

**WYOMING RESCUE MISSION**

**FINANCIAL STATEMENTS**

**For the years ended June 30, 2023 and 2022**

# WYOMING RESCUE MISSION

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### **NOTICE**

The accompanying financial statements and independent auditors' report are for the use of the management and the Board of Directors of Wyoming Rescue Mission, and for meeting local, state, and federal requirements and should not be used or relied upon by any other party for any purpose. Additional users of these financial statements and independent auditors' report are hereby advised that the liability of Grooms & Harkins, P.C. to third party users who use or rely on this information may be limited pursuant to 1995 Wyo. Sess. Laws, Chapter 155 creating Wyo. Stat. §33-3-201.

### **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Wyoming Rescue Mission  
Casper, Wyoming

#### **Opinion**

We have audited the accompanying financial statements of Wyoming Rescue Mission (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023 and 2022, and the related statements of activities 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 Wyoming Rescue Mission as of June 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 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 Wyoming Rescue 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 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 Wyoming Rescue Mission's ability to continue as a going concern within one year after the date that the financial statements are available to be 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 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 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 Wyoming Rescue 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 Wyoming Rescue 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.

*Grooms & Harkins, PC*

Casper, Wyoming  
November 30, 2023

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**WYOMING RESCUE MISSION  
STATEMENTS OF FINANCIAL POSITION**

**ASSETS**

	<b>June 30,</b>	
	<b>2023</b>	<b>2022</b>
Current assets		
Cash and cash equivalents	\$ 2,677,236	\$ 2,379,664
Pledges receivable	26,661	51,661
Other receivable	-	14,804
Prepaid expenses	2,727	3,337
Inventory	2,500	2,500
Investments	1,686,037	1,551,318
Total current assets	<u>4,395,161</u>	<u>4,003,284</u>
Property and equipment		
Land	1,141,155	1,112,189
Buildings	9,561,393	6,475,665
Construction in progress	-	2,587,050
Equipment	772,174	639,089
Website	19,000	19,000
	<u>11,493,722</u>	<u>10,832,993</u>
Less accumulated depreciation and amortization	<u>1,284,246</u>	<u>980,147</u>
Total property and equipment, net	<u>10,209,476</u>	<u>9,852,846</u>
Other assets		
Operating lease right-of-use asset	303,671	368,508
Long-term pledges	13,339	42,500
Beneficial interest in assets held by Wyoming Community Foundation	178,442	169,938
Total other assets	<u>495,452</u>	<u>580,946</u>
Total assets	<u><u>\$ 15,100,089</u></u>	<u><u>\$ 14,437,076</u></u>

(Continued)

See accompanying notes to the financial statements.

**WYOMING RESCUE MISSION**  
**STATEMENTS OF FINANCIAL POSITION**  
**Continued**

**LIABILITIES AND NET ASSETS**

	<b>June 30,</b>	
	<b>2023</b>	<b>2022</b>
Current liabilities		
Accounts payable	\$ 36,337	\$ 63,413
Accrued expenses	133,383	142,459
Deferred revenue	1,500	-
Operating lease right-of-use liability - current portion	139,058	63,698
Note payable - current portion	89,922	1,217,438
Total current liabilities	<u>400,200</u>	<u>1,487,008</u>
Long-term liabilities		
Operating lease right-of-use liability, less current portion	164,613	304,810
Note payable, less current portion	869,197	-
Total long-term liabilities	<u>1,033,810</u>	<u>304,810</u>
Net assets		
Without donor restriction	13,496,141	11,685,572
With donor restriction	169,938	959,686
Total net assets	<u>13,666,079</u>	<u>12,645,258</u>
 Total liabilities and net assets	 <u>\$ 15,100,089</u>	 <u>\$ 14,437,076</u>

See accompanying notes to the financial statements.

