

**MISSION POSSIBLE**

FINANCIAL STATEMENTS

Years Ended June 30, 2022 and 2021

# MISSION POSSIBLE

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September 12, 2022

## **INDEPENDENT AUDITOR'S REPORT**

Board of Trustees  
Mission Possible  
Findlay, OH 45840

### **Opinion**

We have audited the accompanying financial statements of Mission Possible (a nonprofit organization), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mission Possible as of June 30, 2022, and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Mission Possible 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 Mission Possible's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Mission Possible'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 Mission Possible'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.

*Ridge + Company CPA*

**MISSION POSSIBLE**  
**STATEMENTS OF FINANCIAL POSITION**  
June 30, 2022 and 2021

|   | 2022                | 2021                |
|---|---------------------|---------------------|
| <b>ASSETS</b>   |                     |                     |
| Cash and Cash Equivalents                                   | \$ 288,982          | \$ 283,929          |
| Investments - NOTE 8  | 66,130              | 103,921             |
| Investment in Community Foundation - NOTE 13                | 10,811              | 13,613              |
| Prepaid Expenses  | 4,057               | 3,398               |
| Property and Equipment - NOTE 6                             | 1,300,788           | 1,328,383           |
| Interest in Joint Ministry Operations - NOTE 7              | (55,634)            | (26,650)            |
| <b>TOTAL ASSETS</b>   | <b>\$ 1,615,134</b> | <b>\$ 1,706,594</b> |
| <br><b>LIABILITIES</b>                                      |                     |                     |
| Accounts Payable and Accrued Expenses                       | \$ 26,031           | \$ 15,210           |
| Canadian Interest in Joint Ministry Capital Assets - NOTE 7 | 132,107             | 139,468             |
| <b>TOTAL LIABILITIES</b>                                    | 158,138             | 154,678             |
| <br><b>NET ASSETS</b>                                       |                     |                     |
| Without Donor Restrictions                                  | 1,172,925           | 1,227,182           |
| With Donor Restrictions - NOTE 9                            | 284,071             | 324,734             |
| <b>TOTAL NET ASSETS</b>                                     | <b>1,456,996</b>    | <b>1,551,916</b>    |
| <b>TOTAL LIABILITIES AND NET ASSET</b>                      | <b>\$ 1,615,134</b> | <b>\$ 1,706,594</b> |

The accompanying notes are an integral part of the financial statements

**MISSION POSSIBLE**  
**STATEMENT OF ACTIVITIES**  
Year Ended June 30, 2022

|  | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total               |
|--|-------------------------------|----------------------------|---------------------|
| <b>SUPPORT AND REVENUE</b>                                 |                               |                            |                     |
| Contributions  | \$ 385,912                    | \$ 566,357                 | \$ 952,269          |
| Donated Goods - NOTE 15                                    | 1,836                         |                            | 1,836               |
| Interest and Dividends                                     | 84                            | 5,185                      | 5,269               |
| Realized Gain on Sale of Investments                       |                               | 1,619                      | 1,619               |
| Unrealized Depreciation on Investments                     |                               | (25,798)                   | (25,798)            |
| Change in Community Foundation                             | (561)                         | (2,241)                    | (2,802)             |
| Miscellaneous Income                                       | 25,042                        | 109,711                    | 134,753             |
| Net Assets Released from Restrictions - NOTE 9             | 695,496                       | (695,496)                  | -                   |
| <b>TOTAL SUPPORT AND REVENUE</b>                           | <u>1,107,809</u>              | <u>(40,663)</u>            | <u>1,067,146</u>    |
| <b>EXPENSES</b>  |                               |                            |                     |
| Program Services:  |                               |                            |                     |
| Haiti  | 810,625                       |                            | 810,625             |
| Dominican Republic   | 225,276                       |                            | 225,276             |
| Fundraising  | 66,331                        |                            | 66,331              |
| General and Administrative                                 | 92,467                        |                            | 92,467              |
| <b>TOTAL EXPENSES</b>                                      | <u>1,194,699</u>              | <u>-</u>                   | <u>1,194,699</u>    |
| <b>TRANSFER OF CAPITAL ASSETS</b>                          |                               |                            |                     |
| Transfer of capital assets per Joint<br>Ministry Agreement | 32,633                        | -                          | 32,633              |
| <b>CHANGE IN NET ASSETS</b>                                | (54,257)                      | (40,663)                   | (94,920)            |
| <b>NET ASSETS, beginning of year</b>                       | <u>1,227,182</u>              | <u>324,734</u>             | <u>1,551,916</u>    |
| <b>NET ASSETS, end of year</b>                             | <u>\$ 1,172,925</u>           | <u>\$ 284,071</u>          | <u>\$ 1,456,996</u> |

