-	137,892
Health insurance and benefits	245,935	34,627	51,905	332,467
Insurance	82,554	35,662	-	118,216
Dues, licenses and subscriptions	15,261	21,667	10,127	47,055
Meetings, registration and training	10,270	11,502	3,301	25,073
Office expense, postage and supplies	37,944	3,445	160,080	201,469
Professional fees	6,508	25,941	59,057	91,506
Security guard	77,962	6,177	1,543	85,682
Travel, mileage, and parking	20,793	16,166	3,685	40,644
Utilities and telephone	179,717	11,617	3,522	194,856
Grant Expense	15,639	-	-	15,639
Ministry Expense	8,060	-	-	8,060
Special event costs	-	-	60,771	60,771
Volunteer expense	920	-	1,135	2,055
Vehicles	12,013	744	767	13,524
Miscellaneous	-	4,281	-	4,281
Bad debt recovery	-	2,415	-	2,415
TOTAL FUNCTIONAL EXPENSES	$ 3,486,699	$ 568,993	$ 1,400,375	$ 5,456,067

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

STATEMENTS OF CASH FLOWS

OLIVER GOSPEL MISSION

	For the Years Ended September 30, 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in net assets	$ 278,641	$ (786,464)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	371,611	373,516
Net realized and unrealized (gain) loss on investments	(416,309)	537,517
Changes in operating assets and liabilities:		
Decrease in pledges receivable	48,558	49,034
Decrease in grants receivable	-	25,000
(Increase) decrease in inventory	(15,442)	10,763
Increase in prepaid assets and other current assets	(20,889)	(2,170)
Increase in accounts payable	154,959	923
Increase in accrued liabilities	86,193	29,130
NET CASH PROVIDED BY OPERATING ACTIVITIES	487,322	237,249
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	820,477	334,355
Purchase of investments	(3,763,224)	(332,016)
Purchase of capital assets	(10,687)	(265,035)
NET CASH USED IN INVESTING ACTIVITIES	(2,953,434)	(262,696)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on mortgage payable	(348,430)	(23,332)
NET CASH USED IN FINANCING ACTIVITIES	(348,430)	(23,332)
NET CHANGE IN CASH AND CASH EQUIVALENTS	(2,814,542)	(48,779)
Cash and cash equivalents at beginning of year	4,254,417	4,303,196
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 1,439,875	$ 4,254,417
Supplemental Information		
Interest paid	$ 9,827	$ 19,191

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

NOTE A -- NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Oliver Gospel Mission (the *"Mission"*) was incorporated in the State of South Carolina on July 28, 1967. The mission of the Oliver Gospel Mission is to see the broken and homeless are sheltered, given the gospel of Jesus Christ, and equipped to live responsibly. Gifts to the Mission are tax deductible.

Summary of Significant Accounting Policies

Basis of Accounting: The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation: Resources are classified for accounting and reporting purposes into two classes of net assets, according to externally imposed restrictions:

> Net assets without donor restrictions: The portion of the net assets of the Mission that can be used subject only to the broad limits resulting from the nature of the Mission, the environment in which it operates, and the purposes specified in its bylaws. In some cases, the use of these resources is also subject to limits resulting from contractual agreements with suppliers, creditors, and others entered into by the Mission in the course of its business. The Mission has the ability to choose when using these resources.
>
> Net assets with donor restrictions: The portion of net assets of the Mission that is subject to either donor-imposed time restrictions or donor-imposed purpose restrictions. These restrictions limit the Mission's choices when using these resources because the Mission has a fiduciary responsibility to the donors to follow their instructions.

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, liabilities, and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition: The Mission has adopted FASB Accounting Standards Codification (ASC) 958, *Accounting for Contributions Received and Contributions Made.* Contributions received are recorded as increases in net assets without donor restrictions unless specifically restricted by the donor. Contributions received with donor-imposed restrictions that are met in the same year in which the contribution is received are classified as net assets without donor restrictions.

Cash and Cash Equivalents: The Mission considers all cash accounts, which are not subject to withdrawal restrictions or penalties, and all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

NOTE A -- NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

Investments: Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statement of financial position. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note C for the discussion of fair value.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) (i.e., realized and unrealized gains and losses on investments) is included in the statement of activities, net of investment expenses, as increases or decreases in net assets without donor restrictions unless such income or appreciation is restricted by donor or law.

