



Reliant Mission, Inc.

Independent Auditor's Report and Consolidated Financial Statements

December 31, 2023



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Independent Auditor's Report

Board of Directors
Reliant Mission, Inc.
Orlando, Florida

Opinion

We have audited the consolidated financial statements of Reliant Mission, Inc. (Reliant Mission), which comprise the consolidated statement of financial position as of December 31, 2023 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Reliant Mission as of December 31, 2023 and the changes in its net assets and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are required to be independent of Reliant Mission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated 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 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 Reliant Mission's ability to continue as a going concern within one year after the date that these consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS, 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 Reliant Mission'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 Reliant Mission'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.

FORVIS, LLP

**Fort Worth, Texas
May 20, 2024**

Reliant Mission, Inc.
Consolidated Statement of Financial Position
December 31, 2023

ASSETS

Cash and cash equivalents	\$	3,543,627
Prepaid expenses and other assets		349,659
Investments		14,773,990
Right-of-use assets – operating leases		280,770
Property and equipment, net		<u>929,314</u>
Total assets	\$	<u><u>19,877,360</u></u>

LIABILITIES AND NET ASSETS

Liabilities

Accounts payable and accrued expenses	\$	4,482,879
Operating lease liabilities, net		<u>286,770</u>
Total liabilities		<u>4,769,649</u>

Net Assets

Without donor restrictions		3,273,890
With donor restrictions		<u>11,833,821</u>
Total net assets		<u>15,107,711</u>
Total liabilities and net assets	\$	<u><u>19,877,360</u></u>

Reliant Mission, Inc.
Consolidated Statement of Activities
Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, Gains, and Other Support			
Contributions of cash and other financial assets	\$ 62,653	\$ 53,106,222	\$ 53,168,875
Conferences and programs	286,241	-	286,241
Investment return	803,323	-	803,323
Other income	75,944	-	75,944
Net assets released from restrictions	54,043,387	(54,043,387)	-
	<u>55,271,548</u>	<u>(937,165)</u>	<u>54,334,383</u>
Expenses			
U.S. ministries	31,016,520	-	31,016,520
Ministry team development	1,787,718	-	1,787,718
Conferences and events	1,103,458	-	1,103,458
International ministries	12,487,126	-	12,487,126
	<u>46,394,822</u>	<u>-</u>	<u>46,394,822</u>
Total program services			
Management and general	5,463,897	-	5,463,897
Fundraising	3,272,746	-	3,272,746
	<u>8,736,643</u>	<u>-</u>	<u>8,736,643</u>
Total support services			
Total expenses	<u>55,131,465</u>	<u>-</u>	<u>55,131,465</u>
Change in Net Assets	140,083	(937,165)	(797,082)
Net Assets, Beginning of Year	<u>3,133,807</u>	<u>12,770,986</u>	<u>15,904,793</u>
Net Assets, End of Year	<u>\$ 3,273,890</u>	<u>\$ 11,833,821</u>	<u>\$ 15,107,711</u>

Reliant Mission, Inc.
Consolidated Statement of Functional Expenses
Year Ended December 31, 2023