The accompanying notes are an integral part of the financial statements

**MISSION POSSIBLE**  
**STATEMENT OF ACTIVITIES**  
Year Ended June 30, 2021

|  | <u>Without Donor<br/>Restrictions</u> | <u>With Donor<br/>Restrictions</u> | <u>Total</u>        |
|--|---------------------------------------|------------------------------------|---------------------|
| <b>SUPPORT AND REVENUE</b>                                 |                                       |                                    |                     |
| Contributions  | \$ 271,851                            | \$ 521,231                         | \$ 793,082          |
| Interest and Dividends                                     | 150                                   | 5,972                              | 6,122               |
| Realized Gain on Sale of Investments                       |                                       | 1,910                              | 1,910               |
| Unrealized Appreciation on Investments                     |                                       | 16,170                             | 16,170              |
| Change in Community Foundation                             | 559                                   | 2,235                              | 2,794               |
| Miscellaneous Income                                       | 15,194                                | 103,896                            | 119,090             |
| Net Assets Released from Restrictions - NOTE 9             | <u>620,579</u>                        | <u>(620,579)</u>                   | <u>-</u>            |
| <b>TOTAL SUPPORT AND REVENUE</b>                           | <u>908,333</u>                        | <u>30,835</u>                      | <u>939,168</u>      |
| <b>EXPENSES</b>  |                                       |                                    |                     |
| Program Services:  |                                       |                                    |                     |
| Haiti  | 763,097                               |                                    | 763,097             |
| Dominican Republic   | 169,939                               |                                    | 169,939             |
| Fundraising  | 73,201                                |                                    | 73,201              |
| General and Administrative                                 | <u>110,722</u>                        |                                    | <u>110,722</u>      |
| <b>TOTAL EXPENSES</b>                                      | <u>1,116,959</u>                      | <u>-</u>                           | <u>1,116,959</u>    |
| <b>TRANSFER OF CAPITAL ASSETS</b>                          |                                       |                                    |                     |
| Transfer of capital assets per Joint<br>Ministry Agreement | <u>7,924</u>                          | <u>-</u>                           | <u>7,924</u>        |
| <b>CHANGE IN NET ASSETS</b>                                | (200,702)                             | 30,835                             | (169,867)           |
| <b>NET ASSETS, beginning of year</b>                       | <u>1,427,884</u>                      | <u>293,899</u>                     | <u>1,721,783</u>    |
| <b>NET ASSETS, end of year</b>                             | <u>\$ 1,227,182</u>                   | <u>\$ 324,734</u>                  | <u>\$ 1,551,916</u> |

The accompanying notes are an integral part of the financial statements

**MISSION POSSIBLE**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended June 30, 2022

|  | PROGRAM SERVICES  |                       |                     | Total<br>Program<br>Services | Fundraising | General<br>and<br>Administrative | Total<br>Expenses   |
|--|-------------------|-----------------------|---------------------|------------------------------|-------------|----------------------------------|---------------------|
|  | Haiti             | Dominican<br>Republic |                     |                              |             |                                  |                     |
| Joint Ministry Support - NOTE 12       | \$ 681,636        | \$ 183,220            | \$ 864,856          | \$ -                         | -           | \$ -                             | \$ 864,856          |
| Salaries and Payroll Taxes             | 104,720           | 21,363                | 126,083             | 51,078                       |             | 47,421                           | 224,582             |
| Donated Goods                          |                   |                       | -                   |                              |             | 1,836                            | 1,836               |
| Printing and Media                     | 296               | 99                    | 395                 | 3,649                        |             | 395                              | 4,439               |
| Depreciation                           | 21,793            | 19,658                | 41,451              |                              |             | 11,415                           | 52,866              |
| Office Supplies, Dues, Etc.            | 775               | 237                   | 1,012               | 2,305                        |             | 9,592                            | 12,909              |
| Professional Fees                      |                   |                       | -                   |                              |             | 13,280                           | 13,280              |
| Travel and Transportation              |                   |                       | -                   | 595                          |             | 1,865                            | 2,460               |
| Postage and Shipping                   | 790               | 395                   | 1,185               | 3,160                        |             | 2,370                            | 6,715               |
| Occupancy (Utilities, Insurance, Etc.) | 434               | 214                   | 648                 | 1,943                        |             | 1,943                            | 4,534               |
| Telephone                              | 181               | 90                    | 271                 | 272                          |             | 91                               | 634                 |
| Banquet and Event Expense              |                   |                       | -                   | 2,855                        |             |                                  | 2,855               |
| Personnel                              |                   |                       | -                   | 474                          |             | 1,614                            | 2,088               |
| Required Governmental Fees             |                   |                       | -                   |                              |             | 645                              | 645                 |
| <b>Total Expenses</b>                  | <b>\$ 810,625</b> | <b>\$ 225,276</b>     | <b>\$ 1,035,901</b> | <b>\$ 66,331</b>             |             | <b>\$ 92,467</b>                 | <b>\$ 1,194,699</b> |

