

LONG BEACH RESCUE MISSION AND LONG BEACH RESCUE MISSION FOUNDATION

COMBINED FINANCIAL STATEMENTS

June 30, 2025 and 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Long Beach Rescue Mission and
Long Beach Rescue Mission Foundation

Opinion

We have audited the combined financial statements of Long Beach Rescue Mission and Long Beach Rescue Mission Foundation, which comprise the combined statements of financial position as of June 30, 2025 and 2024, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the financial position of Long Beach Rescue Mission and Long Beach Rescue Mission Foundation (collectively, the Organization) as of June 30, 2025 and 2024, and the change in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of the combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined 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 combined 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 combined 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 Organization'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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplementary information in Schedules I to II is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audits of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with generally accepted auditing standards. In our opinion, the information is fairly stated, in all material respects, in relation to the combined financial statements as a whole.

Windex, Inc.

Long Beach, California

January 22, 2026

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

COMBINED STATEMENTS OF FINANCIAL POSITION

ASSETS

	<u>June 30,</u>	
	<u>2025</u>	<u>2024</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 2,600,979	\$ 1,805,381
Accounts receivable	21,110	29,744
Contributions receivable, net	1,112,066	824,327
Prepaid expenses	<u>60,191</u>	<u>52,101</u>
Total current assets	<u>3,794,346</u>	<u>2,711,553</u>
INVESTMENTS	<u>9,239,405</u>	<u>10,212,644</u>
PROPERTY AND EQUIPMENT, NET	<u>11,211,032</u>	<u>8,918,680</u>
OTHER ASSETS		
Deposits	19,150	1,650
Funds held for others	<u>22,183</u>	<u>47,033</u>
Total other assets	<u>41,333</u>	<u>48,683</u>
TOTAL ASSETS	<u>\$ 24,286,116</u>	<u>\$ 21,891,560</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	\$ 341,038	\$ 479,386
Accrued liabilities	<u>159,099</u>	<u>159,588</u>
Total current liabilities	<u>500,137</u>	<u>638,974</u>
NET ASSETS		
Without donor restrictions	20,039,175	19,415,409
With donor restrictions	<u>3,746,804</u>	<u>1,837,177</u>
Total net assets	<u>23,785,979</u>	<u>21,252,586</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 24,286,116</u>	<u>\$ 21,891,560</u>

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

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**COMBINED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025**

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	\$ 3,756,856	\$ 2,772,284	\$ 6,529,140
Estates and bequests	103,777	-	103,777
Private grants	302,250	-	302,250
In-kind contributions	1,143,690	-	1,143,690
Program service fees	223,608	-	223,608
Special events, net of direct cost of \$136,280	60,397	-	60,397
Investment return, net	878,729	-	878,729
Rental income	3,427	-	3,427
Other revenue	47,560	-	47,560
Net assets released from restrictions	<u>862,657</u>	<u>(862,657)</u>	<u>-</u>
Total support and revenue	<u>7,382,951</u>	<u>1,909,627</u>	<u>9,292,578</u>
EXPENSES			
Program services	4,568,271	-	4,568,271
Management and general	981,291	-	981,291
Fundraising	<u>1,209,623</u>	<u>-</u>	<u>1,209,623</u>
Total expenses	<u>6,759,185</u>	<u>-</u>	<u>6,759,185</u>
CHANGE IN NET ASSETS	623,766	1,909,627	2,533,393
NET ASSETS, BEGINNING OF YEAR	<u>19,415,409</u>	<u>1,837,177</u>	<u>21,252,586</u>
NET ASSETS, END OF YEAR	<u>\$ 20,039,175</u>	<u>\$ 3,746,804</u>	<u>\$ 23,785,979</u>

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

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**COMBINED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	\$ 3,417,958	\$ 1,820,107	\$ 5,238,065
Estates and bequests	124,469	-	124,469
Private grants	329,225	-	329,225
In-kind contributions	585,649	-	585,649
Program service fees	210,605	-	210,605
Special events, net of direct cost of \$56,331	69,508	-	69,508
Investment return, net	1,363,572	-	1,363,572
Rental income	61,364	-	61,364
Gain on sale of assets	4,709,295	-	4,709,295
Other revenue	52,616	-	52,616
Net assets released from restrictions	<u>164,006</u>	<u>(164,006)</u>	-
Total support and revenue	<u>11,088,267</u>	<u>1,656,101</u>	<u>12,744,368</u>
EXPENSES			
Program services	3,703,938	-	3,703,938
Management and general	620,194	-	620,194
Fundraising	991,378	-	991,378
Total expenses	<u>5,315,510</u>	<u>-</u>	<u>5,315,510</u>
CHANGE IN NET ASSETS	5,772,757	1,656,101	7,428,858
NET ASSETS, BEGINNING OF YEAR	<u>13,642,652</u>	<u>181,076</u>	<u>13,823,728</u>
NET ASSETS, END OF YEAR	<u>\$ 19,415,409</u>	<u>\$ 1,837,177</u>	<u>\$ 21,252,586</u>