**WYOMING RESCUE MISSION  
STATEMENTS OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2023**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Operating activities			
Support and revenues			
Direct public support			
Contributions	\$ 2,357,332	\$ -	\$ 2,357,332
Special events	73,252	-	73,252
In-kind contributions			
Thrift store	1,723,725	-	1,723,725
Food and other	114,790	-	114,790
Indirect public support			
Private grants	492,900	-	492,900
Total support	<u>4,761,999</u>	<u>-</u>	<u>4,761,999</u>
Revenues			
Thrift store revenue	1,907,252	-	1,907,252
Other income	5,623	-	5,623
Total revenues	<u>1,912,875</u>	<u>-</u>	<u>1,912,875</u>
Net assets released from restrictions			
Release of net assets due to satisfaction of donor restrictions	<u>-</u>	<u>-</u>	<u>-</u>
Total support and revenues	<u>6,674,874</u>	<u>-</u>	<u>6,674,874</u>
Expenses and losses			
Program services	5,058,775	-	5,058,775
Management and general	239,287	-	239,287
Fundraising and development	552,234	-	552,234
Total expenses	<u>5,850,296</u>	<u>-</u>	<u>5,850,296</u>
Change in net assets from operating activities	<u>824,578</u>	<u>-</u>	<u>824,578</u>
Non-operating activities			
Capital campaign revenues	-	-	-
Interest and dividends	56,244	-	56,244
Realized gains (losses)	5,118	-	5,118
Unrealized gains (losses)	134,881	-	134,881
Net assets released from restrictions	<u>789,748</u>	<u>(789,748)</u>	<u>-</u>
Change in net assets from non-operating activities	<u>985,991</u>	<u>(789,748)</u>	<u>196,243</u>
Change in net assets	<u>1,810,569</u>	<u>(789,748)</u>	<u>1,020,821</u>
Net assets, beginning of year	<u>11,685,572</u>	<u>959,686</u>	<u>12,645,258</u>
Net assets, end of year	<u>\$ 13,496,141</u>	<u>\$ 169,938</u>	<u>\$ 13,666,079</u>

**See accompanying notes to the financial statements.**



**WYOMING RESCUE MISSION  
STATEMENTS OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2022**

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Operating activities			
Support and revenues			
Direct public support			
Contributions	\$ 1,607,408	\$ -	\$ 1,607,408
Special events	77,535	-	77,535
In-kind contributions			
Thrift store	1,336,909	-	1,336,909
Food and other	111,965	-	111,965
Indirect public support			
Private grants	346,500	-	346,500
Total support	<u>3,480,317</u>	<u>-</u>	<u>3,480,317</u>
Revenues			
Thrift store revenue	1,339,703	-	1,339,703
Other income	14,968	-	14,968
Total revenues	<u>1,354,671</u>	<u>-</u>	<u>1,354,671</u>
Net assets released from restrictions			
Release of net assets due to satisfaction of donor restrictions	<u>18,251</u>	<u>(18,251)</u>	<u>-</u>
Total support and revenues	<u>4,853,239</u>	<u>(18,251)</u>	<u>4,834,988</u>
Expenses and losses			
Program services	4,196,076	-	4,196,076
Management and general	247,871	-	247,871
Fundraising and development	463,262	-	463,262
Total expenses	<u>4,907,209</u>	<u>-</u>	<u>4,907,209</u>
Change in net assets from operating activities	<u>(53,970)</u>	<u>(18,251)</u>	<u>(72,221)</u>
Non-operating activities			
Capital campaign revenues	-	204,067	204,067
Interest and dividends	77,147	25,478	102,625
Realized gains (losses)	31,935	(11,769)	20,166
Unrealized gains (losses)	(279,579)	(140,708)	(420,287)
Net assets released from restrictions	<u>1,652,678</u>	<u>(1,652,678)</u>	<u>-</u>
Change in net assets from non-operating activities	<u>1,482,181</u>	<u>(1,575,610)</u>	<u>(93,429)</u>
Change in net assets	<u>1,428,211</u>	<u>(1,593,861)</u>	<u>(165,650)</u>
Net assets, beginning of year	<u>10,257,361</u>	<u>2,553,547</u>	<u>12,810,908</u>
Net assets, end of year	<u>\$ 11,685,572</u>	<u>\$ 959,686</u>	<u>\$ 12,645,258</u>

