The Mailbox Club, Inc.
Financial Statements
December 31, 2023 and 2022

PragerMetis

Prager Metis CPAs, LLC

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Independent Auditor's Report

To the Board of Directors of
The Mailbox Club, Inc.

Opinion

We have audited the accompanying financial statements of The Mailbox Club, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year 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 The Mailbox Club, Inc. 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Mailbox Club, Inc. 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.

Prior Period Financial Statements

The financial statements of The Mailbox Club, Inc. as of December 31, 2022, were audited by Goldsmith Molis & Gray, PLLC, whose assets were acquired by Prager Metis CPAs, LLC as of January 1, 2024, whose report dated February 14, 2023, expressed an unmodified opinion on those statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 The Mailbox Club, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 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 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 The Mailbox Club, 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 The Mailbox Club, 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.

Prager Metis CPAs, LLC

Prager Metis CPAs, LLC
New York, New York
March 14, 2024

The Mailbox Club, Inc.
Statements of Financial Position
December 31, 2023 and 2022

	2023	2022
Assets		
Current assets		
Cash	**$ 1,753,733**	$ 2,374,841
Accounts receivable, net	**529**	-
Inventory, net	**18,794**	18,429
Employee advances	**92,382**	80,612
Prepaid expenses	**21,413**	17,111
Total current assets	**1,886,851**	2,490,993
Property and equipment, net	**1,041,423**	947,572
Other assets		
Investments	**3,600,875**	2,014,520
Property held for sale	**1,000**	1,000
Total other assets	**3,601,875**	2,015,520
Total assets	**$ 6,530,149**	$ 5,454,085
Liabilities and net assets		
Liabilities		
Accounts payable and accrued expenses	**$ 38,550**	$ 24,824
Total liabilities (all current)	**38,550**	24,824
Net assets		
Without donor restrictions	**1,856,133**	483,717
With donor restrictions	**4,635,466**	4,945,544
Total net assets	**6,491,599**	5,429,261
Total liabilities and net assets	**$ 6,530,149**	$ 5,454,085

The accompanying notes are an integral part of these financial statements.

The Mailbox Club, Inc.
Statements of Activities
Years Ended December 31, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	**With Donor Restrictions**	**Total**	Without Donor Restrictions	With Donor Restrictions	Total
Public support and revenue						
Contributions	**$ 2,044,873**	**$ 5,520,875**	**$ 7,565,748**	$ 724,532	$ 6,599,409	$ 7,323,941
Contributed stock	**15,865**	**-**	**15,865**	-	-	-
Revenue from Mail Order	**30,569**	**14,179**	**44,748**	31,659	10,594	42,253
Royalty income	**3,761**	**-**	**3,761**	4,013	-	4,013
Rental income	**19,644**	**-**	**19,644**	20,201	-	20,201
Interest and dividend income	**68,669**	**-**	**68,669**	70,199	-	70,199
Gain on investments	**117,662**	**-**	**117,662**	2,558	-	2,558
Loss on disposal of fixed assets	**(1,510)**	**-**	**(1,510)**	-	-	-
Net assets released from restrictions	**5,845,132**	**(5,845,132)**	**-**	4,890,862	(4,890,862)	-
Total public support and revenue	**8,144,665**	**(310,078)**	**7,834,587**	5,744,024	1,719,141	7,463,165
Expenses						
Program activities						
Mail order	**400,543**	**-**	**400,543**	440,199	-	440,199
International operations	**5,650,279**	**-**	**5,650,279**	4,680,124	-	4,680,124
Total program activities	**6,050,822**	**-**	**6,050,822**	5,120,323	-	5,120,323
Supporting services						
General and administrative	**185,564**	**-**	**185,564**	165,447	-	165,447
Fundraising	**535,863**	**-**	**535,863**	489,623	-	489,623
Total supporting services	**721,427**	**-**	**721,427**	655,070	-	655,070
Total expenses	**6,772,249**	**-**	**6,772,249**	5,775,393	-	5,775,393
Change in net assets	**1,372,416**	**(310,078)**	**1,062,338**	(31,369)	1,719,141	1,687,772
Net assets, beginning of year	**483,717**	**4,945,544**	**5,429,261**	515,086	3,226,403	3,741,489
Net assets, end of year	**$ 1,856,133**	**$ 4,635,466**	**$ 6,491,599**	$ 483,717	$ 4,945,544	$ 5,429,261

The accompanying notes are an integral part of these financial statements.

