

SPRINGFIELD RESCUE MISSION, INC.

FINANCIAL STATEMENTS

MAY 31, 2015 AND 2014

SPRINGFIELD RESCUE MISSION, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of the
Springfield Rescue Mission, Inc.

Report on Financial Statements

I have audited the accompanying statements of financial statements of Springfield Rescue Mission, Inc. (a non-profit organization), which comprise the statements of financial position as of May 31, 2015 and 2014, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Springfield Rescue Mission, Inc. as of May 31, 2015 and 2014, 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.

A handwritten signature in cursive script that reads "James B. Hawkes CPA PC". The signature is written in dark ink and is positioned above the typed name.

James B. Hawkes, CPA, P.C.
Springfield, MA
January 11, 2016

SPRINGFIELD RESCUE MISSION, INC.
STATEMENTS OF FINANCIAL POSITION
MAY 31, 2015 AND 2014

ASSETS

	2015	2014
CURRENT ASSETS:		
Cash and cash equivalents	\$ 39,742	\$ 37,755
Cash - certificate of deposit	9,138	9,111
Prepaid expenses	25,946	25,498
TOTAL CURRENT ASSETS	74,826	72,364
PROPERTY AND EQUIPMENT	1,878,285	1,796,542
Less - accumulated depreciation	809,030	753,356
TOTAL PROPERTY AND EQUIPMENT	1,069,255	1,043,186
OTHER ASSETS:		
Investments	15,059	14,303
TOTAL OTHER ASSETS	15,059	14,303
TOTAL ASSETS	\$ 1,159,140	\$ 1,129,853

LIABILITIES AND NET ASSETS

	2015	2014
CURRENT LIABILITIES:		
Current portion-long term debt	\$ 22,576	\$ 20,294
Note payable-line of credit	80,000	-
Accounts payable	155,591	188,147
Accrued expenses	26,173	17,819
TOTAL CURRENT LIABILITIES	284,340	226,260
LONG-TERM DEBT	62,982	100,121
NET ASSETS:		
Unrestricted:		
Designated	38,144	38,144
Undesignated	(296,981)	(279,258)
Equity in property and equipment	1,069,255	1,043,186
TOTAL UNRESTRICTED NET ASSETS	810,418	802,072
Temporarily restricted	1,400	1,400
TOTAL NET ASSETS	811,818	803,472
TOTAL LIABILITIES AND NET ASSETS	\$ 1,159,140	\$ 1,129,853

The accompanying notes are an integral part of this statement.

SPRINGFIELD RESCUE MISSION, INC.
STATEMENT OF ACTIVITIES
YEARS ENDED MAY 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
UNRESTRICTED NET ASSETS:		
Support:		
Churches	\$ 86,348	\$ 81,302
Donated services and supplies	3,048,842	3,413,945
Fund raising - contributions	1,035,410	959,240
Grants	106,707	96,052
Individuals	604,861	570,335
Memorials and legacies	64,350	21,551
Newsletter income	184,228	235,177
Fund raising activities - net	8,161	-
TOTAL SUPPORT	<u>5,138,907</u>	<u>5,37,602</u>
Investment income (loss)	394	(373)
Net assets released from restrictions:		
Restrictions satisfied by payment	44,114	96,939
TOTAL INCOME	<u>5,183,415</u>	<u>5,474,168</u>
Functional Expenses:		
Program services expenses	3,983,243	4,321,594
Support Services:		
Fund raising expenses	680,588	733,831
General and administrative expenses	511,238	474,372
TOTAL FUNCTIONAL EXPENSES	<u>5,175,069</u>	<u>5,529,797</u>
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	<u>8,346</u>	<u>(55,629)</u>
TEMPORARILY RESTRICTED NET ASSETS:		
Designated project support-grants	38,000	80,820
Designated project support-other	6,114	16,919
Net assets released from restriction:		
Restriction satisfied by payments	(44,114)	(96,939)
INCREASE IN TEMPORARILY RESTRICTED NET ASSETS	<u>-</u>	<u>800</u>
INCREASE (DECREASE) IN NET ASSETS	8,346	(54,829)
NET ASSETS, BEGINNING OF YEAR	<u>803,472</u>	<u>858,301</u>
NET ASSETS, END OF YEAR	<u>\$ 811,818</u>	<u>\$ 803,472</u>

The accompanying notes are an integral part of this statement.