**See accompanying notes to the financial statements.**

**WYOMING RESCUE MISSION**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the year ended June 30, 2023**

	<b>Program Services</b>					<b>Fundraising and Development</b>	
	<b>Shelter Programs</b>	<b>Rescued Treasures</b>	<b>Community Kitchen</b>	<b>Total</b>	<b>Management and General</b>		<b>Total</b>
Salaries and wages	\$ 729,327	\$ 761,144	\$ 119,073	\$ 1,609,544	\$ 49,930	\$ 102,923	\$ 1,762,397
Payroll taxes	74,620	73,118	12,323	160,061	14,900	21,510	196,471
Employee benefits	183,639	151,300	13,454	348,393	11,020	13,703	373,116
Total Salaries, taxes, and benefits	987,586	985,562	144,850	2,117,998	75,850	138,136	2,331,984
Operations expenses	118,903	79,422	93,190	291,515	30,741	64,038	386,294
Facility expenses	95,926	232,696	-	328,622	9,230	7,100	344,952
Professional services	505	8,013	-	8,518	57,113	95,904	161,535
Office and miscellaneous	22,084	83,257	934	106,275	47,568	18,895	172,738
Staff development	11,887	8,086	610	20,583	17,532	2,946	41,061
Printing and marketing	3,573	203	-	3,776	-	172,697	176,473
Special events	-	-	-	-	1,026	37,241	38,267
Guest development	48,252	-	1,293	49,545	227	580	50,352
In-kind expenses	9,338	1,723,853	108,630	1,841,821	-	8,364	1,850,185
Depreciation	240,670	47,382	2,070	290,122	-	6,333	296,455
Total expenses	<u>\$ 1,538,724</u>	<u>\$ 3,168,474</u>	<u>\$ 351,577</u>	<u>\$ 5,058,775</u>	<u>\$ 239,287</u>	<u>\$ 552,234</u>	<u>\$ 5,850,296</u>

See accompanying notes to the financial statements.

**WYOMING RESCUE MISSION**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**For the year ended June 30, 2022**

	<b>Program Services</b>					<b>Fundraising and Development</b>	
	<b>Shelter Programs</b>	<b>Rescued Treasures</b>	<b>Community Kitchen</b>	<b>Total</b>	<b>Management and General</b>		<b>Total</b>
Salaries and wages	\$ 696,442	\$ 558,681	\$ 105,669	\$ 1,360,792	\$ 65,706	\$ 92,586	\$ 1,519,084
Payroll taxes	81,487	51,384	10,894	143,765	8,372	15,224	167,361
Employee benefits	145,772	80,992	14,022	240,786	22,261	9,358	272,405
Total Salaries, taxes, and benefits	923,701	691,057	130,585	1,745,343	96,339	117,168	1,958,850
Operations expenses	90,723	124,457	63,300	278,480	34,754	51,039	364,273
Facility expenses	64,953	214,529	-	279,482	7,179	6,600	293,261
Professional services	-	622	-	622	36,645	75,170	112,437
Office and miscellaneous	16,854	58,858	984	76,696	44,136	9,623	130,455
Staff development	22,006	8,014	212	30,232	27,652	12,027	69,911
Printing and marketing	11,601	11,475	58	23,134	-	161,177	184,311
Special events	-	99	-	99	275	23,625	23,999
Guest development	69,335	1,375	-	70,710	775	-	71,485
In-kind expenses	13,909	1,346,185	113,089	1,473,183	116	500	1,473,799
Depreciation	188,595	28,526	974	218,095	-	6,333	224,428
Total expenses	<u>\$ 1,401,677</u>	<u>\$ 2,485,197</u>	<u>\$ 309,202</u>	<u>\$ 4,196,076</u>	<u>\$ 247,871</u>	<u>\$ 463,262</u>	<u>\$ 4,907,209</u>

See accompanying notes to the financial statements.

