CITY GOSPEL MISSION & SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
With Independent Auditors' Report

Years Ended September 30, 2024 and 2023

SCROGGINS
ASSURANCE

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SCROGGINS ASSURANCE

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees & Management of
City Gospel Mission & Subsidiaries

Opinion

We have audited the accompanying consolidated financial statements of City Gospel Mission (a nonprofit organization) & Subsidiaries (the Organization), which comprise the consolidated statements of financial position as of September 30, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of City Gospel Mission & Subsidiaries as of September 30, 2024 and 2023, and the changes in their net assets and their 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 consolidated 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 consolidated 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 consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position and consolidating statements of activities are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Scroggins Assurance, LLC

Cincinnati, Ohio
August 14, 2026

CITY GOSPEL MISSION & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
September 30, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
CURRENT ASSETS						
Cash & cash equivalents	**$ 2,309,543**	**$ 295,025**	**$ 2,604,568**	$ 1,902,533	$ 428,813	$ 2,331,346
Contribution receivable	**-**	**9,000**	**9,000**	-	-	-
Accounts & grants receivable	**27,455**	**-**	**27,455**	106,383	-	106,383
Employee Retention Credit refund receivable	**354,343**	**-**	**354,343**	354,343	-	354,343
Prepaid expenses	**61,444**	**-**	**61,444**	75,151	-	75,151
Total current assets	**2,752,785**	**304,025**	**3,056,810**	2,438,410	428,813	2,867,223
INVESTMENTS	**8,246,685**	**556,635**	**8,803,320**	7,330,005	31,617	7,361,622
LAND, BUILDINGS, & EQUIPMENT						
Land & improvements	**950,224**	**-**	**950,224**	912,739	-	912,739
Buildings & improvements	**24,704,674**	**-**	**24,704,674**	24,458,180	-	24,458,180
Vehicles	**257,575**	**-**	**257,575**	240,740	-	240,740
Furniture & equipment	**2,434,711**	**-**	**2,434,711**	2,413,008	-	2,413,008
Computer equipment	**235,330**	**-**	**235,330**	235,330	-	235,330
Construction in progress	**114,106**	**-**	**114,106**	92,965	-	92,965
	28,696,620	**-**	**28,696,620**	28,352,962	-	28,352,962
Less: Accumulated depreciation & amortization	**(8,249,059)**	**-**	**(8,249,059)**	(7,251,529)	-	(7,251,529)
Total land, buildings, & equipment, net	**20,447,561**	**-**	**20,447,561**	21,101,433	-	21,101,433
OTHER ASSETS						
Contribution receivable	**-**	**74,165**	**74,165**	-	-	-
Leveraged loan receivable	**2,136,400**	**-**	**2,136,400**	2,136,400	-	2,136,400
Investment in Grove Street PSH, LLC	**1,049,732**	**-**	**1,049,732**	1,049,927	-	1,049,927
Total other assets	**3,186,132**	**74,165**	**3,260,297**	3,186,327	-	3,186,327
TOTAL ASSETS	**$ 34,633,163**	**$ 934,825**	**$ 35,567,988**	$ 34,056,175	$ 460,430	$ 34,516,605

The accompanying notes are an integral part of the consolidated financial statements.

CITY GOSPEL MISSION & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Continued)
September 30, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
CURRENT LIABILITIES						
Accounts payable & other accruals	**$ 280,387**	**$ -**	**$ 280,387**	$ 330,401	$ -	$ 330,401
Accrued payroll & retirement	**281,489**	**-**	**281,489**	171,640	-	171,640
Charitable gift annuities	**6,617**	**-**	**6,617**	6,617	-	6,617
Total current liabilities	**568,493**	**-**	**568,493**	508,658	-	508,658
LONG-TERM DEBT						
Note payable - OHFA	**3,000,000**	**-**	**3,000,000**	3,000,000	-	3,000,000
Notes payable - NMTC Leveraged XXXVII, LLC	**3,880,000**	**-**	**3,880,000**	3,880,000	-	3,880,000
Debt issuance costs, net	**(94,251)**	**-**	**(94,251)**	(96,953)	-	(96,953)
Total long-term debt	**6,785,749**	**-**	**6,785,749**	6,783,047	-	6,783,047
NET ASSETS	**27,278,921**	**934,825**	**28,213,746**	26,764,470	460,430	27,224,900
TOTAL LIABILITIES & NET ASSETS	**$ 34,633,163**	**$ 934,825**	**$ 35,567,988**	$ 34,056,175	$ 460,430	$ 34,516,605

The accompanying notes are an integral part of the consolidated financial statements.

CITY GOSPEL MISSION & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF ACTIVITIES
Years ended September 30, 2024 and 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT & REVENUE						
Contributions & grants	$ 8,440,310	$ 708,311	$ 9,148,621	$ 7,452,911	$ 290,579	$ 7,743,490
In-kind contributions	2,291,133	-	2,291,133	2,998,676	-	2,998,676
Program service fees	240,481	-	240,481	246,867	-	246,867
Special events, net of direct costs	578,781	-	578,781	407,281	-	407,281
Other income	147,492	-	147,492	124,493	-	124,493
Realized & unrealized gain (loss) on investments	1,786,655	-	1,786,655	438,080	-	438,080
Net investment return (loss)	241,435	-	241,435	408,805	-	408,805
Total public support & revenue	13,726,287	708,311	14,434,598	12,077,113	290,579	12,367,692
NET ASSETS RELEASED FROM RESTRICTION	233,916	(233,916)	-	3,201,326	(3,201,326)	-
EXPENSES						
Program services						
Homeless services	4,424,611	-	4,424,611	4,074,840	-	4,074,840
Recovery services	1,579,867	-	1,579,867	1,338,969	-	1,338,969
Youth services	2,630,150	-	2,630,150	3,264,762	-	3,264,762
Jobs Plus employment	544,950	-	544,950	525,207	-	525,207
Total program services	9,179,578	-	9,179,578	9,203,778	-	9,203,778
Support services						
Management & general	1,092,771	-	1,092,771	1,371,766	-	1,371,766
Fundraising & development	3,173,403	-	3,173,403	2,931,089	-	2,931,089
Total expenses	13,445,752	-	13,445,752	13,506,633	-	13,506,633
CHANGE IN NET ASSETS	514,451	474,395	988,846	1,771,806	(2,910,747)	(1,138,941)
NET ASSETS AT BEGINNING OF YEAR	26,764,470	460,430	27,224,900	24,992,664	3,371,177	28,363,841
NET ASSETS AT END OF YEAR	$ 27,278,921	$ 934,825	$ 28,213,746	$ 26,764,470	$ 460,430	$ 27,224,900

The accompanying notes are an integral part of the consolidated financial statements.

CITY GOSPEL MISSION & SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended September 30, 2024

	Program Services					Supporting Services		
	Homeless Services	Recovery Services	Youth Services	Jobs Plus Employment	Total	Management & General	Fundraising & Development	Total
Salaries	$ 2,097,591	$ 823,175	$ 1,243,351	$ 347,561	$ 4,511,678	$ 743,473	$ 769,498	$ 6,024,649
Employee benefits	179,628	107,109	146,664	43,941	477,342	70,384	132,408	680,134
Payroll taxes	129,554	48,989	56,891	25,084	260,518	65,205	55,938	381,661
Total salaries & related expenses	2,406,773	979,273	1,446,906	416,586	5,249,538	879,062	957,844	7,086,444
Board expenses	999	-	-	-	999	405	-	1,404
Communications	14,852	3,577	5,890	2,880	27,199	4,433	7,076	38,708
Consultants	1,358	2,495	500	-	4,353	23,132	40,979	68,464
Development activities	727	24	-	-	751	1,455	2,097,771	2,099,977
Dues, fees, & subscriptions	121,340	8,332	12,669	1,414	143,755	43,097	86,758	273,610
Insurance	111,210	13,297	-	-	124,507	551	1,170	126,228
Interest	54,068	-	-	-	54,068	-	-	54,068
Maintenance & repairs	208,961	53,646	742	-	263,349	21,513	32,147	317,009
Miscellaneous	2,163	-	-	-	2,163	792	15	2,970
Office supplies	96,970	20,728	4,126	4,988	126,812	8,150	3,900	138,862
Professional fees	2,369	1,400	-	740	4,509	100,878	473	105,860
Program activities - facilities	10,554	8,200	862,558	72,500	953,812	-	-	953,812
Program activities - materials & supplies	544,802	88,238	217,119	15,116	865,275	14,557	84,460	964,292
Lease costs	-	-	23,850	-	23,850	-	-	23,850
Staff training & support	31,015	620	4,400	94	36,129	4,931	18,568	59,628
Transportation	37,220	13,216	11,302	3,663	65,401	4,304	4,761	74,466
Utilities	135,054	96,504	6,809	13,619	251,986	13,173	22,504	287,663
Functional expenses before depreciation	3,780,435	1,289,550	2,596,871	531,600	8,198,456	1,120,433	3,358,426	12,677,315
Depreciation	644,176	290,317	33,279	13,350	981,122	-	16,409	997,531
Total functional expenses	4,424,611	1,579,867	2,630,150	544,950	9,179,578	1,120,433	3,374,835	13,674,846
Less expenses included in revenues on the statement of activities								
Investment fees	-	-	-	-	-	(27,662)	-	(27,662)
Special event direct costs	-	-	-	-	-	-	(201,432)	(201,432)
Total expenses included in the expense section on the statement of activities	$ 4,424,611	$ 1,579,867	$ 2,630,150	$ 544,950	$ 9,179,578	$ 1,092,771	$ 3,173,403	$ 13,445,752

The accompanying notes are an integral part of the consolidated financial statements.

