

MISSION POSSIBLE

FINANCIAL STATEMENTS

Years Ended June 30, 2023 and 2022

MISSION POSSIBLE

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September 25, 2023

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, 2023 and 2022, 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, 2023, and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our 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, 2023 and 2022

	2023	2022
ASSETS		
Cash and Cash Equivalents	\$ 194,751	\$ 288,982
Investments - NOTE 8	73,685	66,130
Investment in Community Foundation - NOTE 13	11,756	10,811
Prepaid Expenses	3,981	4,057
Property and Equipment - NOTE 6	1,242,780	1,300,788
Interest in Joint Ministry Operations - NOTE 7	(69,823)	(55,634)
TOTAL ASSETS	\$ 1,457,130	\$ 1,615,134
 LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 11,738	\$ 26,031
Canadian Interest in Joint Ministry Capital Assets - NOTE 7	124,138	132,107
TOTAL LIABILITIES	135,876	158,138
 NET ASSETS		
Without Donor Restrictions	1,045,563	1,172,925
With Donor Restrictions - NOTE 9	275,691	284,071
TOTAL NET ASSETS	1,321,254	1,456,996
TOTAL LIABILITIES AND NET ASSET	\$ 1,457,130	\$ 1,615,134

The accompanying notes are an integral part of the financial statements

MISSION POSSIBLE
STATEMENT OF ACTIVITIES
Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	\$ 385,117	\$ 459,289	\$ 844,406
Donated Goods - NOTE 15	1,923		1,923
Interest and Dividends	267	9,541	9,808
Realized Gain/(Loss) on Sale of Investments		(3)	(3)
Unrealized Appreciation on Investments		2,232	2,232
Change in Community Foundation	189	756	945
Miscellaneous Income	11,095	111,000	122,095
Net Assets Released from Restrictions - NOTE 9	591,195	(591,195)	-
TOTAL SUPPORT AND REVENUE	989,786	(8,380)	981,406
EXPENSES			
Program Services:			
Haiti	728,705		728,705
Dominican Republic	193,711		193,711
Fundraising	73,908		73,908
General and Administrative	120,824		120,824
TOTAL EXPENSES	1,117,148	-	1,117,148
TRANSFER OF CAPITAL ASSETS			
Transfer of capital assets per Joint Ministry Agreement		-	-
CHANGE IN NET ASSETS	(127,362)	(8,380)	(135,742)
NET ASSETS, beginning of year	1,172,925	284,071	1,456,996
NET ASSETS, end of year	\$ 1,045,563	\$ 275,691	\$ 1,321,254

The accompanying notes are an integral part of the financial statements

MISSION POSSIBLE
STATEMENT OF ACTIVITIES
Year Ended June 30, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE			
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 Appreciation 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)	-
TOTAL SUPPORT AND REVENUE	<u>1,107,809</u>	<u>(40,663)</u>	<u>1,067,146</u>
EXPENSES			
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
TOTAL EXPENSES	<u>1,194,699</u>	<u>-</u>	<u>1,194,699</u>
TRANSFER OF CAPITAL ASSETS			
Transfer of capital assets per Joint Ministry Agreement	32,633	-	32,633
CHANGE IN NET ASSETS	(54,257)	(40,663)	(94,920)
NET ASSETS, beginning of year	<u>1,227,182</u>	<u>324,734</u>	<u>1,551,916</u>
NET ASSETS, end of year	<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 FUNCTIONAL EXPENSES
Year Ended June 30, 2023

	PROGRAM SERVICES			Total Program Services	Fundraising	General and Administrative	Total Expenses
	Haiti	Dominican Republic					
Joint Ministry Support - NOTE 12	\$ 596,208	\$ 145,115	\$ 741,323	\$ -	\$ -	\$ -	\$ 741,323
Salaries and Payroll Taxes	110,200	28,103	138,303	57,110	74,356	269,769	
Donated Goods			-		1,923	1,923	
Printing and Media	287	96	383	3,063	383	3,829	
Depreciation	19,678	19,382	39,060		10,979	50,039	
Office Supplies, Dues, Etc.	755	230	985	2,087	11,185	14,257	
Professional Fees			-		13,280	13,280	
Travel and Transportation			-	2,061	2,393	4,454	
Postage and Shipping	922	461	1,383	3,689	2,767	7,839	
Occupancy (Utilities, Insurance, Etc.)	412	203	615	1,844	1,843	4,302	
Telephone	243	121	364	364	121	849	
Banquet and Event Expense			-	3,690		3,690	
Personnel			-		975	975	
Required Governmental Fees			-		619	619	
Total Expenses	\$ 728,705	\$ 193,711	\$ 922,416	\$ 73,908	\$ 120,824	\$ 1,117,148	