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

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025**

	Supporting Services			
	Program Services	Management and General	Fundraising	Total
Salaries and wages	\$ 1,450,492	\$ 385,251	\$ 119,288	\$ 1,955,031
Employee benefits	191,572	62,006	11,937	265,515
Payroll taxes	124,587	32,453	10,616	167,656
	<u>1,766,651</u>	<u>479,710</u>	<u>141,841</u>	<u>2,388,202</u>
In-kind expense	1,143,690	-	-	1,143,690
Advertising and newsletter	-	21,663	713,349	735,012
Facility expense	277,634	135,985	-	413,619
Depreciation	664,284	73,809	-	738,093
Professional fees	34,428	103,596	110,815	248,839
Utilities and telephone	194,509	17,522	-	212,031
Insurance	198,827	19,297	2,302	220,426
Postage and delivery	-	22,722	219,265	241,987
Programs and case management	96,006	754	-	96,760
Printing and reproduction	12,708	32,729	4,461	49,898
Food supply and services	70,208	962	-	71,170
Miscellaneous	12,643	12,986	735	26,364
Office expense	7,202	15,884	1,399	24,485
Taxes and licenses	26,674	851	-	27,525
Vehicle expense	29,610	-	-	29,610
Benevolence	12,867	5,206	-	18,073
Community development	8,943	9,960	14,752	33,655
Professional development	-	7,892	-	7,892
Travel and meals	<u>11,387</u>	<u>19,763</u>	<u>704</u>	<u>31,854</u>
Total expenses	<u>\$ 4,568,271</u>	<u>\$ 981,291</u>	<u>\$ 1,209,623</u>	<u>\$ 6,759,185</u>

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

**LONG BEACH RESCUE MISSION AND
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**COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024**

	Supporting Services			
	Program Services	Management and General	Fundraising	Total
Salaries and wages	\$ 1,345,834	\$ 325,602	\$ 87,590	\$ 1,759,026
Employee benefits	173,893	54,960	1,965	230,818
Payroll taxes	98,044	29,759	7,119	134,922
	<u>1,617,771</u>	<u>410,321</u>	<u>96,674</u>	<u>2,124,766</u>
In-kind expense	585,649	-	-	585,649
Advertising and newsletter	38,422	4,906	681,275	724,603
Facility expense	285,049	11,413	-	296,462
Depreciation	319,346	47,718	-	367,064
Professional fees	99,528	97,298	76,994	273,820
Utilities and telephone	203,781	7,636	-	211,417
Insurance	146,217	9,121	-	155,338
Postage and delivery	11,850	4,350	96,230	112,430
Programs and case management	106,369	-	-	106,369
Printing and reproduction	31,374	8,554	39,959	79,887
Food supply and services	70,436	333	-	70,769
Miscellaneous	46,066	8,822	-	54,888
Office expense	18,421	198	62	18,681
Taxes and licenses	35,332	400	-	35,732
Vehicle expense	35,894	-	-	35,894
Benevolence	12,376	176	-	12,552
Community development	26,575	1,318	184	28,077
Professional development	2,505	5,126	-	7,631
Travel and meals	<u>10,977</u>	<u>2,504</u>	<u>-</u>	<u>13,481</u>
Total expenses	<u>\$ 3,703,938</u>	<u>\$ 620,194</u>	<u>\$ 991,378</u>	<u>\$ 5,315,510</u>

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

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

COMBINED STATEMENTS OF CASH FLOWS

	For the Year Ended June 30,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 2,533,393	\$ 7,428,858
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	738,093	367,064
Gains on sale of property and equipment	(536)	(4,709,295)
Realized and unrealized gains on investments	(740,977)	(1,212,942)
Change in discount on contributions receivable	(37,739)	75,673
Changes in operating assets and liabilities:		
Accounts receivable	5,289	10,632
Contributions receivable	(250,000)	(900,000)
Prepaid expenses	(8,090)	4,690
Deposits	(17,500)	850
Funds held for others	24,850	3,487
Accounts payable	(135,003)	366,631
Accrued liabilities	(489)	6,892
Net Cash Provided By Operating Activities	<u>2,111,291</u>	<u>1,442,540</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(3,030,789)	(5,543,214)
Proceeds from sale of property and equipment	880	6,826,042
Purchases of investments	(1,918,409)	(5,734,643)
Proceeds from sale of investments	3,632,625	3,500,521
Net Cash Used In Investing Activities	<u>(1,315,693)</u>	<u>(951,294)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	795,598	491,246
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,805,381	1,314,135
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 2,600,979</u>	<u>\$ 1,805,381</u>

For the years ended June 30, 2025 and 2024 the Organization did not pay interest or income taxes

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

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 – Organization and Nature of Activities

Long Beach Rescue Mission (“LBRM”) was established in 1972 and provides food, clothing, shelter, and spiritual guidance to homeless people. Temporary housing is provided through facilities owned by LBRM, assisting people primarily in the Long Beach area of California. Residents are provided with counseling services and work therapy programs to help them obtain permanent housing, employment, and financial assistance, and to help with substance abuse. LBRM is primarily supported through public donations.

LBRM sold its thrift store property in September 2023. (See Note 5).

The Long Beach Rescue Mission Foundation (“LBRMF”) was created in 2000 to facilitate LBRM's investments and provide financial assistance to LBRM. LBRMF is directly funded and is a separate entity from LBRM.

NOTE 2 – Summary of Significant Accounting Policies

Principles of Combination

The combined financial statements include the accounts of LBRM and LBRMF. Collectively, the entities are referred to as "the Organization" throughout these notes. LBRM's Board of Directors (the "Board") has a controlling interest in LBRMF's Board. LBRM and LBRMF are under common management and have similar operations, therefore, management believes a combined financial statement presentation is more appropriate.