CITY GOSPEL MISSION & SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended September 30, 2023

	Program Services					Supporting Services		
	Homeless Services	Recovery Services	Youth Services	Jobs Plus Employment	Total	Management & General	Fundraising & Development	Total
Salaries	$ 1,770,056	$ 759,852	$ 1,410,894	$ 350,525	$ 4,291,327	$ 620,035	$ 771,415	$ 5,682,777
Employee benefits	143,759	50,948	126,579	14,892	336,178	121,768	109,228	567,174
Payroll taxes	113,036	46,029	66,834	24,784	250,683	95,631	55,440	401,754
Total salaries & related expenses	2,026,851	856,829	1,604,307	390,201	4,878,188	837,434	936,083	6,651,705
Board expenses	59,448	-	-	-	59,448	124	-	59,572
Communications	20,699	4,401	5,907	2,430	33,437	4,756	5,884	44,077
Consultants	8,858	-	865	-	9,723	-	54,383	64,106
Development activities	3,940	-	211	-	4,151	2,300	1,880,641	1,887,092
Dues, fees, & subscriptions	156,945	17,493	28,434	4,069	206,941	81,371	48,699	337,011
Insurance	53,241	11,136	1,892	593	66,862	15,349	1,860	84,071
Interest	54,068	-	-	-	54,068	-	-	54,068
Maintenance & repairs	161,124	46,316	6,461	959	214,860	54,634	26,774	296,268
Miscellaneous	-	-	-	-	-	1,406	4,555	5,961
Office supplies	94,806	34,226	6,634	4,292	139,958	10,257	8,367	158,582
Professional fees	65,517	14,671	3,750	400	84,338	334,963	15,527	434,828
Program activities - facilities	10,708	8,200	1,362,900	72,500	1,454,308	-	-	1,454,308
Program activities - materials & supplies	573,788	115,737	188,163	19,006	896,694	2,857	9,126	908,677
Lease costs	-	-	-	-	-	-	-	-
Staff training & support	42,945	3,553	5,810	1,238	53,546	8,829	6,193	68,568
Transportation	43,950	12,319	10,435	3,521	70,225	6,820	2,849	79,894
Utilities	139,655	75,475	3,226	10,635	228,991	14,593	21,669	265,253
Functional expenses before depreciation	3,516,543	1,200,356	3,228,995	509,844	8,455,738	1,375,693	3,022,610	12,854,041
Depreciation	558,297	138,613	35,767	15,363	748,040	16,409	24,375	788,824
Total functional expenses	4,074,840	1,338,969	3,264,762	525,207	9,203,778	1,392,102	3,046,985	13,642,865
Less expenses included in revenues on the statement of activities								
Investment fees	-	-	-	-	-	(20,336)	-	(20,336)
Special event direct costs	-	-	-	-	-	-	(115,896)	(115,896)
Total expenses included in the expense section on the statement of activities	$ 4,074,840	$ 1,338,969	$ 3,264,762	$ 525,207	$ 9,203,778	$ 1,371,766	$ 2,931,089	$ 13,506,633

The accompanying notes are an integral part of the consolidated financial statements.

CITY GOSPEL MISSION & SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years ended September 30, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ **988,846**	$ (1,138,941)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	**997,531**	788,824
Amortization of loan cost	**2,702**	2,703
Donated investments	**(185,367)**	(153,971)
Realized & unrealized (gain) loss on investments	**(1,786,655)**	(438,080)
Reinvested dividends & interest	**(50,277)**	-
Change in assets - (increase) decrease:		
Contribution receivable	**(83,165)**	279,800
Accounts & grant receivable	**78,928**	(39,827)
Employee Retention Credit refund receivable	**-**	1,329,429
Prepaid expenses	**13,707**	(28,391)
Change in liabilities - increase (decrease):		
Accounts payable & other accruals	**(50,014)**	(239,167)
Accrued payroll & retirement	**108,290**	(62,910)
Unearned revenue	**-**	(703)
Net cash provided by (used in) operating activities	**34,526**	298,766
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of building & equipment	**(343,658)**	(4,113,455)
Purchase of securities	**(2,856,471)**	(2,756,930)
Proceeds from sale of securities	**3,438,630**	5,631,235
Investment in Grove Street PSH, LLC	**195**	413
Net cash provided by (used in) investing activities	**238,696**	(1,238,737)
INCREASE (DECREASE) IN RESTRICTED AND UNRESTRICTED CASH & CASH EQUIVALENTS	**273,222**	(939,971)
RESTRICTED AND UNRESTRICTED CASH & CASH EQUIVALENTS AT BEGINNING OF YEAR	**2,331,346**	3,271,317
RESTRICTED AND UNRESTRICTED CASH & CASH EQUIVALENTS AT END OF YEAR	$ **2,604,568**	$ 2,331,346
Supplemental disclosures of cash flow information		
Cash paid during the year for:		
Interest	$ **51,366**	$ 51,366
Income taxes	$ **-**	$ -
Schedule of noncash investing & financing transactions:		
Donated fixed assets	$ **16,835**	$ -
Donated investments	$ **185,367**	$ **153,971**

The accompanying notes are an integral part of the consolidated financial statements.

CITY GOSPEL MISSION & SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2024 and 2023

NOTE A - NATURE OF ACTIVITIES

City Gospel Mission & Subsidiaries (the Organization) is a Christ-centered ministry that works to break the cycle of poverty and despair, one life at a time. This is accomplished primarily by working with local churches to provide for the physical and spiritual needs of men, women, and children who have lost hope and are least able to meet their own needs. The Organization offers homeless services including meals, short-term shelter, and day programs; recovery services including transitional housing; employment services for job readiness, coaching, and placements; and youth services that include tutoring, mentoring, summer camps, and arts and sports programs. The Organization provides services in Cincinnati, Ohio and Middletown, Ohio, and is supported primarily through grants and contributions.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies applied in the preparation of the accompanying consolidated financial statements follows:

1. Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, the Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations. The Board of Directors (Board) may designate net assets without donor restrictions for specific purposes. For the years ended September 30, 2024 and 2023, the Board voluntarily designated net assets as follows:

	2024	2023
Special projects	**$ 1,090,132**	$ 558,570
6 month reserve for future operations	**4,873,079**	5,318,097
	$ 5,963,211	$ 5,876,667

Net Assets With Donor Restrictions - Net assets whose use is limited by donor-imposed time and/or purpose restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time, unappropriated income and appreciation on the perpetually restricted donor-designated endowment funds, or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when restrictions expire, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. *Basis of Presentation (Continued)*

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization has adopted a policy to classify donor restricted contributions as without donor restrictions to the extent that donor restrictions were met in the year the contribution was received.

2. *Consolidation*

The accompanying consolidated financial statements include the accounts of the Organization and its wholly owned subsidiaries:

- City Gospel Mission Operations, LLC - includes transactions for all program services for the City Gospel Mission ministry
- CURE Properties, LLC - holds all vacant properties
- CGM Properties, LLC - holds property for the Main Campus
- CGM Exodus Properties, LLC - holds property for the Men's Recovery program
- HTCTC Properties, LLC - holds property for the Women's Recovery program
- CG Development Company, LLC (inactive) - intended for the development of social enterprises
- Hope House Rescue Mission, Inc. (HHRM) - separate 501(c)(3) for Middletown homeless operations
- Grove Street PSH Associates, LLC - owned 100% by HHRM; managing member of Grove Street PSH, LLC, of which Grove Street PSH Associates, LLC owns 0.1%
- Grove Street Shelter, LLC - owned 100% by HHRM; holds a portion of the building for use as an emergency shelter, resource center, and office space

These entities are under common control and management. All significant intercompany accounts and transactions have been eliminated in consolidation (see Note S).