The Mailbox Club, Inc.
Statement of Functional Expenses
Year Ended December 31, 2023

	Mail Order	International Operations	Total Program	General and Administrative	Fundraising	Total Expenses
Salaries and support	$ 202,606	$ 246,884	$ 449,490	$ 92,312	$ 148,534	$ 690,336
Medical insurance	-	7,572	7,572	-	-	7,572
Payroll taxes	15,499	18,887	34,386	7,062	11,363	52,811
Retirement benefits	3,772	6,666	10,438	2,142	2,884	15,464
Program materials	57,874	4,226,731	4,284,605	-	-	4,284,605
Postage and shipping	29,947	4,595	34,542	935	34,723	70,200
Advertising	1,098	-	1,098	-	-	1,098
Office expense	5,648	36,868	42,516	13,611	96,055	152,182
Utilities	8,924	686	9,610	3,432	686	13,728
Telephone	3,256	20,053	23,309	3,256	3,256	29,821
Printing	-	-	-	-	27,413	27,413
Travel	5,387	339,429	344,816	930	25,327	371,073
Subscriptions and conferences	874	849	1,723	849	849	3,421
Contributions transmitted	-	651,809	651,809	-	-	651,809
Property insurance	5,741	6,579	12,320	2,799	3,186	18,305
Repairs and maintenance	18,585	7,474	26,059	7,474	7,474	41,007
Rental property expenses	34,666	34,666	69,332	34,666	34,666	138,664
Professional services	-	-	-	11,784	134,865	146,649
Depreciation	6,666	40,531	47,197	4,312	4,582	56,091
Totals	$ 400,543	$ 5,650,279	$ 6,050,822	$ 185,564	$ 535,863	$ 6,772,249

The accompanying notes are an integral part of these financial statements.

The Mailbox Club, Inc.
Statement of Functional Expenses
Year Ended December 31, 2022

	Mail Order	International Operations	Total Program	General and Administrative	Fundraising	Total Expenses
Salaries and support	$ 203,831	$ 209,930	$ 413,761	$ 76,848	$ 120,330	$ 610,939
Medical insurance	-	7,766	7,766	-	-	7,766
Payroll taxes	15,634	16,060	31,694	5,879	9,302	46,875
Retirement benefits	2,988	6,217	9,205	2,080	2,826	14,111
Program materials	57,698	3,686,209	3,743,907	-	-	3,743,907
Postage and shipping	32,490	1,751	34,241	76	16,768	51,085
Advertising	2,282	-	2,282	-	450	2,732
Office expense	6,660	25,493	32,153	13,385	84,312	129,850
Utilities	8,815	678	9,493	3,391	678	13,562
Telephone	3,682	15,402	19,084	3,682	3,682	26,448
Printing	-	-	-	-	19,688	19,688
Travel	22,057	344,526	366,583	886	41,280	408,749
Subscriptions and conferences	630	-	630	75	2,410	3,115
Contributions transmitted	-	287,685	287,685	-	-	287,685
Property insurance	5,114	6,081	11,195	2,342	2,706	16,243
Repairs and maintenance	16,436	6,862	23,298	6,862	6,126	36,286
Rental property expenses	36,013	36,013	72,026	36,013	36,013	144,052
Professional services	19,800	-	19,800	11,043	139,412	170,255
Depreciation	6,069	29,451	35,520	2,885	3,640	42,045
Totals	$ 440,199	$ 4,680,124	$ 5,120,323	$ 165,447	$ 489,623	$ 5,775,393

The accompanying notes are an integral part of these financial statements.

	2023	2022
Cash flows from operating activities		
Change in net assets	**$ 1,062,338**	$ 1,687,772
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	**82,229**	64,435
Net change in provision for inventory reserves	**(2,089)**	(3,620)
Contributed stock	**(15,865)**	-
Loss on disposal of fixed assets	**1,510**	-
Gain on investments	**(117,662)**	(2,558)
Change in operating assets and liabilities		
Accounts receivable	**(529)**	111
Inventory	**1,724**	3,755
Employee advances	**(11,770)**	(17,102)
Prepaid expenses	**(4,302)**	(658)
Accounts payable and accrued expenses	**13,726**	(8,498)
Net cash provided by operating activities	**1,009,310**	1,723,637
Cash flows from investing activities		
Proceeds on sale of contributed property	**-**	15,000
Purchase of property and equipment	**(177,590)**	(172,324)
Purchase of investments	**(4,388,513)**	(3,203,087)
Proceeds for investment maturities	**2,934,000**	1,201,000
Proceeds from sale of stock	**1,685**	1,273
Proceeds from certificates of deposit	**-**	227,284
Net cash used in investing activities	**(1,630,418)**	(1,930,854)
Cash flows from financing activities		
Principal payments on long-term debt	**-**	(100,000)
Net cash used in financing activities	**-**	(100,000)
Net change in cash	**(621,108)**	(307,217)
Cash, beginning of year	**2,374,841**	2,682,058
Cash, end of year	**$ 1,753,733**	$ 2,374,841

The accompanying notes are an integral part of these financial statements.