**WYOMING RESCUE MISSION  
STATEMENTS OF CASH FLOWS**

	<b>For the year ended June 30,</b>	
	<b>2023</b>	<b>2022</b>
Cash flows from operating activities:		
Cash received from granting agencies	\$ 492,900	\$ 346,500
Cash received from contributors	2,427,797	1,770,502
Cash received from programs	1,986,127	1,432,206
Cash paid to employees and suppliers	(3,750,868)	(3,176,223)
Net cash provided by operating activities	<u>1,155,956</u>	<u>372,985</u>
Cash flows from financing activities:		
Proceeds from new debt	-	411,067
Reduction of long-term debt	(258,319)	(36,390)
Net cash (used) provided by financing activities	<u>(258,319)</u>	<u>374,677</u>
Cash flows from investing activities:		
Purchase of fixed assets	(653,085)	(2,102,975)
Wyoming Community Foundation Endowment	6,823	6,712
Net (purchase) withdrawal of investments	<u>46,197</u>	<u>14,742</u>
Net cash (used) by investing activities	<u>(600,065)</u>	<u>(2,081,521)</u>
Net increase (decrease) in cash and cash equivalents	297,572	(1,333,859)
Cash and cash equivalents, beginning of the year	<u>2,379,664</u>	<u>3,713,523</u>
Cash and cash equivalents, end of the year	<u>\$ 2,677,236</u>	<u>\$ 2,379,664</u>

(Continued)

See accompanying notes to the financial statements.

**WYOMING RESCUE MISSION**  
**STATEMENTS OF CASH FLOWS**  
**Continued**

**Reconciliation of change in  
net assets to net cash provided by operating activities**

	<b>For the year ended June 30,</b>	
	<b>2023</b>	<b>2022</b>
Increase (decrease) in net assets	\$ 1,020,821	\$ (165,650)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	296,455	224,428
Realized (gain) on sale of investments	(5,118)	(20,166)
Unrealized (gain) loss on investments	(134,881)	420,287
Dividends and interest reinvested	(56,244)	(102,625)
Changes to assets and liabilities not affecting cash:		
Decrease (increase) in total pledges receivable	68,965	(40,973)
Decrease in prepaid expenses	610	2,608
(Decrease) in accounts payable	(27,076)	(4,700)
(Decrease) increase in accrued expenses	(9,076)	59,776
Increase in deferred revenue	1,500	-
Net cash provided by operating activities	<u>\$ 1,155,956</u>	<u>\$ 372,985</u>

See accompanying notes to financial statements.

**WYOMING RESCUE MISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023 and 2022**

**1. Nature of activities and summary of significant accounting policies**

This summary of significant accounting policies of Wyoming Rescue Mission (the Organization) is provided to assist in understanding the Organization's financial statements. The financial statements and notes are representations of the Organization's management, which is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

**Nature of activity**

Wyoming Rescue Mission is a non-denominational Christian ministry, nonprofit that provides shelter, food, clothing, and biblical guidance for men, women and children struggling with homelessness and drug and/or alcohol addiction. Services provided consist of providing a safe place to sleep, three wholesome meals per day, individualized case management, long term rehabilitation programs consisting of life skills training, job preparation, biblical counseling, and various other services for individuals desirous to make lasting changes in their lives. The Organization is governed by a board of directors and is supported by private contributions and grants. The Organization operates Rescued Treasures Thrift Store which provides vocational training to those guests of the Organization who are in the Discipleship program. Rescued Treasures also provides vouchers for the necessities of those in need in our community.

**Basis of presentation**

The Organization conforms to accounting principles generally accepted in the United States of America as applicable to not-for-profit entities, under the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded when incurred. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC) 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified 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 Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

**WYOMING RESCUE MISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023 and 2022**

**1. Nature of activities and summary of significant accounting policies - continued**

**Measure of operations**

The statements of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing activities. Non-operating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature.

**Revenue recognition**

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, restricted net assets are reclassified to unrestricted net assets and reported in the statement of changes in net assets as net assets released from restrictions.

**Unconditional promises to give**

The Organization receives contributions from private foundations, individuals, and other organizations. Most contributions are received from foundations within Wyoming. After receipt, the contributions are spent in accordance with the wishes of the donor. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions.

Contributions are recorded at their fair value at the earliest of the date of the donation or the unconditional promise to give. Unconditional promises to give are recorded as receivables at their net realizable value in the year the promise is made.