Grove Street PSH, LLC and Grove Street PSH Associates, LLC were created to facilitate the construction of a mixed-use development (see Note P). On October 30, 2018, Grove Street PSH Associates, LLC, entered into an amended and restated Operating Agreement with Ohio Equity Fund for Housing Limited Partnership XXVIII for the ownership and operation of Grove Street PSH, LLC, whose purpose is (a) to acquire, construct, own, finance, lease, and operate the portion of the property that qualifies as low-income housing, (b) to eventually sell or otherwise dispose of the property in a manner consistent with the provisions of the Operating Agreement, and (c) to engage in all other activities incidental or related thereto. Grove Street PSH, LLC is owned 0.1% by Grove Street PSH Associates, LLC, which is the managing member, and 99.9% by Ohio Equity Fund for Housing Limited Partnership XXVIII, which is the investing partner.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. *Consolidation (Continued)*

On September 9, 2019, Hope House Rescue Mission, Inc. created another wholly owned subsidiary named Grove Street Shelter, LLC. This entity was created for the sole purpose of facilitating a New Markets Tax Credit (NMTC) transaction for the construction of a new homeless shelter project. Its purpose is to construct, own, and lease the building to HHRM for use as an emergency shelter, resource center, and office space. Grove Street Shelter, LLC is exempt from federal income tax under IRC Section 501(c)(3).

3. *Use of Estimates*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

4. *Cash & Cash Equivalents*

The Organization considers all highly liquid investments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents. There were $867,697 and $336,183 of cash equivalents invested in money market funds at September 30, 2024 and 2023, respectively.

5. *Investments and Fair Value Measurements*

The Organization reports certain assets and liabilities at fair value in the financial statements. Fair value is estimated as the amount that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value estimates involve uncertainty and significant judgement regarding interest rate, credit risk prepayments, and other factors, especially when quoted prices are unavailable. Changes in assumptions or market conditions could significantly affect these estimates.

Assets and liabilities recorded at fair value are measured and classified in accordance with a fair value hierarchy consisting of three “levels” based on the observability of valuation inputs:

Level 1 Inputs: Valuation based on quoted prices in active markets for identical assets or liabilities that a reporting entity has the ability to access at the measurement date and where transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 Inputs: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 Inputs: Unobservable inputs for asset or liability. In these situations, the Organization develops inputs using the best information in the circumstances.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Investments and Fair Value Measurements (Continued)

The Organization maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. Pricing observability is affected by a number of factors, including the type of financial instrument, whether the financial instrument is new to the market and not yet established, the characteristics specific to the transaction, liquidity, and general market conditions.

In certain cases, the inputs used to measure fair value of an asset or liability may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The Organization records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the consolidated statements of financial position. Net investment return (loss) is reported in the consolidated statements of activities and consists of interest and dividend income less external and direct internal investment expenses.

6. Property & Equipment

Purchases of property and equipment of $5,000 or more are capitalized and recorded at cost. Donations of property and equipment are recorded as public support and revenue (in-kind contributions) at their estimated fair value on the date of receipt. Depreciation and amortization on the property and equipment is computed using the straight-line method over the estimated useful lives of the assets that range from 3 to 30 years. When assets are sold or otherwise disposed of, the asset and related accumulated depreciation are removed from the accounts, and any remaining gain or loss is included in operations. Maintenance and repairs are charged to expense when incurred.

Depreciation expense was $997,531 and $788,824, respectively, for the years ended September 30, 2024 and 2023.

7. Contributions & Grants

The Organization recognizes contributions and grants received and made, including unconditional promises to give, as public support in the period received or made. Contributions and grants received are reported as either public support without donor restrictions or with donor restrictions. Contributions and grants with donor restrictions that are used for the purpose specified by the donor in the same year it is received are recognized as public support without donor restrictions. Promises to give that stipulate conditions to be met before the contribution or grant is made are not recorded until the conditions are met.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

8. Revenue Recognition

Program service fees are recognized at a point in time when earned. The performance obligation is satisfied when the specific service is provided. There were no unearned revenues at September 30, 2024 or 2023.

Payments under cost-reimbursement grant contracts received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred. These advance payments are recorded as deferred income until such time as the Organization meets its performance obligation. There were no advance payments received at September 30, 2024 and 2023.

9. Accounts, Contributions & Grants Receivable and Related Allowance for Credit Losses

Accounts receivable are due from third-party payers for revenue recognized but not yet paid. Contributions and grants receivable consist of unconditional promises to give and are recorded in the year the promise is made. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. The Organization believes all receivables are fully collectible. At September 30, 2024 and 2023, no allowance for credit losses was deemed necessary for these receivables.

10. Functional Allocation of Expenses

The costs of providing various programs and supporting activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas while indirect costs that benefit multiple functional areas have been allocated among the various functional areas based on square footage and/or time spent on the various programs and activities.

11. Income Tax Status

The Organization is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. It is classified as a faith-based organization and therefore is exempt from filing a Return of Organization Exempt from Income Tax (Form 990) with the IRS. However, the Organization has chosen to file the form annually for transparency. The Organization is required to make the appropriate tax payments on any income considered unrelated to its exempt purpose. The Organization did not incur Federal or State income tax expense related to unrelated business income for the years ended September 30, 2024 or 2023.

There were no uncertain tax positions for the years ended September 30, 2024 and 2023, and accordingly, there was no liability for unrecognized tax benefits. The Organization files IRS Form 990 annually with the federal government, and the returns are still open to examination by tax authorities generally for three years after they were filed.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. *In-Kind Contributions*

Donated materials and facilities are recorded at fair value at the date of donation and reported as an expense when utilized. Donated professional services and volunteer services that create or enhance a non-financial asset (program service) are recorded at the respective fair values of the services received. Unless otherwise noted, in-kind contributions do not have donor restrictions.

13. *Charitable Gift Annuities*

Under charitable gift annuity contracts, the Organization receives immediate and unrestricted title to contributed assets and agrees to make fixed recurring payments over the stipulated period. Contributed assets are recorded at fair value on the date of receipt. The related liability for future payments to be made to the specified beneficiaries is recorded at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the liability. The excess of contributed assets over the annuity liability is recorded as an unrestricted contribution. In subsequent years, the liability for future annuity payments is reduced by payments made to the specified beneficiaries and is adjusted to reflect amortization of the discount and changes in actuarial assumptions at the end of the year. Upon termination of the annuity contract, the remaining liability is removed and recognized as income.

14. *Concentrations of Credit & Market Risk*

Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist primarily of cash and cash equivalents. At September 30, 2024 and 2023, cash deposits at one financial institution were in excess of FDIC limits. In addition, cash equivalents (money market funds) held with the Organization's investment company were not insured or guaranteed by the FDIC or any other government agency. The investment company is a member of the Securities Investor Protection Corporation (SIPC), but deposit accounts and bank sweep accounts are not insured.

Investments in general are subject to various risks including credit, interest, and overall market volatility risks. Due to the material amount of investments, it is reasonably possible that changes in values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the consolidated financial statements.

For the years ended September 30, 2024 and 2023, the Organization did not have any individual donor or grantor that accounted for a significant portion of its total public support.

15. *Endowment*

In December 1997, the Organization received a $25,000 donation that was used to establish a restricted endowment fund. The Organization accepted this gift under the condition that the Organization establish a segregated trust account where the principal was to be invested in U.S. Treasury bills and/or common shares of companies designated by the donor. The net income was to be used to support the salaries of one or more full-time personnel of the Organization. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Endowment (Continued)

The Board has determined that the Ohio Prudent Management of Institutional Funds Act (OH-PMIFA), an enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), applies to the Organization's endowment fund. UPMIFA provides guidance and authority to charitable organizations concerning the management and investment of funds held by those organizations, and UPMIFA imposes additional duties on those who manage and invest charitable funds. These duties provide additional protection for charities and also protect the interests of donors who want to see their contributions used wisely.

The Organization classifies, as net assets with donor restrictions (a time restriction in perpetuity), the original value of the gift donated to the donor restricted endowment. Investment income from the donor restricted endowment is classified as net assets with donor restrictions (a purpose restriction) until those amounts are appropriated for expenditure by the Organization in a manner consistent with the donor stipulated purpose within the standard of prudence prescribed by UPMIFA.