The accompanying notes are an integral part of the financial statements



**MISSION POSSIBLE**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
Year Ended June 30, 2021

|  | PROGRAM SERVICES  |                       |                   | Total<br>Program<br>Services | Fundraising       | General<br>and<br>Administrative | Total<br>Expenses |
|--|-------------------|-----------------------|-------------------|------------------------------|-------------------|----------------------------------|-------------------|
|  | Haiti             | Dominican<br>Republic |                   |                              |                   |                                  |                   |
| Joint Ministry Support - NOTE 12       | \$ 628,539        | \$ 127,710            | \$ 756,249        | \$ -                         | \$ -              | \$ -                             | \$ 756,249        |
| Salaries and Payroll Taxes             | 109,213           | 22,526                | 131,739           | 56,362                       | 71,156            | 259,257                          |                   |
| Printing and Media                     | 391               | 130                   | 521               | 4,170                        | 521               | 5,212                            |                   |
| Depreciation                           | 22,802            | 18,664                | 41,466            |                              | 12,194            | 53,660                           |                   |
| Office Supplies, Dues, Etc.            | 810               | 241                   | 1,051             | 2,519                        | 7,495             | 11,065                           |                   |
| Professional Fees                      |                   |                       |                   |                              | 12,400            | 12,400                           |                   |
| Travel and Transportation              |                   | 1                     | 1                 | 955                          | 2,202             | 3,158                            |                   |
| Postage and Shipping                   | 759               | 379                   | 1,138             | 3,035                        | 2,276             | 6,449                            |                   |
| Occupancy (Utilities, Insurance, Etc.) | 388               | 191                   | 579               | 1,736                        | 1,736             | 4,051                            |                   |
| Telephone                              | 195               | 97                    | 292               | 292                          | 97                | 681                              |                   |
| Banquet and Event Expense              |                   |                       |                   | 3,876                        |                   | 3,876                            |                   |
| Personnel                              |                   |                       |                   | 256                          | 9                 | 265                              |                   |
| Required Governmental Fees             |                   |                       |                   |                              | 636               |                                  |                   |
| <b>Total Expenses</b>                  | <b>\$ 763,097</b> | <b>\$ 169,939</b>     | <b>\$ 933,036</b> | <b>\$ 73,201</b>             | <b>\$ 110,722</b> | <b>\$ 1,116,959</b>              |                   |