SPRINGFIELD RESCUE MISSION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED MAY 31, 2014

	<u>PROGRAM SERVICE EXPENSES</u>	<u>FUND RAISING EXPENSES</u>	<u>GENERAL & ADMIN EXPENSES</u>	<u>TOTAL</u>
Conferences and meetings	\$ 1,532	\$ -	\$ 1,532	\$ 3,064
Contributions	1,375	-	-	1,375
Depreciation	52,354	-	3,940	56,294
Donor solicitation and administration	-	34,250	-	34,250
Dues and subscriptions	2,602	-	2,602	5,204
Employee benefits	105,306	1,407	43,838	150,551
Equipment rental	8,255	-	8,256	16,511
Food and clothing	3,247,167	-	-	3,247,167
Fund raising - printing & postage	-	596,160	-	596,160
Fund raising - other	-	52,986	-	52,986
Insurance	27,904	-	6,004	33,908
Interest expense	-	-	10,267	10,267
Miscellaneous	7,706	-	14,797	22,503
Newsletter - printing & postage	55,472	-	55,471	110,943
Payroll taxes	33,121	443	13,788	47,352
Pension plan contributions	23,894	319	9,947	34,160
Postage and printing	69	23	46,682	46,774
Professional services	-	-	21,968	21,968
Radio ministry	33,427	-	-	33,427
Repairs and maintenance	34,353	42,152	38,921	115,426
Salaries and wages	446,356	5,965	185,812	638,133
Supplies	183,146	126	4,581	187,853
Telephone	6,333	-	2,111	8,444
Utilities	51,222	-	3,855	55,077
TOTAL FUNCTIONAL EXPENSES	<u>\$4,321,594</u>	<u>\$ 733,831</u>	<u>\$ 474,372</u>	<u>\$ 5,529,797</u>

SPRINGFIELD RESCUE MISSION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEAR ENDED MAY 31, 2015

	<u>PROGRAM SERVICE EXPENSES</u>	<u>FUND RAISING EXPENSES</u>	<u>GENERAL & ADMIN EXPENSES</u>	<u>TOTAL</u>
Conferences and meetings	\$ 2,515	\$ -	\$ 2,515	\$ 5,030
Contributions	200	-	-	200
Depreciation	51,777	-	3,897	55,674
Donor solicitation and administration	-	33,850	-	33,850
Dues and subscriptions	2,138	-	2,138	4,276
Employee benefits	109,688	1,446	49,411	160,545
Equipment rental	7,157	-	7,157	14,314
Food and clothing	2,794,874	-	-	2,794,874
Fund raising - printing & postage	-	529,846	-	529,846
Fund raising - other	-	75,673	-	75,673
Insurance	30,359	-	5,959	36,318
Interest expense	-	-	9,231	9,231
Miscellaneous	6,369	-	12,710	19,079
Newsletter - printing & postage	48,705	-	48,705	97,410
Payroll taxes	33,890	447	15,266	49,603
Pension plan contributions	22,864	302	10,300	33,466
Postage and printing	31	10	61,364	61,405
Professional services	-	-	19,056	19,056
Radio ministry	40,517	-	-	40,517
Repairs and maintenance	30,307	32,361	42,794	105,462
Salaries and wages	461,147	6,081	207,733	674,961
Supplies	274,587	572	6,624	281,783
Telephone	5,434	-	1,811	7,245
Utilities	60,684	-	4,567	65,251
TOTAL FUNCTIONAL EXPENSES	<u>\$3,983,243</u>	<u>\$ 680,588</u>	<u>\$ 511,238</u>	<u>\$5,175,069</u>

The accompanying notes are an integral part of this statement.

SPRINGFIELD RESCUE MISSION, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED MAY 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase (decrease) in net assets	\$ 8,346	\$ (54,829)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	55,674	56,294
Donation of securities	(534)	(1,609)
(Increase) decrease in market value investments	113	734
Change in assets and liabilities:		
Prepaid expenses	(448)	(1,465)
Accounts payable	(32,556)	97,122
Accrued expenses	8,354	(929)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>38,949</u>	<u>95,318</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(335)	(186)
Purchase - certificate of deposit	(27)	(27)
Purchases of property and equipment	(81,743)	(15,391)
NET CASH (USED IN) INVESTING ACTIVITIES	<u>(82,105)</u>	<u>(15,604)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from line of credit	100,000	-
Repayment line of credit	(20,000)	-
Repayment on note payable	(34,857)	(66,838)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	<u>45,143</u>	<u>(66,838)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	1,987	12,876
CASH AND CASH EQUIVALENTS, BEGINNING	<u>37,755</u>	<u>24,879</u>
CASH AND CASH EQUIVALENTS, ENDING	<u>\$ 39,742</u>	<u>\$ 37,755</u>

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

Interest expense	<u>\$ 9,231</u>	<u>\$ 10,267</u>
Income taxes	<u>\$ -0-</u>	<u>\$ -0-</u>

The accompanying notes are an integral part of this statement.

