



Shreveport-Bossier Rescue Mission, Inc.

FINANCIAL STATEMENTS Years Ended June 30, 2021 and 2020

Shreveport-Bossier Rescue Mission, Inc.

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Independent Auditor's Report

To the Board of Directors
Shreveport-Bossier Rescue Mission, Inc.
Shreveport, Louisiana

Opinion

I have audited the accompanying financial statements of The Shreveport-Bossier Rescue Mission (a Louisiana not-for-profit corporation), which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related summary of accounting policies and notes to financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Shreveport-Bossier Rescue Mission as of June 30, 2021 and 2020, and the results of its operations 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

I conducted my audits in accordance with auditing standards generally accepted in the United States of America. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of The Shreveport-Bossier Rescue Mission and to meet my other ethical responsibilities in accordance with the relevant ethical requirements relating to my audits. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 Shreveport-Bossier 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

My 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 my 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, I:

- 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 Shreveport-Bossier 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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Shreveport-Bossier Rescue Mission's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Emphasis of Matter

As discussed in Note 11 to the financial statements, The Shreveport-Bossier Rescue Mission adopted a new accounting pronouncement for the years ended June 30, 2021 and 2020. My opinion is not modified with respect to this matter.

Jane R. McEllad, CPA LLC

Certified Public Accountant

Shreveport, Louisiana
February 3, 2023

Shreveport-Bossier Rescue Mission, Inc.

Statements of Financial Position

<i>June 30,</i>	2021	2020 Restated
Assets		
Current assets:		
Cash and cash equivalents, unrestricted (Note 1)	\$1,613,627	\$1,137,215
Due from employees	6,000	-
Prepaid expenses	20,037	12,074
Total current assets	1,639,664	1,149,289
Long-term investments (Notes 2 and 6)	1,623,629	1,138,008
Property and equipment, net (Notes 3 and 4)	3,307,227	3,498,817
Lease right of use asset (Notes 8 and 11)	23,301	37,972
Total Assets	\$6,593,821	\$5,824,086
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 11,717	\$ 27,586
Current portion of long-term debt (Note 5)	81,559	92,332
Lease liability, current portion (Note 8 and 11)	16,072	16,072
Total current liabilities	109,348	135,990
Long-term debt (Note 5)	696,315	791,565
Lease liability (Notes 8 and 11)	7,229	21,900
Total Liabilities	812,892	949,455
Net assets:		
Without donor restrictions	5,780,929	4,874,631
Total net assets	5,780,929	4,874,631
Total Liabilities and Net Assets	\$6,593,821	\$5,824,086

See accompanying summary of accounting policies and notes to financial statements.

Shreveport-Bossier Rescue Mission, Inc.

Statements of Activities

Years Ended June 30,	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue:						
Contributions (Note 7)	\$1,940,764	\$ -	\$1,940,764	\$1,384,608	\$ -	\$1,384,608
Return on investments, net (Note 2)	228,860	-	228,860	12,390	-	12,390
Thrift store and enterprise operations	140,592	-	140,592	203,131	-	203,131
Program service revenue	133,172	-	133,172	155,666	-	155,666
Charitable gift fund	129,211	-	129,211	142,486	-	142,486
Fundraising	94,679	-	94,679	29,636	-	29,636
Gain on sale of asset	81,645	-	81,645	-	-	-
Miscellaneous income	10,641	-	10,641	4,913	-	4,913
PPP loan proceeds (Note 12)	-	-	-	155,900	-	155,900
Grants	-	-	-	50,038	-	50,038
Assets released from restrictions	-	-	-	50,000	(50,000)	-
Total revenue	2,759,564	-	2,759,564	2,188,768	(50,000)	2,138,768
Expenses:						
Client services	643,849	-	643,849	718,550	-	718,550
Thrift store and enterprise operations	154,198	-	154,198	198,629	-	198,629
Management and general	643,214	-	643,214	609,439	-	609,439
Fundraising	412,005	-	412,005	360,972	-	360,972
Total expenses	1,853,266	-	1,853,266	1,887,590	-	1,887,590
Increase in net assets	906,298	-	906,298	301,178	(50,000)	251,178
Net assets, beginning of year	4,874,631	-	4,874,631	4,573,453	50,000	4,623,453
Net assets, end of year	\$5,780,929	\$ -	\$5,780,929	\$4,874,631	\$ -	\$4,874,631

See accompanying summary of accounting policies and notes to financial statements.