**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 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.

**Functional expense allocation**

The expenses incurred which relate directly to the three areas of service (program, management and general, development and fundraising) are charged to those services. The remaining indirect expenses related to building operations are allocated to the services by the formula based on estimated square footage of the buildings used for services to the total square footage. Costs related to other activities are allocated based on an estimate of employee time spent on the program activities.

**WYOMING RESCUE MISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023 and 2022**

**1. Nature of activities and summary of significant accounting policies - continued**

**Income tax status**

The Organization is a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the financial statements. The Organization has been classified as a public charity. Tax penalties and interest on other types of taxes, if any, would be classified as penalties in the financial statements. Generally, the prior three tax years remain subject to examination by tax jurisdictions.

**Cash and cash equivalents**

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. The Organization maintains its cash accounts in commercial banks. The amount on deposit at June 30, 2023 and 2022 exceeded the insurance limits of the Federal Deposit Insurance Corporation by \$2,442,073 and \$1,892,531, respectively.

**Advertising costs**

The Organization follows the policy of charging costs of advertising to expense as incurred. During the years ended June 30, 2023 and 2022, the Company recorded advertising expense amounting to \$176,472 and \$184,310 respectively.

**Investments**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their market values in the statement of financial position. The fair values of investments are based on quoted market prices. Unrealized gains and losses are included in the statement of activities.

The Organization adopted Financial Accounting Standards Board Codification No. 958-320-25, Fair Value Measurement for Investments. This standard establishes a framework for fair value measurement and disclosure. It requires that assets and liabilities carried at a fair value will be classified and disclosed in one of the following three categories:

*Level 1:* Quoted market prices in active markets for identical assets or liabilities.

*Level 2:* Observable market-based inputs or unobservable inputs that are corroborated by market data.

*Level 3:* Unobservable inputs that are not corroborated by market data.

The Organization has valued its investments utilizing the Level 1 approach.

The investments portfolio is managed by Hilltop Bank. Securities are protected by the Securities Investor Protection Corporation up to \$500,000, including up to \$250,000 in cash.



**WYOMING RESCUE MISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023 and 2022**

**1. Nature of activities and summary of significant accounting policies - continued**

**Accounts receivable**

The amount carried as accounts receivable and grants receivable are mostly due from governmental agencies and are considered by management to be collectible. No allowance for doubtful accounts is considered necessary. The Organization performs periodic credit evaluations of the entity's financial condition and generally does not require collateral. Receivables are generally due within 30 days. For the year ended June 30, 2023 the Organization had no receivables that are 90 days past due.

**Property and equipment**

Acquisitions of property and equipment are reflected at cost if purchased, or at estimated fair market value if donated. Depreciation of property and equipment is calculated using the straight-line basis. Buildings and improvements are depreciated over 10 to 40 years, vehicles over 5 years, and equipment is depreciated over 3 to 10 years. the Organization's capitalization policy is to capitalize property and equipment additions of \$5,000 or more with an expected useful life greater than one year.

**Inventories**

The inventory of the Organization consists of food on hand at the Organization. Inventory is valued at the estimated lower of cost (first-in, first-out method) or market. Due to the inability of valuing donated thrift store items until sold, no inventory value is presented on the financial statements for these items.

**Contributions**

Contributions, including unconditional promise to give, are recorded when received. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

**Donated materials**

Donated materials are reflected as contributions at their estimated values. The values of these items are presented both as support and expenses in the financial statements under in-kind contributions and in-kind expenses.

**Pledges**

The Organization has received pledges for the capital campaign project. The Organization only records pledges receivable when signed and all of the conditions of the pledge have been met. At June 30, 2023 the net pledges receivable is \$40,000.

**Recently adopted accounting pronouncements**

In February 2016, FASB issued ASU 2016-02, Leases (ASC 842), which among other things, requires the recognition of right-of-use lease assets and lease liabilities on the balance sheet of lessees for operating leases, along with the disclosure of key information about leasing arrangements. A lessee is required to record lease assets and lease liabilities for all leases with a term greater than 12 months. Implementation of ASC 842 was required for all periods beginning after December 15, 2021.

