



FINANCIAL STATEMENTS

DECEMBER 31, 2014

**CAPITAL CITY RESCUE MISSION, INC.
TABLE OF CONTENTS
DECEMBER 31, 2014**

	<u>Page #</u>
Independent Auditor's Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenditures	4
Statement of Cash Flows	5
Notes to Financial Statements	6-8

Certified Public Accountant

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To The Board of Directors
Capital City Rescue Mission, Inc.
259 South Pearl Street
Albany, NY 12202

INDEPENDENT AUDITOR'S REPORT

I have audited the accompanying Statement of Financial Position of Capital City Rescue Mission, Inc., as of December 31, 2014, and the related Statement of Activities, Statement of Functional Expenditures, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Capital City Rescue Mission, Inc. as of December 31, 2014, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Ghent, New York
August 30, 2015

**CAPITAL CITY RESCUE MISSION, INC.
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2014**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Current Assets:			
Cash and Cash Equivalents	\$817,924	\$34,100	\$ 852,024
Investments			
Available for Ministries (Note 6)	405,943	-	405,943
Total Current Assets	<u>1,223,867</u>	<u>34,100</u>	<u>1,257,967</u>
Fixed Assets:			
Land	138,625	-	138,625
Property and Equipment			
Net of Accumulated Depreciation of \$3,507,843 (Note 2)	<u>8,252,676</u>	<u>-</u>	<u>8,252,676</u>
Total Assets	<u><u>9,615,168</u></u>	<u><u>34,100</u></u>	<u><u>9,649,268</u></u>
Current Liabilities:			
Accounts Payable	<u>154,838</u>	<u>-</u>	<u>154,838</u>
Total Current Liabilities	154,838	-	154,838
Long Term Liabilities:			
Deferred Annuity (Note 3)	<u>1,993</u>	<u>-</u>	<u>1,993</u>
Total Long Term Liabilities	1,993	-	1,993
Total Liabilities	156,831	-	156,831
Net Assets			
Net Assets (Note 4)	<u>9,458,337</u>	<u>34,100</u>	<u>9,492,437</u>
Total Liabilities and Net Assets	<u><u>\$ 9,615,168</u></u>	<u><u>\$ 34,100</u></u>	<u><u>\$ 9,649,268</u></u>

See Accompanying Notes to Financial Statements

**CAPITAL CITY RESCUE MISSION, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014**

<u>SUPPORT:</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Donations (Note 1 A)	\$2,928,070	\$ 227,271	\$ 3,155,341
Donations: non cash (Note 1 C)	698,203	-	698,203
Banquet	175,573	-	175,573
Bailer Income	75,892	-	75,892
Net of expenses \$20,437 (Note 5)			
Interest and Dividend Income	2,846	-	2,846
Unrealized Gain/ (Loss) on Investments	(645)	-	(645)
Total Support	<u>3,879,939</u>	<u>227,271</u>	<u>4,107,210</u>
Assets Released from Restrictions	<u>76,779</u>	<u>(76,779)</u>	<u>-</u>
<u>EXPENSES:</u>			
Program	2,379,134	227,271	2,606,405
Fundraising	484,045	-	484,045
Management and General	408,420	-	408,420
Total Expenses	<u>3,271,599</u>	<u>227,271</u>	<u>3,498,870</u>
Change in Net Assets	<u>685,119</u>	<u>(76,779)</u>	<u>608,340</u>
Net Assets - Beginning of Year	<u>8,773,218</u>	<u>110,879</u>	<u>8,884,097</u>
Net Assets - End of Year	<u>\$9,458,337</u>	<u>\$ 34,100</u>	<u>\$9,492,437</u>

See Accompanying Notes to Financial Statements

**CAPITAL CITY RESCUE MISSION, INC.
STATEMENT OF FUNCTIONAL EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2014**

	Program	Management and General	Fundraising	TOTAL
Salaries	\$ 581,593	\$ 219,151	\$ 42,144	\$ 842,889
Food	635,074	-	-	635,074
Occupancy	458,994	29,934	9,978	498,906
Fundraising	-	-	399,965	399,965
Depreciation	257,966	68,791	17,198	343,955
Program	287,274	-	-	287,274
General Supplies	110,467	-	-	110,467
Public Education	70,582	-	-	70,582
Payroll Taxes	46,942	17,688	3,402	68,032
Professional Fees	13,244	52,976	-	66,220
Transportation	43,385	-	-	43,385
Employee Benefits	30,675	7,079	1,573	39,327
Banquet	22,649	-	5,662	28,311
Postage	12,355	4,118	4,118	20,592
Telephone	14,896	-	-	14,896
Office Supplies	5,004	7,506	-	12,510
Housing Allowance	6,300	-	-	6,300
Conventions and Meetings	4,626	1,157	-	5,783
Dues and Memberships	4,307	-	-	4,307
Interest	71	19	5	95
	<u>2,606,405</u>	<u>\$ 408,420</u>	<u>\$ 484,045</u>	<u>\$ 3,498,870</u>