Basis of Accounting

The combined financial statements of the Organization have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") and follow the guidance provided by Accounting Standards Codification ("ASC") 958-205, *Financial Statements of Not-for-Profit Organizations*.

LONG BEACH RESCUE MISSION AND
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NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of the combined financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of revenue and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the combined financial statements. Actual events and results could differ from those assumptions and estimates.

Combined Financial Statement Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Net assets and revenue and support are classified based on the existence or absence of donor-imposed restrictions as follows:

Without Donor Restrictions - Net assets that are not subject to donor-imposed restrictions.

With Donor Restrictions - Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization or the passage of time. As the restrictions are satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying combined statements of activities as net assets released from restrictions. Other donor stipulations are perpetual in nature, where the donor stipulates that the corpus be maintained intact in perpetuity. At June 30, 2025 and 2024, the Organization had no net assets with perpetual donor restrictions.

Cash and Cash Equivalents

For purposes of the combined statements of financial position and the combined statements of cash flows, cash and cash equivalents consist of cash and other highly liquid resources, such as investments in certificates of deposit, repurchase agreements, and money market funds, with original maturities of three months or less when purchased.

LONG BEACH RESCUE MISSION AND
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NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents (Continued)

The Organization maintains a bank account for its program participants. These funds are not considered cash and cash equivalents and are reported as funds held for others on the combined statements of financial position.

Accounts and Contributions Receivable

Accounts receivable consist primarily of contracted services between LBRM and U.S. Vets and are stated at the amounts that management expects to collect from outstanding balances.

Contributions receivable are recorded at net realizable value. Contributions expected to be collected over a period in excess of one year are recorded at the present value of their estimated future cash flows, discounted using an estimated market return rate of 4.62%. Amortization of the discount is reported as contribution revenue in the combined statements of activities as contributions are received. Balances that are still outstanding after management has made reasonable collection efforts are written off through a charge to an allowance for credit losses and a credit to accounts and contributions receivable. As of June 30, 2025 and 2024, management believes the accounts and contributions receivable are fully collectible and, therefore, an allowance for credit losses has not been recorded.

Investments

Investments in marketable securities with readily determinable market values and all investments in debt securities are reported at fair value. The fair value of investments is valued at the closing price on the last business day of the fiscal year. Realized gains and losses are calculated based upon the underlying cost of the securities traded. Interest and dividend income is recorded when earned. Gains or losses, and interest and dividend income are reflected in the combined statements of activities as increases or decreases in net assets without donor restrictions unless their use is restricted by donors.

Investments in marketable securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes could materially affect the amounts reported in the combined statements of financial position.

**LONG BEACH RESCUE MISSION AND
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**NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Investments (Continued)

The Organization has contributed \$100,000 to the Long Beach Community Foundation ("LBCF") in order to establish a quasi-endowment agency fund. This fund is administered by LBCF for the benefit of the Organization. A portion of the fund's earnings is made available for distribution to the Organization periodically.

Fair Value of Financial Instruments

The Organization reports certain assets and liabilities at fair value in the combined financial statements. U.S. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal or most advantageous market at the measurement date, whether directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable.

Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available.

A three-tier fair value hierarchy categorizes the inputs as follows:

Level 1 - Quoted prices (unadjusted) in active markets that are accessible at the measurement date for assets and liabilities.

Level 2 - Valuations based on other observable inputs, which include quoted prices in active markets for similar assets and liabilities, either directly or indirectly. These inputs may include observable inputs such as interest rates that are observable at commonly quoted intervals.

Level 3 - Valuations based on unobservable inputs for assets and liabilities, which are typically based on the Organization's own assumptions and estimates.

**LONG BEACH RESCUE MISSION AND
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**NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Fair Value of Financial Instruments (Continued)

The carrying value of cash and cash equivalents, receivables, and payables approximate fair values as of June 30, 2025 and 2024, due to the relatively short maturities of these instruments.

Property and Equipment

Property and equipment are stated at cost, if purchased, or at fair value at the date of the gift, if donated and significant. Contributions with donor-imposed time restrictions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

The cost of property and equipment purchased in excess of \$1,000 is capitalized. Repairs, maintenance, and minor acquisitions are expensed as incurred. Depreciation is recorded using the straight-line method over the estimated useful lives of the related assets, which range from three to fifteen years for equipment, furniture and improvements, and forty years for buildings.

Impairment of Long-Lived Assets

The Organization reviews long-lived assets such as property and equipment for impairment whenever events or changes occur that indicate the carrying value of the assets has declined and may not be recoverable. To date, there has been no impairment of long-lived assets. There can be no assurance, however, that market or other conditions will not change or demand for the Organization's services will continue, which could result in impairment of long-lived assets in the future.

Concentrations of Credit Risk

During the year ended June 30, 2024, one donor represented 19% of the Organization's combined contribution revenue. As of June 30, 2025 and 2024, one donor accounted for 51% and 100% of combined contributions receivable, respectively.

At times, cash balances may be in excess of federally insured limits. The Organization has not incurred losses related to these balances and believes it is not exposed to any significant credit risk on cash.

LONG BEACH RESCUE MISSION AND
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NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Concentrations of Credit Risk (Continued)

Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Investments are managed by professional investment managers who have responsibility for investing the funds in various investment classes. Due to the level of risk associated with certain securities, it is at least reasonably possible that changes in the near term could materially affect account balances and the amounts reported in the accompanying combined financial statements.