**WYOMING RESCUE MISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023 and 2022**

**1. Nature of activities and summary of significant accounting policies - continued**

**Recently adopted accounting pronouncements – continued**

The Organization has implemented ASC 842 for the year ended June 30, 2023 and retrospectively to the year ended June 30, 2022. Retrospective implementation resulted in the increase of \$368,508 for the right-of-use lease asset and lease liability as of June 30, 2022. The Organization only has operating leases and therefore the retrospective implementation of ASC 842 had no effect on net income for the year ended June 30, 2022.

**Subsequent events**

Subsequent events have been evaluated through the date of the independent auditors' report which is the date the financial statements were available to be issued. See note 11 for identified subsequent events.

**2. Investments**

The cost and fair market value of investments were as follows:

As of June 30, 2023:

	<b>Cost</b>	<b>Gross Unrealized Gain</b>	<b>Gross Unrealized Loss</b>	<b>Fair Value</b>
Cash and money market	\$ 180,639	\$ -	\$ -	\$ 180,639
Fixed income	553,938	110,933	(70,468)	594,403
Equities	1,065,140	5,647	(159,792)	910,995
	<u>\$ 1,799,717</u>	<u>\$ 116,580</u>	<u>\$ (230,260)</u>	<u>\$ 1,686,037</u>

As of June 30, 2022:

	<b>Cost</b>	<b>Gross Unrealized Gain</b>	<b>Gross Unrealized Gain</b>	<b>Fair Value</b>
Cash and money market	\$ 179,085	\$ -	\$ -	\$ 179,085
Fixed income	540,755	119,905	(55,056)	605,604
Equities	1,036,308	-	(269,679)	766,629
	<u>\$ 1,756,148</u>	<u>\$ 119,905</u>	<u>\$ (324,735)</u>	<u>\$ 1,551,318</u>

**WYOMING RESCUE MISSION**  
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**2. Investments - continued**

Gains and losses on investments consist of interest and dividends earned, as well as unrealized gains and losses on the investments. Investment income consisted of:

	<b>For the year ended June 30, 2023</b>		
	<b>Investments</b>	<b>WCF</b>	<b>Total</b>
Realized gains and losses	\$ 5,118	\$ -	\$ 5,118
Unrealized gains and losses	118,649	16,232	134,881
Interest and dividends	54,194	2,050	56,244
Investment income	177,961	18,282	196,243
Investment fees	(10,622)	(2,955)	(13,577)
Investment income, net	<u>\$ 167,339</u>	<u>\$ 15,327</u>	<u>\$ 182,666</u>

	<b>For the year ended June 30, 2022</b>		
	<b>Investments</b>	<b>WCF</b>	<b>Total</b>
Realized gains and losses	\$ 20,164	\$ 2	\$ 20,166
Unrealized gains and losses	(392,021)	(28,266)	(420,287)
Interest and dividends	95,337	7,288	102,625
Investment income	(276,520)	(20,976)	(297,496)
Investment fees	(11,666)	(3,355)	(15,021)
Investment income, net	<u>\$ (288,186)</u>	<u>\$ (24,331)</u>	<u>\$ (312,517)</u>

Wyoming Community Foundation Fund activity consisted of:

	<b>For the year ended June 30,</b>	
	<b>2023</b>	<b>2022</b>
Beginning balance	\$ 169,938	\$ 200,981
Net investment income	15,327	(24,331)
Distributions	(6,823)	(6,712)
Ending balance	<u>\$ 178,442</u>	<u>\$ 169,938</u>

**WYOMING RESCUE MISSION**  
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**3. Investment and fair value measurements**

The Fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at June 30, 2023 and 2022, are as follows:

Description	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)
Cash and cash equivalents	\$ 180,639	\$ -	\$ -
Mutual funds, ETFs and closed-end funds	1,505,398	-	-
Endowment funds held by Wyoming Community Foundation	178,442	-	-
Total	<u>\$ 1,864,479</u>	<u>\$ -</u>	<u>\$ -</u>

Description	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)
Cash and cash equivalents	\$ 179,085	\$ -	\$ -
Mutual funds, ETFs and closed-end funds	1,372,233	-	-
Endowment funds held by Wyoming Community Foundation	169,938	-	-
Total	<u>\$ 1,721,256</u>	<u>\$ -</u>	<u>\$ -</u>

The Organization recognizes transfers of assets into and out of levels as of the date an event or when a change in circumstances causes the transfer. There were no transfers between levels in the years ended June 30, 2023 and 2022. Investments are reported at fair value on a recurring basis determined by reference to quoted market prices for similar investments and other relevant information generated by market transactions.

