

Financial Statements

Boise Rescue Mission, Inc.
(a nonprofit organization)
Years Ended September 30, 2022 and 2021



Table of Contents

Independent Auditors' Report	3
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Financial Statements

Statements of Financial Position	5
Statements of Activities	6
Statements of Functional Expenses	7
Statements of Cash Flows	8
Notes to Financial Statements	9

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Boise Rescue Mission, Inc.
Boise, Idaho

Opinion

We have audited the financial statements of Boise Rescue Mission, Inc., which comprise the statement of financial position as of September 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year 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 Boise Rescue Mission, Inc. as of September 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 Boise Rescue Mission, Inc. 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 Boise Rescue Mission, Inc.'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 Boise Rescue Mission, 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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Boise Rescue Mission, 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.

Report on Summarized Comparative Information

We have previously audited the Boise Rescue Mission, Inc.'s 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 31, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Havis CPAs

Meridian, Idaho
March 7, 2023

BOISE RESCUE MISSION, INC.
STATEMENTS OF FINANCIAL POSITION
September 30, 2022
With Comparative Totals for the Year Ended September 30, 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 4,633,603	\$ 5,430,688
Investments	2,935,995	61,777
Contributions receivable	352,592	0
Inventory	356,523	486,594
Prepaid expenses and other assets	217,623	223,529
Assets held for sale	<u>752,000</u>	<u>341,500</u>
Total Current Assets	9,248,336	6,544,088
Non-Current Assets		
Property and equipment, net	13,015,193	9,010,324
Property and other assets held for sale	22,314	22,314
Other non-current assets	<u>0</u>	<u>58,347</u>
Total Assets	<u>\$ 22,285,843</u>	<u>\$ 15,635,073</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable	\$ 86,643	\$ 44,901
Accrued payroll and related liabilities	194,456	172,710
Guest savings	<u>1,623</u>	<u>1,352</u>
Total Liabilities	282,722	218,963
Net Assets		
Without donor restrictions	19,911,523	15,061,961
With donor restrictions	<u>2,091,598</u>	<u>354,149</u>
Total Net Assets	<u>22,003,121</u>	<u>15,416,110</u>
Total Liabilities and Net Assets	<u>\$ 22,285,843</u>	<u>\$ 15,635,073</u>

See notes to financial statements.

BOISE RESCUE MISSION, INC.
STATEMENTS OF ACTIVITIES
For the Year Ended September 30, 2022
With Comparative Totals for the Year Ended September 30, 2021

	<u>2022</u>			<u>2021</u>
	<u>Without Donor</u>	<u>With Donor</u>	<u>Total</u>	<u>Total</u>
	<u>Restrictions</u>	<u>Restrictions</u>		
Revenue and Support				
Contributions of cash and				
other financial assets	\$ 8,642,199	\$ 6,451,863	\$15,094,062	\$ 12,239,897
Contributed nonfinancial assets	1,902,243		1,902,243	1,617,482
Program fees	41,950		41,950	30,650
Special events, net	5,342		5,342	18,091
Thrift store/tag sales	78,505		78,505	156,232
Loss on sale of assets	(38,310)		(38,310)	(172)
Investment income (loss)	<u>4,774</u>		<u>4,774</u>	<u>(58)</u>
	10,636,703	6,451,863	17,088,566	14,062,122
Net assets released from restrictions	<u>4,714,414</u>	<u>(4,714,414)</u>	<u>0</u>	<u>0</u>
Total Revenue	15,351,117	1,737,449	17,088,566	14,062,122
Expenses				
Program services				
Boise women and children	2,592,435		2,592,435	2,204,531
Boise men's program	2,577,300		2,577,300	2,014,300
Nampa women's program	1,365,977		1,365,977	1,059,742
Nampa men's program	908,463		908,463	846,050
TNS - Curtis	547,366		547,366	0
Recovery lodge	266,843		266,843	379,639
Thrift store/tag sale program	<u>0</u>		<u>0</u>	<u>169,851</u>
Total Program Services	8,258,384	0	8,258,384	6,674,113
Supporting services				
Communications	1,497,808		1,497,808	1,333,304
General and administrative	<u>745,363</u>		<u>745,363</u>	<u>947,580</u>
Total Supporting Services	<u>2,243,171</u>	<u>0</u>	<u>2,243,171</u>	<u>2,280,884</u>
Total Expenses	<u>10,501,555</u>	<u>0</u>	<u>10,501,555</u>	<u>8,954,997</u>
Change in Net Assets	4,849,562	1,737,449	6,587,011	5,107,125
Net Assets				
Beginning of Year	<u>15,061,961</u>	<u>354,149</u>	<u>15,416,110</u>	<u>10,308,985</u>
End of Year	<u>\$ 19,911,523</u>	<u>\$ 2,091,598</u>	<u>\$22,003,121</u>	<u>\$ 15,416,110</u>