Revenue Recognition

The Organization recognizes revenue through the following methods:

Revenue from Exchange Transactions

Contracts for services – Program service fee revenue is recognized when performance obligations for contracts for goods and services are satisfied, which typically occurs when the customer takes possession of the goods or the services are performed. The Organization recognizes rental income over time, during the period in which the space was occupied.

Revenue from Non-exchange Transactions

Contributions of cash and promises to give – Grants and contributions are reported as revenue and net assets without donor restrictions unless donor stipulations limit their use, in which case they are reported as revenue and net assets with donor restrictions. When donor-stipulated time or purpose restrictions are satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions in the combined statements of activities. Grants and contributions for which donor restrictions are met in the same period are recorded as revenue and net assets without donor restrictions. Conditional promises to give are not recognized until the conditions on which they depend are substantially met.

**LONG BEACH RESCUE MISSION AND
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**NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Estates and bequests - The Organization has been named as a beneficiary of various estates over the years. Bequests and contributions received under such estates are not recorded until the Organization has a legal right to such assets, the distribution of assets to the Organization is probable, and the amount of the distribution can be reasonably estimated. Unconditional promises to give are recorded at net present value. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Revenue With Characteristics of Both Exchange and Non-exchange Transactions

Special event revenue – Revenue related to the Organization’s two fundraising events held throughout the year is recognized on the date the events occur, net of expenses.

Contributed Nonfinancial Assets

The Organization receives food donations from various businesses and individuals. Food donations are recorded as in-kind contributions based on fair market value on the date of donation. For the years ended June 30, 2025 and 2024, the Organization received food donations totaling \$1,013,294 and \$481,986, respectively. Food donations that have no resale value have not been recorded in the combined financial statements.

The Organization receives periodic donations of materials, supplies, equipment, improvements, and stock, which are recorded at their estimated fair value at the date of donation, with stock valued at fair market value. For the years ended June 30, 2025 and 2024, the Organization received donations of various household goods valued at \$130,396 and \$103,663, respectively. Gifts received during the year were without donor restrictions and were used to support the Organization’s programs.

A substantial number of volunteers have donated significant amounts of their time to the Organization and its programs. The donated services are not reflected in the combined financial statements since these services do not meet the criteria for revenue recognition.

LONG BEACH RESCUE MISSION AND
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NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Advertising Costs

Advertising costs, which primarily consist of newsletters and seasonal donation solicitations, are expensed as incurred. For the years ended June 30, 2025 and 2024, advertising expense was \$735,012 and \$724,603, respectively.

Income Taxes

The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code ("IRC") and Section 23701(d) of the California Revenue and Taxation Code. The Organization qualifies for charitable contribution deductions under Section 170(c)(2) of the IRC and is classified as an organization that is not a private foundation under Section 509(a)(1). Income from certain activities not directly related to the Organization's tax-exempt purpose may be subject to taxation as unrelated business income. The Organization uses the same accounting methods for tax and financial reporting.

U.S. GAAP provides accounting and disclosure guidance about positions taken by an organization in its tax returns that might be uncertain. The Organization evaluates uncertain tax positions, whereby the effect of the uncertainty would be recorded if the tax positions will more-likely-than-not be sustained upon examination. As of June 30, 2025 and 2024, management does not believe the Organization has any uncertain tax positions requiring disclosure.

The Organization is subject to potential income tax audits on open tax years by any taxing jurisdiction in which it operates. The statute of limitations for federal and California state purposes is generally three and four years, respectively.

LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION

NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024

NOTE 2 – Summary of Significant Accounting Policies (Continued)

Allocation of Functional Expenses

The costs of providing the Organization's various programs and supporting services have been summarized on a functional basis in the combined statements of activities and functional expenses. Expenses that can be identified with a specific program or supporting service are charged directly to the related program or supporting service. Expenses that are associated with more than one program or supporting service are allocated based on an evaluation by the Organization's management. Allocated expenses include salaries, payroll taxes, professional fees, utilities, employee benefits, and insurance, which are allocated based on estimates of time and effort.

Recently Adopted Accounting Pronouncements

Beginning July 1, 2023, the Organization adopted Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, and its related amendments, which replaces the incurred loss methodology with an expected loss methodology referred to as the current expected credit loss (CECL) methodology. This ASU requires the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. This ASU also requires the Organization to use forward-looking information to better formulate its credit loss estimates.

The ASU permits the use of either a prospective transition method or a modified retrospective transition method with the cumulative-effect adjustment to the opening balance of net assets. The Organization has elected the use of the modified retrospective transition method. The Organization has considered factors such as historical loss experience, current economic conditions, and other relevant factors in its credit loss estimation process. As a result, the adoption of the CECL standard has not had a material impact on the Organization's combined financial statements.