**WYOMING RESCUE MISSION**  
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**4. Long term debt payable**

The Organization's long term debt payable consists of the following:

	<u>June 30,</u>	
	<u>2023</u>	<u>2022</u>
Hilltop National Bank; 3.05% interest, due in full July 10, 2022.	\$ -	\$ 1,022,368
Hilltop National Bank; 3.7% interest, 119 monthly payments in the amount of \$10,320 due August 2032.	<u>959,119</u>	<u>-</u>
Total notes payable	959,119	1,022,368
Less current maturities	<u>(89,922)</u>	<u>(1,022,368)</u>
Long-term debt	<u>\$ 869,197</u>	<u>\$ -</u>

Future maturities of notes payable  
for years ended June 30,

2024	\$ 89,922
2025	93,307
2026	96,818
2027	100,462
2028	104,243
Thereafter	<u>474,367</u>
Total	<u>\$ 959,119</u>

During the fiscal year ended June 30, 2023, the Organization entered into a new loan agreement with Hilltop National Bank. The new loan terms state that the loan balance be paid in full at the Lender's demand. If no demand is made, there will be 119 monthly payments of \$10,320 and a final payment of \$10,251 at an interest rate of 3.7%.

Interest expense for the years ended June 30, 2023 and 2022 was \$35,778 and \$27,671, respectively.

**5. Operating leases**

The Organization has a lease agreement to lease property in the Country Plaza Shopping Center for the Mission's Thrift Store effective January 1, 2017 through July 31, 2025. The lease payments for February 1, 2021 to January 31, 2022 are \$10,446 per month; February 1, 2023 to January 31, 2024 are \$10,864 per month; February 1, 2024 to January 31, 2025 are \$11,282 per month, and February 1, 2025 to July 31, 2025 are \$11,695 per month. The Organization also must pay a prorated share of the common area maintenance expenses, insurance, and taxes.

**WYOMING RESCUE MISSION**  
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**5. Operating leases – continued**

The Organization has a lease agreement to lease property at 331 North Park effective August 1, 2017 through July 31, 2025. The lease payments from August 1, 2020 to July 31, 2025 are \$1,100 per month. The lease has a renewal period of five years.

The Organization leases two copiers under a lease agreement that expires December 31, 2026. The lease requires monthly payments of \$200.

The Organizations future minimum lease payments are as follows:

<u>Year ended June 30,</u>	<u>Total Minimum Payment</u>	<u>Interest</u>	<u>Principal</u>
2024	\$ 145,968	\$ 9,001	\$ 136,967
2025	153,049	3,681	149,368
2026	16,297	144	16,153
2027	1,200	17	1,183
	<u>\$ 316,514</u>	<u>\$ 12,843</u>	<u>\$ 303,671</u>

The following summarizes the line items in the statements of financial position for these operating leases as of June 30:

	<u>2023</u>	<u>2022</u>
Operating leases		
Operating lease right-of-use asset	<u>\$ 303,671</u>	<u>\$ 368,508</u>
Operating lease liability - current portion	\$ 139,058	\$ 63,698
Operating lease liability - noncurrent portion	<u>164,613</u>	<u>304,810</u>
	<u>\$ 303,671</u>	<u>\$ 368,508</u>

The following summarizes the weighted average remaining lease term and discount rate as of June 30:

	<u>2023</u>	<u>2022</u>
Weighted average remaining lease term		
operating leases	2.17 years	3.15 years
Weighted average discount rate		
operating leases	3.7%	3.7%

**WYOMING RESCUE MISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**June 30, 2023 and 2022**

**6. Commitments and contingencies**

On February 14, 2019 the Federal Home Loan Bank of Des Moines, Jonah Bank of Wyoming and the Organization entered into two Affordable Housing Program Subsidy Agreements for the construction of the Transformation Center and New Life Center with grant amounts of \$698,750 and \$750,000 respectively. The grant includes a restriction that once the centers are completed, they must be used exclusively for the care of needy persons for a minimum of 15 years.