Note 1 Nature of Organization

Description of Activities
The Mailbox Club, Inc. ("the Organization") is a non-profit corporation organized in the State of Georgia and approved by the Internal Revenue Service as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The stated objective of the organization, as amended, is "to propagate the gospel of the Lord Jesus Christ and to cooperate with other Christian agencies which have the same objective." To that end, the Organization engages in publishing and distributing books, tracts, and Bible correspondence courses. Its purpose is to reach people of all ages with the Gospel, to win them to Christ, and to disciple and assist them in getting established in local Bible-believing churches.

The Organization began in 1965 with the writing and publishing of Course 1 of The Mailbox Club. Since that time, 20 more courses have been written, published and distributed worldwide. In addition to a large correspondence ministry administered from Valdosta, Georgia, there are between 200 and 300 Associate Mailbox Clubs consisting of individuals, churches, and other groups who share in the distribution and grading of the correspondence courses in the United States of America. In addition, there are over 100,000 churches that are involved in The Mailbox Club ministry outside of the USA.

Note 2 Summary of Significant Accounting Policies

Financial Statement Presentation
The financial statements of the Organization have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

*Net assets without donor restrictions***:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Note 2 Summary of Significant Accounting Policies (continued)

Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing services and interest and dividends earned on investments. Non-operating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Use of Estimates

Preparation of financial statements in accordance with GAAP requires the Organization's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements and the reported amount revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Fair Value of Financial Instruments

The Organization discloses for each class of financial instruments the methods, and when a valuation technique is used, the significant assumptions applied in determining the fair value of financial assets and liabilities. If there is a change in the valuation technique, then the Organization discloses both the change and the reasons for the change.

The Organization estimates that the fair value of all financial instruments does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statements of financial position. The estimated fair value amounts have been determined by the Organization using available market information and appropriate valuation methodologies.

The Organization's financial instruments consist primarily of cash and certificates of deposit, accounts and grants receivable, inventory, employee advances, prepaid expenses, investments, and accounts payable and accrued expenses.

Cash and Cash Equivalents

For purposes of reporting on the statements of cash flows, the Organization includes all cash investments which are not subject to withdrawal restrictions or penalties and certificates of deposit with maturity of three months or less as cash and cash equivalents.

Concentration of Credit Risk

The Organization maintains its cash in financial institutions insured by the Federal Deposit Insurance Corporation ("FDIC"). The coverage is $250,000 for substantially all other depository accounts. Deposit accounts, at times, may exceed federally insured limits; however, the Organization has not suffered any losses as a result. There were no cash equivalents as of December 31, 2023 or 2022.

Note 2 Summary of Significant Accounting Policies (continued)

Accounts Receivable

The Organization carries its accounts receivable at the amount billed to the customer less an allowance for doubtful accounts. On a periodic basis, the Organization evaluates its accounts receivable and establishes an allowance for doubtful accounts, based on a history of past write-offs and collections and current and future credit conditions. The Organization's policy is not to accrue interest on accounts receivable. Accounts are written off as uncollectible at the time management determines that collection is unlikely.

Accounts receivable at December 31, 2023, 2022 and 2021 was $529, $0 and $111, respectively. No allowance for doubtful accounts is deemed necessary as management believes the balances are fully collectible.

Inventory

Inventory consists of ministry-related lessons, books, and literature held for future distribution and is valued at the lower of cost using the first-in, first-out method or net realizable value.

Property and Equipment

Land, buildings and equipment are capitalized at cost. Purchases that exceed $1,000 and have an expected useful life of more than one year are capitalized. Donated assets to be used in the ministry are capitalized at their fair market value on the date of the gift. Depreciation is provided on a straight-line basis over 7-33 years for buildings, 3-10 years for equipment, and 5 years for vehicles.

Expenditures for major renewals and betterments that extend the useful lives of the property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

In-kind Donations

During the year ended December 31, 2023, the Organization received stock donations with an estimated fair value on the date of gift of $15,865. This amount is reported as contributed stock on the statement of activities.

The Organization's policy related to gifts-in-kind is to utilize the asset given to carry out the mission of the Organization. If an asset is provided that does not allow the Organization to utilize it in its normal course of business, the asset will be sold at its fair market value as determined by appraisal or specialist depending on the type of asset. All gifts-in-kind received by the Organization for the years ended December 31, 2023 and 2022, if any, were considered without donor restrictions and able to be used by the Organization as determined by the board and management.