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 3 – Investments

The Organization's investments consist of the following as of June 30, 2025:

	<u>Fair Value</u>	<u>Cost</u>	<u>Cumulative Unrealized Gain (Loss)</u>
Equities	\$ 6,074,019	\$ 3,932,578	\$ 2,141,441
Fixed income	2,953,083	2,818,288	134,795
Real asset funds	76,219	82,033	(5,814)
Agency fund at LBCF	<u>136,084</u>	<u>100,000</u>	<u>36,084</u>
	<u><u>\$ 9,239,405</u></u>	<u><u>\$ 6,932,899</u></u>	<u><u>\$ 2,306,506</u></u>

The Organization's investments consist of the following as of June 30, 2024:

	<u>Fair Value</u>	<u>Cost</u>	<u>Cumulative Unrealized Gain</u>
Equities	\$ 6,274,540	\$ 4,354,214	\$ 1,920,326
Fixed income	3,312,178	3,260,655	51,523
Real asset funds	499,159	444,634	54,525
Agency fund at LBCF	<u>126,767</u>	<u>100,000</u>	<u>26,767</u>
	<u><u>\$ 10,212,644</u></u>	<u><u>\$ 8,159,503</u></u>	<u><u>\$ 2,053,141</u></u>

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 3 – Investments (Continued)

Net investment return was as follows:

	For the Year Ended June 30,	
	2025	2024
Interest and dividends	\$ 229,096	\$ 235,720
Management fees	(91,344)	(85,090)
Realized gain	464,425	33,832
Unrealized gain	<u>276,552</u>	<u>1,179,110</u>
	<u><u>\$ 878,729</u></u>	<u><u>\$ 1,363,572</u></u>

The scheduled maturities for government and corporate bonds were as follows as of June 30, 2025 and 2024:

	2025		2024	
	Par Value	Fair Value	Par Value	Fair Value
Less than 1 year	\$ 20,000	\$ 19,517	\$ 165,000	\$ 162,321
1-5 years	1,810,000	1,766,093	2,140,000	2,012,634
5-10 years	<u>1,031,000</u>	<u>973,811</u>	<u>1,081,000</u>	<u>974,804</u>
	<u><u>\$ 2,861,000</u></u>	<u><u>\$ 2,759,421</u></u>	<u><u>\$ 3,386,000</u></u>	<u><u>\$ 3,149,759</u></u>

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 3 – Investments (Continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value as of June 30, 2025:

	Fair Value Measurements				Total
	Level 1	Level 2	Level 3		
Stock, options, ETFS, equity funds	\$ 6,074,019	\$ -	\$ -	\$ 6,074,019	
Corporate bonds	-	1,267,679	-	1,267,679	
Government bonds	-	1,491,742	-	1,491,742	
Fixed income mutual funds	193,662	-	-	193,662	
Real asset funds	-	76,219	-	76,219	
Agency fund at LBCF	-	-	136,084	136,084	
 Total	 \$ 6,267,681	 \$ 2,835,640	 \$ 136,084	 \$ 9,239,405	

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value as of June 30, 2024:

	Fair Value Measurements				Total
	Level 1	Level 2	Level 3		
Stock options, ETFs, and equity funds	\$ 6,274,540	\$ -	\$ -	\$ 6,274,540	
Corporate bonds	-	1,421,154	-	1,421,154	
Government bonds	-	1,728,605	-	1,728,605	
Fixed income mutual funds	162,419	-	-	162,419	
Real asset funds	-	499,159	-	499,159	
Agency fund at LBCF	-	-	126,767	126,767	
 Total	 \$ 6,436,959	 \$ 3,648,918	 \$ 126,767	 \$ 10,212,644	

The investments held by LBCF are valued using Level 3 measurements. Fair value measurements are based on the fair value of the underlying assets, as reported by the Organization's fund manager.

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 3 – Investments (Continued)

The following summarizes the changes in fair value measurements using significant unobservable inputs (Level 3) for the years ended June 30, 2025 and 2024:

	June 30,	
	2025	2024
Balance, beginning of year	\$ 126,767	\$ 117,797
Investment income, gains, and losses	<u>9,317</u>	<u>8,970</u>
Balance, end of year	<u><u>\$ 136,084</u></u>	<u><u>\$ 126,767</u></u>

NOTE 4 – Contributions Receivable

Contributions receivable is expected to be received as follows as of June 30:

	2025	2024
Within one year	\$ 750,000	\$ 300,000
One to four years	<u>400,000</u>	<u>600,000</u>
	<u><u>1,150,000</u></u>	<u><u>900,000</u></u>
Present value discount	<u><u>(37,934)</u></u>	<u><u>(75,673)</u></u>
Contributions receivable, net	<u><u>\$ 1,112,066</u></u>	<u><u>\$ 824,327</u></u>

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 5 – Property and Equipment

Property and equipment are comprised of the following:

	<u>June 30,</u>	
	<u>2025</u>	<u>2024</u>
Land	\$ 1,699,618	\$ 1,699,618
Land improvements	1,100,161	33,109
Buildings and improvements	10,489,814	9,459,758
Furniture, fixtures, and equipment	1,630,008	1,394,471
Vehicles	369,846	369,964
Construction in progress	<u>1,042,068</u>	<u>425,583</u>
	16,331,515	13,382,503
Less: accumulated depreciation	<u>(5,120,483)</u>	<u>(4,463,823)</u>
	<u><u>\$ 11,211,032</u></u>	<u><u>\$ 8,918,680</u></u>

Construction in progress relates to renovations of the Lydia House and Timothy House, which are real properties owned by the Organization. The Organization has budgeted an additional \$5.7 million for the projects and anticipates the projects to be completed in 2026.

In September 2023, the Organization sold one property with a net carrying value of approximately \$2,000,000. Total consideration of approximately \$6,800,000 was received from the buyers and a gain on sale of property totaling \$4,709,295 was reported on the combined statement of activities for the year ended June 30, 2024.