Years Ended June 30,	2021				
	Program Activities		Supporting Activities		
	Client Services	Thrift Store and Enterprise Operations	Management and General	Fundraising	Total Expenses
Expenses:					
Advertising	\$ -	\$ -	\$ 10,862	\$ 9,478	\$ 20,340
Bank fees and service charges	-	700	5,242	5,233	11,175
Building and maintenance	27,811	38,487	23,305	-	89,603
Client service expenses	7,544	-	-	-	7,544
Depreciation	42,954	10,287	42,912	27,487	123,640
Dues and subscriptions	1,052	-	2,875	7,072	10,999
Information technology	18,600	1,289	6,142	1,727	27,758
Insurance, health	-	-	52,081	-	52,081
Insurance, property and casualty	-	-	98,370	-	98,370
Interest	-	-	41,808	-	41,808
Lease expense	1,472	13,626	6,502	-	21,600
Merchandise for resale	-	15,116	-	-	15,116
Miscellaneous	856	1,187	3,083	123	5,249
Payroll and payroll taxes	420,805	34,780	211,620	74,526	741,731
Printing and postage	315	-	856	225,358	226,529
Professional fees	-	-	38,780	33,000	71,780
Special events	1,088	-	1,083	24,411	26,582
Supplies	79,491	10,029	8,623	3,319	101,462
Telephone, television, and Internet	7,677	5,924	5,893	271	19,765
Utilities	30,568	20,925	75,502	-	126,995
Vehicle operations	3,616	1,848	7,675	-	13,139
Total expenses	\$643,849	\$154,198	\$643,214	\$412,005	\$1,853,266

Shreveport-Bossier Rescue Mission, Inc.

Statements of Functional Expenses

2020				
Program Activities		Supporting Activities		
Program Services	Thrift Store and Enterprise Operations	Management and General	Fundraising	Total Expenses
\$ -	\$ -	\$ 11,790	\$ 3,084	\$ 14,874
-	1,800	6,597	32	8,429
24,344	32,436	32,576	-	89,356
10,066	-	-	-	10,066
48,855	13,505	41,436	24,543	128,339
2,102	-	4,171	6,560	12,833
9,300	1,619	5,107	3,667	19,693
-	-	60,372	-	60,372
-	-	116,308	-	116,308
-	-	47,471	-	47,471
757	14,731	8,177	-	23,665
-	15,050	-	-	15,050
2,180	636	1,991	82	4,889
445,859	78,782	208,609	75,946	809,196
490	-	1,270	191,396	193,156
-	-	32,780	46,756	79,536
1,512	-	544	5,898	7,954
64,342	6,580	7,192	2,681	80,795
7,880	4,314	6,644	327	19,165
95,700	26,327	13,959	-	135,986
5,163	2,849	2,445	-	10,457
\$718,550	\$198,629	\$609,439	\$360,972	\$1,887,590

See accompanying summary of accounting policies and notes to financial statements.

Shreveport-Bossier Rescue Mission, Inc.