Pledges Receivable: When a donor has unconditionally promised to contribute funds to the Mission in future periods, the Mission recognizes a pledge receivable. Pledges expected to be collected within one year are recorded as support and a receivable at net realizable value. Pledges expected to be collected in future years are recorded as support and a receivable at the present value of expected future cash flows. Discounts on those amounts are computed using interest rates applicable to the years in which the promises are received. Amortization of discounts is included in contribution revenue. A provision for doubtful pledges receivable has not been established as management considers all accounts to be collectible based on favorable history over a substantial period of time.

Land, Buildings, and Equipment: Expenditures for the acquisition of land, buildings, and equipment are capitalized at cost. Donated property is valued at fair market value at the date received. It is the Mission's policy to capitalize property and equipment over $5,000. Items less than $1,000 are expensed. Items between $1,000 and $5,000 are evaluated individually. Depreciation is provided on the straight-line method after the asset is placed in service over the estimated useful lives of the assets, which generally are as follows:

Equipment and Office Furniture	5 to 10 years
Buildings and Building Improvements	40 years

Income Taxes: The Mission has received a determination letter from the Internal Revenue Service (IRS) indicating it is a tax-exempt organization under Section 501(c) (3) of the Internal Revenue Code and is subject to federal income tax only on unrelated business income. Management is not aware of any transactions which would jeopardize their tax-exempt status.

Accounting principles generally accepted in the United States of America requires management to evaluate tax positions taken by the Mission and to recognize a tax liability (or asset) if the Mission has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Mission and has concluded that as of September 30, 2023 and 2022, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Mission is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes it is no longer subject to income tax examinations for fiscal years prior to 2020.

NOTE A -- NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

In-Kind Support: The Mission records various types of in-kind support including contributed facilities, professional services, and materials if received. Contributed professional services are recognized if the services received create or enhance long-lived assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair market value when received.

A number of volunteers have donated an undetermined number of hours to the Mission's program services during the year; however, a majority of the donated services are not reflected in the financial statements since the services do not require specialized skills.

Inventory: Inventory consists of tangible in-kind assets, including clothing and materials, and is stated at fair market value as of the date of the donation.

Functional Allocation of Expenses: The costs of providing various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among program, administrative and general, and fundraising services. See below for the allocation of director's salaries, communication cost and facility costs for the years ended September 30, 2023 and 2022.

	Year ended September 30, 2023			Year Ended September 30, 2022		
	Administrative	Program	Fundraising	Administrative	Program	Fundraising
Executive Director	25%	15%	60%	35%	35%	30%
Director of HR	30%	60%	10%	N/A	N/A	N/A
Director of Finance	60%	20%	20%	60%	30%	10%
Communication Cost	N/A	N/A	N/A	N/A	50%	50%
Facility Cost	75%	20%	5%	75%	20%	5%

Advertising Costs: Advertising costs are charged to expense as incurred. Advertising expenses for the years ended September 30, 2023 and 2022 were $342,609 and $344,877, respectively.

Recent Accounting Pronouncements: For the year ended September 30, 2023, the Mission adopted FASB 842 Leases (Topic 842). Under the new guidance, a lessee will be required to recognize assets and liabilities for leases with terms of more than 12 months. Consistent with current GAAP, the recognition, measurement and presentation of expense and cash flows arising from a lease by a lessee primarily depend on its classification as a finance or operating lease. However, unlike current GAAP, which requires only capital leases to be recognized on the statement of financial position. The Mission has assessed the impact of the recent adoption of the accounting pronouncement and does not believe it will have a material impact on the financial statements.

Reclassifications: The amounts shown for 2022 in the accompanying financial statements are included to provide a basis for comparison with 2023. Certain amounts have been reclassified to facilitate comparisons with the current year. These reclassifications have no impact on net assets as previously reported.

Subsequent Events: Management has evaluated events through March 6, 2024, which represents the date the financials were available to be issued.

NOTE B -- CONCENTRATION OF CREDIT RISK

The Mission maintains deposits at financial institutions which at times may exceed federally insured limits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. The Mission maintains deposits with the Certificate of Deposit Account Registry Service (CDARS). Funds deposited with CDARS are diversified into certificates of deposit at various member financial institutions in increments below the standard FDIC maximum ($250,000) so that the principal and interest are eligible for FDIC coverage. Carrying value is placed at actual year end bank balances at September 30:

Item and Credit Risk	2023	2022
Cash on deposit insured by FDIC	$ 250,074	$ 487,076
Cash on deposit with insured sweep account	42,016	3,280,302
Cash on deposit uninsured by FDIC	986,263	489,239
Cash equivalents collateralized by US Government and Corporate securities	124,540	67,286
	$ 1,402,893	$ 4,323,903

NOTE C -- FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 — Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Mission has the ability to access.