A substantial number of volunteers have donated a significant amount of time to the Organization's operations and program services. These services were not reflected in the accompanying statements of activities because they do not meet the necessary criteria for recognition under GAAP.

Note 2 Summary of Significant Accounting Policies (continued)

Investments
The Organization reports its investments in accordance with GAAP for not-for-profit organizations. The guidance prescribes that covered investments be reported in the statement of financial position at fair value with any realized or unrealized gains or losses reported in the statements of activities. Investment income is recognized as revenue in the period it is earned and gains and losses are recognized as changes in net assets in the accounting period in which they occur.

Contributions
Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. When a restriction expires (that is, when a 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 statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Revenue and Revenue Recognition
The Organization sells books, tracts, and Bible correspondence courses around the world. Revenue associated with administering these sales is included in revenue from mail order in the statements of activities. The Organization recognizes revenue and related costs in the period that the materials are sold. During the years ended December 31, 2023 and 2022, the Organization recognized $44,748 and $42,253 of revenue, respectively.

The Organization recognizes contributions when cash, securities or other assets; an unconditional promise to give; is received.

Note 2 Summary of Significant Accounting Policies (continued)

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. There were no conditional promises to give at December 31, 2023 and 2022.

Royalty revenue from books and supplies is recognized when the performance obligation of providing those goods is satisfied.

The Organization leases apartment units to employees on a month-to-month basis. There are no contracts or formal terms. Rental income is recognized monthly as the performance obligation of providing the space to the tenant is satisfied. Rental income for the years ended December 31, 2023 and 2022 was $19,644 and $20,201, respectively.

The following is an analysis of the carrying amounts of the underlying assets related to the apartment units:

At December 31	**2023**	2022
At cost:		
Buildings and improvements	**$ 547,559**	$ 521,748
Less: accumulated depreciation	**(253,907)**	(240,738)
Total cost, net	**$ 293,652**	$ 281,010

Income Taxes
The Organization is established as a not-for-profit entity and has been recognized as an organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 740, *Accounting for Uncertainty in Income Taxes*, clarifies the accounting for the recognition and measurement of uncertainties in income taxes recognized in an entity's financial statements and prescribes a threshold of more-likely-than-not for recognition of tax positions taken or expected to be taken in a tax return. The Organization's policy is to evaluate the likelihood that its uncertain tax positions will prevail upon examination based on the extent to which those positions have substantial support within the Internal Revenue Code and Regulations, Revenue Rulings, court decisions and other evidence.

As of December 31, 2023, the Organization had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. The organization records interest and penalties related to uncertain tax positions as a component of the provision for income tax.

The Organization's income tax returns are subject to examination by taxing authorities for a period of three years from the date they are filed. As of December 31, 2023, years subject to examination include 2020, 2021, and 2022.

Note 2 Summary of Significant Accounting Policies (continued)

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis and, accordingly, certain expenses have been allocated among the program and supporting services benefitted. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries, benefits and related expenses	Time and effort
Program materials	Time and effort
Postage and shipping	Time and effort
Office expenses	Time and effort
Utilities	Time and effort
Telephone expenses	Time and effort
Travel	Time and effort
Subscriptions and conferences	Time and effort
Property insurance	Time and effort
Repairs and maintenance	Time and effort
Rental property expenses	Square footage/time and effort
Professional services	Time and effort
Depreciation	Square footage/time and effort

Advertising Costs

The Organization follows the policy of charging the costs of advertising to expense as incurred. Advertising expense was $1,098 and $2,732 for the years ended December 31, 2023 and 2022, respectively.

Recently Adopted Accounting Pronouncement

In June 2016, the FASB issued guidance (FASB ASC 326) which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses.

We adopted the standard effective January 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only.

Note 3 Availability and Liquidity

The following represents the Organization's financial assets at December 31, 2023:

Cash	$ 1,753,733
Accounts receivable	529
Employee advances	92,382
Investments	3,600,875
Total financial assets	5,447,519
Less amounts not available to be used within one year:	
Net assets with donor restrictions	4,635,466
Less net assets with purpose restrictions to be met in less than one year	(4,635,466)
	-
Financial assets available to meet general expenditures over the next twelve months	$ 5,447,519

The following represents the Organization's financial assets at December 31, 2022:

Cash	$ 2,374,841
Employee advances	80,612
Investments	2,014,520
Total financial assets	4,469,973
Less amounts not available to be used within one year:	
Net assets with donor restrictions	4,945,544
Less net assets with purpose restrictions to be met in less than one year	(4,945,544)
	-
Financial assets available to meet general expenditures over the next twelve months	$ 4,469,973

The Organization's goal is generally to maintain financial assets to meet 90 days of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments including certificates of deposit and money market accounts.