The fundamental investment objectives for investments are to ensure safety and preservation of principal, meet liquidity needs, apply diversification and risk limits appropriate to the investment pools, and achieve optimal net investment returns subject to risk tolerance, investment pool objectives, and policy constraints. The asset pools in which the endowment funds are invested require current income, which is the minimum needed for expenses and prudent liquidity, growth of income for planning and execution of distributions, and capital growth for long-term growth and sustainability.

In making expenditures from the endowment fund, the Board complies first with any restrictions or requirements in the gift instrument as to purpose and amount. Except as otherwise provided by the gift instrument, in making expenditures from the endowment fund, the Board takes into account all relevant considerations including, but not limited to, the long- and short-term needs of the Organization in carrying out its purposes, its present and anticipated financial requirements, expected total return on its investments, price level trends, and general economic conditions. The Board conducts an annual analysis of the historic dollar value of the endowment fund plus an inflation factor of three percent (3%) and spends any amount in excess of inflation-adjusted historic dollar value so long as such amount is attributable to net realized gains from any property or unrealized gains attributable to marketable securities.

The Organization considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Organization complies with the OH-PMIFA, an enacted version of UPMIFA, and has interpreted UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. The Organization had no underwater endowment funds at September 30, 2024 or 2023.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

16. Loan Closing Costs

Loan closing costs on the purchase of the Grove Street property are being amortized over 39½ years using the straight-line method. Amortization expense for loan closing costs was $2,702 and $2,703 for the years ended September 30, 2024 and 2023, respectively.

17. Advertising Costs

Advertising costs, which are classified as development activities expenses and fundraising & development supporting services, are expensed as incurred. The advertising costs were $142,294 and $119,120 for the years ended September 30, 2024 and 2023, respectively.

18. Recent Accounting Pronouncements Adopted

Effective October 1, 2022, the Organization changed its accounting method for leases as a result of implementing FASB ASU No. 2016-02, *"Leases (Topic 842)."* The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize right-of-use assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statements of activities. Adoption of the new guidance did not have a significant impact on the consolidated financial statements for the year ended September 30, 2023.

Effective January 1, 2023, the Organization adopted ASU 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The Organization adopted this new guidance utilizing the modified retrospective transition method. Topic 326 requires measurement and recognition of expected versus incurred losses for financial assets held. Financial assets held by the Organization that are subject to ASU 2016-13 include accounts and grants receivable. The adoption of this ASU did not have a material impact on the Organization's consolidated financial statements but changed how the allowance for credit losses was determined.

NOTE C - SPECIAL EVENTS

For the years ended September 30, 2024 and 2023, direct costs of special events of $201,432 and $115,896, respectively, were netted against revenues received.

NOTE D - RETIREMENT PLAN CONTRIBUTIONS

The Organization (excluding HHRM) has a defined contribution retirement plan. All employees over 21 years of age with 1,000 hours of service in a year are eligible to participate in the plan after one year of service. Contributions are at the discretion of the Board. For the years ended September 30, 2024 and 2023, contributions to the plan were $86,431 and $0, respectively.

NOTE E - LIQUIDITY & AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprised the following at September 30, 2024 and 2023:

	2024	2023
Financial assets:		
Cash & cash equivalents	**$ 2,309,543**	$ 1,902,533
Accounts & grants receivable	**27,455**	106,383
Employee Retention Credit refund receivable	**354,343**	354,343
Operating investments	**8,246,685**	7,330,005
	10,938,026	9,693,264
Less funds unavailable for general expenditures within one year due to:		
Board designated funds for 6 month reserve	**(4,873,079)**	(5,318,097)
Board designated funds for special projects	**(1,090,132)**	(558,570)
Total	**$ 4,974,815**	$ 3,816,597

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE F - CHARITABLE GIFT ANNUITIES

The Organization had two charitable gift annuities at September 30, 2024 and 2023. These annuities provide for payments to the donors throughout the donors' remaining lives. The Organization recorded a liability of $6,617 as of September 30, 2024 and 2023 based on the computed present value of future payments due to these donors.

NOTE G - NET ASSETS

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net asset changes therein were classified and reported as follows:

NOTE G - NET ASSETS (Continued)

Net assets with donor restrictions were as follows at September 30, 2024 and 2023:

	2024	2023
Subject to expenditure for specified purpose:		
Hope House Rescue Mission affiliation	**$ 12,984**	$ 12,984
Jobs van	**-**	7,624
Bike trip	**1,136**	1,136
Capital Campaign contributions	**445,018**	-
Youth	**68,917**	180,851
Jeremiah scholarship	**169,104**	184,864
Hope House Rescue Mission programs	**115,435**	28,764
Other	**7,449**	12,590
Total subject to expenditure for specified purpose	**820,043**	428,813
Subject to the passage of time:		
Charitable gift annuities	**6,617**	6,617
Promises to give that are not restricted by donors, but which are unavailable for expenditure until due	**83,165**	-
Total subject to the passage of time	**89,782**	6,617
Endowments:		
Subject to endowment spending policy & appropriation:		
Personnel expenses	**25,000**	25,000
Total net assets with donor restrictions	**$ 934,825**	$ 460,430

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by the passage of time or other events specified by donors. The net assets released from restrictions were as follows for the years ended September 30, 2024 and 2023:

	2024	2023
Expiration of time restrictions	**$ -**	$ 279,800
Purpose restrictions accomplished		
Capital campaign expenditures	**-**	2,901,932
Food/shelter	**27,000**	-
Jobs van	**7,624**	-
Youth	**199,292**	19,594
Total purpose restrictions accomplished	**233,916**	2,921,526
Net assets released from restrictions	**$ 233,916**	$ 3,201,326

NOTE H - JOINT COSTS

Certain costs have been allocated among the programs and supporting services benefited. The Organization incurred joint costs for activities that included fundraising appeals. Of those costs, $1,046,204 and $953,576 were allocated to fundraising & development supporting services for the years ended September 30, 2024 and 2023, respectively.

NOTE I - IN-KIND CONTRIBUTIONS

The Organization's consolidated financial statements include the following in-kind contributions:

Donated Services

The Organization received donated services that would typically be purchased if not provided as an in-kind contribution. These donated services include salaries for maintenance, consulting, coaching, counseling, and other professional fees. These services, which require specialized skills, are recorded as in-kind contributions at fair value, with a corresponding expense allocated to the salaries expense account when the services are rendered. Donated services are valued and reported at the estimated fair value in the consolidated financial statements based on current market rates for similar services.

Donated Materials

The Organization received donated materials (food, clothing, and supplies) used for program services. Materials are recorded as in-kind contributions at fair value, with a corresponding expense allocated to the related program expenses. In valuing the donated food, clothing, and supplies, the Organization estimated the fair value based on wholesale values that would be received for selling similar products in the United States.

Donated Facilities

The Organization received donated facilities used for program services. Facilities are recorded as in-kind contributions at fair value, with a corresponding expense allocated to the related program expense. The estimated fair value of the facilities was provided by the donor, who estimated the fair value based on rental fees charged to others during the year.

Donated Fixed Assets

During the year ended September 30, 2024, one vehicle was donated to the Organization that was valued at $16,835. During the year ended September 30, 2023, no donated fixed assets were received. Donated fixed assets are recorded in the consolidated financial statements at their estimated fair market value on the date of receipt as in-kind contributions and as a fixed asset.

NOTE I - IN-KIND CONTRIBUTIONS (Continued)

Public support and revenue from donated materials, facilities, and services received during the years ended September 30, 2024 and 2023 were as follows:

	2024						
	Program Services				Support Services		
	Homeless Services	Recovery Services	Youth Services	Jobs Plus Employment	Management & General	Fundraising & Development	Total
Materials	**$ 293,546**	**$ -**	**$ 80,000**	**$ -**	**$ 64,184**	**$ 6,165**	**$ 443,895**
Facilities	**8,200**	**-**	**862,558**	**72,500**	**10,554**	**-**	**953,812**
Services	**183,277**	**69,865**	**457,347**	**7,786**	**175,151**	**-**	**893,426**
Total	**$ 485,023**	**$ 69,865**	**$ 1,399,905**	**$ 80,286**	**$ 249,889**	**$ 6,165**	**$ 2,291,133**

	2023						
	Program Services				Support Services		
	Homeless Services	Recovery Services	Youth Services	Jobs Plus Employment	Management & General	Fundraising & Development	Total
Materials	$ 464,140	$ 27,450	$ 83,643	$ 3,280	$ 11,195	$ -	$ 589,708
Facilities	7,308	8,200	1,362,900	72,500	3,400	-	1,454,308
Services	83,692	53,080	652,728	22,321	142,839	-	954,660
Total	$ 555,140	$ 88,730	$ 2,099,271	$ 98,101	$ 157,434	$ -	$ 2,998,676

Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

NOTE J - COST REIMBURSEMENT GRANTS

Strategies to End Homelessness
The Organization entered into a cost reimbursement agreement with Strategies to End Homelessness, Inc. (STEH) for $136,000 for the period January 1, 2022 to December 31, 2022. The Organization entered into a new agreement in the amount of $155,000 for the period January 1, 2023 through December 31, 2023, and $148,540 for the period January 1, 2024 through December 31, 2024. STEH reimbursed the Organization for emergency shelter expenses. Reimbursements are made after services are rendered or expenses are incurred. At September 30, 2024 and 2023, there were $151,234 and $147,102, respectively, of related grant funds received to reimburse the Organization for expenses incurred.

