

# **Good News Rescue Mission**

**Redding, California**

**FINANCIAL STATEMENTS WITH INDEPENDENT AUDITORS' REPORT**

**May 31, 2018 and 2017**

# Good News Rescue Mission

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May 31, 2018 and 2017

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## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Good News Rescue Mission  
Redding, California

We have audited the accompanying financial statements of Good News Rescue Mission, a nonprofit corporation (the Mission), which comprise the statements of financial position as of May 31, 2018 and 2017, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Mission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Mission's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **INDEPENDENT AUDITORS' REPORT**

(Continued)

### ***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Good News Rescue Mission as of May 31, 2018 and 2017, 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.

*Aiello, Goodrich & Teuscher*

September 14, 2018

Aiello, Goodrich & Teuscher

An Accountancy Corporation

Mt. Shasta, California

**Good News Rescue Mission**  
STATEMENTS OF FINANCIAL POSITION

May 31	2018	2017
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 719,894	\$ 809,997
Inventory	64,585	104,032
Investments	451,370	110,251
Other assets	83,729	37,373
<b>Total Current Assets</b>	1,319,578	1,061,653
<b>Notes Receivable - Long-Term</b>	129,000	129,000
<b>Property and Equipment - Net</b>	5,711,521	6,008,572
<b>Cash Restricted for Capital Projects</b>	1,000	220,558
<b>TOTAL ASSETS</b>	\$ 7,161,099	\$ 7,419,783
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 34,801	\$ 94,982
Amounts held for others	37,550	30,023
Compensated absences	31,886	46,502
Current maturities of long-term debt	-	30,798
<b>Total Current Liabilities</b>	104,237	202,305
<b>Long-Term Debt - Net of Current Maturities</b>	2,500,000	2,500,000
<b>Total Liabilities</b>	2,604,237	2,702,305
<b>Net Assets</b>		
Temporarily restricted	58,937	241,400
Unrestricted	4,497,925	4,476,078
<b>Total Net Assets</b>	4,556,862	4,717,478
<b>TOTAL LIABILITIES AND NET ASSETS</b>	\$ 7,161,099	\$ 7,419,783

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

**Good News Rescue Mission**  
STATEMENTS OF ACTIVITIES

Years Ended May 31	2018	2017
<b>CHANGE IN UNRESTRICTED NET ASSETS</b>		
<b>Revenue and Support</b>		
Contributions	\$ 3,016,086	\$ 3,564,962
Special events revenue - net	205,999	83,825
Other income	11,826	16,848
Investment income	12,001	9,563
Gain on disposal of property and equipment	157,260	332
<b>Total Revenue and Support</b>	<b>3,403,172</b>	<b>3,675,530</b>
<b>Net Assets Released From Restriction</b>	<b>393,931</b>	<b>336,088</b>
<b>EXPENSES</b>		
<b>Program Services</b>		
Guest Services	1,917,086	1,819,229
Men's New Life Recovery	480,701	484,220
Women's New Life Recovery	413,751	435,709
<b>Total Program Services</b>	<b>2,811,538</b>	<b>2,739,158</b>
<b>Supporting Services</b>		
Management and general	313,667	368,634
Fundraising	650,051	723,458
<b>Total Supporting Services</b>	<b>963,718</b>	<b>1,092,092</b>
<b>Total Expenses</b>	<b>3,775,256</b>	<b>3,831,250</b>
<b>Change in Unrestricted Net Assets</b>	<b>21,847</b>	<b>180,368</b>
<b>CHANGE IN TEMPORARILY RESTRICTED NET ASSETS</b>		
Temporarily restricted contributions	211,404	407,632
Investment income	64	264
Net assets released from restriction	(393,931)	(336,088)
<b>Change in Temporarily Restricted Net Assets</b>	<b>(182,463)</b>	<b>71,808</b>
<b>Change in Net Assets</b>	<b>(160,616)</b>	<b>252,176</b>
<b>Net Assets - Beginning of Year</b>	<b>4,717,478</b>	<b>4,465,302</b>
<b>Net Assets - End of Year</b>	<b>\$ 4,556,862</b>	<b>\$ 4,717,478</b>