Note 4 Inventory

Inventory consists of the following at December 31:

	2023	2022
MO Inventory	$ 99,862	$ 101,586
Less: reserves for obsolescence	(81,068)	(83,157)
Inventory, net	$ 18,794	$ 18,429

For the years ended December 31, 2023 and 2022, the net change in the reserves for inventory obsolescence totaled ($2,089) and ($3,620), respectively.

Note 5 Investments

At December 31, 2023, investments consisted of nine U.S. Treasury bills (3,668,000 units) with a cost basis of $3,511,513, a market value of $3,600,875, and maturity dates ranging from January 15, 2024 to December 15, 2024. The gain on investments for the year ended December 31, 2023 was $117,662.

At December 31, 2022, investments consisted of an investment in a limited partnership in the amount of $207 and nine U.S. Treasury bills (2,057,000 units) with a cost basis of $2,002,995, a market value of $2,014,313, and maturity dates ranging from February 28, 2023 to November 30, 2023. The gain on investments for the year ended December 31, 2022 was $2,558.

Note 6 Property Held for Resale

The Organization holds an investment in a lot located in Georgia. The total value of property held for resale at December 31, 2023 and 2022 was $1,000.

Note 7 Property and Equipment

A description of property and equipment follows at December 31:

	2023	2022
At cost:		
Land	$ 407,825	$ 407,825
Buildings and improvements	1,075,153	972,593
Equipment and vehicles	337,394	325,635
	1,820,372	1,706,053
Less: accumulated depreciation	(778,949)	(758,481)
Property and equipment, net	$ 1,041,423	$ 947,572

Note 7 Property and Equipment (continued)

Depreciation for the year ended December 31, 2023 was $82,229, of which $26,138 is included in rental property expenses on the statement of functional expenses. Depreciation for the year ended December 31, 2022 was $64,435, of which $22,390 is included in rental property expenses on the statement of functional expenses.

Note 8 Fair Value Measurement

The FASB issued a statement that defines fair value and establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 - Inputs to the valuation methodology include:
• quoted prices for similar assets or liabilities in active markets;
• quoted prices for identical or similar assets or liabilities in inactive markets;
• inputs that are derived principally from or corroborated by observable market data.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2023 and 2022.

U.S. Treasury Bills
These investments are public investment vehicles valued using actual quoted market prices. The quoted price is in an active market and classified within Level 2 of the valuation hierarchy. Level 2 assets at December 31, 2023 and 2022 totaled $3,600,875 and $2,014,520, respectively.

Note 8 Fair Value Measurement (continued)

Property Held for Sale
These properties are valued at fair market value using real estate appraisals. The properties held for sale are classified within Level 2 of the valuation hierarchy.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Organization's Level 2 assets at fair value as of December 31, 2023 and 2022 total $3,601,875 and $2,015,520, respectively.

Note 9 Net Assets

Net assets without donor restrictions at December 31, 2023 and 2022 were $1,856,133 and $483,717, respectively.

Net assets with donor restrictions were as follows at December 31:

	2023	2022
Specific purpose:		
Program activities	**$ 4,614,617**	$ 4,934,517
Missionary support	**20,849**	11,027
Total	**$ 4,635,466**	$ 4,945,544

Net assets released from net assets with donor restrictions resulting from the satisfaction of purpose restrictions for program activities totaled $5,845,132 and $4,890,862 for the years ended December 31, 2023 and 2022, respectively.

Note 10 Retirement Plan

The Organization maintains a retirement plan that covers all employees. Any employee receiving $5,000 or more in compensation during the calendar year is eligible to participate. The Organization matches employee contributions dollar for dollar, up to 3% of the employee's regular salary. Each participant is fully and immediately vested in all Plan contributions. Retirement plan contributions for the years ended December 31, 2023 and 2022 were $15,464 and $14,111, respectively.

Note 11 Concentration of Credit Risk

The Organization had two major contributors that provide $3,000,000 or 40% of total contributions for the year ended December 31, 2023. The Organization had two major contributors that provided $3,000,000 or 41% of total contributions for the year ended December 31, 2022.

Note 12 Subsequent Events

The Organization evaluated the effect that all subsequent events would have on the financial statements through March 14, 2024, which is the date the financial statements were available to be issued.