SPRINGFIELD RESCUE MISSION, INC.
NOTES TO FINANCIAL STATEMENTS
MAY 31, 2015 AND 2014

1. ORGANIZATION:

a. Statement of purpose:

The Springfield Rescue Mission, Inc. (the Mission) is incorporated as a not-for-profit organization to meet the physical and spiritual needs of the hungry, homeless, addicted, and poor by introducing them to Christ and helping them to apply the Word of God to every area of their lives. This is accomplished through the holding of chapel services; the distribution of Christian literature; training in basic life skills through a discipleship program; the provision of food, clothing, lodging, medical attention, and other aid; solicitation of employment opportunities for unfortunate persons. The Mission has the power to maintain appropriate buildings and to receive and disburse funds for these purposes. The Mission is committed to carrying out the above ministries in faith in accordance with and adherence to Biblical truth and doctrine. The Organization is supported primarily through donor contributions, grants, memorials and legacies.

b. Mission statement:

The goal of the Springfield Rescue Mission since 1892 has been to meet the physical and spiritual needs of the hungry, homeless, addicted, and poor by introducing them to Christ and helping them apply the word of GOD to every area of their lives

c. Programs:

All programs are provided free of charge. This provides an opportunity for fiscal savings as well as community involvement. Therefore, residents are expected to help maintain the Missions' facilities and service to others. This provides a structured environment for each of our residents in developing new life skills and future success.

1. ORGANIZATION (continued)

RESIDENTIAL REHABILITATION AND EMPLOYMENT READINESS PROGRAM—For men in the throes of addiction; their spirits can be easily broken. Homelessness and poverty can drive broken souls into disastrous living situations. The Mission's residential rehabilitation program provides a safe environment to address substance abuse issues, and programs to equip people with the tools and skills they need to live productive lives. Our guests receive guidance through daily programs, substance abuse treatment, anger management, job training, housing, and personal budgeting assistance. In addition, guests participate in classes on living independently, developing meaningful relationships, and improving social skills. When guests are ready to embrace independent living with a community-based support network, graduates are provided with community advocacy and aftercare planning. On a yearly basis hundreds of lives are transformed through our residential rehabilitation program.

EMERGENCY SHELTER - Emergency shelter program is a place where men who are homeless can find hot meals and safe refuge from weather and city streets. Any guests may request case management services, apply for other mission programs, and receive opportunities to participate in mission sponsored activities.

OPERATION SUNSHINE MEALS PROGRAM - Many people do not have the means to both pay monthly bills and to feed their families. As a result, they may fall behind on their rent and utilities bills, and eventually risk losing their home. Our community meals, food and clothing service programs, feed and clothe families and ease financial strains so our neighbors may stretch already thin resources to pay rent and maintain a stable living situation. Through our operation sunshine program, residential rehabilitation program, and food pantry, the mission serves over 100,000 meals each year.

EMPLOYMENT PREPARATION PROGRAM - Our employment preparation program is designed to provide mission program members with the effective training necessary for them to successfully become part of the workforce. We teach and develop work ethics as skills, coping abilities, positive attitudes, and self-confidence to be successful in today's employment environment. The missions learning center is a computer based learning program assessing resident learning level and aiding in resume, job application, interview skills, and if needed, further education to find long-term employment for sustained independence.

1. ORGANIZATION (continued)

MINISTRY AND SPIRITUAL DEVELOPMENT - Through the missions spiritual development program the healing power of GOD's love can transform lives in a meaningful and lasting way. A network of resources is available for those seeking spiritual council. Our guests participate in local church services, bible study classes, and develop spiritual mentoring relationships on their journey through forgiveness, acceptance and rebuilding.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

a. Classes of Net Assets:

The financial statements of the Mission report amounts separated by class of net assets.

1. Unrestricted amounts are those currently available at the discretion of the board for use in the Mission's operations and those resources invested in property and equipment.
2. Temporarily restricted amounts are those stipulated by donors for specific operating purposes or for the acquisition of property and equipment.
3. Permanently restricted amounts are those that represent permanent endowments where it is stipulated by donors that the principal remain in perpetuity and only the income is available as unrestricted or temporarily restricted, as per endowment agreements. The Mission currently does not have any permanently restricted funds.