Depreciation expense was \$738,093 and \$367,064 for the years ended June 30, 2025 and 2024, respectively.

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 6 – Accrued Liabilities

Accrued liabilities consisted of the following as of June 30, 2025 and 2024:

	<u>June 30,</u>	
	<u>2025</u>	<u>2024</u>
Accrued compensated absences	\$ 124,099	\$ 102,096
Accrued expenses	<u>35,000</u>	<u>57,492</u>
	<u><u>\$ 159,099</u></u>	<u><u>\$ 159,588</u></u>

It is the Organization's policy to accrue vacation pay for its employees. Staff may accrue up to a maximum of 360 unused hours, based on years of service, which may be paid out at the end of their employment period. The liability for such absences is included in accrued liabilities on the combined statements of financial position. Employees are also granted sick pay, which is not an earned benefit. No payment of unused sick leave will be made upon termination of employment and, therefore, no liability for accrued sick leave is included in the combined financial statements.

NOTE 7 – Employee Benefit Plans

The Organization has a tax deferred retirement plan under IRC Section 401(k), in which all eligible employees may participate. The Organization makes a 3% matching contribution to the plan on behalf of eligible employees. For the years ended June 30, 2025 and 2024, matching contributions were \$26,980 and \$19,961, respectively.

The Organization also has an employer profit sharing plan, in which contributions to eligible employees are made at the discretion of the Board and allocated on a calendar-year basis. The Board elected not to contribute for the years ended June 30, 2025 and 2024.

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 8 – Net Assets with Donor Restrictions

Net assets with donor restrictions at June 30, 2025 comprise the following:

	Balance at June 30, 2024	Additions	Releases	Balance at June 30, 2025
Lydia House fire restoration	\$ 746,428	\$ -	\$ (662,657)	\$ 83,771
Apostle House operations	114,273	96,682	-	210,955
Search and rescue	43,228	-	-	43,228
Back to society	8,808	17,000	-	25,808
Kitchen upgrades	3,000	12,397	-	15,397
Lydia House expansion	112,878	1,431,205	-	1,544,083
Timothy House capital	-	1,200,000	-	1,200,000
Time restrictions	800,000	-	(200,000)	600,000
Other	8,562	15,000	-	23,562
	<u>\$ 1,837,177</u>	<u>\$ 2,772,284</u>	<u>\$ (862,657)</u>	<u>\$ 3,746,804</u>

Net assets with donor restrictions at June 30, 2024 comprise the following:

	Balance at June 30, 2023	Additions	Releases	Balance at June 30, 2024
Lydia House fire restoration	\$ -	\$ 746,428	\$ -	\$ 746,428
Apostle House operations	-	114,273	-	114,273
Search and rescue	-	43,228	-	43,228
Back to society	8,808	-	-	8,808
Kitchen upgrades	-	3,000	-	3,000
Apostle House capital	155,478	-	(155,478)	-
Lydia House expansion	-	112,878	-	112,878
Time restrictions	-	800,000	-	800,000
Other	16,790	300	(8,528)	8,562
	<u>\$ 181,076</u>	<u>\$ 1,820,107</u>	<u>\$ (164,006)</u>	<u>\$ 1,837,177</u>

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 9 – Liquidity and Availability of Financial Assets

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the combined statements of financial position date, comprise the following:

	<u>June 30,</u>	
	<u>2025</u>	<u>2024</u>
Financial assets:		
Cash and cash equivalents	\$ 2,600,979	\$ 1,805,381
Accounts and contributions receivable	1,133,176	854,071
Investments	<u>9,239,405</u>	<u>10,212,644</u>
	<u>12,973,560</u>	<u>12,872,096</u>
 Less amounts not available to be used within one year due to:		
Donor-imposed purpose or time restrictions	(3,746,804)	(1,837,177)
Add restricted funds already spent for capital projects	<u>1,605,255</u>	<u>864,360</u>
	<u>(2,141,549)</u>	<u>(972,817)</u>
 Financial assets available to meet general expenditures within one year	<u>\$ 10,832,011</u>	<u>\$ 11,899,279</u>

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Donor-imposed restrictions for capital projects will be released at a future date when the respective project is placed in service.

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 10 – Special Events

Revenue generated from special events is as follows for the year ended June 30, 2025:

	Spring Tea	LB Prayer Breakfast	Total
Ticket sales for event	\$ 21,168	\$ 3,600	\$ 24,768
Less: cost of direct benefit to donor	<u>(72,223)</u>	<u>(64,057)</u>	<u>(136,280)</u>
	<u>(51,055)</u>	<u>(60,457)</u>	<u>(111,512)</u>
Sponsorships and contributions received at fundraiser	<u>103,149</u>	<u>68,760</u>	<u>171,909</u>
	<u><u>\$ 52,094</u></u>	<u><u>\$ 8,303</u></u>	<u><u>\$ 60,397</u></u>

Revenue generated from special events is as follows for the year ended June 30, 2024:

	Spring Tea	LB Prayer Breakfast	Total
Ticket sales for event	\$ 8,851	\$ 2,350	\$ 11,201
Less: cost of direct benefit to donor	<u>(21,235)</u>	<u>(35,096)</u>	<u>(56,331)</u>
	<u>(12,384)</u>	<u>(32,746)</u>	<u>(45,130)</u>
Sponsorships and contributions received at fundraiser	<u>59,774</u>	<u>54,864</u>	<u>114,638</u>
	<u><u>\$ 47,390</u></u>	<u><u>\$ 22,118</u></u>	<u><u>\$ 69,508</u></u>

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**NOTES TO THE COMBINED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 11 – In-kind Contributions

The Organization receives contributions of various goods, such as food, clothing, and household items. The estimated fair value of donated goods are recorded as contributions.