Statements of Cash Flows

Years Ended June 30,	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Cash Flows from Operating Activities:						
Increase in net assets	\$ 906,298	\$ -	\$ 906,298	\$ 301,178	\$(50,000)	\$ 251,178
Adjustments to reconcile change in net assets to net cash provided by operating activities:						
Depreciation	123,640	-	123,640	128,338	-	128,338
Net realized and unrealized gains on investments	(211,153)	-	(211,153)	14,951	-	14,951
Securities contributions	(257,496)	-	(257,496)	-	-	-
Gain from disposition of assets	(81,645)	-	(81,645)	-	-	-
Change in operating assets and liabilities:						
Receivables	(6,000)	-	(6,000)	-	-	-
Prepaid expenses	(7,963)	-	(7,963)	10,754	-	10,754
Accounts payable and accrued liabilities	(15,869)	-	(15,869)	3,136	-	3,136
Net cash provided (used) by operating activities	449,812	-	449,812	458,357	(50,000)	408,357
Cash Flows from Investing Activities:						
Purchase of property and equipment	(38,246)	-	(38,246)	(40,764)	-	(40,764)
Cash received from sale of assets	187,841	-	187,841	-	-	-
Net purchase of investments	(16,972)	-	(16,972)	(29,290)	-	(29,290)
Proceeds from sale of securities	-	-	-	1,729	-	1,729
Net cash provided (used) by investing activities	132,623	-	132,623	(68,325)	-	(68,325)
Cash Flows from Financing Activities -						
Payments on note payable	(106,023)	-	(106,023)	(100,358)	-	(100,358)
Net cash used by financing activities	(106,023)	-	(106,023)	(100,358)	-	(100,358)
Net increase (decrease) in cash	476,412	-	476,412	289,674	(50,000)	239,674
Cash, at beginning of year	1,137,215	-	1,137,215	847,541	50,000	897,541
Cash, at end of year	\$1,613,627	\$ -	\$1,613,627	\$1,137,215	\$ -	\$1,137,215

See accompanying summary of accounting policies and notes to financial statements.

Shreveport-Bossier Rescue Mission, Inc.

Summary of Significant Accounting Policies

Business

The Shreveport-Bossier Rescue Mission (the Mission) is a nonprofit corporation organized under the laws of the State of Louisiana on a nonstock basis having one class of member. The Shreveport-Bossier Rescue Mission is incorporated as a nonprofit rehabilitation and educational program for disadvantaged men, women and children.

Substantially all of the Mission's revenue is from the contributions from individuals, businesses and churches. Accordingly, the Mission is heavily dependent on the local community and stability of the local economy in which it operates. Less than ten percent of revenue is received from thrift store retail sales and other enterprise operations.

Basis of Presentation

The Mission follows accounting standards set by the Financial Accounting Standards Board ("FASB"). The FASB sets generally accepted accounting principles ("GAAP") that the Mission follows to ensure the consistent reporting of its financial condition, changes in net assets and cash flows. References to GAAP issued by the FASB in the accompanying footnotes are to the FASB Accounting Standards Codification ("ASC").

The Mission adopted Accounting Standards Update (ASU) 2016-14, "Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities." Under ASU 2016-14, The Mission is required to report information regarding its financial position and activities according to two classes of net assets; assets with donor restrictions and assets without donor restrictions.

Assets without donor restrictions – The part of net assets that are not restricted by donor/grantor-imposed stipulations.

Assets with donor restrictions – The part of net assets that are restricted by donor/grantor-imposed stipulations.

Expenses are generally reported as decreases in net assets without donor restrictions. Expirations of donor-imposed stipulations that simultaneously increase one class of net assets and decrease another are reported as transfers between the applicable classes of net assets. Gains and losses on investments and other assets and liabilities are reported as increases and decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or law.

Shreveport-Bossier Rescue Mission, Inc.

Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities 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. Significant estimates made by management include the depreciable life of assets and valuation of investments.

Property and Equipment

Beginning in 1994, the Mission began capitalizing the acquisition cost of land, buildings, furniture and equipment. Acquisitions in prior years were expensed in the year of acquisition.

Depreciation expense is calculated based upon the assets' estimated useful lives using the straight-line method. Useful lives at June 30, 2021 are as follows:

Buildings and renovations	40 years
Furniture and equipment	5-10 years
Transportation equipment	5 years
Software	5 years

Liabilities

Unremitted withheld payroll taxes and unremitted sales tax collected from customers of the Thrift Store are recognized as liabilities on the Statement of Financial Position.