See Accompanying Notes to Financial Statements

**CAPITAL CITY RESCUE MISSION, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2014**

<u>Cash Flows From Operating Activities:</u>	<u>Unrestricted</u>
Change in Net Assets	\$ 608,340
Adjustments to Reconcile Change in Net Assets To Net Cash provided (Used) By Operating Activities:	
Depreciation	343,954
Increase in Accrued items and Accounts Payable	17,133
Net Cash Provided (Used) by Operating Activities	969,427
Adjustments to Reconcile Change in Net Assets To Net Cash provided (Used) By Financing Activities:	
Purchase of fixed assets	(812,623)
Total Adjustments:	156,804
Cash at Beginning of Year	1,101,163
Cash at End of Year	\$1,257,967

See Accompanying Notes to Financial Statements

CAPITAL CITY RESCUE MISSION, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

Note 1: Summary of Significant Accounting Policies

A) Organization In 2007 Capital City Rescue Mission (the Company) was merged with a newly formed corporation called Capital City Gospel Mission, an article nine, non-membership Church. The corporation is a not-for-profit corporation under the laws of the State of New York. This new corporation, Capital City Gospel Mission received the assets of the former corporation, Capital City Rescue Mission. Capital City Gospel Mission has legally assumed the name "Capital City Rescue Mission" and is doing business under this name with the Secretary of State. Capital City Gospel Mission is exempt from income taxes under section 501 (c) (3) of the internal revenue code. Capital City Rescue Mission is dedicated to proclaiming the life changing gospel of Jesus Christ to the homeless and needy of the Capital region, providing for the whole person – body, mind and spirit – to help them return to society maturing in Christ as productive citizens.

B) Basis of Accounting – The organization, prepares its financial statements on the accrual basis of accounting, in accordance with generally accepted accounting principles. Net assets and support/donations, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the organization and changes therein are classified and reported as follows:

1. Unrestricted Net Assets:

Unrestricted net assets are net assets that are not subject to donor-imposed stipulations.

2. Temporarily Restricted Net Assets:

Temporarily restricted net assets are net assets subject to donor-imposed stipulations that may or will be met, either by actions of the organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

3. Permanently Restricted Net Assets:

Permanently restricted net assets are net assets subject to donor-imposed stipulations, which require that they be maintained permanently by the organization. Generally, the donors of these assets permit the organization to use all or part of the income they earned on any related investments for general or specific purposes.

C) Donations non cash

The Company recognizes revenue and expenses from donated services and items from the following: food of \$546,035 that was calculated at \$2.62 per meal, clothing of \$120,968 calculated at \$2 per piece of clothing, and doctor's hours of 520 at a rate of \$60 per hour. Other services are donated to the organization by volunteers, including Board members; no amounts have been reflected in accordance with SFAS No. 116. The amount of volunteer hours that made it possible for the mission to function in 2014 were 43,734.

D) Fair Value Measurements

Fair Value is defined under GAAP as an exit price, representing 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. The Company utilizes market data or assumptions that market participants would use in pricing the asset or liability. GAAP establishes a three-tier fair value hierarchy, which prioritized the inputs used in measuring fair value. These tiers include: Level 1. Defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions.

NOTE 2: Property and Equipment

Property and equipment are capitalized at cost. Depreciation is provided over the estimated useful lives of the assets using the straight-line method of accounting.

NOTE 3: Annuity Contract

On May 17, 2002 Ruth Crawley donated a non-assignable annuity for the sum of \$5,809 to the Company. The contract states that if donor is alive on May 17th 2002 then semi-annual payments of \$203.33 begin. The payments began in 2002 as per contract. The amount represented as a liability was calculated by an actuarial assumption from the deferred gift annuity contract.

NOTE 4: Net Assets Restricted

Donations that are for a specified purpose are tracked separately and matched with the expenses to be sure they are spent for their specified purpose. This amount represents amounts received for the clinic, building improvements, learning center, gifts, and for the women and children's program that have not been spent as of December 31, 2014.

NOTE 5: Bailer Income

The donated clothes deemed unusable are recycled through a company called Wilson Marketing. Wilson Marketing paid on average of 75 cents per pound for shoes; 22 cents per pound for clothes and 25 cents per pound for purses in 2014 to the Company.

NOTE 6: Investments

The Company has investments accounts that contain within them Money Market Funds and Fixed Income Securities. All securities are measured at fair market value as of December 31, 2014. Investment income is recorded as it is earned and changes in market value are recognized as unrealized gains and losses. There were no investment expenses for the year ended December 31, 2014. The gain or loss is determined by a comparison of specific cost of acquisition to proceeds at disposition.

The price for cash equivalents, such as investment securities and U.S. government agency instruments, which are readily available in the active markets in which those securities are traded are categorized as Level 1. The company did not invest in any instruments whose valuation would be categorized as Level 2 or Level 3.

Investments are composed of the following:

Cash and Cash Equivalents	\$ 353,582
Fixed Income Securities	<u>52,361</u>
Total Investments	<u>\$ 405,943</u>