The following nonfinancial assets were received by the Organization for the years ended June 30, 2025 and 2024:

	Revenue Recognized		Program/Activity Utilization	Donor Restriction	Valuation Techniques and Inputs
	2025	2024			
Goods	\$ 130,396	\$ 103,663	Program - Community Services	None	Value is estimated at the fair market value of similar products and goods.
Food	<u>1,013,294</u>	<u>481,986</u>	Program - Community Services	None	Value is estimated at the fair market value of similar products and goods.
					<u>\$ 1,143,690</u> <u>\$ 585,649</u>

Approximately 506,000 and 482,000 pounds of food was donated to the Organization for the years ended June 30, 2025 and 2024, respectively.

NOTE 12 – Subsequent Events

In December 2025, the Organization received a property contribution valued at an estimated fair market value of \$399,000.

Management has evaluated subsequent events for recognition and disclosure from the date of the combined statements of financial position through January 22, 2026, the date which these combined financial statements were available to be issued. Management concluded that, other than disclosed above, no material subsequent events have occurred since June 30, 2025 that require recognition or disclosure in the combined financial statements.

SUPPLEMENTARY INFORMATION

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**SCHEDULE I - COMBINING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025**

ASSETS				
	LBRM	LBRMF	Eliminations	Combined Total
CURRENT ASSETS				
Cash and cash equivalents	\$ 996,942	\$ 1,604,037	\$ -	\$ 2,600,979
Accounts receivable	5,865,907	-	(5,844,797)	21,110
Contributions receivable, net	550,000	562,066	-	1,112,066
Prepaid expenses	57,311	2,880	-	60,191
Total current assets	<u>7,470,160</u>	<u>2,168,983</u>	<u>(5,844,797)</u>	<u>3,794,346</u>
INVESTMENTS				
	-	9,239,405	-	9,239,405
PROPERTY AND EQUIPMENT, NET	<u>11,211,032</u>	<u>-</u>	<u>-</u>	<u>11,211,032</u>
OTHER ASSETS				
Deposits	19,150	-	-	19,150
Funds held for others	22,183	-	-	22,183
Total other assets	<u>41,333</u>	<u>-</u>	<u>-</u>	<u>41,333</u>
TOTAL ASSETS	<u>\$ 18,722,525</u>	<u>\$ 11,408,388</u>	<u>\$ (5,844,797)</u>	<u>\$ 24,286,116</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 341,038	\$ 5,844,797	\$ (5,844,797)	\$ 341,038
Accrued liabilities	<u>159,099</u>	<u>-</u>	<u>-</u>	<u>159,099</u>
Total liabilities	<u>500,137</u>	<u>5,844,797</u>	<u>(5,844,797)</u>	<u>500,137</u>
NET ASSETS				
Without donor restrictions	14,475,584	5,563,591	-	20,039,175
With donor restrictions	<u>3,746,804</u>	<u>-</u>	<u>-</u>	<u>3,746,804</u>
Total net assets	<u>18,222,388</u>	<u>5,563,591</u>	<u>-</u>	<u>23,785,979</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 18,722,525</u>	<u>\$ 11,408,388</u>	<u>\$ (5,844,797)</u>	<u>\$ 24,286,116</u>

See Independent Auditors' Report

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**SCHEDULE I - COMBINING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024**

ASSETS				
	LBRM	LBRMF	Eliminations	Combined Total
CURRENT ASSETS				
Cash and cash equivalents	\$ 935,648	\$ 869,733	\$ -	\$ 1,805,381
Accounts receivable	5,871,196	-	(5,841,452)	29,744
Contributions receivable, net	-	824,327	-	824,327
Prepaid expenses	49,361	2,740	-	52,101
Total current assets	<u>6,856,205</u>	<u>1,696,800</u>	<u>(5,841,452)</u>	<u>2,711,553</u>
INVESTMENTS	-	10,212,644	-	10,212,644
PROPERTY AND EQUIPMENT, NET	<u>8,918,680</u>	-	-	<u>8,918,680</u>
OTHER ASSETS				
Deposits	1,650	-	-	1,650
Funds held for others	47,033	-	-	47,033
Total other assets	<u>48,683</u>	-	-	<u>48,683</u>
TOTAL ASSETS	<u>\$ 15,823,568</u>	<u>\$ 11,909,444</u>	<u>\$ (5,841,452)</u>	<u>\$ 21,891,560</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable	\$ 479,386	\$ 5,841,452	\$ (5,841,452)	\$ 479,386
Accrued liabilities	159,588	-	-	159,588
Total liabilities	<u>638,974</u>	<u>5,841,452</u>	<u>(5,841,452)</u>	<u>638,974</u>
NET ASSETS				
Without donor restrictions	13,347,417	6,067,992	-	19,415,409
With donor restrictions	1,837,177	-	-	1,837,177
Total net assets	<u>15,184,594</u>	<u>6,067,992</u>	<u>-</u>	<u>21,252,586</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 15,823,568</u>	<u>\$ 11,909,444</u>	<u>\$ (5,841,452)</u>	<u>\$ 21,891,560</u>