Reclassifications

Certain prior year amounts have been reclassified to conform to current year presentation.

Revenue Recognition

Contributions and grants without donor restrictions are recognized as revenue in the period in which the donation is received or the grant is due and payable to the Mission.

Shreveport-Bossier Rescue Mission, Inc.

Summary of Significant Accounting Policies (Continued)

Revenue Recognition (concluded)

Contributions of cash and other assets are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets to a specific timeframe or a specific purpose. When a donor restriction expires, 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 restrictions. Contributions with donor restrictions on which the restriction expires in the same period as the revenue is recognized are reported as contributions without donor restrictions.

Support arising from donated goods, property and services is recognized in the financial statements at its fair value. The Mission receives donated services from many unpaid volunteers who donate their time and perform a variety of tasks that assist the Mission. The value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded

Contracts with Customers

The Mission has adopted ASU 2014-09 – “Revenue from Contracts with Customers (Topic 606)” as amended. Under the ASU, entities are required to identify and segment contracts into performance obligations. Entities are also required to account for certain contract costs and revenues as contract assets or contract liabilities.

Performance Obligations

Thrift Store and Enterprise Operations – Retail Sales

Revenue from retail sales of merchandise is recognized at a point in time when control of the goods transfers to the customer in an amount that reflects the consideration the Mission expects to receive in exchange for the goods. Typically, control is deemed to transfer at the date at which the goods are shipped, title has passed to the customer, and the customer accepts the goods.

The Mission does not have a return policy; thus, no provision has been made in these financial statements for a refund liability.

Sales Taxes

The Mission is required to collect local and state sales taxes based on a percentage of qualifying sales. The Mission’s policy is to exclude sales taxes from the transaction price of all revenue when collected and from expenses paid. Instead, the Mission records the collection and payment of sales taxes through a liability account.

Shreveport-Bossier Rescue Mission, Inc.

Summary of Significant Accounting Policies (Continued)

Shipping and Handling

The Mission has elected to treat shipping and handling activities as a part of the underlying promise to transfer goods to customers and to not treat them as a separate performance obligation. Thus, no portion of revenue received from customers is allocated to shipping and handling activities. All shipping and handling costs are classified as fulfillment costs.

Allowance for Doubtful Accounts

The Mission records an allowance for doubtful accounts based on specifically identified amounts believed to be uncollectible. Any unanticipated change in one of those customers' credit worthiness or other matters affecting collectability of amounts due from such customers could have a material effect on the Mission's results of operations in the period in which such changes or events occur. After all attempts to collect a receivable have failed, the receivable is written off against the allowance. At June 30, 2021 and 2020, the Mission had no accounts receivable, accordingly the allowance for doubtful accounts totaled \$0 and \$0 respectively.

Income Taxes

The Mission is exempt from federal income tax under provisions of Section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from state income tax under appropriate provisions in the laws of the State of Louisiana.

The Mission has adopted ASC 740, "Accounting for Uncertainty in Income Taxes." Management has evaluated the Mission's tax positions and concluded that the Mission has taken no uncertain tax positions that require adjustment to the financial statements in order to comply with the provisions of ASC 740. In addition, Management is not aware of any matters that would cause the Mission to lose its tax-exempt status. Tax returns for the fiscal years ended 2019 to 2021 remain subject to examination by taxing authorities.

Statements of Cash Flows

For purposes of the statements of cash flows, the Mission considers all cash in bank accounts and highly liquid debt instruments, not retained for long-term investment purposes, with an original or remaining maturity of three months or less, to be cash equivalents. Highly liquid debt instruments with remaining lives in excess of three months are classified as short-term investments.

Shreveport-Bossier Rescue Mission, Inc.