The accompanying notes are an integral part of the financial statements

**MISSION POSSIBLE**  
**STATEMENTS OF CASH FLOWS**  
Years Ended June 30, 2022 and 2021

|   | 2022              | 2021              |
|---|-------------------|-------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |                   |                   |
| Change in Net Assets  | \$ (94,920)       | \$ (169,867)      |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: |                   |                   |
| Depreciation  | 52,866            | 53,660            |
| Change in Community Foundation Investment   | 2,802             | (2,794)           |
| Realized (Gains)/Loss on Investments  | (1,619)           | (1,910)           |
| Unrealized (Appreciation)/Depreciation on Investments                                       | 25,798            | (16,170)          |
| (Increase)/Decrease in Accounts Receivable  |                   | 913               |
| (Increase)/Decrease in Prepaid Expenses   | (659)             | (2,239)           |
| (Increase)/Decrease in Interest in Joint Ministry   | 28,984            | (12,573)          |
| Increase/(Decrease) in Accounts Payable and Accrued Expenses                                | 10,821            | 2,917             |
|   | <u>24,073</u>     | <u>(148,063)</u>  |
| <b>NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES</b>                                     |                   |                   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |                   |                   |
| Sales of Certificates of Deposit  |                   |                   |
| Purchases of Investment Securities  | (9,978)           | (7,269)           |
| Proceeds from Sale of Investment Securities   | 23,590            | 12,200            |
| Purchase of Equipment   | (32,632)          | (7,925)           |
|   | <u>(19,020)</u>   | <u>(2,994)</u>    |
| <b>NET CASH USED BY INVESTING ACTIVITIES</b>  |                   |                   |
| <b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>                                 | 5,053             | (151,057)         |
| <b>CASH AND CASH EQUIVALENTS, Beginning of Year</b>   | <u>283,929</u>    | <u>434,986</u>    |
| <b>CASH AND CASH EQUIVALENTS, End of Year</b>   | <u>\$ 288,982</u> | <u>\$ 283,929</u> |

The accompanying notes are an integral part of the financial statements

**MISSION POSSIBLE**  
NOTES TO FINANCIAL STATEMENTS  
Years Ended June 30, 2022 and 2021

***NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

*Nature of Activities* - Mission Possible (the Organization) is a not-for-profit corporation organized under the laws of the State of Ohio on April 25, 1979, to be an interdenominational corporation organized exclusively for charitable, religious, and educational purposes to promote health, education, and Christian teaching in third world countries. Revenues are received primarily from contributions to the Organization.

*Basis of Accounting* - The accounts of the organization are maintained, and the financial statements are prepared, on the accrual basis of accounting. Accordingly, revenues are recognized when earned, and expenses are recognized when incurred.

*Basis of Presentation* - The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

*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 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.

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

*Investments* - The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

*Property and Equipment* - Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. The Organization capitalizes all expenditures for property and equipment in excess of \$1,000. Other routine expenditures for maintenance and repairs are charged to costs and expensed as incurred. Depreciation is computed using primarily the straight-line method.

*Concentration of Credit Risk* - The Organization maintains its cash balances at several financial institutions located in Findlay, Ohio. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At June 30, 2022 and 2021, the Organization's uninsured cash balances totaled \$0 and \$-0-.

**MISSION POSSIBLE**  
NOTES TO FINANCIAL STATEMENTS  
Years Ended June 30, 2022 and 2021

***NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)***

*Income Taxes* - The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

The Organization's Forms 990, *Returns of Organization Exempt from Income Tax*, for the years ending 2018, 2019 and 2020 are subject to examination by the IRS, generally for three years after they were filed.

*Donated Assets* - Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair values at the date of donation.

*Expense Allocation* - The costs of providing the joint ministry and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the program services, general and administrative, and fundraising activities which have benefited.

*Donated Property and Equipment* - Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. 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 contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

*Donated Services* - Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

*Contributions*- Contributions received are recorded as net assets with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. All donor restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the Statement of Activities as net assets released from restrictions.

**MISSION POSSIBLE**  
**NOTES TO FINANCIAL STATEMENTS**  
Years Ended June 30, 2022 and 2021

***NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)***

*Accounts Receivable* - Accounts receivable are reported at their net realizable value. The organization considers all accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to expense when that determination is made.

***NOTE 2 – FOREIGN CURRENCY TRANSLATION***

In accordance with the Joint Ministry Agreement between Mission Possible and Mission Possible Canada, all of the capital assets purchased or constructed between Haiti and the Dominican Republic are transferred back to the Mission Possible balance sheet. Therefore, the assets transferred are translated at the average exchange rate in effect during the fiscal year as required by Statement of Financial Accounting Standards (SFAS) No. 52. The average exchange rate for Haiti for the fiscal years ended June 30, 2022 and 2021 was 102.7437 and 84.5447 gourdes to one United States dollar, respectively. The average exchange rate for the Dominican Republic for the fiscal years ended June 30, 2022 and 2021 was 54.9017 and 56.6920 pesos to one United States dollar, respectively.

