



RELIANT MISSION, INC.

Financial Statements
With Independent Auditors' Report

December 31, 2022 and 2021

RELIANT MISSION, INC.

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INDEPENDENT AUDITORS' REPORT

Audit Committee
Reliant Mission, Inc.
Orlando, Florida

Opinion

We have audited the accompanying financial statements of Reliant Mission, Inc., which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Reliant Mission, Inc. as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Reliant Mission, Inc. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Audit Committee
Reliant Mission, Inc.
Orlando, Florida

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Reliant Mission, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Reliant Mission, Inc.'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.

Capin Crouse LLP

Lawrenceville, Georgia
May 4, 2023

RELIANT MISSION, INC.

Statements of Financial Position

	December 31,	
	2022	2021
ASSETS:		
Cash and cash equivalents	\$ 3,984,226	\$ 7,794,639
Prepaid expenses and other assets	530,341	567,619
Investments	15,197,387	11,374,439
Operating lease right-of-use asset	454,124	592,340
Property and equipment—net	769,814	548,447
Total Assets	<u>\$ 20,935,892</u>	<u>\$ 20,877,484</u>
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable and accrued expenses	\$ 4,574,475	\$ 4,030,728
Operating lease right-of-use liability	456,624	617,590
Total liabilities	<u>5,031,099</u>	<u>4,648,318</u>
Net assets:		
Without donor restrictions	3,133,807	3,358,830
With donor restrictions	12,770,986	12,870,336
Total net assets	<u>15,904,793</u>	<u>16,229,166</u>
Total Liabilities and Net Assets	<u>\$ 20,935,892</u>	<u>\$ 20,877,484</u>

See notes to financial statements

RELIANT MISSION, INC.

Statements of Activities

	Year Ended December 31,					
	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Support:						
Contributions	\$ 18,563	\$ 52,634,793	\$ 52,653,356	\$ 68,223	\$ 48,997,723	\$ 49,065,946
Revenue:						
Conferences and programs	334,480	-	334,480	334,486	-	334,486
Investment income (loss)	(430,054)	-	(430,054)	102,273	-	102,273
Other income	10,515	-	10,515	25,852	-	25,852
	(85,059)	-	(85,059)	462,611	-	462,611
Total Support and Revenue	(66,496)	52,634,793	52,568,297	530,834	48,997,723	49,528,557
RECLASSIFICATIONS:						
Net assets released from:						
Satisfaction of purpose restrictions	52,734,143	(52,734,143)	-	45,791,860	(45,791,860)	-

(continued)

See notes to financial statements

RELIANT MISSION, INC.

Statements of Activities

(continued)

	Year Ended December 31,					
	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
EXPENSES:						
Program services:						
U.S. Ministries	30,150,578	-	30,150,578	26,888,148	-	26,888,148
Ministry team development	1,970,707	-	1,970,707	1,737,803	-	1,737,803
Conferences and events	384,633	-	384,633	372,889	-	372,889
International ministries	10,367,440	-	10,367,440	7,667,419	-	7,667,419
	42,873,358	-	42,873,358	36,666,259	-	36,666,259
Supporting activities:						
Management and general	5,965,912	-	5,965,912	5,344,259	-	5,344,259
Fundraising	4,053,400	-	4,053,400	3,988,462	-	3,988,462
	10,019,312	-	10,019,312	9,332,721	-	9,332,721
Total Expenses	52,892,670	-	52,892,670	45,998,980	-	45,998,980
Change in Net Assets	(225,023)	(99,350)	(324,373)	323,714	3,205,863	3,529,577
Net Assets, Beginning of Year	3,358,830	12,870,336	16,229,166	3,035,116	9,664,473	12,699,589
Net Assets, End of Year	\$ 3,133,807	\$ 12,770,986	\$ 15,904,793	\$ 3,358,830	\$ 12,870,336	\$ 16,229,166

See notes to financial statements

RELIANT MISSION, INC.