Ohio Development Services Agency
The Organization entered into a cost reimbursement grant agreement with the Ohio Development Services Agency for homeless supportive services for the period January 1, 2021 through February 28, 2023. Reimbursements are made after services are rendered or expenses

NOTE J - COST REIMBURSEMENT GRANTS (Continued)

Ohio Development Services Agency (Continued)

are incurred. As of September 30, 2023, all grant funds of $316,200 had been received to reimburse the Organization for expenses incurred.

The Organization entered into a cost reimbursement grant agreement in the amount of $316,600 with the Ohio Development Services Agency for homeless supportive services for the period January 1, 2023 through February 28, 2025. Reimbursements are made after services are rendered or expenses are incurred. As of September 30, 2024 and 2023, there were $277,024 and $118,724, respectively, of grant funds received to reimburse the Organization for expenses incurred.

The Organization also entered into a cost reimbursement grant agreement in the amount of $125,000 with the Ohio Development Services Agency for additional expenses that occurred as a result of the COVID-19 pandemic for the period June 23, 2020 through August 22, 2022. In August 2023, the grant was amended to add an additional $90,000 and extend the term to September 30, 2023. Reimbursements are made after services are rendered or expenses are incurred. As of September 30, 2023, there were $210,985 of grant funds received and accrued to reimburse the Organization for expenses incurred. On September 30, 2023, $85,985 of these grant funds were due to the Organization. No additional funds from this grant are to be received.

NOTE K - CAPITAL CAMPAIGN PROJECT

During 2019, the Organization began Phase 1 of a capital campaign to raise funds for the construction of a new women's recovery building for the Having the Courage to Change program. The estimated cost of the project was $6 million. All funds raised were donor-restricted for costs related to the new building, and such restrictions were released as building expenses were incurred. As of September 30, 2023, the Organization had received $5,484,414 in capital campaign contributions for the project. In addition to these funds, the Board approved a $1 million reserve fund withdrawal to cover any additional construction costs. The building was completed and opened on July 31, 2023. Total costs incurred to complete the project were $5,562,931.

During the year ended September 30, 2024, Phase 2 of the project commenced, which includes the renovation of existing facilities and the acquisition of additional property for use by the Recovery program. Any unused reserve funds from Phase 1 were carried forward to this phase, and the capital campaign continued to provide funding. The estimated cost of Phase 2 is $4 million. As of September 30, 2024, there was $445,018 of capital campaign contributions available for the project. Construction activities had not commenced as of September 30, 2024 year end.

NOTE L - LONG-TERM DEBT

Note Payable - OHFA

In August 2013, the Organization entered into a funding agreement with the Ohio Housing Finance Agency (OHFA) to facilitate the development and construction of the Dalton Street and York Street facilities. The disbursement of the funds was contingent upon the Organization expending funds on eligible project costs in accordance with the terms of the agreement. OHFA loaned $3,000,000 to the Organization for a period of 30 years, with an interest rate of 0%. Under the terms of this loan, if the Organization maintains the facility as a safe, decent, and sanitary emergency homeless shelter for transitioning occupants from homelessness to permanent housing for 30 years, the principal balance shall be forgiven on August 1, 2044. On September 30, 2024, Management believes the Organization is in compliance with the terms of this loan.

Notes Payable - NMTC Leveraged XXXVII, LLC

On November 4, 2019, under the NMTC transaction (See Note R), Grove Street Shelter, LLC (Grove Street Shelter) obtained two Qualified Low-Income Community Investment Loans (QLICI Loans) from the Community Development Entity, NMTC Leveraged XXXVII, LLC.

The following QLICI Loans A and B were made to Grove Street Shelter:

QLICI Loan A	$ 2,136,400
QLICI Loan B	1,743,600
Total	$ 3,880,000

The QLICI Loans bear interest at a fixed rate of 1.32387% and mature on November 4, 2049. The QLICI Loans are collateralized by the land and building. Quarterly interest-only payments are required through 2026. As a part of these QLICI Loans, Grove Street Shelter was required to pay $106,750 in debt issuance costs, which is being amortized over 39½ years. Debt issuance costs amortization was $2,072 and $2,703 for the years ended September 30, 2024 and 2023, respectively, and was recorded as interest expense.

Total interest expense related to these loans was $54,068 for the years ended September 30, 2024 and 2023.

	2024	**2023**
Note payable - OHFA	**$ 3,000,000**	$ 3,000,000
Notes payable - QLICI	**3,880,000**	3,880,000
Total debt	**$ 6,880,000**	$ 6,880,000
Less: debt issuance costs, net	**(94,251)**	(96,953)
Less: current portion of long-term debt	**-**	-
Long-term debt, net of current portion	**$ 6,785,749**	$ 6,783,047

NOTE L - LONG-TERM DEBT (Continued)

Notes Payable - NMTC Leveraged XXXVII, LLC (Continued)

Current maturities of long-term debt for the years ending September 30:

2025	$	-
2026		-
2027		-
2028		-
Thereafter		6,880,000
	$	6,880,000

NOTE M - FAIR VALUE MEASUREMENTS

Financial assets and liabilities measured at fair value on a recurring basis are summarized in the following table as of September 30, 2024 and 2023:

Level 1 Fair Value Measurements

The fair value of the bonds, common stock and exchange traded funds, and other open-ended mutual funds held by the Organization at year end is based on quoted daily values.

Level 3 Fair Value Measurements

The fair value of the charitable gift annuities is based on the computed present value of future payments due.

NOTE M - FAIR VALUE MEASUREMENTS (Continued)

	Quoted Prices in Active Markets for Identical Assets/ Liabilities (Level 1)	Observable Inputs Other Than Quoted Prices (Level 2)	Significant Unobservable Inputs (Level 3)	Total
September 30, 2024				
Assets				
Bonds	**$ -**	**$ -**	**$ -**	**$ -**
Common stock & exchange traded fund	**4,234,912**	**-**	**-**	**4,234,912**
Mutual funds	**4,568,408**	**-**	**-**	**4,568,408**
Total	**$ 8,803,320**	**$ -**	**$ -**	**$ 8,803,320**
Liabilities				
Charitable gift annuities	**$ -**	**$ -**	**$ 6,617**	**$ 6,617**
Total	**$ -**	**$ -**	**$ 6,617**	**$ 6,617**
September 30, 2023				
Assets				
Bonds	$ 3,222,663	$ -	$ -	$ 3,222,663
Common stock & exchange traded funds	2,816,699	-	-	2,816,699
Mutual funds	1,322,260	-	-	1,322,260
Total	$ 7,361,622	$ -	$ -	$ 7,361,622
Liabilities				
Charitable gift annuities	$ -	$ -	$ 6,617	$ 6,617
Total	$ -	$ -	$ 6,617	$ 6,617

NOTE M - FAIR VALUE MEASUREMENTS (Continued)

The following table presents the changes in the charitable gift annuities measured at fair value using significant unobservable inputs (Level 3) for the years ended September 30, 2024 and 2023:

	Fair Value Measurements Inputs (Level 3)	
	2024	**2023**
Beginning balance	**$ 6,617**	$ 6,617
Payments	**-**	-
Change in value	**-**	-
Ending balance	**$ 6,617**	$ 6,617

NOTE N - COMMITMENTS

On March 15, 2020, Hope House Rescue Mission and Grove Street Shelter, LLC entered into a facility lease agreement. Per the agreement, Hope House Rescue Mission is leasing the Grove Street Shelter property through December 2049 with monthly payments of $5,114. Hope House Rescue Mission paid $61,366 in rent to Grove Street Shelter, LLC during the years ended September 30, 2024 and 2023. These transactions were eliminated in the consolidation (see Note S).