See Independent Auditors' Report

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**SCHEDULE II - COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025**

	LBRM			LBRMF			Combined Total	
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Eliminations	
SUPPORT AND REVENUE								
Contributions	\$ 5,214,408	\$ 2,772,284	\$ 7,986,692	\$ 40,820	\$ -	\$ 40,820	\$ (1,498,372)	\$ 6,529,140
Estates and bequests	26,150	-	26,150	77,627	-	77,627	-	103,777
Private grants	302,250	-	302,250	-	-	-	-	302,250
In-kind contributions	1,143,690	-	1,143,690	-	-	-	-	1,143,690
Program service fees	223,608	-	223,608	-	-	-	-	223,608
Special events, net of direct cost of \$136,280	60,397	-	60,397	-	-	-	-	60,397
Investment return, net	-	-	-	878,729	-	878,729	-	878,729
Rental income	3,427	-	3,427	-	-	-	-	3,427
Other revenue	47,560	-	47,560	-	-	-	-	47,560
Net assets released from restrictions	862,657	(862,657)	-	-	-	-	-	-
Total support and revenue	<u>7,884,147</u>	<u>1,909,627</u>	<u>9,793,774</u>	<u>997,176</u>	<u>-</u>	<u>997,176</u>	<u>(1,498,372)</u>	<u>9,292,578</u>
EXPENSES								
Program services	4,568,271	-	4,568,271	-	-	-	-	4,568,271
Management and general	978,086	-	978,086	1,501,577	-	1,501,577	(1,498,372)	981,291
Fundraising	1,209,623	-	1,209,623	-	-	-	-	1,209,623
Total expenses	<u>6,755,980</u>	<u>-</u>	<u>6,755,980</u>	<u>1,501,577</u>	<u>-</u>	<u>1,501,577</u>	<u>(1,498,372)</u>	<u>6,759,185</u>
CHANGE IN NET ASSETS	1,128,167	1,909,627	3,037,794	(504,401)	-	(504,401)	-	2,533,393
NET ASSETS, BEGINNING OF YEAR	13,347,417	1,837,177	15,184,594	6,067,992	-	6,067,992	-	21,252,586
NET ASSETS, END OF YEAR	\$ 14,475,584	\$ 3,746,804	\$ 18,222,388	\$ 5,563,591	\$ -	\$ 5,563,591	\$ -	\$ 23,785,979

See Independent Auditors' Report

**LONG BEACH RESCUE MISSION AND
LONG BEACH RESCUE MISSION FOUNDATION**

**SCHEDULE II - COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

	LBRM			LBRMF			Combined Total	
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Eliminations	
SUPPORT AND REVENUE								
Contributions	\$ 6,040,380	\$ 1,820,107	\$ 7,860,487	\$ 925,544	\$ -	\$ 925,544	\$ (3,547,966)	\$ 5,238,065
Estates and bequests	2,000	-	2,000	122,469	-	122,469	-	124,469
Private grants	329,225	-	329,225	-	-	-	-	329,225
In-kind contributions	585,649	-	585,649	-	-	-	-	585,649
Program service fees	210,605	-	210,605	-	-	-	-	210,605
Special events, net of direct cost of \$56,331	69,508	-	69,508	-	-	-	-	69,508
Investment return, net	-	-	-	1,363,572	-	1,363,572	-	1,363,572
Rental income	61,364	-	61,364	-	-	-	-	61,364
Gain on sale of assets	4,709,295	-	4,709,295	-	-	-	-	4,709,295
Other revenue	52,616	-	52,616	-	-	-	-	52,616
Net assets released from restrictions	164,006	(164,006)	-	-	-	-	-	-
Total support and revenue	<u>12,224,648</u>	<u>1,656,101</u>	<u>13,880,749</u>	<u>2,411,585</u>	<u>-</u>	<u>2,411,585</u>	<u>(3,547,966)</u>	<u>12,744,368</u>
EXPENSES								
Program services	3,703,938	-	3,703,938	-	-	-	-	3,703,938
Management and general	615,581	-	615,581	3,552,579	-	3,552,579	(3,547,966)	620,194
Fundraising	991,378	-	991,378	-	-	-	-	991,378
Total expenses	<u>5,310,897</u>	<u>-</u>	<u>5,310,897</u>	<u>3,552,579</u>	<u>-</u>	<u>3,552,579</u>	<u>(3,547,966)</u>	<u>5,315,510</u>
CHANGE IN NET ASSETS	6,913,751	1,656,101	8,569,852	(1,140,994)	-	(1,140,994)	-	7,428,858
NET ASSETS, BEGINNING OF YEAR	<u>6,433,666</u>	<u>181,076</u>	<u>6,614,742</u>	<u>7,208,986</u>	<u>-</u>	<u>7,208,986</u>	<u>-</u>	<u>13,823,728</u>
NET ASSETS, END OF YEAR	<u>\$ 13,347,417</u>	<u>\$ 1,837,177</u>	<u>\$ 15,184,594</u>	<u>\$ 6,067,992</u>	<u>\$ -</u>	<u>\$ 6,067,992</u>	<u>\$ -</u>	<u>\$ 21,252,586</u>

See Independent Auditors' Report