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NETWORK

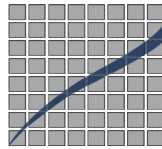
**CONSOLIDATED FINANCIAL STATEMENTS**

**DECEMBER 31, 2024 AND 2023**

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**BiggsKofford**  
CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT**

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Board of Directors  
**Association of Gospel Rescue Missions, dba Citygate Network**  
Colorado Springs, Colorado

**Opinion**

We have audited the accompanying financial statements of Association of Gospel Rescue Missions, dba Citygate Network (a nonprofit organization), which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Association of Gospel Rescue Missions, dba Citygate Network as of December 31, 2024 and 2023, and the changes in its net assets and its 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 Auditor's Responsibilities for the Audit of the Financial Statements section of the report. We are required to be independent of Association of Gospel Rescue Missions, dba Citygate Network 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 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 Association of Gospel Rescue Missions, dba Citygate Network'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 auditing standards generally accepted in the United States of America 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 auditing standards generally accepted in the United States of America, 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 Association of Gospel Rescue Missions, dba Citygate Network'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 Association of Gospel Rescue Missions, dba Citygate Network'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 audits.

*BiggsKofford, P.C.*

Colorado Springs, Colorado  
February 20, 2025

# ASSOCIATION OF GOSPEL RESCUE MISSIONS dba CITYGATE NETWORK

## CONSOLIDATED STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2024 AND 2023

	2024	2023
<b><u>ASSETS</u></b>		
Cash and equivalents	\$ 1,030,527	\$ 971,231
Accounts receivable	60,469	51,971
Contributions receivable	100,000	200,000
Investments	514,177	513,099
Prepaid expenses	52,295	74,831
Property and equipment, net	1,049,601	1,072,531
<b>Total assets</b>	<b>\$ 2,807,069</b>	<b>\$ 2,883,663</b>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
Liabilities:		
Accounts payable and accrued liabilities	\$ 45,566	\$ 48,124
Unearned income	618,145	591,192
<b>Total liabilities</b>	<b>663,711</b>	<b>639,316</b>
Net assets:		
Without donor restrictions:		
Operating	406,215	274,184
Equity in property and equipment	1,049,601	1,072,531
Board-designated	553,450	553,450
<b>Total net assets without donor restrictions</b>	<b>2,009,266</b>	<b>1,900,165</b>
With donor restrictions	134,092	344,182
<b>Total net assets</b>	<b>2,143,358</b>	<b>2,244,347</b>
<b>Total liabilities and net assets</b>	<b>\$ 2,807,069</b>	<b>\$ 2,883,663</b>

The accompanying notes and independent auditor's report  
should be read with these consolidated financial statements.

# ASSOCIATION OF GOSPEL RESCUE MISSIONS dba CITYGATE NETWORK

## CONSOLIDATED STATEMENTS OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b><u>SUPPORT AND REVENUE</u></b>						
Membership dues	\$ 871,932	\$ -	\$ 871,932	\$ 850,410	\$ -	\$ 850,410
Conferences and events	891,458	-	891,458	912,807	-	912,807
Contributions and grants	272,393	66,210	338,603	283,958	142,379	426,337
Publication and ad sales	97,896	-	97,896	82,664	-	82,664
Other income	118,256	-	118,256	93,179	-	93,179
Rental income, net	25,593	-	25,593	26,180	-	26,180
<b>Total support and revenue</b>	<b>2,277,528</b>	<b>66,210</b>	<b>2,343,738</b>	<b>2,249,198</b>	<b>142,379</b>	<b>2,391,577</b>
Net assets released from restrictions	276,300	(276,300)	-	161,567	(161,567)	-
<b><u>EXPENSES</u></b>						
Program services	2,005,046	-	2,005,046	2,153,187	-	2,153,187
Supporting activities:						
General and administrative	374,073	-	374,073	375,554	-	375,554
Fundraising	65,608	-	65,608	35,517	-	35,517
<b>Total expenses</b>	<b>2,444,727</b>	<b>-</b>	<b>2,444,727</b>	<b>2,564,258</b>	<b>-</b>	<b>2,564,258</b>
Change in net assets	109,101	(210,090)	(100,989)	(153,493)	(19,188)	(172,681)
Net assets, beginning of year	1,900,165	344,182	2,244,347	2,053,658	363,370	2,417,028
Net assets, end of year	<b>\$ 2,009,266</b>	<b>\$ 134,092</b>	<b>\$ 2,143,358</b>	<b>\$ 1,900,165</b>	<b>\$ 344,182</b>	<b>\$ 2,244,347</b>

The accompanying notes and independent auditor's report should be read with these consolidated financial statements.