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

## Good News Rescue Mission

### STATEMENT OF FUNCTIONAL EXPENSES

Year Ended May 31, 2018	Program Services				Supporting Services			Total Expenses
	Guest Services	Men's New Life Recovery	Women's New Life Recovery	Total Program Services	Management and General	Fundraising	Supporting Services	
Salaries and benefits	\$ 492,653	\$ 201,212	\$ 169,838	\$ 863,703	\$ 246,390	\$ 161,278	\$ 407,668	\$ 1,271,371
Food	856,387	124,269	67,998	1,048,654	-	-	-	1,048,654
Professional fundraising	-	-	-	-	-	322,811	322,811	322,811
Supplies	211,247	18,437	15,133	244,817	3,902	36,497	40,399	285,216
Utilities	105,931	38,800	32,889	177,620	6,363	5,870	12,233	189,853
Mailings	-	-	-	-	-	51,795	51,795	51,795
Liability insurance	22,408	11,610	8,690	42,708	3,289	2,102	5,391	48,099
Benevolence	40,054	3,477	737	44,268	-	-	-	44,268
Professional services	17,531	312	312	18,155	19,401	5,500	24,901	43,056
Technology	9,517	6,427	6,306	22,250	8,472	7,418	15,890	38,140
Medical and teaching services	10,206	13,828	13,828	37,862	-	-	-	37,862
Advertising	-	-	-	-	-	32,654	32,654	32,654
Building repair and maintenance	17,710	4,332	4,913	26,955	817	806	1,623	28,578
Transportation	11,653	4,951	6,590	23,194	69	93	162	23,356
Property taxes and insurance	11,704	2,966	4,854	19,524	2,860	639	3,499	23,023
Equipment rental and maintenance	5,682	4,490	1,333	11,505	3,562	3,444	7,006	18,511
Depreciation	90,760	39,806	76,526	207,092	5,448	4,467	9,915	217,007
Miscellaneous	13,643	5,784	3,804	23,231	13,094	14,677	27,771	51,002
<b>Total Expenses</b>	<b>\$ 1,917,086</b>	<b>\$ 480,701</b>	<b>\$ 413,751</b>	<b>\$ 2,811,538</b>	<b>\$ 313,667</b>	<b>\$ 650,051</b>	<b>\$ 963,718</b>	<b>\$ 3,775,256</b>

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

## Good News Rescue Mission

### STATEMENT OF FUNCTIONAL EXPENSES

Year Ended May 31, 2017	Program Services				Supporting Services			Total Expenses
	Guest Services	Men's New Life Recovery	Women's New Life Recovery	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Salaries and benefits	\$ 492,511	\$ 223,146	\$ 191,114	\$ 906,771	\$ 305,324	\$ 223,561	\$ 528,885	\$ 1,435,656
Food	806,394	115,678	63,751	985,823	-	-	-	985,823
Professional fundraising	-	-	-	-	-	300,004	300,004	300,004
Supplies	210,226	20,513	19,100	249,839	2,643	20,828	23,471	273,310
Utilities	100,686	40,168	33,522	174,376	6,034	5,626	11,660	186,036
Mailings	-	-	-	-	-	58,284	58,284	58,284
Liability insurance	20,167	10,562	8,522	39,251	2,598	1,878	4,476	43,727
Benevolence	23,663	225	33	23,921	-	-	-	23,921
Professional services	1,652	3,304	3,304	8,260	17,386	31,397	48,783	57,043
Technology	7,910	6,795	7,359	22,064	7,026	8,989	16,015	38,079
Medical and teaching services	33,880	-	-	33,880	-	-	-	33,880
Advertising	-	-	-	-	-	45,876	45,876	45,876
Building repair and maintenance	15,314	3,231	5,969	24,514	617	581	1,198	25,712
Transportation	13,292	5,293	3,638	22,223	240	126	366	22,589
Property taxes and insurance	11,991	3,042	6,870	21,903	2,729	653	3,382	25,285
Equipment rental and maintenance	4,133	2,041	2,390	8,564	2,477	4,610	7,087	15,651
Depreciation	62,734	42,604	84,820	190,158	5,634	4,292	9,926	200,084
Miscellaneous	14,676	7,618	5,317	27,611	15,926	16,753	32,679	60,290
<b>Total Expenses</b>	<b>\$ 1,819,229</b>	<b>\$ 484,220</b>	<b>\$ 435,709</b>	<b>\$ 2,739,158</b>	<b>\$ 368,634</b>	<b>\$ 723,458</b>	<b>\$ 1,092,092</b>	<b>\$ 3,831,250</b>