Foreign currency translation for Haiti resulted in an aggregate exchange gain/(loss) of (\$1,676) and \$2,458 for the fiscal years ended June 30, 2022 and 2021, respectively.

Foreign currency translation for the Dominican Republic resulted in an aggregate exchange gain/(loss) of \$390 and (\$1,988) for the fiscal years ended June 30, 2022 and 2021, respectively.

***NOTE 3 – CASH FLOW INFORMATION***

No amounts were paid for income taxes or interest in 2022 or 2021. There were no noncash financing or investing activities for the years ended June 30, 2022 or 2021.

***NOTE 4 – DONATED SERVICES***

The Organization utilized contributed services for a variety of necessary functions that would otherwise need to be purchased. These services have been performed by individuals working in the United States, and include clerical and communications functions. No amounts have been reflected in the financial statements for donated services. The Organization pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization.

**MISSION POSSIBLE**  
**NOTES TO FINANCIAL STATEMENTS**  
Years Ended June 30, 2022 and 2021

**NOTE 5 – FAIR VALUE**

The following methods and assumptions were used by the Organization in estimating the fair value of its financial instruments:

*Cash and cash equivalents* – The carrying amount reported in the Statement of Financial Position approximates fair value because of the short maturity of those instruments.

*Investments* – The fair value of investments in marketable equity and debt securities is based on quoted market prices in active markets (all Level 1 measurements).

**NOTE 6 – PROPERTY AND EQUIPMENT**

Property and Equipment include the following:

|                                | <u>2022</u>         | <u>2021</u>         |
|--------------------------------|---------------------|---------------------|
| Building and Improvements      | \$ 1,673,404        | \$ 1,652,521        |
| Land and Land Improvements     | 408,061             | 408,061             |
| Machinery and Equipment        | 138,229             | 126,478             |
| Vehicles                       | 140,867             | 140,867             |
| Furniture and Fixtures         | 26,440              | 26,440              |
| Work in Progress               | 51,502              | 51,502              |
|                                | <u>2,438,503</u>    | <u>2,405,869</u>    |
| Less: Accumulated Depreciation | <u>1,137,714</u>    | <u>1,077,486</u>    |
| Net Property and Equipment     | <u>\$ 1,300,788</u> | <u>\$ 1,328,383</u> |

**NOTE 7 – JOINT MINISTRY AGREEMENT**

The organization participates in a Joint Ministry Agreement with Mission Possible Canada, a not-for-profit organization operating in Canada. Joint ministry activities are conducted under the name Mission Possible International. Mission Possible International was established to facilitate the pooling of resources of both of the organizations, and is supported primarily by funding from both of the organizations. The organization has recorded an interest (a (liability)/asset) in the joint ministry operations at June 30, 2022 of (\$55,634), consisting of (\$45,128) from the Dominican Republic and (\$10,506) from Haiti and (\$26,650) at June 30, 2020, consisting of (\$19,646) from the Dominican Republic and (\$7,004) from Haiti. Mission Possible also has an amount due (a liability) to Canada of \$132,107 and \$139,468, representing Canada’s interest in the assets purchased or constructed in the field as of June 30, 2022 and 2021, respectively.

**MISSION POSSIBLE**  
**NOTES TO FINANCIAL STATEMENTS**  
Years Ended June 30, 2022 and 2021

***NOTE 7 – JOINT MINISTRY AGREEMENT (continued)***

In accordance with the Joint Ministry Agreement, the Organization holds legal title of the joint ministry capital assets and upon termination of the Joint Ministry Agreement, the joint ministry capital assets will be disposed of according to Article 5.2(c) of the Joint Ministry Agreement. Mission Possible International issues separate financial statements.

Summarized information for the fiscal years is as follows:

|  | <u>2022</u>            | <u>2021</u>            |
|--|------------------------|------------------------|
| Joint Ministry Support                       | \$ 687,175             | \$ 573,196             |
| Other Revenue                                | 176,874                | 166,642                |
| Total Expenses                               | (860,400)              | (719,341)              |
| Transfer of capital assets to Joint Ministry | <u>(32,633)</u>        | <u>(7,924)</u>         |
| Changes in Net Assets                        | (28,984)               | 12,573                 |
| Net Assets, beginning of year                | <u>(26,650)</u>        | <u>(39,223)</u>        |
| <br>Net Assets, end of year                  | <br><u>\$ (55,634)</u> | <br><u>\$ (26,650)</u> |