Statement of Functional Expenses

Year Ended December 31, 2022

	Program Services				Supporting Activities				Total Expenses
	U.S. Ministries	Ministry Team Development	Conferences and Events	International Ministries	Total Program Services	Management and General	Fundraising	Total Supporting Activities	
Salaries and parsonage	\$ 24,019,986	\$ 1,540,637	\$ 202,249	\$ 6,509,353	\$ 32,272,225	\$ 3,560,235	\$ 3,114,025	\$ 6,674,260	\$ 38,946,485
Payroll taxes and employee benefits	4,326,625	289,524	40,158	1,254,232	5,910,539	866,954	618,619	1,485,573	7,396,112
	28,346,611	1,830,161	242,407	7,763,585	38,182,764	4,427,189	3,732,644	8,159,833	46,342,597
Travel and meals	412,019	46,633	39,795	915,471	1,413,918	190,055	133,831	323,886	1,737,804
Occupancy	11,349	5,272	3,775	10,536	30,932	131,063	568	131,631	162,563
Insurance	63,402	2,508	1,851	25,569	93,330	62,867	-	62,867	156,197
Depreciation and amortization	2,971	1,782	1,316	1,867	7,936	225,178	-	225,178	233,114
Professional fees	97,888	1,803	9,236	29,255	138,182	226,955	4,541	231,496	369,678
Telephone	29	16	139	646	830	26	48	74	904
Postage and shipping	16,040	1,376	4,732	14,683	36,831	55,161	3,900	59,061	95,892
Office supplies	18,787	1,279	1,274	14,116	35,456	45,186	3,363	48,549	84,005
Training, dues, and subscriptions	534,917	39,918	6,241	452,345	1,033,421	405,505	72,171	477,676	1,511,097
Marketing and promotions	-	-	-	-	-	34,152	19,024	53,176	53,176
Printing and publishing	27,868	2,003	2,015	13,537	45,423	71,126	5,528	76,654	122,077
Repairs, maintenance, and rental	-	-	24	-	24	20,660	-	20,660	20,684
Conference meals and lodging	13,823	-	65,129	9,145	88,097	39,317	-	39,317	127,414
Donations to other ministries	319,187	18,793	1,654	1,009,767	1,349,401	21,620	43,505	65,125	1,414,526
Other expenses	285,687	19,163	5,045	106,918	416,813	9,852	34,277	44,129	460,942
Total Expenses	\$ 30,150,578	\$ 1,970,707	\$ 384,633	\$ 10,367,440	\$ 42,873,358	\$ 5,965,912	\$ 4,053,400	\$ 10,019,312	\$ 52,892,670

See notes to financial statements

RELIANT MISSION, INC.

Statement of Functional Expenses

Year Ended December 31, 2021

	Program Services				Supporting Activities				Total Expenses
	U.S. Ministries	Ministry Team Development	Conferences and Events	International Ministries	Total Program Services	Management and General	Fundraising	Total Supporting Activities	
Salaries and parsonage	\$ 21,631,433	\$ 1,390,218	\$ 193,552	\$ 5,137,496	\$ 28,352,699	\$ 3,221,998	\$ 3,157,077	\$ 6,379,075	\$ 34,731,774
Payroll taxes and employee benefits	3,879,296	243,457	35,937	996,609	5,155,299	742,706	590,135	1,332,841	6,488,140
	25,510,729	1,633,675	229,489	6,134,105	33,507,998	3,964,704	3,747,212	7,711,916	41,219,914
Travel and meals	286,352	31,992	18,814	542,380	879,538	127,274	105,947	233,221	1,112,759
Occupancy	19,137	7,479	5,476	8,548	40,640	168,841	1,597	170,438	211,078
Insurance	74,740	1,823	3,273	6,224	86,060	43,823	-	43,823	129,883
Depreciation and amortization	2,414	1,380	1,069	932	5,795	215,099	-	215,099	220,894
Professional fees	95,310	700	9,167	26,192	131,369	219,503	2,101	221,604	352,973
Telephone	1,148	71	19	131	1,369	1,116	213	1,329	2,698
Postage and shipping	18,484	1,327	4,742	9,338	33,891	54,305	7,057	61,362	95,253
Office supplies	18,740	1,205	5,885	6,383	32,213	16,336	3,607	19,943	52,156
Training, dues, and subscriptions	378,560	28,271	7,238	268,078	682,147	395,544	55,956	451,500	1,133,647
Marketing and promotions	4,080	-	-	-	4,080	3,688	-	3,688	7,768
Printing and publishing	25,330	1,733	4,176	9,119	40,358	64,802	5,213	70,015	110,373
Repairs, maintenance, and rental	-	-	571	-	571	21,486	-	21,486	22,057
Conference meals and lodging	7,504	-	76,782	32,743	117,029	19,180	-	19,180	136,209
Donations to other ministries	173,245	9,894	129	536,096	719,364	12,822	23,545	36,367	755,731
Other expenses	272,375	18,253	6,059	87,150	383,837	15,736	36,014	51,750	435,587
Total Expenses	\$ 26,888,148	\$ 1,737,803	\$ 372,889	\$ 7,667,419	\$ 36,666,259	\$ 5,344,259	\$ 3,988,462	\$ 9,332,721	\$ 45,998,980