The Organization also leases office equipment under third-party agreements that extend through April 2028. Total office equipment lease expense for the years ended September 30, 2024 and 2023 was $12,062 and $7,631, respectively.

The future minimum payments were as follows on September 30, 2024:

	Office Equipment
2025	$ 8,030
2026	3,406
2027	2,572
2028	1,338
Thereafter	-
	$ 15,346

NOTE O - CONDITIONAL GRANTS

York Street

On November 21, 2013, the Organization was approved to receive a $540,000 grant from the Federal Home Loan Bank of Cincinnati to be used for the York Street Project. All grant monies were received, and the York Street Project was completed on July 30, 2015.

On November 18, 2015, the Organization signed a Property Management Agreement with the Federal Home Loan Bank. The agreement states that the Organization must comply with certain Affordable Housing Program regulations for the York Street facilities for a minimum of 15 years. The regulations require that the Organization comply with Fair Housing Laws, have tenant intake procedures, meet income and occupancy requirements, reserve units for homeless households and special needs residents, and provide social services. If these conditions are not met for a minimum of 15 years, the grant monies will be required to be returned to the Federal Home Loan Bank. As of September 30, 2024, Management believes the Organization is in compliance with the terms of this grant and expects all conditions will be met at the end of the 15-year term (November 19, 2030).

Dalton Street

On November 21, 2013, the Organization was approved to receive a $1,000,000 grant from the Federal Home Loan Bank of Cincinnati to be used for the Dalton Street Project. All grant money was received, and the Dalton Street Project was completed on July 30, 2015.

On February 4, 2016, the Organization signed a Property Management Agreement with the Federal Home Loan Bank. The agreement states that the Organization must comply with certain Affordable Housing Program regulations for the Dalton Street facilities for a minimum of 15 years. The regulations require that the Organization comply with Fair Housing Laws, have tenant intake procedures, meet income and occupancy requirements, reserve units for homeless households and special needs residents and provide social services. If these conditions are not met for a minimum of 15 years, the grant monies will be required to be returned to the Federal Home Loan Bank. As of September 30, 2024, Management believes the Organization is in compliance with the terms of this grant and expects all conditions will be met at the end of the 15-year term (February 5, 2031).

Grove Street Shelter (201801-0061/0124)

On November 15, 2018, the Organization entered into two Affordable Housing Program Agreements for a total grant amount of $750,000 with the Federal Home Loan Bank of Cincinnati to be used for the Grove Street Shelter Project. These subsidies were used to fund the project construction and are conditional upon meeting the requirements of the Affordable Housing Program and the Federal Housing Finance Agency. The agreement states that the Organization must comply with certain Affordable Housing Program regulations for the Grove Street Shelter facilities for a minimum of 15 years. The regulations require that the Organization comply with Fair Housing Laws, have tenant intake procedures, meet income and occupancy requirements, reserve units for homeless households and special needs residents, and provide social services. If these conditions are not met for a minimum of 15 years, the grant monies will be required to

NOTE O - CONDITIONAL GRANTS (Continued)

Grove Street Shelter (201801-0061/0124) (Continued)
be returned to the Federal Home Loan Bank. All grant monies were received, and The Grove Street Shelter Project was completed on April 14, 2020. As of September 30, 2024, Management believes the Organization is in compliance with the terms of this grant and expects all conditions will be met at the end of the 15-year term (November 16, 2033) (see Note P).

Grove Street PSH, LLC (201801-0037)
On November 15, 2018, the Organization also entered into two Affordable Housing Program Agreements for a total grant amount of $750,000 with the Federal Home Loan Bank of Cincinnati to be used for the Grove Street PSH 2018 Project. These subsidies were used to fund the equity investment and are conditional upon meeting the requirements of the Affordable Housing Program and the Federal Housing Finance Agency. The agreement states that the Organization must comply with certain Affordable Housing Program regulations for the Grove Street Shelter facilities for a minimum of 15 years. The regulations require that the Organization comply with Fair Housing Laws, have tenant intake procedures, meet income and occupancy requirements, reserve units for homeless households and special needs residents, and provide social services. If these conditions are not met for a minimum of 15 years, the grant monies will be required to be returned to the Federal Home Loan Bank. All grant money was received, and The Grove Street Shelter Project was completed on April 14, 2020. At September 30, 2024, Management believes the Organization is in compliance with the terms of this grant and expects all conditions will be met at the end of the 15-year term (November 16, 2033) (see Note P).

NOTE P - MIXED USE DEVELOPMENT ON GROVE STREET

In August 2019, Hope House Rescue Mission acquired real property located at 1001 Grove Street for $1 to be used to build a mixed-use development (Project). The Project scope was to build 30 units of permanent support housing, a shelter for 50 emergency shelter beds, and administrative offices.

On August 22, 2019, a Declaration of Covenants, Conditions and Restrictions, and By-Laws of Hope House Condominium Owners Association, Inc. (The Condominium Association) was made and entered into by HHRM and Grove Street PSH, LLC for the purpose of the real property and all structures, improvements and other permanent fixtures, and all rights and privileges belonging or pertaining thereto to be owned under condominium ownership. The Condominium Association is a not-for-profit corporation owned by the owners to manage and preserve the property, building, and improvements.

Permanent Support Housing
On October 30, 2018, the wholly owned subsidiary of Hope House Rescue Mission, Inc., Grove Street PSH Associates, LLC (Associates), and Ohio Equity Fund for Housing Limited Partnership XXVIII (Ohio Equity Fund), an unrelated third party, entered into an amended and restated Operating Agreement for the ownership and operation of Grove Street PSH, LLC (the Partnership), whose purpose is (a) to acquire, construct, own, finance, lease, and operate the portion of the property as a qualified low income housing project within the meaning of

NOTE P - MIXED USE DEVELOPMENT ON GROVE STREET (Continued)

Permanent Support Housing (Continued)

Section 42 of the Internal Revenue Code of 1986, (b) to eventually sell or otherwise dispose of the property in a manner consistent with the provisions of the Operating Agreement, and (c) to engage in all other activities incidental or related thereto. Grove Street PSH, LLC is owned 0.1% by Associates. Ohio Equity Fund owns 99.9%. At September 30, 2024 and 2023, the investment in Grove Street PSH, LLC by Associates was $1,049,732 and $1,049,927, respectively.

The Organization is using the equity method of accounting for the Partnership since the Operating Agreement does not give Associates a controlling interest in the Partnership. For the year ended September 30, 2024, $433,716 of rental income and $628,716 of expenses to operate the facility were recognized. For the year ended September 30, 2023, $367,019 of rental income and $865,100 of expenses to operate the facility were recognized. Associates received 0.1% of the net income (loss) of the Partnership, which totaled $(195) and $(413) for September 30, 2024 and 2023, respectively.

Associates is the Managing General Partner of the Partnership; however, the Partnership is jointly controlled with Ohio Equity Fund. The partnership obligations are set forth in the Grove Street PSH, LLC Amended and Restated Operating Agreement. Under the terms of the Guaranty Agreements, Associates, HHRM, City Gospel Mission (CGM), and the Model Group, Inc. guarantee to provide funds so as to permit the Partnership to meet all current costs of owning, maintaining, and operating the property and common areas owned by the Condominium Association. The foregoing obligation shall be unlimited prior to 100% Qualified Occupancy but shall be limited to the Operating Guaranty Amount after 100% Qualified Occupancy and continuing through the Operating Guaranty Period. After 100% Qualified Occupancy and use of all but $30,000 of the funds in the Operating Reserve to pay operating expenses and debt service payments of the Partnership, continuing shortfalls shall be funded by the Guarantors, jointly and severally in an amount not to exceed the Operating Guaranty Amount.

Associates and HHRM also guaranteed jointly and severally a Loan Shortfall Guaranty, a Repurchase and Credit Adjuster Guaranty, and Capital Contribution Guaranty. As security for HHRM's performance of its obligations under the Guaranty Agreement, HHRM agreed to pledge funds in the aggregate amount of $154,942, pursuant to the terms and conditions agreed upon in the Pledge Agreement. The full pledge amount has been paid to the Partnership.

At the end of the 15-year compliance period, there are put and call agreements between Associates and Ohio Equity Fund (the investor in the qualified equity investment "QEI" funds) that can be executed. If the Ohio Equity Fund does not exercise their put option, Associates has the ability to call the ownership in the interest in the QEI funds for fair market value. The put option is $1,000 and should be what is exercised at the end of the period. The call option at fair market value is added to the agreement in case the put option is not exercised. At the end of the 15-year compliance period, ownership of the low-income housing project would be transferred to HHRM.