	Program Services				Support Services			Total	
	U.S. Ministries	Ministry Team Development	Conferences and Events	International Ministries	Total Program Services	Management and General	Fundraising		Total Support Services
Salaries and parsonage	\$ 24,675,100	\$ 1,343,762	\$ 730,066	\$ 7,563,612	\$ 34,312,540	\$ 3,012,521	\$ 2,480,306	\$ 5,492,827	\$ 39,805,367
Payroll taxes and employee benefits	4,454,085	267,693	157,382	1,699,949	6,579,109	867,188	465,854	1,333,042	7,912,151
	29,129,185	1,611,455	887,448	9,263,561	40,891,649	3,879,709	2,946,160	6,825,869	47,717,518
Travel and meals	452,855	65,481	55,600	1,335,537	1,909,473	139,719	63,733	203,452	2,112,925
Occupancy	10,128	4,406	6,125	11,667	32,326	141,014	22,949	163,963	196,289
Insurance	70,482	1,897	2,880	34,984	110,243	65,339	10,847	76,186	186,429
Depreciation and amortization	12,947	6,463	9,903	5,817	35,130	230,620	37,266	267,886	303,016
Professional fees	92,983	17,681	13,934	340,835	465,433	391,958	13,163	405,121	870,554
Telephone	97,867	8,618	4,830	85,062	196,377	27,139	13,656	40,795	237,172
Postage and shipping	19,639	1,267	5,298	9,748	35,952	17,775	40,172	57,947	93,899
Office supplies	79,763	6,354	4,173	69,987	160,277	5,572	8,879	14,451	174,728
Training, dues, and subscriptions	551,475	28,490	9,540	319,510	909,015	433,346	23,664	457,010	1,366,025
Marketing and promotions	-	-	3,828	-	3,828	40,900	3,377	44,277	48,105
Printing and publishing	41,242	2,306	3,836	18,528	65,912	19,377	40,986	60,363	126,275
Repairs, maintenance, and rental	1,114	44	54	308	1,520	2,715	6,478	9,193	10,713
Conference meals and lodging	6,103	157	82,605	34,745	123,610	35,817	564	36,381	159,991
Donations to other ministries	155,335	16,439	1,731	831,649	1,005,154	-	19,331	19,331	1,024,485
Other expenses	295,402	16,660	11,673	125,188	448,923	32,897	21,521	54,418	503,341
Total expenses	\$ 31,016,520	\$ 1,787,718	\$ 1,103,458	\$ 12,487,126	\$ 46,394,822	\$ 5,463,897	\$ 3,272,746	\$ 8,736,643	\$ 55,131,465

Reliant Mission, Inc.
Consolidated Statement of Cash Flows
Year Ended December 31, 2023

Operating Activities

Change in net assets	\$ (797,082)
Items not requiring (providing) cash	
Depreciation and amortization	303,016
Noncash operating lease expense	3,500
Net realized and unrealized gains on investments	(400,040)
Changes in	
Prepaid expenses	180,682
Accounts payable and accrued expenses	(91,596)
	<hr/>
Net cash used in operating activities	(801,520)

Investing Activities

Purchase of property and equipment	(462,516)
Proceeds from disposition of investments	2,480,088
Purchases of investments	(1,656,651)
	<hr/>
Net cash provided by investing activities	360,921

Decrease in Cash and Cash Equivalents (440,599)

Cash and Cash Equivalents, Beginning of Year

3,984,226

Cash and Cash Equivalents, End of Year

\$ 3,543,627

Note 1. Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Reliant Mission, Inc. (Organization or Reliant Mission) is an integrated auxiliary of Collegiate Church Network and was incorporated in 1990 as an Ohio nonprofit corporation and is exempt from federal income tax on related activities under Section 501(c)(3) of the Internal Revenue Code (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 over 900 missionaries (both full-time and part-time) who work in more than 350 churches and ministries throughout 40 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 year ended December 31, 2023, approximately 90% goes toward missionary accounts and 10% 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 – The Organization 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. These U.S. 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 the accompanying consolidated financial statements. However, the Organization does pay the salaries, benefits, and ministry expenses of the Reliant Mission missionaries assigned to the various U.S. churches, and those expenses are recorded in the accompanying consolidated financial statements.

Ministry Team Development – The Organization 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, participate in a mission trip, 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 and projects, sharing the Word of God with them, asking them to support the

Reliant Mission, Inc.
Notes to Consolidated Financial Statements
December 31, 2023

ministry financially, challenging them to live for Jesus Christ, and corresponding with and encouraging them through a monthly prayer letter.

Conferences and Events – The Organization 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 – The Organization accomplishes its international mission work by employing missionaries to work overseas and in U.S.-based supporting roles for international churches and church plants. In 2023, 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 of which maintain their own, distinct boards 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 the accompanying consolidated financial statements. However, the Organization does pay the salaries, benefits, and ministry expenses of the Reliant Mission missionaries assigned to the various international churches, and those expenses are recorded in the accompanying consolidated financial statements.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Reliant Mission and Terra Ventures Global, LLC because Reliant Mission has both control of and an economic interest in Terra Ventures Global, LLC. Terra Ventures Global, LLC did not have any significant activity during 2023 or balances at December 31, 2023. Unless otherwise noted, these consolidated entities are hereinafter referred to as "the Organization."