Summary of Significant Accounting Policies (Concluded)

Statements of Cash Flows - (concluded)

For the year ended June 30, 2020, the Mission adopted Accounting Standards Update (ASU) 2016-18, "Statement of Cash Flows (Topic 230): Restricted Cash". The Mission considers restricted cash to include cash contributions, grants or other support received with donor restrictions that have not been released from restriction through fulfillment of the stipulated time or purpose restrictions.

Functional Expenses

The costs of providing program and other activities have been summarize on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting activities benefited. Such allocations are determined by management on an equitable basis. The expenses that are allocated include the following:

Expense	Method of Allocation
Depreciation	Percentage of program expenses
Payroll and payroll taxes	Time and effort
Utilities	Square footage

Advertising and Development Costs

The Mission expenses advertising and development costs as they are incurred. The Mission expended approximately \$256,917 and \$226,739 in the years ended June 30, 2021 and 2020, respectively, for advertising and development.

Leases

For the year ended June 31, 2021, the Mission has adopted FASB ASC 842, Leases. Under ASC 842, the Mission is required to record a right of use asset and a corresponding lease liability for both operating and financing leases.

Subsequent Events

Management evaluated events subsequent to the Mission's most recent year end through February 3, 2023, the date the financial statements were available for issuance.

Shreveport-Bossier Rescue Mission, Inc.

Notes to Financial Statements

1. Cash

The Mission, at times, maintains deposits in federally insured financial institutions in excess of federally insured limits. At June 30, 2021, cash included approximately \$1,362,275 in collected bank balances that exceeded the FDIC limit. Management monitors the soundness of these financial institutions and feels the Mission's risk is negligible.

2. Investments

The value of the investments at June 30, 2021 and 2020 is summarized as follows:

June 30,	2021		2020	
	Cost	Fair Value	Cost	Fair Value
Total investments	\$1,356,647	\$1,623,629	\$1,038,322	\$1,138,008

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

June 30, 2021	Without Donor Restrictions	With Donor Restrictions	Total
Interest and dividends	\$ 29,413	\$ -	\$ 29,413
Net realized and unrealized gains	211,153	-	211,153
Royalties	735	-	735
Investment expense	(12,441)	-	(12,441)
Total return on investments	\$228,860	\$ -	\$228,860

June 30, 2021	Without Donor Restrictions	With Donor Restrictions	Total
Interest and dividends	\$ 31,102	\$ -	\$ 31,102
Net realized and unrealized gains	(8,017)	-	(8,017)
Royalties	684	-	684
Investment expense	(11,379)	-	(11,379)
Total return on investments	\$ 12,390	\$ -	\$ 12,390

Shreveport-Bossier Rescue Mission, Inc.

Notes to Financial Statements (Continued)

3. Property and Equipment

The major classifications of property and equipment for the years ended June 30, 2021 and 2020 were as follows:

	2021	2020
Buildings and renovations	\$4,227,281	\$4,354,494
Furniture and equipment	600,317	582,431
Transportation equipment	84,338	84,338
Software	12,209	12,209
Land	519,864	519,864
	5,444,009	5,553,336
Less accumulated depreciation and amortization	2,136,782	2,054,519
Net property and equipment	\$3,307,227	\$3,498,817

4. Donated Materials, Equipment and Services

During the course of operations, the Mission receives donations of material and equipment from many businesses and individuals. While the Mission recognized the importance of the volunteers and the donated material and equipment, no objective basis for valuation of these items was determined and they are not included in the financial statements.

Shreveport-Bossier Rescue Mission, Inc.

Notes to Financial Statements (Continued)

5. Long-Term Debt Long-term debt consists of the following at June 30:

	2021	2020
Note payable for facilities due 9/12/2021; and bears a 4.95% interest rate. Monthly payments of \$12,319 through 8/12/2021 and a balloon payment of \$776,825 upon maturity. Demand feature waived through June 30, 2021. Collateralized by a building The above loan was renegotiated on 10/7/201 with an interest rate of 3.75% and 84 monthly payments of \$10,325 beginning 11/7/2021.	\$777,874	\$883,897
Less current maturities of long-term debt	(81,559)	(92,332)
Long-term debt less current portion	\$696,315	\$791,565

) The amount of interest for 2021 and 2020 was \$41,808 and \$47,471 respectively.