NOTE P - MIXED USE DEVELOPMENT ON GROVE STREET (Continued)

Homeless Shelter Housing

On September 9, 2019, Hope House Rescue Mission, Inc. created another wholly owned subsidiary named Grove Street Shelter, LLC for the homeless shelter portion of the project. This entity was created for the sole purpose of facilitating a New Markets Tax Credit ("NMTC") transaction for the new homeless shelter project construction (see Note R). Its purpose is to construct, own, and lease to HHRM the building for use as an emergency shelter, resource center, and office space (see Note N).

HHRM entered into two Affordable Housing Program Agreements with the Federal Home Loan Bank of Cincinnati for the total grant amount of $750,000. The grant was used to fund the construction and is conditional upon meeting the requirements of the Affordable Housing Program and the Federal Housing Finance Agency (see Note O).

NOTE Q - LEVERAGED LOAN RECEIVABLE

On November 4, 2019, as part of the NMTC transaction (see Note R), City Gospel Mission entered into a loan agreement with COCRF Investor 163, LLC, (the Investment Fund). City Gospel Mission loaned principal, in the amount of $2,136,400, to the Investment Fund. The Leverage Loan bears an interest rate of 1.00% and matures on November 4, 2042. Quarterly interest-only payments will be made by the Investment Fund for the first 7 years of the loan. Quarterly principal and interest payments of $36,165 will then begin on March 20, 2027.

The proceeds of this Leverage Loan were used by the Investment Fund to make a Qualified Equity Investment (QEI) into the Community Development Entity (CDE) named NMTC Leveraged XXXVII, LLC, which in turn made loans to Grove Street Shelter, LLC.

NOTE R - NEW MARKET TAX CREDITS

On November 4, 2019, HHRM entered into a New Markets Tax Credit (NMTC) transaction to help finance the construction of the Grove Street Shelter portion of the Project. The NMTC Program was designed to stimulate investment and economic growth in low-income communities by offering a seven-year, 39% federal tax credit for Qualified Equity Investments (QEI) made through investment vehicles known as Community Development Entities (CDEs). CDEs use capital derived from tax credits to make loans to, or investments in businesses and projects, in low-income areas under favorable economic terms.

The NMTC transaction is composed of several sub-transactions, as described below:

QALICB: For the sole purpose of facilitating the NMTC transaction as a Qualified Active Low-Income Community Business (QALICB), HHRM created Grove Street Shelter, LLC.

Leverage Loan: As part of the transaction, City Gospel Mission loaned $2,136,400 to COCRF Investor 163, LLC, the Investment Fund. The proceeds of this Leverage Loan were used by the Investment Fund to make a QEI into a CDE as listed below. The Leverage Loan bears an interest rate of 1.00% and matures on November 4, 2042 (see Note Q).

NOTE R - NEW MARKET TAX CREDITS (Continued)

Qualified Low-Income Community Investment Loan (QLICI Loan): Under the NMTC transaction, Grove Street Shelter obtained two QLICI Loans from NMTC Leveraged XXXVII, LLC, (the CDE).

The following QLICI Loans A and B were made to Grove Street Shelter:

QLICI Loan A	$ 2,136,400
QLICI Loan B	1,743,600
Total	$ 3,880,000

The QLICI Loans bear interest at a fixed rate of 1.32387% and mature in 30 years on November 4, 2049. CGM and HHRM are guarantors on these loans.

As part of the NMTC transaction, HHRM executed a Master Lease Agreement with Grove Street Shelter, LLC on November 1, 2019. The term of the lease is for 29 years from the date of the NMTC transaction with provisions to cancel it when the put and call agreements are exercised on the seventh-year anniversary as discussed below. Rent commenced upon completion of the premises for occupancy, which was in March 2020.

Neither HHRM nor Grove Street Shelter, LLC controls or has economic interest in the assets of either the QEI or the CDE. The QEI is controlled and wholly owned by Capital One, N.A. and COCRF Investor 163, LLC controls and funds the CDE. To earn the tax credit, the QEI must remain invested in the CDE for a seven-year period. Grove Street Shelter, LLC has significant reporting requirements to its lenders, including financial reports and community impact reports. Grove Street Shelter, LLC is restricted against accumulating and holding certain types of assets (including options, stock, promissory notes, and excess cash), having its own employees, or otherwise engaging in activities unrelated to HHRM.

Provided Grove Street Shelter, LLC satisfies the foregoing requirements and avoids violating the foregoing restrictions, it will remain in substantial compliance with its obligations pursuant to the NMTC financing.

CGM and Capital One, N.A. have executed an Investment Fund Put and Call Agreement to take place at the end of the seven-year compliance period. Under the agreement, Capital One, N.A. can exercise a put option to sell all interest in the QEI for $1,000 to CGM. If Capital One, N.A. does not exercise the put option within 90 days of the seven-year period, CGM can exercise a call option to purchase the interest of the QEI at an appraised fair market value. At the end of the seven-year compliance period, ownership of the shelter will be transferred to HHRM. These put and call options do not represent embedded derivatives, and accordingly, have not been accounted for as derivative instruments in the consolidated financial statements.

If the Investment Fund Put and Call Agreement is exercised at the seventh-year anniversary of the NMTC transaction, CGM would gain control of all outstanding loans payable and receivable, there would be no residual amounts due to or from any external third parties, and CGM would record a net gain of $1,743,600 associated with the dissolution of the $2,136,400 Leverage Loan receivable and the $3,880,000 QLICI Loans payable.

NOTE S - RELATED PARTY ACTIVITY

During the year ended September 30, 2024, there were several related party transactions between City Gospel Mission, Hope House Rescue Mission, Grove Street Shelter, LLC, and Grove Street Shelter PSH Associates, LLC. The following is a summary of those transactions:

- Hope House Rescue Mission received $21,364 of income that was recorded as an expense on City Gospel Mission.
- Hope House Rescue Mission received $18,720 of income that was recorded as an expense on City Gospel Mission.
- Hope House Rescue Mission received $10,000 of income that was recorded as an expense on Grove Street Shelter, LLC.
- Grove Street Shelter, LLC received $2,726 of income that was recorded as an expense on Hope House Rescue Mission.
- Grove Street Shelter, LLC received $61,366 of rental income that was reported as rental expense on Hope House Rescue Mission.

During the year ended September 30, 2023, similar related party transactions occurred as follows:

- Hope House Rescue Mission received $21,364 of income that was recorded as an expense on City Gospel Mission.
- Hope House Rescue Mission received $50,000 of income that was recorded as an expense on City Gospel Mission.
- Hope House Rescue Mission received $10,000 of income that was recorded as an expense on Grove Street Shelter, LLC.
- Grove Street Shelter, LLC received $2,726 of income that was recorded as an expense on Hope House Rescue Mission.
- Grove Street Shelter, LLC received $61,366 of rental income that was reported as rental expense on Hope House Rescue Mission.

All of these transactions were eliminated in consolidation.

On March 15, 2020, Hope House Rescue Mission and Grove Street Shelter, LLC entered into a facility lease agreement. Per the agreement, Hope House Rescue Mission is leasing the Grove Street Shelter property through December 2049, with monthly payments of $5,114. Hope House Rescue Mission paid $61,366 in rent to Grove Street Shelter, LLC during the years ended September 30, 2024 and 2023. This transaction was eliminated in consolidation (see Note N).

NOTE T - DATE OF MANAGEMENT'S REVIEW & SUBSEQUENT EVENTS

Subsequent events have been evaluated through August 14, 2026, which is the date on which the consolidated financial statements were available to be issued.

On November 20, 2025, the Board of Directors approved the merger of Hope House Rescue Mission and its related entities into City Gospel Mission. The merger will become effective on January 1, 2027.

No other subsequent events were identified that would require an adjustment to the accompanying consolidated financial statements.