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America 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 consolidated financial statements and the reported amounts of revenues, expenses, gains, losses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Organization considers all liquid investments with original maturities of three months or less to be cash equivalents. Uninvested cash and cash equivalents included in investment accounts, including endowment accounts and assets limited as to use, are not considered to be cash and cash equivalents. At December 31, 2023, cash equivalents consisted primarily of money market accounts with brokers and certificates of deposit.

At December 31, 2023, the Organization's cash accounts exceeded federally insured limits by approximately \$2,417,000.

Investments and Net Investment Return

The Organization measures securities at fair value. Investment return includes dividend, interest, and other investment income; realized and unrealized gains and losses on investments carried at fair value; and realized gains and losses on other investments, less external investment expenses. Gains and losses on the sale of securities are recorded on the trade date and are determined using the specific identification method.

Reliant Mission, Inc.
Notes to Consolidated Financial Statements
December 31, 2023

Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in with donor restrictions and then released from restriction. Other investment return is reflected in the accompanying consolidated statement of activities with or without donor restrictions based upon the existence and nature of any donor or legally imposed restrictions.

Leases

The Organization determines if an arrangement is a lease or contains a lease at inception. Leases result in the recognition of right-of-use (ROU) assets and lease liabilities on the accompanying consolidated statement of financial position. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. The Organization determines lease classification as operating or finance at the lease commencement date.

The Organization combines lease and nonlease components, such as common area and other maintenance costs, and accounts for them as a single lease component in calculating the ROU assets and lease liabilities for its office building lease.

At lease commencement, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. The Organization has made a policy election to use a risk-free rate (the rate of a zero-coupon U.S. Treasury instrument) for the initial and subsequent measurement of all lease liabilities. The risk-free rate is determined using a period comparable with the lease term.

The lease term may include options to extend or to terminate the lease that the Organization is reasonably certain to exercise. Lease expense is generally recognized on a straight-line basis over the lease term.

The Organization has elected not to record leases with an initial term of 12 months or less on the accompanying consolidated statement of financial position. Lease expense on such leases is recognized on a straight-line basis over the lease term.

Property and Equipment

Property and equipment acquisitions greater than \$2,000 are stated at cost less accumulated depreciation and amortization. Depreciation and amortization is charged to expense on the straight-line basis over the estimated useful life of each asset, generally between 3 to 10 years. Leasehold improvements are amortized over the shorter of the lease term or respective estimated useful lives.

Long-Lived Asset Impairment

The Organization evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset are less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

No asset impairment was recognized during the year ended December 31, 2023.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor restrictions.

Net assets without donor restrictions are available for use in general operations and not subject to donor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

Reliant Mission, Inc.
Notes to Consolidated Financial Statements
December 31, 2023

Net assets with donor restrictions are subject to donor restrictions. Some restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Conferences and Programs

Conferences and programs revenue is recognized as the Organization satisfies performance obligations under its contracts. Revenue is reported at the estimated transaction price or amount that reflects the consideration to which the Organization expects to be entitled in exchange for providing services. The Organization determines the transaction price based on standard charges for services provided, reduced by implicit and explicit price concessions. The Organization determines its estimates of implicit and explicit price concessions based upon contractual agreements, its discount policies, and historical experience.

Contributions

Contributions are provided to the Organization either with or without restrictions placed on the gift by the donor. Revenues and net assets are separately reported to reflect the nature of those gifts – with or without donor restrictions. The value recorded for each contribution is recognized as follows:

Nature of the Gift	Value Recognized
<p><i>Conditional gifts, with or without restriction</i> Gifts that depend on the Organization overcoming a donor-imposed barrier to be entitled to the funds</p>	<p>Not recognized until the gift becomes unconditional, <i>i.e.</i>, the donor-imposed barrier is met</p>
<p><i>Unconditional gifts, with or without restriction</i> Received at date of gift – cash and other assets Received at date of gift – property, equipment, and long-lived assets Expected to be collected within one year Collected in future years</p>	<p>Fair value Estimated fair value Net realizable value Initially reported at fair value determined using the discounted present value of estimated future cash flows technique</p>

In addition to the amount initially recognized, revenue for unconditional gifts to be collected in future years is also recognized each year as the present-value discount is amortized using the level-yield method.