Schedule of maturities of long-term debt is as follows:

Year Ended June 30,	Amount
2022	\$ 81,559
2023	99,137
2024	102,917
2025	106,955
2026 and thereafter	387,306
Total	\$777,874

Shreveport-Bossier Rescue Mission, Inc.

Notes to Financial Statements (Continued)

6. Fair Value Disclosures

The Mission utilizes fair value measurements to record certain assets and to determine fair value disclosures. 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. Fair value is best determined based upon quoted market prices. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of further cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

FASB Accounting Standards Codification Topic 820, "Fair Value Measurements," establishes a three-tier hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value, as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities that the Fair has the ability to access.

Level 2 – Significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities in active markets, quoted prices in markets that are not active and other inputs that are observable or can be corroborated by observable market data.

Level 3 – Significant unobservable inputs that generally include situations where there is little, if any, market activity of the investment. The inputs into determination of fair value require significant management judgement or estimation.

Continued

Shreveport-Bossier Rescue Mission, Inc.

Notes to Financial Statements (Continued)

6. Fair Value Disclosures – Continued

Fair values of assets measured on a recurring basis at June 30, 2021 and 2020 are as follows:

Asset at Fair Value as of June 30, 2021:

	Level 1	Level 2	Level 3	Total
Money Market	\$ 289,527	\$ -	\$ -	\$ 289,527
Common Stock	479,126	-	-	479,126
Mutual Funds	426,602	-	-	426,602
Exchange Traded Funds	389,626	-	-	389,626
Fixed Income	-	17,343	-	17,343
Unit Investment Trusts	-	21,405	-	21,405
Total	\$1,584,881	\$38,748	\$ -	\$1,623,629

Asset at Fair Value as of June 30, 2020:

	Level 1	Level 2	Level 3	Total
Money Market	\$ 185,539	\$ -	\$ -	\$ 185,539
Common Stock	385,128	-	-	385,128
Mutual Funds	301,778	-	-	301,778
Exchange Traded Funds	265,563	-	-	265,563
Total	\$1,138,008	\$ -	\$ -	\$1,138,008

Shreveport-Bossier Rescue Mission, Inc.

Notes to Financial Statements (Continued)

7. Contributions Received

During the years ended June 30, 2021 and 2020, contributions were received from the following sources:

	2021	2020
Unrestricted		
Individuals	\$1,413,069	\$1,081,470
Stocks and investments	257,496	-
Businesses and organizations	195,202	217,911
Churches and church groups	74,997	81,152
Memorials, honorariums and bequest	-	4,075
Total contributions received	\$1,940,764	\$1,384,608

8. Leases

The Mission has the following lease obligations as of June 30, 2021:

Office equipment with an initial present value of \$8,374, an imputed annual interest rate of 4.95% included in 48 monthly payments of \$193 beginning January 2019, and with an option to purchase the equipment for fair market value at the end of the lease term.

Office equipment with an initial present value of \$5,068, a stated interest rate of 0% included in 63 monthly payments of \$80 beginning November 2018, and with no option to purchase the equipment at the end of the lease term.

A vehicle with an initial present value of \$46,346, an imputed interest rate of 4.95% included in 48 monthly payments of \$1,066 beginning December 2018, and with an option to purchase the vehicle for fair market value at the end of the lease term.

The following schedule summarize lease information for 2021:

Expenses	
Operating lease expense	\$16,072
Total lease expense	\$16,072

(Continued)

Shreveport-Bossier Rescue Mission, Inc.

