



**FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

**CAPITAL CITY RESCUE MISSION, INC.  
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DECEMBER 31, 2015**

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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, 2015, 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, 2015, 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  
September 16, 2016

**CAPITAL CITY RESCUE MISSION, INC.  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2015**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Current Assets:</b>			
Cash and Cash Equivalents	\$ 1,165,533	\$ 18,996	\$ 1,184,529
Investments			
Available for Ministries (Note 6)	408,207	-	408,207
Total Current Assets	<u>1,573,740</u>	<u>18,996</u>	<u>1,592,736</u>
<b>Fixed Assets:</b>			
Land	175,426	-	175,426
Property and Equipment			
Net of Accumulated Depreciation of \$3,871,579 (Note 2)	<u>8,475,868</u>	<u>-</u>	<u>8,475,868</u>
 Total Assets	 <u><u>\$ 10,225,034</u></u>	 <u><u>\$ 18,996</u></u>	 <u><u>\$ 10,244,030</u></u>
 <b>Current Liabilities:</b>			
Accounts Payable	<u>\$ 221,242</u>	<u>\$ -</u>	<u>\$ 221,242</u>
Total Current Liabilities	221,242	-	221,242
 <b>Long Term Liabilities:</b>			
Deferred Annuity (Note 3)	<u>1,586</u>	<u>-</u>	<u>1,586</u>
Total Long Term Liabilities	1,586	-	1,586
Total Liabilities	222,828	-	222,828
 <b>Net Assets</b>			
Net Assets (Note 4)	<u>10,002,206</u>	<u>18,996</u>	<u>10,021,202</u>
 Total Liabilities and Net Assets	 <u><u>\$ 10,225,034</u></u>	 <u><u>\$ 18,996</u></u>	 <u><u>\$ 10,244,030</u></u>

See Accompanying Notes to Financial Statements

**CAPITAL CITY RESCUE MISSION, INC.  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2015**

<u>SUPPORT:</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
Donations (Note 1 A)	\$ 3,082,974	\$ 133,662	\$ 3,216,636
Donations: non cash (Note 1 C)	916,657	-	916,657
Banquet	186,358	-	186,358
Bailer Income	30,334	-	30,334
Net of expenses \$7,519 (Note 5)			
Interest and Dividend Income	74	-	74
Investments	5,417	-	5,417
Total Support	<u>4,221,814</u>	<u>133,662</u>	<u>4,355,476</u>
 Assets Released from Restrictions	 <u>15,104</u>	 <u>(15,104)</u>	 <u>-</u>
 <u>EXPENSES:</u>			
Program	2,775,619	133,662	2,909,281
Fundraising	497,934	-	497,934
Management and General	419,496	-	419,496
Total Expenses	<u>3,693,049</u>	<u>133,662</u>	<u>3,826,711</u>
 Change in Net Assets	 <u>543,869</u>	 <u>(15,104)</u>	 <u>528,765</u>
 Net Assets - Beginning of Year	 <u>9,458,337</u>	 <u>34,100</u>	 <u>9,492,437</u>
 Net Assets - End of Year	 <u>\$ 10,002,206</u>	 <u>\$ 18,996</u>	 <u>\$10,021,202</u>

See Accompanying Notes to Financial Statements

**CAPITAL CITY RESCUE MISSION, INC.  
STATEMENT OF FUNCTIONAL EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>TOTAL</u>
Salaries	\$ 626,059	\$ 235,906	\$ 45,367	\$ 907,332
Food	552,775	-	-	552,775
Program	594,637	-	-	594,637
Occupancy	481,051	31,373	10,458	522,881
Fundraising	-	-	409,598	409,598
Depreciation	272,802	72,747	18,187	363,736
General Supplies	119,558	-	-	119,558
Public Education	72,282	-	-	72,282
Payroll Taxes	38,870	14,647	2,817	56,333
Office Supplies	17,445	26,168	-	43,613
Employee Benefits	28,025	6,467	1,437	35,929
Transportation	33,658	-	-	33,658
Professional Fees	6,272	25,088	-	31,360
Banquet	21,378	-	5,345	26,723
Postage	14,169	4,723	4,723	23,615
Telephone	16,605	-	-	16,605
Conventions and Meetings	9,458	2,365	-	11,823
Dues and Memberships	4,189	-	-	4,189
Interest	48	13	3	64
	<u>\$ 2,909,281</u>	<u>\$ 419,496</u>	<u>\$ 497,934</u>	<u>\$ 3,826,711</u>

See Accompanying Notes to Financial Statements

**CAPITAL CITY RESCUE MISSION, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2015**

<u>Cash Flows From Operating Activities:</u>	<u>Unrestricted</u>
Change in Net Assets	\$ 528,765
Adjustments to Reconcile Change in Net Assets To Net Cash provided (Used) By Operating Activities:	
Depreciation	363,736
Increase in Accrued items and Accounts Payable	<u>64,746</u>
Net Cash Provided (Used) by Operating Activities	957,247
Adjustments to Reconcile Change in Net Assets To Net Cash provided (Used) By Financing Activities:	
Purchase of fixed assets	<u>(622,478)</u>
Total Adjustments:	334,769
Cash at Beginning of Year	<u>1,257,967</u>
<b>Cash at End of Year</b>	<b><u><u>\$1,592,736</u></u></b>

See Accompanying Notes to Financial Statements

**CAPITAL CITY RESCUE MISSION, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015**

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 \$471,599 that was calculated at \$2.05 per meal, clothing of \$368,853 calculated at \$2.50 per piece of clothing, and doctor's hours 1,040 at a rate of \$60 per hour totaling \$62,400. 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 2015 were 49,356.

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 17<sup>th</sup> 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, 2015.

NOTE 5: Bailer Income

The donated clothes deemed unusable are recycled through a company called Wilson Marketing. Wilson Marketing paid on average of 65 cents per pound for shoes; 14 cents per pound for clothes and 25 cents per pound for purses in 2015 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, 2015. 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, 2015. 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	\$ 376,971
Fixed Income Securities	<u>31,236</u>
Total Investments	<u>\$ 408,207</u>