When a donor-stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of activities as net assets released from restrictions. Absent explicit donor stipulations for the period of time that long-lived assets must be held, expirations of restrictions for gifts of land, buildings, equipment, and other long-lived assets are reported when those assets are placed in service.

Gifts and investment income that are originally restricted by the donor and for which the restriction is met in the same time period the gift is received are recorded as revenue with donor restrictions and then released from restriction.

Conditional contributions having donor stipulations that are satisfied in the period the gift is received are recorded as revenue and net assets without donor restrictions.

Reliant Mission, Inc.
Notes to Consolidated Financial Statements
December 31, 2023

Income Taxes

The Organization is exempt from income taxes under Section 501 of the Code and a similar provision of state law. However, the Organization is subject to federal income tax on any unrelated business taxable income. The Organization files tax returns in the U.S. federal jurisdiction.

Functional Allocation of Expenses

The costs of supporting the various programs and other activities have been summarized on a functional basis in the accompanying consolidated statement of activities. The accompanying consolidated statement of functional expenses presents the natural classification detail of expenses by function. Certain costs have been allocated among the program, management and general, and fundraising categories. Such expenses include salaries and parsonage, payroll taxes and employee benefits, depreciation and amortization, and other expenses. These expenses have been allocated based on the programmatic function of the employees affected by the expense. 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' compensation is included in fundraising expenses.

Note 2. Property and Equipment

Property and equipment at December 31, 2023 consists of:

Computer and office equipment	\$ 318,871
Leasehold improvements	89,063
Furniture and equipment	4,131
Software and development environment	603,672
Website capital costs	2,288,481
	<u>3,304,218</u>
Less accumulated depreciation and amortization	<u>(2,374,904)</u>
	<u>\$ 929,314</u>

Note 3. Leases

Nature of Leases

The Organization has entered into the following lease arrangement:

Operating Lease

The Organization has an operating lease for office space that expires in 2025. The Organization does not have the ability to exercise any renewal options, such options are only available to the lessor. Lease payments have an escalating fee schedule, which includes increases of \$500 each year. Termination of the lease is generally prohibited unless there is a violation under the lease agreement.

All Leases

The Organization has no material related-party leases.

The Organization's lease agreement does not contain any material residual value guarantees or material restrictive covenants.

Reliant Mission, Inc.
Notes to Consolidated Financial Statements
December 31, 2023

Quantitative Disclosures

The lease cost and other required information for the year ended December 31, 2023 are:

Operating lease cost	<u>\$ 180,000</u>
Other information	
Cash paid for amounts included in the measurement of lease liabilities	
Operating cash flows from operating lease	\$ 176,500
Weighted-average remaining lease term	
Operating lease	1.6 years
Weighted-average discount rate	
Operating lease	1.8%

Future minimum lease payments and reconciliation to the accompanying consolidated statement of financial position at December 31, 2023 are as follows:

2024	\$ 182,500
2025	108,500
Total future undiscounted lease payments	<u>291,000</u>
Less imputed interest	<u>(4,230)</u>
Lease liabilities	<u>\$ 286,770</u>

Note 4. Allocation of Joint Costs

The Organization conducted activities that included requests for contributions as well as programs and components. Those activities included promotional mailings and other informational materials and activities. The costs of conducting those activities in 2023 included \$60,363 of joint costs, which are not specifically attributable to particular components of the activities. Of these costs, \$19,377 was allocated to management and general, and \$40,986 was allocated to fundraising for the year ended December 31, 2023.

Note 5. Retirement Plan

The Organization has a defined contribution retirement plan covering substantially all employees who have completed at least one year of service. Employee elective deferrals are matched by the Organization 100% up to 5% of eligible earnings per year. The Organization contributed \$1,090,178 for the year ended December 31, 2023.