Notes to Financial Statements (Continued)

8. Lease - (continued)

Cash paid for the amounts included in the measurement of lease and liabilities for operating leases:

Operating leases	\$16,072
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Right of use asset obtained in exchange for lease liabilities:

Operating lease	\$ -
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Weighted average remaining lease terms (in years):

Operating leases	1.9
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Weighted average discount rate:

Operating leases	4.95%
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	Operating
Maturity Analysis	
2022	\$16,072
2023	6,666
2024	563
Total	23,301

9. Disaggregation of Revenue

Revenue, disaggregated by time of transfer of goods and services follows:

	2021	2020
Revenue recognized based on goods and services transferred to customers at a point in time -		
Thrift Store and Enterprise operations	\$140,592	\$203,131

10. Availability of Financial Assets

The following reflects Mission's financial assets as of the statements of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statements of financial position date:

(Continued)

Shreveport-Bossier Rescue Mission, Inc.

Notes to Financial Statements (Continued)

10. Availability of Financial Assets - (continued)

	2021	2020
Financial assets at year end:		
Cash and cash equivalents	\$1,613,627	\$1,137,216
Long-term investments	1,623,629	1,138,008
Total financial assets at year end	3,237,256	2,275,224
Less those unavailable for general expenditures within one year due to contractual or donor- imposed restrictions	-	-
Financial assets available at year end to meet cash needs for general expenditures within one year	\$3,237,256	\$2,275,224

11. Adoption of New Accounting Pronouncements

For the year ended June 30, 2020, the Mission adopted Accounting Standards Update (ASU) 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash, which addresses classification and presentation of changes in restricted cash on the statement of cash flows.

The Mission adopted the provisions of ASC 842 "Leases" effective July 1, 2020. Under ASC 842, the Mission is required to record a right of use asset and a corresponding lease liability for both operating and financing leases. Previously, operating leases were not required to be recognized on the balance sheet. Management adopted the ASC on a fully retrospective basis for leases in effect prior to July 1, 2020.

(Continued)

Shreveport-Bossier Rescue Mission, Inc.

Notes to Financial Statements (Concluded)

11. Adoption of New Accounting Pronouncements - (continued)

The effect on the June 30, 2020 financial statements is summarized below:

	As originally reported	As restated
Statement of financial position		
Assets		
Lease right of use asset	\$ -	\$37,972
Liabilities		
Lease liability, current portion	\$ -	\$16,072
Lease liability	\$ -	\$21,900

12. PPP Loan Proceeds

For the year ended June 30, 2020, PPP Loan Proceeds comprised proceeds made available through the Paycheck Protection Program of the CARES Act of 2020. Under the Paycheck Protection Program, eligible entities may receive loans backed by the Small Business Administration to pay for up to 24 weeks of payroll, benefits, and other qualifying expenses. The loans are forgivable to the extent they are used for qualifying expenses within the allowable timeframe.

Management used all the loan proceeds for qualifying expenses prior to the year ended June 30, 2020 and thus qualified for loan forgiveness. Therefore, management elected to treat the loan as an in-substance grant and recognized the proceeds as a conditional contribution under the provisions of ASC 958-605 "Not-for-Profit Entities: Revenue Recognition." Since the conditions were met in the same accounting period in which the funds were received, the contribution was recorded as an increase in net assets without donor restrictions.

Supplemental Material

Shreveport-Bossier Rescue Mission, Inc.

Statements of Revenues and Expenses for Thrift Store and Enterprise Operations

<i>Years Ended June 30,</i>	2021	2020
Revenues -		
Sales	\$140,592	\$203,131
Total revenues	140,592	203,131
Expenses:		
Bank fees and service charges	700	1,800
Building and maintenance	38,487	32,436
Depreciation	10,287	13,505
Information technology	1,289	1,619
Lease expense	13,626	14,731
Merchandise for resale	15,116	15,050
Miscellaneous	1,187	636
Payroll and payroll taxes	34,780	78,782
Supplies	10,029	6,580
Telephone, television, and Internet	5,924	4,314
Utilities	20,925	26,327
Vehicle operations	1,848	2,849
Total expenses	154,198	198,629
Net increase from Thrift Store and Enterprise Operations	\$(13,606)	\$ 4,502