See notes to financial statements.

BOISE RESCUE MISSION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
For the Year Ended September 30, 2022
With Comparative Totals for the Year Ended September 30, 2021

	Boise Women & Children	Boise Men's Program	Nampa Women's Program	Nampa Men's Program	TNS Curtis	Recovery Lodge	Total Program Services	Communi- cations	General and Admin	Total Supporting Services	2022 Total	2021 Total
Salaries	\$ 1,338,752	\$ 1,317,266	\$ 651,646	\$ 337,607	\$ 237,681	\$ 165,420	\$ 4,048,372	\$ 513,926	\$ 410,213	\$ 924,139	\$ 4,972,511	\$ 4,385,007
Supplies	540,398	584,608	370,901	241,809	86,315	18,562	1,842,593	107,448	57,159	164,607	2,007,200	1,519,703
Employee benefits	181,153	178,386	140,228	54,312	29,244	20,531	603,854	102,196	43,678	145,874	749,728	702,475
Mailings	56	56	56	56			224	664,247	88	664,335	664,559	605,750
Depreciation	82,272	113,380	22,536	85,183	82,715	21,222	407,308	203	33,391	33,594	440,902	339,808
Payroll taxes	118,926	115,635	57,065	30,209	19,725	14,238	355,798	39,419	33,377	72,796	428,594	405,372
Utilities/phone	93,105	99,205	37,741	56,739	47,490	13,787	348,067	1,187	32,050	33,237	381,304	301,504
Office	41,156	26,426	21,751	14,317	6,146	5,758	115,554	45,730	51,971	97,701	213,255	187,624
Insurance	67,408	36,348	19,876	36,632	19,267	1,891	181,422		12,413	12,413	193,835	149,643
Transportation	46,837	37,326	23,470	11,555	6,500	140	125,828	1,882	9,239	11,121	136,949	74,626
Maintenance	22,901	32,288	16,967	36,682	7,804	4,807	121,449		13,504	13,504	134,953	102,344
Program	44,618	30,683	569	569		50	76,489		1,127	1,127	77,616	62,584
Professional fees	8,230				4,005		12,235		31,550	31,550	43,785	31,830
Dues	1,658	709	689	689	437	437	4,619	20,477	7,095	27,572	32,191	28,878
Training	3,134	3,153	651	273	37		7,248	1,093	2,594	3,687	10,935	7,887
Rent	1,831	1,831	1,831	1,831			7,324				7,324	43,980
Interest									5,914	5,914	5,914	5,982
Total	<u>\$ 2,592,435</u>	<u>\$ 2,577,300</u>	<u>\$ 1,365,977</u>	<u>\$ 908,463</u>	<u>\$ 547,366</u>	<u>\$ 266,843</u>	<u>\$ 8,258,384</u>	<u>\$ 1,497,808</u>	<u>\$ 745,363</u>	<u>\$ 2,243,171</u>	<u>\$ 10,501,555</u>	<u>\$ 8,954,997</u>

See notes to financial statements.