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 Program Services	Fundraising	General and Administrative	Total Expenses
	Haiti	Dominican 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	47,421	224,582
Donated Goods			-	1,836	1,836	1,836	1,836
Printing and Media	296	99	395	3,649	395	395	4,439
Depreciation	21,793	19,658	41,451		11,415	11,415	52,866
Office Supplies, Dues, Etc.	775	237	1,012	2,305	9,592	9,592	12,909
Professional Fees			-		13,280	13,280	13,280
Travel and Transportation			-	595	1,865	1,865	2,460
Postage and Shipping	790	395	1,185	3,160	2,370	2,370	6,715
Occupancy (Utilities, Insurance, Etc.)	434	214	648	1,943	1,943	1,943	4,534
Telephone	181	90	271	272	91	91	634
Banquet and Event Expense			-	2,855			2,855
Personnel			-	474	1,614	1,614	2,088
Required Governmental Fees			-		645	645	645
Total Expenses	\$ 810,625	\$ 225,276	\$ 1,035,901	\$ 66,331	\$ 92,467	\$ 92,467	\$ 1,194,699

The accompanying notes are an integral part of the financial statements

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STATEMENTS OF CASH FLOWS
Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (135,742)	\$ (94,920)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	50,039	52,866
Change in Community Foundation Investment	(945)	2,802
Realized (Gains)/Loss on Investments	3	(1,619)
Unrealized (Appreciation)/Depreciation on Investments	(2,232)	25,798
(Increase)/Decrease in Prepaid Expenses	76	(659)
(Increase)/Decrease in Interest in Joint Ministry	14,189	28,984
Increase/(Decrease) in Accounts Payable and Accrued Expenses	<u>(14,293)</u>	<u>10,821</u>
NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES	<u>(88,905)</u>	<u>24,073</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investment Securities	(10,458)	(9,978)
Proceeds from Sale of Investment Securities	5,132	23,590
Purchase of Equipment	<u>-</u>	<u>(32,632)</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>(5,326)</u>	<u>(19,020)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(94,231)	5,053
CASH AND CASH EQUIVALENTS, Beginning of Year	<u>288,982</u>	<u>283,929</u>
CASH AND CASH EQUIVALENTS, End of Year	<u><u>\$ 194,751</u></u>	<u><u>\$ 288,982</u></u>

The accompanying notes are an integral part of the financial statements

MISSION POSSIBLE
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2023 and 2022

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, 2023 and 2022, the Organization's uninsured cash balances totaled \$-0- and \$-0-.

MISSION POSSIBLE
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2023 and 2022

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 2019, 2020 and 2021 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.

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NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2023 and 2022

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, 2023 and 2022 was 137.5958 and 102.7437 gourdes to one United States dollar, respectively. The average exchange rate for the Dominican Republic for the fiscal years ended June 30, 2023 and 2022 was 53.6056 and 54.9017 pesos to one United States dollar, respectively.

Foreign currency translation for Haiti resulted in an aggregate exchange gain/(loss) of (\$1,437) and (\$1,676) for the fiscal years ended June 30, 2023 and 2022, respectively.

Foreign currency translation for the Dominican Republic resulted in an aggregate exchange gain/(loss) of (\$872) and \$390 for the fiscal years ended June 30, 2023 and 2022, respectively.

NOTE 3 – CASH FLOW INFORMATION

No amounts were paid for income taxes or interest in 2023 or 2022. There were no noncash financing activities for the years ended June 30, 2023 or 2022. Noncash investing activities consisted of donated stock of \$5,132 and \$-0- for the years ended June 30, 2023 and 2022.

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.