***NOTE 8 – INVESTMENTS***

Investment securities are carried at fair value based on quoted prices in active markets (all Level 1 measurements) and consist of the following as of June 30, 2022:

|              | <u>Cost</u>      | <u>Fair Value</u> | <u>Unrealized<br/>Appreciation/<br/>(Depreciation)</u> |
|--------------|------------------|-------------------|--|
| Mutual Funds | <u>\$ 63,136</u> | <u>\$ 66,130</u>  | <u>2,994</u>   |
| Total        | <u>\$ 63,136</u> | <u>\$ 66,130</u>  | <u>\$ 2,994</u>  |

Unrealized depreciation at June 30, 2022 is calculated as follows:

Excess of market value compared to cost:

|                             |                    |
|-----------------------------|--------------------|
| June 30, 2022               | \$ 2,994           |
| July 1, 2021                | <u>28,792</u>      |
| Depreciation on Investments | <u>\$ (25,798)</u> |

**MISSION POSSIBLE**  
**NOTES TO FINANCIAL STATEMENTS**  
Years Ended June 30, 2022 and 2021

**NOTE 8 – INVESTMENTS (continued)**

Investment return is summarized as follows:

|  |        |          |
|--|--------|----------|
| Interest and Dividends                     | \$     | 5,269    |
| Net realized and unrealized gains/(losses) |        | (24,179) |
| <br>Total investment return                | <br>\$ | (18,910) |

Investment securities are carried at fair value based on quoted prices in active markets (all Level 1 measurements) and consist of the following as of June 30, 2021:

|              | Cost      | Fair Value | Unrealized<br>Appreciation/<br>(Depreciation) |
|--------------|-----------|------------|---|
| Mutual Funds | \$ 75,129 | \$ 103,921 | \$ 28,792                                     |
| Total        | \$ 75,129 | \$ 103,921 | \$ 28,792                                     |

Unrealized appreciation at June 30, 2021 is calculated as follows:

Excess of market value compared to cost:

|                                 |        |        |
|---------------------------------|--------|--------|
| June 30, 2021                   | \$     | 28,792 |
| July 1, 2020                    |        | 12,622 |
| <br>Appreciation on Investments | <br>\$ | 16,170 |

Investment return is summarized as follows:

|  |        |        |
|--|--------|--------|
| Interest and Dividends                     | \$     | 6,122  |
| Net realized and unrealized gains/(losses) |        | 18,080 |
| <br>Total investment return                | <br>\$ | 24,202 |

**NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are available for the following purposes:

|   | 2022      | 2021      |
|---|-----------|-----------|
| Scholarships                                | \$ 76,130 | \$ 75,650 |
| Community Foundation Funds                  | 8,651     | 10,890    |
| Bibles, Hymn Books and Christian Literature | 10,895    | 10,895    |



**MISSION POSSIBLE**  
**NOTES TO FINANCIAL STATEMENTS**  
Years Ended June 30, 2022 and 2021

**NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS (continued)**

|  |                   |                   |
|--|-------------------|-------------------|
| Construction                             | \$ 117,236        | \$ 117,000        |
| Staff and Missionary Support             | 24,787            | 16,543            |
| Feeding                                  |                   | 10,200            |
| Benevolence                              | 32,044            | 16,494            |
| School Desks                             |                   | 5,606             |
| School Supplies                          | 1,721             | 1,171             |
| Mission Teams                            | 8,995             | 59,805            |
| Gift Funds                               | 3,062             | 430               |
| Seminars                                 | 550               | 50                |
|  | <hr/>             | <hr/>             |
| Total Net Assets with Donor Restrictions | <u>\$ 284,071</u> | <u>\$ 324,734</u> |