All contributions are considered available for unrestricted use, unless specifically restricted by the donor or subject to other legal restrictions.

b. Basis of accounting:

The financial statements of Springfield Rescue Mission, Inc. are prepared on the accrual basis.

c. Cash and Cash Equivalents:

Cash includes checking, savings, and money market accounts. Certificates of deposit with an original maturity of three months or less when purchased are considered to be cash equivalents.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Property and Equipment:

Property and equipment are recorded at cost when purchased or, if donated, at estimated fair market value at the date of receipt. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets as follows:

<u>Assets</u>	<u>Years</u>
Building	40
Building improvements	20 - 40
Furniture and fixtures	5 - 10
Motor vehicle	5 - 10

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

e. Investments:

Investments in equity securities with readily determinable fair values and all debt securities, are classified as available for sale and are carried at fair value with gains and losses included as unrestricted net assets in the statement of activities. Donated investments are recorded at fair value on the date of donation and thereafter carried in accordance with the above provisions.

f. Functional Allocation of Expenses:

The costs of providing various programs and supporting services have been summarized on the statement of activities and net assets. Accordingly, certain costs have been allocated among program, administrative, and fund raising services benefited.

g. Gifts-in-Kind:

Donation income is recorded when cash is received or ownership of donated assets is transferred to the Mission. Gifts-in-kind, including clothing, food, toiletries, supplies and miscellaneous household items are recorded at their estimated retail cost if new, or their estimated fair market value if used. Donated property and equipment are recorded at appraised value. Services are valued based on the type of services provided. Professional donated services are recorded and valued based on the going rate or salary that the individual would command in the market place provided the

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

g. Gifts-in-Kind: (continued)

Mission would otherwise have purchased the services. Non-professional donated services which create or enhance a nonfinancial asset are valued at approximately minimum wage or a rate appropriate for the type of work the individual is performing.

h. 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.

i. Fair Value:

In accordance with Codification Topic 820 (ASC 820) the entity reports its qualifying assets and liabilities in accordance with the Fair Value Measurements and Disclosures Standards under U.S. GAAP. These standards define fair value, establish a framework for measuring fair value, and expand disclosure about fair value measurements. This policy establishes a fair value framework that prioritizes the inputs and assumptions used to measure fair value.

The three levels of the fair value framework are as follows:

Level 1 - Inputs reflect unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2 - Inputs other than quoted prices in active markets that are observable for the asset either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3 - Inputs that are unobservable.

A qualifying asset or liability's level within fair value framework is based upon the lowest level of any input that is significant to the fair value measurement. The Mission's qualifying assets or liabilities are recorded at fair value using Level 1 inputs.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

j. Income Taxes:

The Mission is exempt from federal and state income taxes as an organization described in Section 501(c)(3) of the Internal Revenue Code. The Mission has adopted the provisions of the Accounting for Uncertainty in Income Taxes topic of FASB ASC. This guidance addresses the accounting uncertainty in income taxes recognized in an organization's financial statements and prescribes a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in a tax return. It also provides related guidance on measurement classification, interest and penalties and disclosures. As a result of the implementation of this guidance, the Mission has determined that it has no uncertain tax positions requiring accrual and disclosure.

The Mission files Return of Organization Exempt From Income Tax for U.S Federal reporting and also files related Massachusetts and Connecticut reporting forms. The Mission does not have any unrelated business taxable income and as such does not file these forms in any jurisdiction. The Mission is not under audit in any jurisdiction for any period, and its tax returns are current. Generally, tax years are open for IRS audit for up to three years.

3. INVESTMENTS:

Investments as of May 31, 2015 and 2014, are summarized as follows:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
2015:			
Marketable Securities	<u>\$ 9,571</u>	<u>\$ 15,059</u>	<u>\$ 15,059</u>
2014:			
Marketable Securities	<u>\$ 8,702</u>	<u>\$ 14,303</u>	<u>\$ 14,303</u>
		<u>2015</u>	<u>2014</u>
Investment return is summarized as follows:			
Dividend income, investments		\$ 480	\$ 334
Interest income, savings and CD's		27	27
Realized gain (loss) on investments			-
Unrealized gain (loss) on investments		<u>(113)</u>	<u>(734)</u>
TOTAL		<u>\$ 394</u>	<u>\$ (373)</u>

4. PROPERTY AND EQUIPMENT:

	2015	2014
Land	\$ 43,657	\$ 43,657
Buildings	149,746	149,746
Advance construction costs	28,215	15,592
Building improvements	1,149,221	1,081,601
Motor vehicles	97,621	97,621
Furniture and fixtures	409,825	408,325
TOTAL	<u>1,878,285</u>	<u>1,796,542</u>
Less - accumulated depreciation	809,030	753,356
TOTAL PROPERTY AND EQUIPMENT	<u>\$ 1,069,255</u>	<u>\$ 1,043,186</u>

5. LONG-TERM DEBT:

The Mission executed a note payable with a local Bank for \$150,000, unsecured. Principal repayment started June 11, 2013 at the rate of \$842 per month including interest at 6.25% per annum based on a twenty year amortization, balance due and payable February 11, 2017. Note balance at May 31, 2014 and 2013 was \$64,889 and \$81,501, respectively.