Level 2 — Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 — Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2023 and 2022.

NOTE C -- FAIR VALUE MEASUREMENTS – Continued

Fixed income securities: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

Common stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

Pledges receivable: Valued using the present value of their future cash flows with the discount on those amounts computed using a risk-adjusted rate commensurate with the associated risk with unobservable market inputs.

The following tables sets forth by level, within the fair value hierarchy, the Mission's fair value measurements as of September 30:

	Assets at Fair Value as of September 30, 2023			
	Level 1	Level 2	Level 3	Total
Fixed income securities		$ 3,341,175		$ 3,341,175
Common stocks	$ 1,903,390			1,903,390
Pledges receivable			$ 95,708	95,708
TOTAL ASSETS AT FAIR VALUE	$ 1,903,390	$ 3,341,175	$ 95,708	$ 5,340,273

	Assets at Fair Value as of September 30, 2022			
	Level 1	Level 2	Level 3	Total
Fixed income securities		$ 406,277		$ 406,277
Common stocks	$ 1,479,232			1,479,232
Pledges receivable			$ 144,266	144,266
TOTAL ASSETS AT FAIR VALUE	$ 1,479,232	$ 406,277	$ 144,266	$ 2,029,775

The following table sets forth a summary of changes in the fair value of the Mission's level 3 assets for the years ended September 30:

	2023	2022
Balance, beginning of year	$ 144,266	$ 193,300
Payment of pledges	(50,000)	(50,000)
Discount adjustment	1,442	966
BALANCE, END OF YEAR	$ 95,708	$ 144,266

NOTE C -- FAIR VALUE MEASUREMENTS – Continued

A summary of the return on investments consist of the following for the years ended September 30:

	2023	2022
Interest and dividends	$ 56,336	$ 42,268
Net realized gains	38,787	84,580
Net unrealized gains(losses)	353,129	(631,177)
Investment fees	(31,943)	(33,188)
TOTAL	$ 416,309	$ (537,517)

NOTE D -- LAND, BUILDINGS AND EQUIPMENT

Land, buildings and equipment consist of the following at September 30:

	2023	2022
Land – 3 parcels	$ 1,027,881	$ 1,027,881
Construction in progress	-	178,201
Buildings	9,392,695	9,214,494
Renovations	3,521,985	3,521,985
Equipment	660,106	649,420
Leasehold improvements	60,807	60,807
Less accumulated depreciation	(3,285,273)	(2,913,663)
LAND, BUILDINGS, AND EQUIPMENT, NET	$ 11,378,201	$ 11,739,125

Depreciation expense was $371,611 and $373,516 for the years ending September 30, 2023 and 2022, respectively.

NOTE E -- PLEDGES RECEIVABLE

Pledges outstanding are as follows at September 30:

	2023	2022
Amounts due in:		
Due within one year	$ 50,000	$ 50,000
Due in one to five years	50,000	100,000
Discount on pledge receivable	(4,292)	(5,734)
TOTAL PLEDGES RECEIVABLE	$ 95,708	$ 144,266

NOTE F -- EMPLOYEE BENEFIT PLAN

The Mission has a defined contribution plan covering substantially all employees. Under the plan, the Mission will match up to three percent of each eligible employee's salary. The Mission also offers these employees term life insurance. Plan expenses incurred by the Mission during the years ended September 30, 2023 and 20222 were $52,534 and $26,788, respectively.

NOTE G -- CONTINGENT LIABILITY

In March 2007, the Mission was granted a note payable for $500,000 under an Affordable Housing Program Agreement, with interest of 4.90%, to be used for facility renovations. The terms of the agreement state that the note will be considered paid in full, including accrued interest, if the Mission remains in compliance with the requirements stated in the agreement at 15 years from the date of the note. The Organization remained in compliance with the terms of the agreement and was relieved of the contingent liability in June 2023.

In March 2018, the Mission was granted a note payable for $500,000 under an Affordable Housing Program Agreement, with interest of 4.25%, to be used for Toby's Place construction. The terms of the agreement state that the note will be considered paid in full, including accrued interest, if the Mission remains in compliance with the requirements stated in the agreement at 15 years from the date of the note. The contingent liability is reflected in the net assets with donor restrictions. Accrued interest at September 30, 2023 and 2022 was $102,335 and $84,776, respectively.