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NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2023 and 2022

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>2023</u>	<u>2022</u>
Building and Improvements	\$ 1,673,404	\$ 1,673,404
Land and Land Improvements	408,061	408,061
Machinery and Equipment	138,229	138,229
Vehicles	140,867	140,867
Furniture and Fixtures	26,440	26,440
Work in Progress	51,502	51,502
	2,438,503	2,438,503
Less: Accumulated Depreciation	1,195,723	1,137,714
Net Property and Equipment	\$ 1,242,780	\$ 1,300,788

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, 2023 of (\$69,823), consisting of (\$60,008) from the Dominican Republic and (\$9,815) from Haiti and (\$55,634) at June 30, 2022, consisting of (\$45,128) from the Dominican Republic and (\$10,506) from Haiti. Mission Possible also has an amount due (a liability) to Canada of \$124,138 and \$132,107, representing Canada's interest in the assets purchased or constructed in the field as of June 30, 2023 and 2022, respectively.

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NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2023 and 2022

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>2023</u>	<u>2022</u>
Joint Ministry Support	\$ 527,225	\$ 687,175
Other Revenue	76,164	176,874
Total Expenses	(617,578)	(860,400)
Transfer of capital assets to Joint Ministry		<u>(32,633)</u>
Changes in Net Assets	<u>(14,189)</u>	<u>(28,984)</u>
Net Assets, beginning of year	<u>(55,634)</u>	<u>(26,650)</u>
Net Assets, end of year	<u>\$ (69,823)</u>	<u>\$ (55,634)</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, 2023:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation/ (Depreciation)</u>
Mutual Funds	<u>\$ 68,459</u>	<u>\$ 73,685</u>	<u>\$ 5,226</u>
Total	<u>\$ 68,459</u>	<u>\$ 73,685</u>	<u>\$ 5,226</u>

Unrealized appreciation at June 30, 2023 is calculated as follows:

Excess of market value compared to cost:

June 30, 2022	\$ 5,226
July 1, 2021	<u>2,994</u>
Appreciation on Investments	<u>\$ 2,232</u>

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NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2023 and 2022

NOTE 8 – INVESTMENTS (continued)

Investment return is summarized as follows:

Interest and Dividends	\$	9,808
Net realized and unrealized gains/(losses)		2,229
 Total investment return	 \$	 <u>12,037</u>

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:

	Cost	Fair Value	Unrealized Appreciation/ (Depreciation)
Mutual Funds	\$ 63,136	\$ 66,130	\$ 2,994
 Total	 \$ 63,136	 \$ 66,130	 \$ 2,994

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		28,792
 Depreciation on Investments	 \$	 <u>(25,798)</u>

Investment return is summarized as follows:

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

NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS

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

	2023	2022
Scholarships	\$ 75,650	\$ 76,130
Community Foundation Funds	9,403	8,651
Bibles, Hymn Books and Christian Literature	10,895	10,895

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NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2023 and 2022

NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS (continued)

Construction	\$ 78,271	\$ 117,236
Staff and Missionary Support	21,494	24,787
Shipping Containers	9,966	
Benevolence		32,044
Haiti Mission Fund	1,541	
School Supplies	2,761	1,721
Mission Teams	42,197	8,995
Gift Funds		3,062
Seminars	23,513	550
	<u>275,691</u>	<u>284,071</u>
Total Net Assets with Donor Restrictions	<u>\$ 275,691</u>	<u>\$ 284,071</u>

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

	<u>2023</u>	<u>2022</u>
Sponsorship	\$ 357,345	\$ 457,422
Construction	39,266	64
Scholarships (endowment earnings)		18,654
Mission Teams	12,654	20,271
Staff and Missionary Support	126,489	133,266
Scholarships	720	3,000
Mission Fund – DR	900	1,625
Mission Fund - Haiti	731	16,172
Gift Funds	3,324	
Feeding Program	17,834	25,775
Seminars	1,538	
Spiritual Ministries	958	6,849
Event Sponsor	7,250	6,720
Shipping Containers	(9,966)	
Benevolence	32,044	
School Desks – Haiti		5,606
Women’s Health – Haiti	108	72
	<u>591,195</u>	<u>695,496</u>
Total Released from Restrictions	<u>\$ 591,195</u>	<u>\$ 695,496</u>

NOTE 10 – SUBSEQUENT EVENTS

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through September 25, 2023, the date the financial statements were available to be issued.

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NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2023 and 2022

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, 2023, funds with original gift values of \$75,650, fair values of \$73,685, and deficiencies of \$1,965 were reported in net assets with donor restrictions.