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



# Good News Rescue Mission

## STATEMENTS OF CASH FLOWS

Years Ended May 31	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (160,616)	\$ 252,176
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	217,007	200,084
Gain on disposal of property and equipment	(157,260)	(332)
Donated property	(36,168)	(37,098)
(Increase) decrease in:		
Inventory	39,447	(19,626)
Other assets	(46,356)	(2,638)
Increase (decrease) in:		
Accounts payable	(60,181)	53,551
Amounts held for others	7,527	9,164
Compensated absences	(14,616)	(243)
<b>Net Cash Provided (Used) By Operating Activities</b>	<b>(211,216)</b>	<b>455,038</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for purchase of property and equipment	(211,913)	(492,299)
Proceeds from the sale of property and equipment	485,385	1,122
Proceeds from maturity of investments	110,251	-
Payments for purchase/reinvestment of investments	(451,370)	(330)
<b>Net Cash Provided (Used) By Investing Activities</b>	<b>(67,647)</b>	<b>(491,507)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from debt issuance	-	30,798
Principal payments on debt	(30,798)	-
<b>Net Cash Provided By Financing Activities</b>	<b>(30,798)</b>	<b>30,798</b>
<b>Net Change in Cash</b>	<b>(309,661)</b>	<b>(5,671)</b>
<b>Cash and Cash Equivalents - Beginning of Year</b>	<b>1,030,555</b>	<b>1,036,226</b>
<b>Cash and Cash Equivalents - End of Year</b>	<b>\$ 720,894</b>	<b>\$ 1,030,555</b>
<b>NONCASH TRANSACTIONS</b>		
None		

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

# Good News Rescue Mission

## NOTES TO THE FINANCIAL STATEMENTS

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Nature of Organization** The Good News Rescue Mission (the Mission) is a private nonprofit corporation whose mission is to bring good news to the poor, homeless, or needy of Shasta County by sharing the love of God exemplified by the life and ministry of Jesus Christ, providing emergency subsistence services (food, shelter, clothing), providing long term recovery services, and educating and equipping people of Shasta County to effectively minister to needy people. The Mission's principal programs are as follows:

*Guest Services:* The Mission provides daily emergency subsistence services of food, shelter, and clothing to meet the immediate needs of those who are homeless and/or living in poverty. Guest Services strives to break the cycle of poverty and homelessness through comprehensive case management services and programs geared to address common root factors of homelessness. The major factors leading to homelessness include job loss, poverty, mental health, and addiction. The Mission offers core programs to address these issues which include mental health referrals, a savings program that allows an individual to save money for permanent housing, and academic and work readiness programs that provide assistance in completion of college, obtaining employment, and sustainable living in mainstream society.

*New Life Recovery:* The Mission provides faith-based 18-month residential recovery programs for men and for women. The programs focus on the root cause of addiction and strive to equip the students with tools to overcome their addiction, emerge as leaders in the community, and to live healthy fulfilling lives. Recovery, sober living, and discipleship are the three areas central to the programs. Recovery activities include individual and group counseling, education, and life skills such as parenting. Women enrolled in the program are able to have their children remain with them throughout their stay at the Mission (boys must be under the age of 12).

**Basis of Presentation** The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Permanently Restricted Net Assets:* Net assets subject to donor-imposed stipulations that they be maintained permanently by the Mission. Generally, the donors of these assets permit the Mission to use all or part of the income earned on any related investments for general or specific purposes. The Mission had no permanently restricted net assets at May 31, 2018 or 2017.

*Temporarily Restricted Net Assets:* Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Mission and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

*Unrestricted Net Assets:* Net assets that are not subject to donor-imposed stipulations.

## Good News Rescue Mission

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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**Use of Estimates** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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.

**Cash and Cash Equivalents** For purposes of the statement of cash flows, the Mission considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

**Investments** Investments consist of certificates of deposits with an initial maturity of greater than three months. They are recorded at cost plus accrued interest, which approximates fair value.

**Inventory** Inventories consist mainly of donated food, clothing, and household items received by the Mission's distribution center for use in the Food Services program and Resource Center. The contributions are reported as revenue valued at the lower of cost or market at the time of donation. Physical inventories are taken at least annually to determine inventory on hand.

**Notes Receivable** Notes receivable consist of a financing receivable from the sale of real property. The terms of the note call for interest-only payments until 2020, at which time the entire principal balance is due in full. Management considers the entire note receivable to be collectable and no allowance has been recorded.

**Property and Equipment** Expenditures for maintenance and repairs are charged to expense as incurred. Major improvements are capitalized. Property and equipment are capitalized at cost when purchased, or at fair market value when contributed. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets as follows:

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Buildings	15 - 39 Years
Vehicles	5 Years
Furniture, fixtures, and equipment	3 - 7 Years

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**Amounts Held for Others** Amounts held for others consists of funds held for participants of the Guest Services and New Life Recovery programs on a voluntary basis.