See notes to financial statements

RELIANT MISSION, INC.

Statements of Cash Flows

	Year Ended December 31,	
	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (324,373)	\$ 3,529,577
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	233,114	220,894
Operating lease right-of-use asset	138,216	(339,658)
Operating lease right-of-use liability	(160,966)	358,908
Unrealized/realized losses (gains) on investments	668,430	(104,150)
Gain on sale of property and equipment	(855)	(2,240)
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	37,278	(151,293)
Accounts payable and accrued expenses	543,747	733,635
Net Cash Provided by Operating Activities	<u>1,134,591</u>	<u>4,245,673</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sales of investments	105,238	74,686
Purchases of investments	(4,596,616)	(3,236,144)
Purchases of property and equipment	(454,481)	(311,072)
Proceeds from the sale of property and equipment	855	800
Net Cash Used by Investing Activities	<u>(4,945,004)</u>	<u>(3,471,730)</u>
Net Change in Cash and Cash Equivalents	(3,810,413)	773,943
Cash and Cash Equivalents, Beginning of Year	<u>7,794,639</u>	<u>7,020,696</u>
Cash and Cash Equivalents, End of Year	<u>\$ 3,984,226</u>	<u>\$ 7,794,639</u>

See notes to financial statements

RELIANT MISSION, INC.

Notes to Financial Statements

December 31, 2022 and 2021

1. NATURE OF ORGANIZATION:

Reliant Mission, Inc. (the Organization) is an integrated auxiliary of Collegiate Church Network and was incorporated in 1990 as an Ohio not-for-profit corporation and is exempt from federal income tax on related activities under Section 501(c)(3) of the Internal Revenue Code (the Code) and comparable State law. The Organization is classified as a publicly supported organization, which is not a private foundation under Section 509(a)(1) of the Code, and contributions to it are tax deductible within the limitations prescribed by the Code.

The Organization is an evangelical Christian mission organization that trains, employs, and serves missionaries as they raise a team of supporters for their ministry. The Organization mobilizes these missionaries to then serve local churches through evangelism, discipleship, and church planting. Currently, the Organization employs almost 900 missionaries (both full-time and part-time) who work in more than 280 churches and ministries throughout 38 countries. Employees of the Organization must adhere to a statement of faith and standards of conduct.

The Organization provides missionaries with many services, including training them for the work of deputized fundraising, coaching, and follow-up conferences. From its Orlando, Florida office, the Organization oversees salary and payroll, benefits, employee evaluations, and reimbursements for ministry expenses, as well as providing a technical support system and donor care. Of each dollar contributed to the Organization for the years ended December 31, 2022 and 2021, 88.7% and 88.4%, respectively, goes toward missionary accounts and 11.3% and 11.6%, respectively, goes toward running the mobilization support system.

The Organization is governed by an independent board of directors that meets four times annually. As a non-denominational organization, there is no requirement for board members or the executive director of the Organization to be members in a Collegiate Church Network church.