NOTE H -- IN-KIND CONTRIBUTIONS

Many volunteers have donated significant amounts of their time to the Mission's program services. These services include counseling, web-site design, healthcare services, and computer instruction classes. Also, clothing and toiletry items were donated for the program participants.

The Mission operates the Oliver Gospel Thrift Store, a ministry of the Mission to provide additional support for the Mission's cause. The Thrift Store accepts gently used clothing, clothing accessories, shoes, bedding, housewares, toys, decorative items, electronics, and small appliances. The Mission accounts for any donations made to the Thrift Store as in-kind contributions in the period they are received.

The Mission reported total in-kind contributions for the years ended September 30, 2023 and 2022 of $81,041 and $137,892, respectively.

NOTE I -- RELATED PARTY

The Mission received various services from companies owned by members of the Board of Directors during the year. The Mission paid $0 and $32,300 for services provided by members of the Board of Directors for the year ended September 30, 2023 and 2022, respectively.

Included in contributions are $126,563 and $113,149 received from members of the Board of Directors for the years ending September 30, 2023 and 2022, respectively.

NOTE J -- ENDOWMENT NET ASSETS

The Mission's endowment consists of one donor-restricted endowment fund. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Mission has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) 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 stipulation to the contrary. As a result of this interpretation, the Mission classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with SPMIFA, the organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of the organization and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of the organization
(7) The investment policies of the organization

The Mission has investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to purposes supported by the endowment fund while also maintaining the purchasing power of those endowment assets over the long-term. Endowment assets are invested in money market funds, government and agency securities and corporate bonds. The current spending policy of the Mission has the Board evaluate the needs of the Mission during the annual budgeting process and make determinations of expenditures needed based on the information available to them at that time.

Endowment net asset composition by type of fund and changes in its net assets are as follows:

	September 30, 2023		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Beginning endowment net assets	$ 300,000	$ 111,854	$ 411,854
Investment income		9,948	9,948
Net depreciation	(772)	(10,515)	(11,287)
ENDING ENDOWMENT NET ASSETS	$ 299,228	$ 111,287	$ 410,515

	September 30, 2022		
	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Total
Beginning endowment net assets	$ 300,000	$ 184,820	$ 484,820
Investment income		7,933	7,933
Net depreciation		(80,899)	(80,899)
ENDING ENDOWMENT NET ASSETS	$ 300,000	$ 111,854	$ 411,854

NOTE K -- MORTGAGE PAYABLE

At September 30, the mortgage payable consisted of the following:

	2023	2022
Mortgage payable, collateralized by real estate, bearing a fixed interest rate of 5.24%. Repayment terms require 59 monthly installments of principal and interest of $3,544, with one final payment of remaining principal and accrued interest due in June 2023. The loan was paid off in June 2023.	$ -	$ 348,430
	-	348,430
Less current portion	-	(348,430)
TOTAL	$ -	$ -

Interest expense on the mortgage payable for the years ended September 30, 2023 and 2022 totaled $9,827 and $19,191, respectively.

NOTE L -- NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes at September 30:

	2023	2022
Contingency – Taylor Street	$ -	$ 500,000
Contingency – Toby's Place	500,000	500,000
Grants with restrictions	-	29,361
Endowment earnings on investment	-	567
Endowment investments	111,287	111,287
TOTAL NET ASSETS WITH DONOR RESTRICTIONS	$ 611,287	$ 1,141,215

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NOTE M -- LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following table reflects the Mission's financial assets as of September 30, 2023 and 2022, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, assets held for others, board designated, perpetual endowments and accumulated earnings net of appropriations within one year. Board designations could be drawn upon if the Board approves that action.

	2023	2022
Financial Assets		
Cash and cash equivalents	$ 1,439,875	$ 4,254,417
Investments	5,244,565	1,885,509
Inventory	34,561	19,119
Current portion of pledges receivable	50,000	50,000
Total Financial Assets	6,769,001	6,209,045
Less those unavailable for general expenditure within one year, due to:		
Contingent liabilities	(500,000)	(1,000,000)
Restricted grants	(29,361)	(29,361)
Endowment	(111,287)	(111,854)
Board designated net assets	(550,000)	(550,000)
FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR	$ 5,607,714	$ 4,517,830