**Compensated Absences** Accumulated unpaid employee vacation benefits are recognized as liabilities of the Mission as the benefits are earned and vested.

**Revenue Recognition** The Mission reports contributions as revenue when they are unconditionally pledged or when they are received. The Mission 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, temporarily restricted net assets are reclassified to the statement of activities as net assets released from restrictions.

## Good News Rescue Mission

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

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The Mission reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long term assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how these long-lived assets must be maintained, the Mission reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

**Special Events Revenue** Special events revenue are reported net of costs of direct benefit to donors as follows:

Years Ended May 31	2018	2017
Special events revenue	228,038 \$	114,683
Less: Cost of direct benefit to donor	(22,039)	(30,858)
<b>Special Events Revenue - Net</b>	<b>\$ 205,999</b>	<b>\$ 83,825</b>

**Fair Values of Financial Instruments** The carrying amount of cash and accounts receivables reported in the statement of financial position approximate fair value because of the short maturities of those instruments.

**Income Taxes** The Mission has received tax exempt status under Section 501(c)(3) of the Internal Revenue Code, and Section 23701(d) of the State of California Revenue and Taxation Code, and has been classified as an organization that is not a private foundation under Section 509(a) of the Internal Revenue Code. Since the Mission is exempt from federal and state income tax liability, no provision is made for current or deferred income taxes. The Mission uses the same accounting methods for tax and financial reporting.

Generally accepted accounting principles prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Management of the Mission has evaluated its uncertain tax positions and related income tax contingencies. Management does not believe that any material uncertain tax positions exist. The Mission's tax returns are subject to examination by Federal taxing authorities for a period of three years from the date they are filed and a period of four years for California taxing authorities.

**Good News Rescue Mission**  
NOTES TO THE FINANCIAL STATEMENTS  
(Continued)

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**2. CASH AND CASH EQUIVALENTS**

Cash consisted of the following:

May 31		2018		2017
Cash in banks	\$	662,336	\$	981,675
Cash on hand		58,558		48,880
<b>Total</b>	\$	720,894	\$	1,030,555

Presented on the Statement of Financial Position as:

Years Ended May 31		2018		2017
Cash and cash equivalents	\$	719,894	\$	809,997
Cash restricted for capital projects		1,000		220,558
<b>Total</b>	\$	720,894	\$	1,030,555

The Mission's cash is deposited in accounts at local banks and savings and loan institutions. At May 31, 2018 and 2017, the Mission had \$644,049 and \$640,458, respectively, in excess of federally insured limits that constitute a concentration of credit risk. The Mission has not experienced any loss and management believes it is not exposed to any significant credit risk on those accounts.

**3. INVENTORY**

Inventory consisted of the following:

May 31		2018		2017
Food	\$	42,651	\$	77,248
Clothing and household goods		21,934		26,784
<b>Total</b>	\$	64,585	\$	104,032

**Good News Rescue Mission**  
NOTES TO THE FINANCIAL STATEMENTS  
(Continued)

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**4. PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following:

May 31	2018	2017
<b>Nondepreciable Assets</b>		
Land	\$ 616,542	\$ 776,542
Construction in progress	18,339	593,711
<b>Total Nondepreciable Assets</b>	<b>634,881</b>	<b>1,370,253</b>
<b>Depreciable Assets</b>		
Building and improvements	6,146,649	5,719,667
Vehicles	140,549	154,770
Furniture, fixtures, and equipment	483,840	384,376
Software	17,640	-
<b>Total Depreciable Assets</b>	<b>6,788,678</b>	<b>6,258,813</b>
Less: Accumulated depreciation	1,712,038	1,620,494
<b>Depreciable Assets - Net</b>	<b>5,076,640</b>	<b>4,638,319</b>
<b>Property and Equipment - Net</b>	<b>\$ 5,711,521</b>	<b>\$ 6,008,572</b>

The Mission owns certain land and buildings that were acquired in full or in part through the Federal Home Loan Bank's (the FHLBank) Affordable Housing Program (AHP). These assets are pledged as collateral for the Mission's long-term debt. See additional information in Note 5 below.