The Organization accomplishes its mission and objectives through four primary activities as described below:

U.S. Ministries—accomplishes its U.S. ministries by employing missionaries to serve in three types of churches: campus churches, church plants, and other missional churches. These churches normally are unable to fully financially support the staff they need to fulfill the mission of the church. Campus churches, located on or near a college campus, primarily reach the student population, so local church tithes and offerings alone are not sufficient to fund the workers they need for the task of evangelism and discipleship. Church plants usually begin with few members and heavy start-up costs, necessitating the need for fully supported missionaries. Organization missionaries also work in missional churches where the demographic being reached is unable to support full-time staff. These churches act as missionary bodies, doing large amounts of outreach to groups such as young, urban adults or lower-income, minority communities.

RELIANT MISSION, INC.

Notes to Financial Statements

December 31, 2022 and 2021

1. NATURE OF ORGANIZATION, continued:

Ministry Team Development—accomplishes its ministry team development through the presentation of its ministry by individual missionaries. The ministry of the Organization is presented mainly to Christians who may have an interest in the type of ministry that the Organization is doing in the U.S. and overseas. In addition, ministry team development is accomplished by asking people to volunteer time in a local ministry or church that is served by the Organization, sharing what God is doing in the U.S. and overseas through the Organization, asking them to pray for the ministry of that individual missionary and other Organization-affiliated ministries, sharing the Word of God with them, asking them to support the ministry financially, challenging them to live for Jesus Christ, and corresponding with them through a monthly prayer letter.

Conferences and Events—accomplishes its conference ministry by administrating events for Collegiate Churches and other Organization-affiliated ministries, as well as multiple conferences for training its new missionaries and interns. These events include a variety of summer long leadership training programs for college students and an annual leadership conference for missionaries of the Organization and pastors in Collegiate churches, as well as established trainings for new missionaries and interns. The goal of these conferences and events is to build up believers and train them in character, leadership skills, and fundraising while envisioning them with Jesus' Great Commission.

International Ministries—Reliant accomplishes its international mission work by employing missionaries to work overseas and in US-based supporting roles for international churches and church plants. In 2022, approximately 20% of the Organization's missionaries worked in internationally-focused ministry. The Organization partners with Great Commission Europe (GCE), Great Commission Latin America (GCLA), The Salt Network Global, C2C, The 100 UPG Cooperative, Connexion Europe, and various U.S. churches, all which maintain their own distinct board of directors or elders for governance. International churches are not controlled by the Organization. The churches collect their own tithes and contributions and pay their own operating expenses. None of the revenues or expenses for these churches are recorded in these financial statements. However, the Organization does pay the salary, benefits, and ministry expenses of the Reliant missionaries assigned to the various international churches, and those expenses are recorded in the financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Organization maintains its accounts and prepares its financial statements on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

RELIANT MISSION, INC.

Notes to Financial Statements

December 31, 2022 and 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

USE OF ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash, checking, and savings accounts, and highly liquid investments with maturity dates of less than three months. These accounts may, at times, exceed federally insured limits. At December 31, 2022 and 2021, the Organization's cash balances exceeded federally insured limits by \$2,874,422 and \$6,742,442, respectively.

INVESTMENTS

Investments in equity securities with readily determinable fair values and all debt securities are recorded at fair value. Interest and dividend income and the realized and unrealized gain or loss on investments is reported as investment income (loss) without donor restrictions in the accompanying statements of activities unless a donor or law restricts its use. If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments. Donated investments are recorded at the fair market value at the date of donation and are thereafter carried in conformity with the stated policy.

PROPERTY AND EQUIPMENT—NET

Items capitalized as property and equipment are stated at cost or, if donated, at market value on the date of donation. The Organization capitalizes all property and equipment expenditures greater than \$2,000. Expenditures for repairs and maintenance are charged to expense as incurred, and additions and improvements that significantly extend the lives of assets are capitalized at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 10 years.