# ASSOCIATION OF GOSPEL RESCUE MISSIONS dba CITYGATE NETWORK

## CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2024

	Program Services	General and Administrative	Fundraising	Total
Salaries and wages	\$ 455,419	\$ 122,972	\$ 38,732	\$ 617,123
Employee benefits	97,965	26,453	8,331	132,749
Payroll taxes	33,059	8,165	3,337	44,561
<b>Total compensation expenses</b>	<b>586,443</b>	<b>157,590</b>	<b>50,400</b>	<b>794,433</b>
Advertising	-	12,453	-	12,453
Conferences and events	630,319	-	-	630,319
Contractors-accounting fees	-	19,515	-	19,515
Contractors-legal fees	17,217	3,755	-	20,972
Contractors-other	226,937	70,695	1,055	298,687
Depreciation	17,012	4,200	1,718	22,930
Government relations	6,537	-	-	6,537
Information technology	20,149	6,270	-	26,419
Instigate magazine	91,537	-	-	91,537
Insurance	11,631	2,873	1,174	15,678
Miscellaneous	155	53,630	-	53,785
Occupancy	40,004	9,880	4,039	53,923
Office	67,593	34,278	5,564	107,435
Other	253,106	3,681	2,500	259,287
Travel	56,400	207	1,176	57,783
	<b>2,025,040</b>	<b>379,027</b>	<b>67,626</b>	<b>2,471,693</b>
Less expenses netted with revenues on the consolidated statement of activities:				
Rental expenses	(19,994)	(4,954)	(2,018)	(26,966)
<b>Total expenses</b>	<b>\$ 2,005,046</b>	<b>\$ 374,073</b>	<b>\$ 65,608</b>	<b>\$ 2,444,727</b>
Percentage of total expenses	<b>82%</b>	<b>15%</b>	<b>3%</b>	<b>100%</b>

The accompanying notes and independent auditor's report  
should be read with these consolidated financial statements.

**ASSOCIATION OF GOSPEL RESCUE MISSIONS dba CITYGATE NETWORK**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2023**

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and wages	\$ 757,418	\$ 85,469	\$ 16,799	\$ 859,686
Employee benefits	132,652	44,315	1,540	178,507
Payroll taxes	49,485	9,856	1,628	60,969
<b>Total compensation expenses</b>	<b>939,555</b>	<b>139,640</b>	<b>19,967</b>	<b>1,099,162</b>
Advertising	-	9,047	-	9,047
Conferences and events	584,270	-	-	584,270
Contractors-accounting fees	-	18,309	-	18,309
Contractors-legal fees	13,478	2,841	-	16,319
Contractors-other	166,939	47,634	1,041	215,614
Depreciation	19,399	3,864	638	23,901
Government relations	6,344	-	-	6,344
Information technology	24,309	5,495	-	29,804
Instigate magazine	83,863	-	-	83,863
Insurance	16,083	3,204	529	19,816
Miscellaneous	3,016	56,953	-	59,969
Occupancy	37,822	7,534	1,245	46,600
Office	70,146	79,024	8,387	157,557
Other	145,386	1,228	-	146,614
Travel	62,728	4,924	4,392	72,045
	<b>2,173,338</b>	<b>379,698</b>	<b>36,199</b>	<b>2,589,234</b>
Less expenses netted with revenues on the consolidated statement of activities:				
Rental expenses	(20,151)	(4,144)	(682)	(24,976)
<b>Total expenses</b>	<b>\$ 2,153,187</b>	<b>\$ 375,554</b>	<b>\$ 35,517</b>	<b>\$ 2,564,258</b>
Percentage of total expenses	<b>84%</b>	<b>15%</b>	<b>1%</b>	<b>100%</b>

The accompanying notes and independent auditor's report  
should be read with these consolidated financial statements.

# ASSOCIATION OF GOSPEL RESCUE MISSIONS dba CITYGATE NETWORK

## CONSOLIDATED STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Change in net assets	\$ (100,989)	\$ (172,681)
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation expense	22,930	23,901
(Increase) decrease in operating assets:		
Accounts receivable	(8,498)	1,536
Contributions receivable	100,000	100,000
Prepaid expenses	22,536	(37,576)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued liabilities	(2,558)	(27,045)
Unearned income	26,953	26,690
Net cash flows from operating activities	60,374	(85,175)
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Purchases of investments	(1,078)	(14,761)
Net cash flows from investing activities	(1,078)	(14,761)
Net change in cash and equivalents	59,296	(99,936)
Cash and equivalents, beginning of year	971,231	1,071,167
Cash and equivalents, end of year	\$ 1,030,527	\$ 971,231

The accompanying notes and independent auditor's report should be read with these consolidated financial statements.

# ASSOCIATION OF GOSPEL RESCUE MISSIONS dba CITYGATE NETWORK

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

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### 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Organization

Association of Gospel Rescue Missions, dba Citygate Network ("Citygate Network"), a nonprofit organization incorporated in the state of Missouri, is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code ("Code"). Citygate Network started out in 1906 as the National Federation of Gospel Missions, then became the International Union of Gospel Missions, then the Association of Gospel Rescue Missions. Although the name has changed over time, our purpose has not. Citygate Network exists to provide the envisioning, education, training, resources, guidance, representation, and nexus for missions and kindred ministries that are striving to move people in destitute conditions or desperate situations from human suffering to human flourishing through the process of gospel-powered life transformation. 2153 Chuckwagon Road, LLC is a wholly-owned subsidiary of Citygate Network. Chuckwagon owns and operates real property on behalf of Citygate Network.