**7. Liquidity and availability of financial assets**

The following represents the Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	<b>June 30,</b>	
	<b>2023</b>	<b>2022</b>
Financial assets at year end		
Cash and cash equivalents	\$ 2,677,236	\$ 2,379,664
Investments	1,686,037	1,551,318
Pledges receivable	26,661	51,661
Promises to give	-	14,804
	<u>\$ 4,389,934</u>	<u>\$ 3,997,447</u>
Total financial assets		
	<u>\$ 4,389,934</u>	<u>\$ 3,997,447</u>
Less amounts not available to be used within one year		
Donor restricted financial assets	-	(789,748)
	<u>-</u>	<u>(789,748)</u>
Financial assets available to meet general expenditures within one year		
	<u>\$ 4,389,934</u>	<u>\$ 3,207,699</u>

**8. Fundraising**

The Organization hosted fundraising events throughout the year. Total revenues and expenses for those events were as follows:

	<b>For the year ended June 30,</b>	
	<b>2023</b>	<b>2022</b>
Fundraising revenue	\$ 2,031,564	\$ 3,567,004
Fundraising expenses	552,234	463,262
	<u>\$ 1,479,330</u>	<u>\$ 3,103,742</u>
Fundraising net income		
	<u>\$ 1,479,330</u>	<u>\$ 3,103,742</u>
Ratio of expenses to revenue	27%	13%

**9. Related party transactions**

The Organization had contributions and pledges received from related parties. Collectively, board members and their families made contributions of \$23,679.

**WYOMING RESCUE MISSION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**10. Net assets**

The Organization has recorded in donor restricted net assets the net book value of a building that was remodeled with restricted grants, and a building that is restricted for a period of time. These assets are currently being or will be depreciated in the future and as depreciation is recorded, time restrictions will be met, or they must be used in accordance with program restrictions in the future.

The Organization has recorded capital campaign funds in this classification that are restricted for the future construction of new facilities to provide housing, meals, and programs under one roof. The balance of these funds on June 30, 2023 and 2022 was \$0 and \$789,748, respectively.

The Organization has restricted assets with the Wyoming Community Foundation. On August 24, 1994, the Organization gifted property to the Wyoming Community Foundation to establish the Kathleen Henry Rescue Mission Endowment Fund. On March 18, 2002 the Foundation gifted property to Wyoming Community Foundation to establish the Central Wyoming Rescue Mission Agency Endowment Fund. During the fiscal year ending June 30, 2020, the Organization merged the two endowment funds together. The endowment fund is the property of the Wyoming Community Foundation and is held in its corporate capacity and shall not be deemed a trust fund held by it in a trustee capacity. Wyoming Community Foundation has ultimate authority and control over all property in the fund and distributions made from the fund. The Organization is the designated beneficiary of the fund. Wyoming Community Foundation has the right to commingle the property with property of other funds for administrative and investment purposes.

**11. Donated services and materials**

According to the accounting principles generally accepted in the United States of America as applied to Not-For-Profit Organizations, the Organization only records the estimated value of donated services that require specialized skills and which are provided by individuals possessing those skills. The Organization had donated services meeting the definition for recognition during the year. The Organization values contributed services that require no specialized skills at \$14 per hour for volunteers who provide services to the Organization

As of June 30, 2023, the Organization received approximately \$211,078 in contributed services from volunteers. These services are vital to the operation of the Organization but are not recognized in the financial statements under accounting principles generally accepted in the United States of America. The Organization records in-kind contributions of food, clothing and miscellaneous items as in-kind contributions and expenses in the statements of activities and functional expenses.

**12. Subsequent events**

Subsequent to the year ended June 30, 2023, the Organization entered in to a contract to purchase 400 acres in Esterbrook, Wyoming for \$2,000,000. The Organization will put 20% down on the purchase price and make \$45,000 non-interest bearing payments for 36 months.