CLASSES OF NET ASSETS

The financial statements report amounts separately by class of net assets:

Net assets without donor restrictions are currently available at the discretion of the board for use in operations or designated by the board for specific use. Equity in property and equipment represents amounts invested in property and equipment net of accumulated depreciation.

RELIANT MISSION, INC.

Notes to Financial Statements

December 31, 2022 and 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

CLASSES OF NET ASSETS, continued:

Net assets with donor restrictions are stipulated by donors for specific operating purposes, with time restrictions, or not currently available for use until commitments regarding their use have been fulfilled. These include donor restrictions requiring the net assets to be held in perpetuity or for a specified term with investment return available for operations or other purposes. The disclosure requirements related to net assets to be held in perpetuity as prescribed by the *Endowment* topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) are not included due to immateriality.

SUPPORT AND REVENUE, RECLASSIFICATIONS, AND EXPENSES

Revenue is recognized when earned and contributions when cash, securities or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give—that is, those with a measurable performance or other barrier and a right of return—are not recognized until the conditions on which they depend have been met. Refundable registration fees paid by attendees for conferences that will occur in the upcoming year have been reported as deferred revenue. Substantially all deferred revenue at December 31, 2021, was recognized as revenue during the following year.

Gifts of cash and other assets are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated amounts. When a stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as reclassifications.

The Organization reports donations of property and equipment as support without donor restrictions 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 and other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Donated goods (including securities, property, and equipment) are recorded at fair value at the date of the gift.

RELIANT MISSION, INC.

Notes to Financial Statements

December 31, 2022 and 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

SUPPORT AND REVENUE, RECLASSIFICATIONS, AND EXPENSES, continued:

Expenses are recorded when costs are incurred in accordance with the accrual basis of accounting. The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and benefits, depreciation and other expenses and have been allocated based on the programmatic function of the employees affected by the expense. Missionaries released to assignment spend 10% of their time raising support, of which 25% is ministry team development and 75% is fundraising. Ministry project accounts are directly allocated to a program. A majority of full-time, supported missionaries are responsible for securing contributions to the Organization to cover an allocated share of fundraising expenses. A portion of missionaries members' compensation is included in fundraising expenses.

In connection with promotional mailings and other informational materials and activities, the Organization incurred joint costs of \$86,370 and \$80,324 for the years ended December 31, 2022 and 2021, respectively. Of those costs, \$52,967 and \$49,320 and were allocated to general and administrative, and \$33,403 and \$31,004 were allocated to fundraising for the years ended December 31, 2022 and 2021, respectively.

COMPENSATED ABSENCES

For the years ended December 31, 2022 and 2021, an accrual for compensated absences for missionaries has not been made in these financial statements because the amount cannot be reasonably estimated.

3. LIQUIDITY AND FUNDS AVAILABLE:

The following reflects the Organization's financial assets as of December 31, 2022 and 2021, reduced by amounts not available for general expenditures within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year. The Organization considers general expenditures to be all expenditures related to its ongoing activities of training, employing, and serving missionaries as they raise a team of supporters for their ministry as well as the conduct of services undertaken to support those activities to be general expenditures.

RELIANT MISSION, INC.

Notes to Financial Statements

December 31, 2022 and 2021

3. LIQUIDITY AND FUNDS AVAILABLE, continued:

	December 31,	
	2022	2021
Financial assets:		
Cash and cash equivalents	\$ 3,984,226	\$ 7,794,639
Investments	15,197,387	11,374,439
Accounts receivable and other advances	209,033	290,182
Financial assets, at year-end	<u>19,390,646</u>	<u>19,459,260</u>
Less those not available for general expenditure within one year:		
Headquarters administrative endowment	(17,227)	(17,227)
Board-designated reserves	<u>(2,363,993)</u>	<u>(2,810,383)</u>
	<u>(2,381,220)</u>	<u>(2,827,610)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 17,009,426</u>	<u>\$ 16,631,650</u>

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. Board-designated reserves can be released upon resolution of the board and used for general expenditures. At December 31, 2022, the Organization has \$12,753,759 in net assets with donor restrictions for missionary and project support. These funds are considered available to meet needs for general expenditures as funds are used for their donor restricted purposes.