BOISE RESCUE MISSION, INC.
STATEMENTS OF CASH FLOWS
For the Year Ended September 30, 2022
With Comparative Totals for the Year Ended September 30, 2021

	<u>2022</u>	<u>2021</u>
Cash Flow From Operating Activities		
Change in net assets	\$ 6,587,011	\$ 5,107,125
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	426,136	339,806
Loss on sale of assets	38,310	172
Realized loss (gain) on sale of investments	(5,291)	701
Unrealized loss on investments	31,495	537
Donation of securities	(450,978)	(374,355)
Donation of assets held for sale	(752,000)	(341,500)
Changes in operating assets and liabilities:		
Contributions receivable	(352,592)	0
Inventory	130,071	(362,532)
Prepaid expenses and other assets	64,253	(52,354)
Accounts payable	41,742	133
Accrued payroll and related liabilities	21,746	19,125
Other liabilities	<u>271</u>	<u>(4,460)</u>
Net Cash Provided (Used) by Operating Activities	5,780,174	4,332,398
Cash Flow From Investing Activities		
Purchase of marketable securities	(2,967,490)	0
Proceeds from sale of marketable securities	518,046	311,340
Purchase of property and equipment	(4,469,727)	(446,558)
Proceeds from sale of assets	<u>341,912</u>	<u>(18,086)</u>
Net Cash Provided (Used) by Investing Activities	(6,577,259)	(153,304)
Cash Flow From Financing Activities		
Principal payments on long-term debt	<u>0</u>	<u>(402,143)</u>
Net Change in Cash and Cash Equivalents	(797,085)	3,776,951
Cash and Cash Equivalents, Beginning of Year	<u>5,430,688</u>	<u>1,653,737</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 4,633,603</u></u>	<u><u>\$ 5,430,688</u></u>

See notes to financial statements.

BOISE RESCUE MISSION, INC.

NOTES TO FINANCIAL STATEMENTS

Note A - Significant Accounting Policies

Nature of Organization

Boise Rescue Mission, Inc. (Mission) is a non-profit organization which provides meals, clothing, sleeping quarters, religious services and other related services to homeless and transient persons in Boise and Nampa, Idaho.

Basis of Accounting

The accompany financial statements of Boise Rescue Mission, Inc. 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

The Mission reports net assets and revenues, expenses, gains and losses are classified according to two classes of net assets: with donor restrictions and without donor restrictions. Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes. Net asset with donor restrictions consist of assets whose use is limited by donor-imposed, time and/or purpose restrictions.

Accounting Pronouncements Adopted

For the year ended September 30, 2022, the Mission adopted Accounting Standards Update (ASU) 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU requires not-for-profit entities to disclose a disaggregation of the amount of contributed nonfinancial assets recognized within the statement of activities by category that depicts the type of contributed nonfinancial assets. The Mission must also disclose qualitative info about whether the contributed nonfinancial assets were monetized or utilized during the reporting period, the Mission policy about monetizing contributed nonfinancial assets, a description of any donor imposed restrictions, the valuation method used, and the principal or most advantageous market used for the valuation if it is a market in which the recipient Mission is prohibited by a donor-imposed restriction from selling or using the contributed nonfinancial assets. There was no material impact on the Mission's activities or financial position upon adoption of the new standard.

Cash and Cash Equivalents

The Mission considers its short-term, highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

BOISE RESCUE MISSION, INC.

NOTES TO FINANCIAL STATEMENTS

Note A - Significant Accounting Policies (Continued)

Concentration of Credit Risk

Financial instruments that potentially subject the Mission to significant concentrations of credit risk consist principally of cash and cash equivalents, investments in certificates of deposit and money market accounts. In addition to FDIC and SPIC coverage, the Mission has supplemental insurance on all balances held in their investment account up to \$5,000,000. At September 30, 2022 and 2021, the Mission had no uninsured balances.