CITY GOSPEL MISSION & SUBSIDIARIES
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION
September 30, 2024 and 2023

	2024				2023			
	City Gospel Mission**	Hope House Rescue Mission***	Eliminations	Consolidated	City Gospel Mission**	Hope House Rescue Mission***	Eliminations	Consolidated
CURRENT ASSETS								
Cash & cash equivalents	**$ 1,810,846**	**$ 793,722**	**$ -**	**$ 2,604,568**	$ 1,501,714	$ 829,632	$ -	$ 2,331,346
Contribution receivable	**-**	**9,000**	**-**	**9,000**	-	-	-	-
Accounts & grants receivable	**8,883**	**18,572**	**-**	**27,455**	-	106,383	-	106,383
Accounts receivable - related party	**-**	**56,442**	**(56,442)**	**-**	-	57,256	(57,256)	-
Employee Retention Credit refund receivable	**354,343**	**-**	**-**	**354,343**	354,343	-	-	354,343
Prepaid expenses & other	**48,736**	**12,708**	**-**	**61,444**	64,943	10,208	-	75,151
Total current assets	**2,222,808**	**890,444**	**(56,442)**	**3,056,810**	1,921,000	1,003,479	(57,256)	2,867,223
INVESTMENTS	**8,397,514**	**405,806**	**-**	**8,803,320**	7,030,382	331,240	-	7,361,622
LAND, BUILDINGS, & EQUIPMENT								
Land & improvements	**510,916**	**439,308**	**-**	**950,224**	473,431	439,308	-	912,739
Buildings & improvements	**20,602,488**	**4,102,186**	**-**	**24,704,674**	20,355,994	4,102,186	-	24,458,180
Vehicles	**204,042**	**53,533**	**-**	**257,575**	204,042	36,698	-	240,740
Furniture & equipment	**1,413,352**	**1,021,359**	**-**	**2,434,711**	1,391,649	1,021,359	-	2,413,008
Computer equipment	**235,330**	**-**	**-**	**235,330**	235,330	-	-	235,330
Construction in progress	**114,106**	**-**	**-**	**114,106**	92,965	-	-	92,965
	23,080,234	**5,616,386**	**-**	**28,696,620**	22,753,411	5,599,551	-	28,352,962
Less: Accumulated depreciation	**(6,923,354)**	**(1,325,705)**	**-**	**(8,249,059)**	(6,173,549)	(1,077,980)	-	(7,251,529)
Total land, buildings, & equipment, net	**16,156,880**	**4,290,681**	**-**	**20,447,561**	16,579,862	4,521,571	-	21,101,433
OTHER ASSETS								
Contribution receivable	**-**	**74,165**	**-**	**74,165**				
Leveraged loan receivable	**2,136,400**	**-**	**-**	**2,136,400**	2,136,400	-	-	2,136,400
Investment in Grove Street PSH, LLC	**-**	**1,049,732**	**-**	**1,049,732**	-	1,049,927	-	1,049,927
Total other assets	**2,136,400**	**1,123,897**	**-**	**3,260,297**	2,136,400	1,049,927	-	3,186,327
TOTAL ASSETS	**$ 28,913,602**	**$ 6,710,828**	**$ (56,442)**	**$ 35,567,988**	$ 27,667,644	$ 6,906,217	$ (57,256)	$ 34,516,605

** Includes City Gospel Mission, City Gospel Mission Operations, LLC; CURE Properties, LLC; CGM Properties, LLC; CGM Exodus Properties, LLC; and HTCTC Properties, LLC

*** Includes Hope House Rescue Mission; Grove Street Shelter, LLC; and Grove Street PSH Associates, LLC

CITY GOSPEL MISSION & SUBSIDIARIES
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION (Continued)
September 30, 2024 and 2023

	2024				2023			
	City Gospel Mission**	Hope House Rescue Mission***	Eliminations	Consolidated	City Gospel Mission**	Hope House Rescue Mission***	Eliminations	Consolidated
CURRENT LIABILITIES								
Accounts payable & other accruals	**$ 271,915**	**$ 8,472**	**$ -**	**$ 280,387**	$ 307,146	$ 23,255	$ -	$ 330,401
Accounts payable - related party	**56,442**	**-**	**(56,442)**	**-**	57,256	-	(57,256)	-
Accrued payroll & retirement	**265,169**	**16,320**	**-**	**281,489**	158,643	12,997	-	171,640
Charitable gift annuities	**6,617**	**-**	**-**	**6,617**	6,617	-	-	6,617
Total current liabilities	**600,143**	**24,792**	**(56,442)**	**568,493**	529,662	36,252	(57,256)	508,658
LONG-TERM DEBT								
Note payable - OHFA	**3,000,000**	**-**	**-**	**3,000,000**	3,000,000	-	-	3,000,000
Notes payable - NMTC Leveraged XXXVII, LLC	**-**	**3,880,000**	**-**	**3,880,000**	-	3,880,000	-	3,880,000
Debt issuance costs, net	**-**	**(94,251)**	**-**	**(94,251)**	-	(96,953)	-	(96,953)
Total long-term debt	**3,000,000**	**3,785,749**	**-**	**6,785,749**	3,000,000	3,783,047	-	6,783,047
NET ASSETS	**25,313,459**	**2,900,287**	**-**	**28,213,746**	24,137,982	3,086,918	-	27,224,900
TOTAL LIABILITIES & NET ASSETS	**$ 28,913,602**	**$ 6,710,828**	**$ (56,442)**	**$ 35,567,988**	$ 27,667,644	$ 6,906,217	$ (57,256)	$ 34,516,605

** Includes City Gospel Mission, City Gospel Mission Operations, LLC; CURE Properties, LLC; CGM Properties, LLC; CGM Exodus Properties, LLC; and HTCTC Properties, LLC
*** Includes Hope House Rescue Mission; Grove Street Shelter, LLC; and Grove Street PSH Associates, LLC

CITY GOSPEL MISSION & SUBSIDIARIES
CONSOLIDATING STATEMENTS OF ACTIVITIES
Years ended September 30, 2024 and 2023

	2024				2023			
	City Gospel Mission**	Hope House Rescue Mission***	Eliminations	Consolidated	City Gospel Mission**	Hope House Rescue Mission***	Eliminations	Consolidated
PUBLIC SUPPORT & REVENUE								
Contributions & grants	**$ 8,009,300**	**$ 1,139,321**	**$ -**	**$ 9,148,621**	$ 6,649,176	$ 1,094,314	$ -	$ 7,743,490
In-kind contributions	**2,231,188**	**59,945**	**-**	**2,291,133**	2,931,430	67,246	-	2,998,676
Program service fees	**184,713**	**55,768**	**-**	**240,481**	165,260	81,607	-	246,867
Special events, net of direct costs	**578,781**	**-**	**-**	**578,781**	407,281	-	-	407,281
Other income	**70,637**	**76,855**	**-**	**147,492**	67,798	56,695	-	124,493
Other income - related party	**-**	**40,084**	**(40,084)**	**-**	-	71,364	(71,364)	-
Realized & unrealized gain (loss) on investments	**1,723,762**	**62,893**	**-**	**1,786,655**	424,091	13,989	-	438,080
Net investment return (loss)	**225,505**	**15,930**	**-**	**241,435**	372,940	35,865	-	408,805
Total public support & revenue	**13,023,886**	**1,450,796**	**(40,084)**	**14,434,598**	11,017,976	1,421,080	(71,364)	12,367,692
EXPENSES								
Program services								
Homeless services	**3,212,543**	**1,212,068**	**-**	**4,424,611**	2,903,265	1,171,575	-	4,074,840
Recovery services	**1,579,867**	**-**	**-**	**1,579,867**	1,338,969	-	-	1,338,969
Youth services	**2,630,150**	**-**	**-**	**2,630,150**	3,264,762	-	-	3,264,762
Jobs Plus employment	**544,950**	**-**	**-**	**544,950**	525,207	-	-	525,207
Total program services	**7,967,510**	**1,212,068**	**-**	**9,179,578**	8,032,203	1,171,575	-	9,203,778
Support services								
Management & general	**991,338**	**141,517**	**(40,084)**	**1,092,771**	1,181,147	190,619	-	1,371,766
Fundraising & development	**2,889,561**	**283,842**	**-**	**3,173,403**	2,722,215	280,238	(71,364)	2,931,089
Total expenses	**11,848,409**	**1,637,427**	**(40,084)**	**13,445,752**	11,935,565	1,642,432	(71,364)	13,506,633
CHANGE IN NET ASSETS	**1,175,477**	**(186,631)**	**-**	**988,846**	(917,589)	(221,352)	-	(1,138,941)
NET ASSETS AT BEGINNING OF YEAR	**24,137,982**	**3,086,918**	**-**	**27,224,900**	25,055,571	3,308,270	-	28,363,841
NET ASSETS AT END OF YEAR	**$ 25,313,459**	**$ 2,900,287**	**$ -**	**$ 28,213,746**	$ 24,137,982	$ 3,086,918	$ -	$ 27,224,900

** Includes City Gospel Mission, City Gospel Mission Operations, LLC; CURE Properties, LLC; CGM Properties, LLC; CGM Exodus Properties, LLC; and HTCTC Properties, LLC

*** Includes Hope House Rescue Mission, Grove Street Shelter, LLC; and Grove Street PSH Associates, LLC