**5. LONG-TERM DEBT**

The Mission was approved for a grant under the FHLBank's AHP in March 2006 in the original amount of \$1,000,000 to build the Bridge to New Life building and to remodel the men's shelter. The granted funds were disbursed to the Mission under a Subsidy Repayment Agreement with Redding Bank of Commerce which is secured by real property with a carrying value at May 31, 2018 and 2017 of \$1,612,740 and \$1,673,022, respectively. It does not accrue interest, except in the event of default, and will not amortize. The entire principal balance matures in December 2023. If the Mission continues to use the property in accordance with the terms of the Agreement, the entire balance will be forgiven by the FHLBank upon maturity.

The Mission was approved for a grant under the FHLBank's AHP in June 2014 in the original amount of \$1,500,000 for the Building Hope project. The granted funds were disbursed to the Mission under a Subsidy Repayment Agreement with Redding Bank of Commerce which is secured by real property with a carrying value at May 31, 2018 and 2017 of \$1,854,111 and \$1,908,599, respectively. It does not accrue interest, except in the event of default, and will not amortize. The entire principal balance matures the later of January 1, 2033 or fifteen years after project completion. If the Mission continues to use the property in accordance with the terms of the Agreement, the entire balance will be forgiven by the FHLBank upon maturity.

## Good News Rescue Mission

### NOTES TO THE FINANCIAL STATEMENTS

(Continued)

The Mission was not in default with the terms of the Subsidy Repayment Agreement at May 31, 2018 and 2017.

The Mission has entered into a loan agreement with Redding Bank of Commerce in the amount of \$672,500, secured by real property. The note was payable in monthly installments of \$12,635, including interest of 4.75% beginning January 2018. The note matured in December 2022 but was repaid in full in 2018. As of May 31, 2018 and 2017, the amount outstanding under the loan was \$0 and \$30,798, respectively. The Mission does not expect to borrow the remaining available funds.

#### 6. RESTRICTIONS AND LIMITATIONS ON NET ASSETS

Temporarily restricted net assets were available for the following purposes:

May 31		2018		2017
Dental clinic expenses	\$	7,576	\$	9,340
Maintenance		10,000		-
Building Hope capital project		1,000		182,604
Journey Home		16,162		21,270
Women's New Life Recovery Program		13,556		12,528
Other purposes		10,643		15,658
<b>Total Temporarily Restricted Net Assets</b>	\$	<b>58,937</b>	\$	<b>241,400</b>

The Mission's Board of Directors did not choose to place any limitations on unrestricted net assets. Therefore, unrestricted net assets consisted of the following:

May 31		2018		2017
Undesignated	\$	4,497,925	\$	4,476,078
<b>Total Unrestricted Net Assets</b>	\$	<b>4,497,925</b>	\$	<b>4,476,078</b>

#### 7. DEFINED CONTRIBUTION PLAN

The Mission sponsors a defined contribution plan (the Plan) covering all eligible employees who agree to make contributions to the Plan. The Mission matches 50% of all participants' contributions to the Plan up to \$1,500 per year. Total contributions made by the Mission to the Plan for the years ended May 31, 2018 and 2017, were \$10,978 and \$13,665, respectively.

**Good News Rescue Mission**  
NOTES TO THE FINANCIAL STATEMENTS  
(Continued)

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**8. NONCASH CONTRIBUTIONS**

The Mission received the following non-cash contributions, which are included in contribution revenue in the Statement of Activities:

May 31	2018		2017	
Food	\$	994,007	\$	990,006
Clothing and household items		194,946		192,148
Construction in progress		-		10,141
Capital assets		36,168		26,957
Professional services		37,862		33,880
Other		1,852		-
<b>Total</b>	\$	<b>1,264,835</b>	\$	<b>1,253,132</b>

The Mission receives contributed services from hundreds of unpaid volunteers who assist with a variety of services relating to program delivery, clerical, academic, basic health, and fundraising. Under generally accepted accounting principles, fair value of donated services are recognized in the Statement of Activities if they (a) create or enhance a nonfinancial asset, or (b) require specialized skills, are provided by persons possessing those skills, and would need to be purchased if they were not donated. The volunteered dental services meet the above criteria and are included as professional services in the table above. The remaining volunteered services provided to the Mission did not meet this criteria and, therefore, are not recognized in the accompanying financial statements. The Mission estimates the fair value of the contributed services not recognized in the Statement of Activities to be \$1,619,939 and \$1,390,039 for the years ended May 31, 2018 and 2017, respectively.

**9. SUBSEQUENT EVENTS**

Management has evaluated all subsequent events through September 14, 2018, which is the date the financial statements were available to be issued.