Investments

Investments with readily determinable fair values are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

Inventory

Inventory of food and other new items such as household items or toys donated for use in programs are included in inventory and valued at comparative thrift store value. The Mission receives a large amount of donated clothing. Clothing is recorded as a donation when used by the programs. Clothing at the warehouse is not included in inventory at the end of the year.

Property and Equipment

Property and equipment is stated at cost, or, if donated, at the estimated fair market value at the date of donation. All equipment with a fair market value in excess of \$5,000 and a useful life of at least one year is capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from three to forty years. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support.

Property and Other Assets Held for Sale

Property and other assets held for sale is stated at cost or the fair market value at the date it was donated and is not depreciated. As of September 30, 2022 and 2021, the Mission holds for sale cemetery plots and a single family residence. When the property is sold, the Mission recognizes the gain or loss on the property.

BOISE RESCUE MISSION, INC.

NOTES TO FINANCIAL STATEMENTS

Note A - Significant Accounting Policies (Continued)

Property and Other Assets Held for Sale (Continued)

The Mission reviews assets held for sale for impairment whenever events or changes in circumstances indicate the carrying value of the property may not be recoverable. If such assets are deemed to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds its fair value less costs to sell. No impairment was recognized for the years ended September 30, 2022 and 2021.

Fair Value

The Mission uses fair value for reporting financial assets and liabilities. A hierarchy for reporting the reliability of input measurements is used to assess fair value for all assets and liabilities. Fair value is defined as the selling price that would be received for an asset, or paid to transfer a liability, in the principal or most advantageous market on the measurement date. The hierarchy established prioritizes fair value measurements based on the types of inputs used in the valuation technique. Certain financial instruments are carried at cost on the balance sheet, which approximates fair value due to their short term, highly liquid nature.

Compensated Absences

The Mission's regular full-time employees accrue vacation ratably during the year based on the length of employment. Employees are then awarded their annual allotment in advance at the beginning of each calendar year. A maximum of 40 hours per calendar year can be carried over to the following year, if approved, with a cumulative cap of 200 hours.

Contributions and Donor Imposed Restrictions

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted by the donor for specific purposes are reported as contributions with donor restrictions that increases that net asset class. When donor restrictions expire, that is, when a time restriction ends and/or a purpose restriction is fulfilled, 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.

Revenue and Revenue Recognition

Events and service revenue is recognized when the event takes place or the services are performed. Rental revenue attributable to leases recorded in program fees are recognized when the are due from program participants, generally upon the first day of each month.

BOISE RESCUE MISSION, INC.
NOTES TO FINANCIAL STATEMENTS

Note A - Significant Accounting Policies (Continued)

Contribution of Nonfinancial Assets

The Mission records in-kind goods based on the fair value as described in generally accepting accounting principles. The Mission recognizes contributed services if they create or enhance nonfinancial assets or require specialized skills and would typically be purchased if not provided by donation. In-kind contributions are recognized as revenue when received and as expenditures when the resources are consumed.

A substantial number of volunteers donated significant amounts of their time in the Mission's activities for which no amounts have been recorded in the financial statements. These volunteer services include office assistance, chapel teams, kitchen helpers and other assistance.

Income Taxes

The Mission is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and comparable state law. Accordingly, no provision for income taxes is made in the financial statements.

Uncertain Tax Positions

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Mission may recognize tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities for fiscal years 2022 or 2021.

The Mission is classified as a church as described in Internal Revenue Code Section 170(b)(1)(A)(i) and is not required to file a tax return.

BOISE RESCUE MISSION, INC.

NOTES TO FINANCIAL STATEMENTS

Note A - Significant Accounting Policies (Continued)

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited and are allocated on a reasonable basis that is consistently applied. The expenses that are allocated are salaries and benefits, which are allocated on the basis of estimates of time and effort, occupancy costs, utilities, insurance and depreciation, which are either directly allocated or allocated on a square footage basis. General and administration expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Mission.