RELIANT MISSION, INC.

Notes to Financial Statements

December 31, 2022 and 2021

4. INVESTMENTS:

Investments consist of the following:

	December 31,	
	2022	2021
Held at fair value:		
Mutual funds	\$ 126,927	\$ 151,870
Equity securities	569,222	496,277
Exchange traded funds	988,848	188,233
Short and long-term bonds and US treasuries	10,087,975	6,113,890
Certificates of deposit	3,359,476	4,205,392
	<u>15,132,448</u>	<u>11,155,662</u>
Held at cost:		
Cash and cash equivalents	<u>64,939</u>	<u>218,777</u>
	<u>\$ 15,197,387</u>	<u>\$ 11,374,439</u>

Investments are held for the following purposes:

	December 31,	
	2022	2021
General operations	\$ 4,570,325	\$ 1,874,319
Endowment	54,257	67,110
Missionaries and other restricted purposes	<u>10,572,805</u>	<u>9,433,010</u>
	<u>\$ 15,197,387</u>	<u>\$ 11,374,439</u>

RELIANT MISSION, INC.

Notes to Financial Statements

December 31, 2022 and 2021

5. PROPERTY AND EQUIPMENT–NET:

Property and equipment–net consist of:

	December 31,	
	2022	2021
Computer and office equipment	\$ 356,513	\$ 328,161
Furniture and equipment	4,131	4,131
Leasehold improvements	89,063	89,063
Software and development environment	254,997	254,997
Website capital costs	1,966,062	1,741,994
	<u>2,670,766</u>	<u>2,418,346</u>
Less accumulated depreciation and amortization	<u>(2,081,085)</u>	<u>(1,869,899)</u>
	589,681	548,447
Work in progress	180,133	-
	<u>\$ 769,814</u>	<u>\$ 548,447</u>

6. TAX DEFERRED RETIREMENT PLAN:

The Organization operates a 401(k) tax deferred retirement plan for employees who have completed at least one year of service. Employee elective deferrals are matched by the Organization 100% up to 5% of eligible earning per year. The Organization contributed \$954,210 and \$864,740 to the plan as the employer provided match for the years ended December 31, 2022 and 2021, respectively.

RELIANT MISSION, INC.

Notes to Financial Statements

December 31, 2022 and 2021

7. NET ASSETS:

Net assets consist of:

	<u>December 31,</u>	
	<u>2022</u>	<u>2021</u>
Without donor restrictions:		
Board-designated for:		
General and administrative reserve	\$ 1,281,547	\$ 2,342,812
Strategic fund	320,000	-
Employment insurances	110,867	-
Health, dental, life insurances	13,435	-
Church projects	416,550	264,156
Staff ministries fund	24,613	29,907
Diversity initiative scholarship fund	25,000	10,000
Headquarters administrative endowment	37,269	50,122
Branding and identity	17,610	25,610
Events administration	117,100	87,740
Collegiate Leadership Ministry	-	36
	<u>2,363,993</u>	<u>2,810,383</u>
Equity in property and equipment	769,814	548,447
	<u>\$ 3,133,807</u>	<u>\$ 3,358,830</u>
With donor restrictions:		
Restricted for purpose or time:		
Missionary staff	\$ 11,289,271	\$ 11,545,825
U.S. churches and ministries	351,499	441,766
Collegiate churches and ministries	370,497	361,033
Asia churches and ministries	411,893	313,061
Latin America churches and ministries	130,995	141,486
Europe churches and ministries	176,563	30,191
Short-term mission trips	22,250	18,955
Other funds with purpose restrictions	792	792
	<u>12,753,759</u>	<u>12,853,109</u>
Restricted in perpetuity:		
Headquarters administrative endowment	<u>17,227</u>	<u>17,227</u>
	<u>\$ 12,770,986</u>	<u>\$ 12,870,336</u>

RELIANT MISSION, INC.