Net assets were released from donor restrictions by expenses satisfying the purpose specified by donors as follows:

|                                   | <u>2022</u>       | <u>2021</u>       |
|-----------------------------------|-------------------|-------------------|
| Sponsorship                       | \$ 457,422        | \$ 446,681        |
| Construction                      | 64                | 9,109             |
| Scholarships (endowment earnings) | 18,654            | 10,903            |
| Mission Teams                     | 20,271            | 2,587             |
| Staff and Missionary Support      | 133,266           | 136,793           |
| Scholarships                      | 3,000             | 740               |
| Mission Fund – DR                 | 1,625             | 76                |
| Mission Fund - Haiti              | 16,172            | 1,480             |
| Seminars                          |                   | 1                 |
| Feeding Program                   | 25,775            | 6,934             |
| School Supplies –Haiti            |                   | 68                |
| Spiritual Ministries              | 6,849             | 4,510             |
| Event Sponsor                     | 6,720             |                   |
| Communications – Haiti            |                   | 500               |
| Degeance School – Haiti           |                   | 50                |
| School Desks – Haiti              | 5,606             | 70                |
| Women’s Health – Haiti            | 72                | 77                |
|                                   | <hr/>             | <hr/>             |
| Total Released from Restrictions  | <u>\$ 695,496</u> | <u>\$ 620,579</u> |

**NOTE 10 – SUBSEQUENT EVENTS**

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through September 12, 2022, the date the financial statements were available to be issued.

**MISSION POSSIBLE**  
NOTES TO FINANCIAL STATEMENTS  
Years Ended June 30, 2022 and 2021

***NOTE 11 – INVESTMENTS - DONOR DESIGNATED ENDOWMENTS***

The Organization's endowment consists of an individual fund established for scholarship purposes. Its endowment includes a single donor-restricted fund. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Trustees of the Organization has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (principal) (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions (principal) is classified as net assets with donor restrictions (earnings) until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the Organization's investment policies.

*Spending:* The Organization has a spending understanding where they will only spend interest income. The Organization feels that its limited spending of the endowment funds will allow the endowment funds to be preserved, which is consistent with the Organization's objective as stated above.

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Board of Trustees of the Organization has interpreted SPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law.

At June 30, 2022, funds with original gift values of \$75,650, fair values of \$66,130, and deficiencies of \$9,520 were reported in net assets with donor restrictions.

**MISSION POSSIBLE**  
**NOTES TO FINANCIAL STATEMENTS**  
Years Ended June 30, 2022 and 2021

***NOTE 11 – INVESTMENTS - DONOR DESIGNATED ENDOWMENTS (continued)***

Endowment net asset composition by type of fund as of June 30, 2022 is as follows:

|                                  | With Donor<br>Restrictions<br>(earnings) | With Donor<br>Restrictions<br>(principal) | Total<br>Endowment<br>Assets |
|----------------------------------|--|---|------------------------------|
| Donor-restricted endowment funds | \$ (9,520)                               | \$ 75,650                                 | \$ 66,130                    |
| Total Funds                      | <u>\$ (9,520)</u>                        | <u>\$ 75,650</u>                          | <u>\$ 66,130</u>             |

Changes in endowment nets assets as of June 30, 2022 are as follows:

|  | With Donor<br>Restrictions<br>(earnings) | With Donor<br>Restrictions<br>(principal) | Total<br>Endowment<br>Assets |
|--|--|---|------------------------------|
| Endowment net assets, beginning                      | \$ 28,271                                | \$ 75,650                                 | \$ 103,921                   |
| Investment Income                                    | 6,804                                    |   | 6,804                        |
| Net appreciation/(depreciation)                      | (25,798)                                 |   | (25,798)                     |
| Appropriation of Endowment<br>assets for expenditure | (18,797)                                 |   | (18,797)                     |
| Endowment net assets, end of year                    | <u>\$ (9,520)</u>                        | <u>\$ 75,650</u>                          | <u>\$ 66,130</u>             |

Endowment net asset composition by type of fund as of June 30, 2021 is as follows:

|                                  | With Donor<br>Restrictions<br>(earnings) | With Donor<br>Restrictions<br>(principal) | Total<br>Endowment<br>Assets |
|----------------------------------|--|---|------------------------------|
| Donor-restricted endowment funds | \$ 28,271                                | \$ 75,650                                 | \$ 103,921                   |
| Total Funds                      | <u>\$ 28,271</u>                         | <u>\$ 75,650</u>                          | <u>\$ 103,921</u>            |