Use of Estimates

The Mission uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Significant estimates used in preparing these financial statements include those assumed in determining the fair value of donated goods and services, and the estimated useful lives of property and equipment. Actual results could differ from those estimated.

Reclassifications

Certain amounts at September 30, 2021 have been reclassified to conform to the current year presentation. These reclassifications did not have any effect on net assets for the year ended September 30, 2021.

Prior Year Comparative Totals

The financial statements include certain 2021 summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a complete presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the 2021 financial statement from which the summarized information was derived.

Subsequent Events

The Mission has evaluated subsequent events through March 7, 2023, which is the date the financial statements were available to be issued.

BOISE RESCUE MISSION, INC.
NOTES TO FINANCIAL STATEMENTS

Note B - Liquidity and Availability of Resources

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

Cash and cash equivalents	\$ 4,633,603
Investments	2,935,995
Contributions receivable	<u>352,592</u>
Total financial assets available within one year	7,922,190

Less amounts unavailable for general expenditures within one year, due to:

Restricted by donors with purpose restrictions	(2,091,598)
Board designations	<u>(100,000)</u>
Total financial assets available within one year after restriction	\$ <u>5,730,592</u>

As part of the Mission's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. At September 30, 2022, all net assets without donor restrictions are available for payment of any major expenditures incurred except for contributions receivable which are available when the receivable is collected which is expected within the next year.

Note C - Investments

Investments as of September 30 are summarized as follows:

	<u>2022</u>	<u>2021</u>
Cost	\$ 2,968,027	\$ 62,314
Unrealized loss	<u>(32,032)</u>	<u>(537)</u>
Fair value	<u>\$ 2,935,995</u>	<u>\$ 61,777</u>

BOISE RESCUE MISSION, INC.
NOTES TO FINANCIAL STATEMENTS

Note C – Investments (Continued)

Investment loss consists of the following for the year ended September 30:

	<u>2022</u>	<u>2021</u>
Unrealized loss	\$ (31,495)	\$ (537)
Realized gain (loss) sale of securities	5,291	(701)
Interest and dividends	<u>30,978</u>	<u>1,180</u>
	<u>\$ 4,774</u>	<u>\$ (58)</u>

Note D – Fair Value of Assets and Liabilities

The fair value hierarchy 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 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1	Inputs to the valuation methodology are unadjusted quoted prices 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.
Level 3	Inputs to the valuation methodology are unobservable and significant to the fair value instrument.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. All investment assets are classified within Level 1 because they are comprised of open-end mutual funds or US Treasury bills with readily determinable fair values based on daily redemption values.

BOISE RESCUE MISSION, INC.
NOTES TO FINANCIAL STATEMENTS

Note D – Fair Value of Assets and Liabilities (Continued)

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

	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
September 30, 2022				
Fixed income	\$ 2,935,995	\$ 2,935,995	\$ 0	\$ 0
September 30, 2021				
Mutual funds	\$ 61,777	\$ 61,777	\$ 0	\$ 0

Note E - Property and Equipment

At September 30, property and equipment consisted of the following:

	<u>2022</u>	<u>2021</u>
Land and buildings	\$ 15,979,748	\$ 12,060,654
Furniture and equipment	1,049,074	1,022,711
Vehicles	319,084	303,004
Construction in progress	<u>421,439</u>	<u>28,775</u>
	17,769,345	13,415,144
Less accumulated depreciation	<u>(4,754,152)</u>	<u>(4,404,820)</u>
Total Property and Equipment	<u>\$ 13,015,193</u>	<u>\$ 9,010,324</u>

During the year ended September 30, 2022 the Mission purchased property that houses its new TNS – Curtis facility. At September 30, 2022 construction in progress consisted of building improvements to the TNS – Curtis facility. At September 30, 2021 construction in progress consisted amounts for a playground.