The Mission executed a note payable (modified December 22, 2012) with a local Bank for \$100,000, unsecured. Note is payable over 5.5 years (maturity date June 22, 2017) with interest only payable for 6 months (during construction) and principal and interest payable over 5 years at 6.25% per annum. The construction period and loan proceeds drawdown have been extended for 6 months through August 11, 2012. Principal and interest payments were started August 22, 2013 in the amount of \$1,543. Note balance at May 31, 2015 and 2014 was \$20,670 and \$38,914, respectively.

	2014	2013
Total	\$ 85,558	\$ 120,415
Less current portion	(22,576)	(20,294)
Long-term Debt	<u>\$ 62,982</u>	<u>\$ 100,121</u>

Estimated 5 year maturities of long-term debt are as follows:

<u>YEAR ENDING MAY 31,</u>	<u>AMOUNT</u>
2016	22,576
2017	62,982
2018	-
2019	-
2020	-

6. RETIREMENT PLAN:

The Mission sponsors a Simplified Employee Pension (SEP) Retirement Plan covering all eligible employees. The Board of Directors of the Mission can authorize contributions to a maximum of 15% of compensation of eligible participants. For the years ended May 31, 2015 and 2014 contributions to the plan were \$33,465 and \$34,160, respectively.

7. NET ASSETS:

a. Unrestricted/designated

The board of directors has designated a portion of the operating fund balance to be reserved for special projects or emergencies. The working capital reserve was established to provide approximately 2 months of operating capital should operating results fall below a specified level.

	2015	2014
Working capital reserve	<u>\$ 38,144</u>	<u>\$ 38,144</u>

b. Temporarily restricted

The Mission has received contributions from various individuals or organizations, which have been restricted as to use. The types of use include architectural services, mission expansion, kitchen equipment, and other capital assets; the Mission has also received funds for literacy programs, outreach programs, utilities and miscellaneous other operating expenses items. Temporarily restricted funds consisted of the following at May 31, 2015 and 2014:

	2015	2014
Capital assets	\$ 800	\$ 800
Operating	600	600
	<u>\$ 1,400</u>	<u>\$ 1,400</u>

8. COMMITMENTS:

The Mission has a \$100,000 working capital line of credit due to expire June 14, 2017, unsecured, and is subject to monthly interest payments at the prime rate plus 1.00% per annum. The line must be paid in full for at least 30 days during the fiscal year. The balance at May 31, 2015 and 2014 was \$80,000 and \$-0-, respectively.

9. DONATED MATERIALS AND SERVICES:

The value of donated materials and services included in the financial statements and the corresponding expenditures for the year ended May 31, 2015 and 2014 is as follows:

	2015	2014
Food and clothing	\$ 2,791,483	\$ 3,243,753
Supplies and miscellaneous	232,415	144,812
Salaries and wages	24,944	25,380
	<u>\$ 3,048,842</u>	<u>\$ 3,413,945</u>

The salaries and wages that have been included in the financial statements as indicated above are for professional services provided by nurses, clergy, barbers, and computer programmers. The above services were all used in the main program of operating the mission for the benefit of the individuals who are housed and/or pass through its doors.

Additionally, donated services were provided to the Mission which do not meet the criteria for recording under Generally Accepted Accounting Principal SFAS No. 116, however, these donated services are an important part of operating and maintaining the Mission. These services include, but are not limited to, repair and maintenance, pick-up and delivery drivers, food preparation, counseling and tutoring, and a host of other miscellaneous activities that help the Mission to operate to its fullest potential. The Mission received approximately 31,147 hours or \$269,338 for 2015 and 33,426 hours or \$287,564 for 2014 worth of additional donated services, which are not recorded in the financial statements.

10. EVALUATION OF SUBSEQUENT EVENTS:

The Missions has evaluated subsequent events through January 11, 2016, the date the financial statements were available to be issued.

The Mission relocated its main office and operations facility from Bliss Street to Mill Street in the city of Springfield in December 2015. This was accomplished by exchanging two buildings and related land located on Bliss Street for land and a building located on Mill Street. The fair market value of the property received exceeded the value of the property transferred.