Reliant Mission, Inc.
Notes to Consolidated Financial Statements
December 31, 2023

Note 6. Net Assets

Net Assets with Donor Restrictions

Net assets with donor restrictions at December 31, 2023 are restricted for the following purposes or periods:

Subject to expenditure for specified purpose	
Missionary staff	\$ 10,351,893
Church projects – restricted	792,733
Church partner funds – restricted	655,540
Short-term mission trips	16,428
	<u>11,816,594</u>
Restricted in perpetuity	
Headquarters administrative endowment	17,227
	<u>17,227</u>
	<u>\$ 11,833,821</u>

Net Assets Without Donor Restrictions

Net assets without donor restrictions at December 31, 2023 have been designated for the following purposes:

Undesignated	\$ 831,987
Board-designated for	
General and administrative reserve	1,470,000
Where most needed	79,300
Strategic fund	165,970
Employment insurances	46,875
Health, dental, life insurances	8,500
Church projects	453,905
Staff benevolence fund	32,071
Diversity initiative scholarship fund	3,792
Headquarters administrative endowment	68,401
Branding and identity	11,572
Events administration	101,517
	<u>2,441,903</u>
Total board-designated	<u>2,441,903</u>
Net assets without donor restrictions	<u>\$ 3,273,890</u>

Reliant Mission, Inc.
Notes to Consolidated Financial Statements
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Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors.

Satisfaction of purpose restrictions	
Missionary staff	\$ 52,481,337
Church projects	867,218
Church partner funds	328,597
Short-term mission trips	<u>366,235</u>
	<u>\$ 54,043,387</u>

Note 7. Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2023 comprise the following:

Total financial assets	\$ 18,317,617
Less those not available for general expenditure within one year	
Headquarters administrative endowment	(17,227)
Board-designated reserves	<u>(2,441,903)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 15,858,487</u>

The Organization receives significant amounts of contributions restricted by donors and considers contributions restricted for programs that are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. For the year ended December 31, 2023, restricted contributions of \$11,816,594 were included in financial assets available to meet cash needs for general expenditures within one year.

The board-designated reserves of \$2,441,903 are subject to spending at the discretion of the board of directors. Although the Organization does not intend to spend from these board-designated reserves (other than amounts appropriated for general expenditure by the Board at their discretion), these amounts could be made available if necessary.

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 8. Related-Party Transactions

During the year ended December 31, 2023, 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 2023, the Organization made contributions of \$20,900 to GCLA. The Organization received contributions of \$121,675 from GCLA during 2023.
- In 2023, the Organization made contributions and grant payments totaling \$9,100 to Collegiate Church Network churches and ministries. The Organization also received contributions (representing church tithes and the Organization's missionary support) from Collegiate Church Network churches and ministries totaling \$1,614,651 during 2023.

Note 9. Disclosures About Fair Value of Assets and Liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. The hierarchy comprises three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Reliant Mission, Inc.
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Recurring Measurements

The following table presents the fair value measurements of assets recognized in the accompanying consolidated statement 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, 2023:

	Total Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Investments				
Cash	\$ 45,988	\$ -	\$ -	\$ -
Mutual funds	4,972,223	4,972,223	-	-
Equity securities	546,651	546,651	-	-
U.S. Treasuries	6,831,643	6,831,643	-	-
Certificates of deposit	2,377,485	-	2,377,485	-
	<u>\$ 14,773,990</u>	<u>\$ 12,350,517</u>	<u>\$ 2,377,485</u>	<u>\$ -</u>
Total investments				

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying consolidated statement of financial position, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2023.

Investments

Where quoted market prices are available in an active market, investments are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of investments with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections, and cash flows. Such investments are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, investments are classified within Level 3 of the hierarchy. The Organization did not have any investments classified within Level 3 of the hierarchy at December 31, 2023.

Note 10. Significant Estimates

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates. Those matters include the following:

Investments

The Organization invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that

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such changes could materially affect the amounts reported in the accompanying consolidated statement of financial position.

Note 11. Subsequent Events

Subsequent events have been evaluated through May 20, 2024, which is the date the consolidated financial statements were available to be issued.