Note F - Related Party Transactions

The Mission accepts cash and in-kind donations from board members, employees, and their families. No in-kind donations were recorded during 2022 or 2021. The Mission received cash donations totaling \$778,877 and \$17,578 during the years ended September 30, 2022 and 2021, respectively.

BOISE RESCUE MISSION, INC.
NOTES TO FINANCIAL STATEMENTS

Note G - Net Assets

The detail of the Mission's net asset categories at September 30, are as follows:

	<u>2022</u>	<u>2021</u>
Without donor restrictions:		
Invested in property and equipment	\$ 13,015,193	\$ 9,010,324
Undesignated surplus	6,796,330	5,951,637
Board designated for operating reserve	<u>100,000</u>	<u>100,000</u>
Total without donor restrictions	19,911,523	15,061,961
With donor restrictions:		
Net assets with purpose restrictions:		
TNS – Curtis facility	1,639,556	0
City light	202,701	37,064
Veteran ministries	103,588	96,972
Teens	42,376	67,552
Mental Health	40,575	39,810
River of Life	21,027	0
Scholarships	13,448	43,303
HMIS implementation	12,754	16,253
Dental services	9,070	9,070
Security System	0	32,861
Other program specific	<u>6,503</u>	<u>11,264</u>
Total with donor restrictions	<u>2,091,598</u>	<u>354,149</u>
Total net assets	<u><u>\$ 22,003,121</u></u>	<u><u>\$ 15,416,110</u></u>

BOISE RESCUE MISSION, INC.

NOTES TO FINANCIAL STATEMENTS

Note H – Contributed Nonfinancial Assets

For the years ended September 30, 2022 and 2021, contributed nonfinancial assets recognized within the statement of activities included:

	<u>2022</u>	<u>2021</u>
Materials	\$ 1,078,751	\$ 1,219,461
Property held for sale	752,000	341,500
Services	53,367	42,521
Room and board	18,125	6,000
Equipment	<u>0</u>	<u>8,000</u>
	<u>\$ 1,902,243</u>	<u>\$ 1,617,482</u>

The Mission recognized contributed nonfinancial assets within revenue, including donated food, clothing, supplies, property and equipment, vehicles, services and services. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Contributed materials are comprised of donated food, clothing and supplies used in the Mission's various programs and were utilized in all of the Mission's community shelters. In valuing food, clothing, and supplies, the Mission estimated the fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States.

It is Mission's policy to sell all contributed property and equipment immediately upon receipt unless restricted for use in a specific program by the donor. Contributed property and equipment was valued according to the actual cash proceeds on their disposition.

Contributed services recognized comprise professional services from attorneys advising the Mission on various administrative legal matters. Contributed services are valued and are reported at the estimated fair value in the financial statements based on current rates for similar legal services.

Contributed room and board consists of facilities used by the Mission for program activities. In valuing the contributed use of facilities, the Mission estimated the fair value on the basis of comparable rent per square foot in Ada and Canyon county's commercial real estate market.

Note I - Retirement Plan

The Mission has a voluntary 403(b) plan available to all eligible employees. The Mission will match 50% of employee contribution up to \$50 per month. For the years ended September 30, 2022 and 2021, the Mission contributed \$34,530 and \$19,981, respectively, to the plan.

BOISE RESCUE MISSION, INC.
NOTES TO FINANCIAL STATEMENTS

Note J - Leases

The Mission leases office equipment under operating leases that expire at various years through April 2024. The leases require monthly payments ranging from \$126 to \$1,734. Rent expense under all operating leases was \$40,427 and \$68,548 for the years ended September 30, 2022 and 2021, respectively.

The following summarizes the remaining future minimum payments required under all leases:

2023	\$	24,587
2024		22,319
2025		21,689
2026		<u>13,871</u>
	\$	<u>82,466</u>