**MISSION POSSIBLE**  
**NOTES TO FINANCIAL STATEMENTS**  
Years Ended June 30, 2022 and 2021

**NOTE 11 – INVESTMENTS - DONOR DESIGNATED ENDOWMENTS (continued)**

Changes in endowment nets assets as of June 30, 2021 are as follows:

|  | With Donor<br>Restrictions<br>(earnings) | With Donor<br>Restrictions<br>(principal) | Total<br>Endowment<br>Assets |
|--|--|---|------------------------------|
| Endowment net assets, beginning                      | \$ 15,122                                | \$ 75,650                                 | \$ 90,772                    |
| Investment Income                                    | 7,882                                    |   | 7,882                        |
| Net appreciation/(depreciation)                      | 16,170                                   |   | 16,170                       |
| Appropriation of Endowment<br>assets for expenditure | (10,903)                                 |   | (10,903)                     |
| Endowment net assets, end of year                    | <u>\$ 28,271</u>                         | <u>\$ 75,650</u>                          | <u>\$ 103,921</u>            |

**NOTE 12 – JOINT MINISTRY SUPPORT**

At June 30, 2022 and 2021, program services provided to the field as Joint Ministry support have been recognized in the financial statements in the amounts of \$864,856 and \$756,249. Summarized information for the fiscal years then ended, is as follows:

|   | <u>2022</u>       | <u>2021</u>       |
|---|-------------------|-------------------|
| Draws to the field                                | \$ 684,321        | \$ 646,555        |
| (Increase)/Decrease in Interest to Joint Ministry | 28,984            | (12,573)          |
| Allocated Expenses:                               |                   |                   |
| Salaries and Payroll Taxes                        | 90,375            | 95,332            |
| Travel  | 948               | 1,515             |
| Postage and Shipping                              | 2,160             | 2,167             |
| Spiritual Program                                 | 548               |                   |
| Occupancy (Utilities, Insurance, Etc.)            | 1,943             | 1,736             |
| Telephone   | 272               | 292               |
| Haiti External Project Grants                     | 18,654            | 10,903            |
| Personnel   |                   | 108               |
| Office Supplies, Dues, Etc.                       | 609               | 923               |
| Medical – Haiti                                   | 9,124             | 9,257             |
| Mission Team Expense                              | <u>26,918</u>     | <u>34</u>         |
| Total Allocated Expenses                          | <u>151,551</u>    | <u>122,267</u>    |
| Total Joint Ministry Support                      | <u>\$ 864,856</u> | <u>\$ 756,249</u> |

**MISSION POSSIBLE**  
**NOTES TO FINANCIAL STATEMENTS**  
Years Ended June 30, 2022 and 2021

***NOTE 13 – INVESTMENT IN COMMUNITY FOUNDATION***

On June 30, 2015, Mission Possible transferred funds to the Hancock County Community Foundation to establish a fund. This fund was established to support the work of the Organization in perpetuity. Under the terms of the agreement, in the first quarter of each year, the organization can receive a distribution based on a specified formula and the needs of the organization, with the excess returning to principal. Additionally, Mission Possible can request up to twenty percent of the value of the investment portfolio once every five years. The Hancock County Community Foundation has no variance power over the funds. At June 30, 2022 and 2021, the fund had a value of \$10,811 and \$13,613, respectively, which is reported in the Statement of Financial Position as Investment in Community Foundation.

Total funds at the Community Foundation at June 30, 2022 and 2021 amounted to \$11,394 and \$14,336 which includes the above investments as well as additional funds contributed by outside donors to the organization's fund at the Community Foundation.

***NOTE 14 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS***

Mission Possible has \$85,909 of financial assets available within one year of the statement of financial position date to meet cash needs for general operating expenditures without donor or other restrictions limiting use. This consists of cash of \$288,982, prepaid expenses of \$4,057 and investments of \$76,941, less donor restrictions of \$284,071.

***NOTE 15 – DONATED GOODS***

The Organization's policy related to donated goods is to utilize the assets given to carry out the mission of the Organization. If an asset is provided that does not allow the Organization to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset. All donated goods received by the Organization for the year ending June 20, 2022 were considered without donor restrictions and able to be used by the Organization as determined by the board of trustees and management. No donated goods were received for the year ending June 30, 2021.

Computers and components with an estimated fair market value of \$1,034 were used in the Mission Possible office to help achieve its mission.

School supplies with an estimated fair market value of \$500 were used for the schools in Haiti and Dominican Republic.

Travel expenses of \$302 were incurred by the Executive Director and he did not request reimbursement for those expenses.