Notes to Financial Statements

December 31, 2022 and 2021

8. OPERATING LEASE RIGHT-OF-USE ASSET AND OBLIGATION:

The Organization leases office space under a noncancelable 72-month operating lease agreement dated August 2019. The discount rate represents the risk-free rate using a period comparable with that of the individual lease term on the inception date of the lease. The lease requires monthly payments ranging from \$13,000 to \$15,500.

	<u>December 31,</u>	
	<u>2022</u>	<u>2021</u>
Operating lease right-of-use asset	<u>\$ 454,124</u>	<u>\$ 592,340</u>
Operating lease right-of-use obligation	<u>\$ 456,624</u>	<u>\$ 617,590</u>
Operating lease costs	<u>\$ 162,563</u>	<u>\$ 211,078</u>
Weighted-average discount rate	1.75%	1.75%
Weighted-average remaining lease term	2.58	3.58

Future minimum lease payments required under the operating lease that has an initial or remaining noncancelable lease term in excess of one year are as follows:

<u>Years Ending December 31,</u>	<u>Amounts</u>
2023	\$ 176,500
2024	182,500
2025	<u>108,500</u>
	467,500
Less imputed interest	<u>(10,876)</u>
	<u>\$ 456,624</u>

RELIANT MISSION, INC.

Notes to Financial Statements

December 31, 2022 and 2021

9. RELATED PARTIES:

During the years ended December 31, 2022 and 2021, the Organization engaged in certain activities with related parties as follows:

A member of the board of directors of the Organization is also a member of the board of directors of GCLA. In 2022 and 2021, the Organization made contributions of \$23,780 and \$34,000, respectively, to GCLA. The Organization received contributions of \$124,635 and \$128,485 from GCLA during 2022 and 2021, respectively.

In 2022 and 2021, the Organization made contributions and grant payments totaling \$51,816 and \$86,074, respectively, to Collegiate Church Network churches and ministries. The Organization also received contributions (representing church tithes and the Organization missionary support) from Collegiate Church Network churches and ministries totaling \$1,467,656 and \$1,584,786 during 2022 and 2021, respectively.

10. FAIR VALUE MEASUREMENTS:

The *Fair Value Measurements and Disclosure* topic of the FASB Accounting Standards Codification establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, The Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available. The following tables present the fair value measurements of assets and liabilities recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2022 and 2021.

	Fair Value Measurements at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Investments, at fair value:				
Mutual funds	\$ 126,927	\$ -	\$ -	\$ 126,927
Equity securities	569,222	-	-	569,222
Exchange traded funds	988,848	-	-	988,848
Short and long-term bonds and US treasuries	10,087,975	-	-	10,087,975
Certificates of deposit	-	3,359,476	-	3,359,476
Total investments at fair value	<u>\$ 11,772,972</u>	<u>\$ 3,359,476</u>	<u>\$ -</u>	<u>\$ 15,132,448</u>

RELIANT MISSION, INC.

Notes to Financial Statements

December 31, 2022 and 2021

10. FAIR VALUE MEASUREMENTS, continued:

	Fair Value Measurements at			
	December 31, 2021			
	Level 1	Level 2	Level 3	Total
Investments, at fair value:				
Mutual funds	\$ 151,870	\$ -	\$ -	\$ 151,870
Equity securities	496,277	-	-	496,277
Exchange traded funds	188,233	-	-	188,233
Short and long-term bonds and US treasuries	6,113,890	-	-	6,113,890
Certificates of deposit	-	4,205,392	-	4,205,392
	<u>\$ 6,950,270</u>	<u>\$ 4,205,392</u>	<u>\$ -</u>	<u>\$ 11,155,662</u>

Methods and assumptions used by the Organization in estimating fair values are as follows:

Mutual funds, equity securities, exchange traded funds, and short and long-term bonds and US treasuries—The fair values of these financial instruments are based on quoted market prices or dealer quotes and are classified within Level 1.

Certificates of deposit—The fair values of these financial instruments are determined by the custodians of the securities using pricing models based on credit quality, time to maturity, stated interest rates, and market-rate assumptions, and are classified within Level 2.

Change in valuation techniques—None.

11. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through May 4, 2023, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.