MISSION POSSIBLE
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2023 and 2022

NOTE 11 – INVESTMENTS - DONOR DESIGNATED ENDOWMENTS (continued)

Endowment net asset composition by type of fund as of June 30, 2023 is as follows:

	With Donor Restrictions (earnings)	With Donor Restrictions (principal)	Total Endowment Assets
Donor-restricted endowment funds	\$ (1,965)	\$ 75,650	\$ 73,685
Total Funds	<u>\$ (1,965)</u>	<u>\$ 75,650</u>	<u>\$ 73,685</u>

Changes in endowment nets assets as of June 30, 2023 are as follows:

	With Donor Restrictions (earnings)	With Donor Restrictions (principal)	Total Endowment Assets
Endowment net assets, beginning	\$ (9,520)	\$ 75,650	\$ 66,130
Investment Income	9,538		9,538
Net appreciation/(depreciation)	2,232		2,232
Appropriation of Endowment assets for expenditure	<u>(4,215)</u>		<u>(4,215)</u>
Endowment net assets, end of year	<u>\$ (1,965)</u>	<u>\$ 75,650</u>	<u>\$ 73,685</u>

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

	With Donor Restrictions (earnings)	With Donor Restrictions (principal)	Total Endowment 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>

MISSION POSSIBLE
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2023 and 2022

NOTE 11 – INVESTMENTS - DONOR DESIGNATED ENDOWMENTS (continued)

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

	With Donor Restrictions (earnings)	With Donor Restrictions (principal)	Total Endowment 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 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>

NOTE 12 – JOINT MINISTRY SUPPORT

At June 30, 2023 and 2022, program services provided to the field as Joint Ministry support have been recognized in the financial statements in the amounts of \$741,323 and \$864,856. Summarized information for the fiscal years then ended, is as follows:

	<u>2023</u>	<u>2022</u>
Draws to the field	\$ 650,041	\$ 684,321
(Increase)/Decrease in Interest to Joint Ministry	14,188	28,984
Allocated Expenses:		
Salaries and Payroll Taxes	71,557	90,375
Travel		948
Postage and Shipping	2,051	2,160
Spiritual Program		548
Occupancy (Utilities, Insurance, Etc.)	1,844	1,943
Telephone	364	272
Haiti External Project Grants	260	18,654
Leadership Development	1,538	
Office Supplies, Dues, Etc.	166	609
Medical – Haiti	375	9,124
Mission Team Expense	(1,061)	26,918
Total Allocated Expenses	<u>77,094</u>	<u>151,551</u>
Total Joint Ministry Support	<u>\$ 741,323</u>	<u>\$ 864,856</u>

MISSION POSSIBLE
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2023 and 2022

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, 2023 and 2022, the fund had a value of \$11,756 and \$10,811, respectively, which is reported in the Statement of Financial Position as Investment in Community Foundation.

Total funds at the Community Foundation at June 30, 2023 and 2022 amounted to \$12,555 and \$11,394 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 \$8,482 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 \$194,751, prepaid expenses of \$3,981 and investments of \$85,441, less donor restrictions of \$275,691.

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 30, 2023 and 2022 were considered without donor restrictions and able to be used by the Organization as determined by the board of trustees and management.

As of June 30, 2023 and 2022, computers and components with an estimated fair market value of \$-0- and \$1,034 respectively were used in the Mission Possible office to help achieve its mission.

As of June 30, 2023 and 2022, School supplies with an estimated fair market value of \$-0- and \$500 respectively were used for the schools in Haiti and Dominican Republic.

MISSION POSSIBLE
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2023 and 2022

NOTE 15 – DONATED GOODS (continued)

As of June 30, 2023 and 2022, travel expenses of \$223 and \$302 respectively were incurred by the Executive Director and he did not request reimbursement for those expenses.

As of June 30, 2023, items donated with an estimated value of \$1,700 were received and used in a silent auction for the Run4Haiti fundraiser.

NOTE 16 – RISKS OF FOREIGN OPERATIONS

The Organization's operations in Haiti and Dominican Republic are subject to risks inherent in operating in countries that are not typically associated with operations in North America. Accordingly, the Organization's financial condition and activities may be influenced by the political, economic, and legal environments in these countries. As a result, our activities in these countries are subject to a variety of risks, including:

- Social, political, and economic instability
- Inflation
- Additional costs of compliance with government regulation and licensing requirements
- Tariffs and other trade barriers
- Fluctuations in foreign exchange rates (Note 2)
- Difficulties in managing foreign operations
- Unexpected changes in regulatory requirements

Any of these developments, or others, could adversely affect our financial condition and activities. Should such circumstances occur, we might need to curtail, cease, or alter our activities in a particular area.