#### Principles of consolidation

The financial statements include the operations of Citygate Network and 2153 Chuckwagon Road, LLC. Material transactions and balances between these entities have been eliminated. Unless otherwise noted, these consolidated entities are hereinafter referred to as the "Organization."

#### Basis of accounting

The financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

#### Use of estimates

The preparation of financial statements in accordance with US GAAP requires management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from these estimates.

#### Newly adopted accounting policies

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments – Credit Losses* ("ASC Topic 326"). This ASU revises how organizations account for credit losses for most financial assets. On January 1, 2023, the Organization adopted the requirements of ASC Topic 326. The adoption of ASC Topic 326 did not have a material impact on the Organization's financial statements.

See independent auditor's report.

# ASSOCIATION OF GOSPEL RESCUE MISSIONS dba CITYGATE NETWORK

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

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### Cash and equivalents

For purposes of the consolidated statements of cash flows, the Organization considered all highly liquid investments with original maturities of three months or less to be cash equivalents.

### Accounts receivable and allowance for credit losses

Accounts receivable consist of amounts related to membership fees and advertising. The Organization does not require collateral to support its accounts receivable. Management considers accounts receivable to be fully collectable as of December 31, 2024. Accordingly, no allowance for credit losses has been recorded.

### Contributions receivable

Contributions receivable consist of unconditional promises to give and are recorded at net realizable value. Unconditional promises to give expected to be collected beyond one year are initially recorded at fair value using present value techniques. The discount on those amounts is computed using estimated risk free-rates and amortization of the discount is included in contribution revenue in the accompanying consolidated statements of activities. The Organization also maintains an allowance for uncollectable pledges receivable, determined based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Contributions receivable are written off when deemed uncollectable.

Management considers contributions receivable to be fully collectable as of December 31, 2024 and 2023. Accordingly, no allowance has been recorded.

### Investments

Investments consist of certificates of deposit and are carried at fair market value. Under the fair value valuation hierarchy, these certificates of deposit are considered Level 2, as the value of the funds is based on quoted prices in active markets for the underlying assets which are publicly traded. Gains and losses are recorded in the year they are incurred.

### Property and equipment

Acquisitions of property and equipment with original cost of \$5,000 or greater and having a useful life exceeding one year are capitalized and recorded at cost, or fair value, if donated. Property and equipment are depreciated using the straight-line method over estimated useful lives, ranging from four to 40 years.

See independent auditor's report.

# ASSOCIATION OF GOSPEL RESCUE MISSIONS dba CITYGATE NETWORK

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

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### Unearned income

Unearned income consists of:

Unearned membership dues - Payments received for annual membership with Citygate Network. Those amounts are recognized when earned, which is over the membership period.

Conference registrations and exhibit fees - Payments received for the annual conference, the associated exhibits, and other events which will take place at a future date. Amounts will be recognized as revenue when the event is held.

### Net assets

The financial statements present information regarding the financial position and statements of activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions consist of resources available for use in operations, those resources invested in property and equipment, and resources restricted by the board of directors as to future use. Net assets with donor restrictions consist of resources restricted by donors as to purpose or by the passage of time.

### Contributions and grants

In accordance with US GAAP, contributions received are recorded as without donor restrictions or with donor restrictions depending on the existence and/or nature of donor restrictions, if applicable. Contribution revenue is recognized when cash is received, when unconditional promises are made, or when ownership of contributed assets is transferred to the Organization. The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

See independent auditor's report.

# ASSOCIATION OF GOSPEL RESCUE MISSIONS dba CITYGATE NETWORK

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

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### Revenue recognition

#### *Membership dues and other revenues*

The Organization receives revenue from membership dues, conferences, meetings, events, publication and ad sales, and district program income. Revenue from these sources is considered to be contracts with customers under ASC Topic 606. Citygate Network has elected to use a portfolio approach as practical expedient to account for contracts with customers as a group rather than individually since the financial statement effects are not expected to materially differ from an individual contract approach. Revenue is recognized as performance obligations are met. For membership dues, performance obligations for annual dues are considered to be met on a monthly basis. For all other revenues, performance obligations are met when services are rendered or when goods are exchanged.

#### *Contract assets and liabilities*

The timing of revenue recognition, billings, and cash collections results in accounts receivable (contract assets), and unearned income (contract liabilities). Accounts receivable are recorded when the right to consideration becomes unconditional. Changes in the contract asset and liability balances during the years ended December 31, 2024 and 2023 were not materially impacted by other factors.

Contract balances consist of the following for the years ended December 31,:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Accounts receivable	\$ 60,469	\$ 51,971	\$ 53,507
Unearned income	618,145	591,192	564,502

### Functional expenses

The costs of providing the various program services and supporting activities have been summarized on a functional basis in the consolidated statements of activities and functional expenses. These expenses require allocation on a reasonable basis that is consistently applied. Any costs that could be directly assigned to a specific function are allocated to that function. The expenses that are allocated include salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance, and other, which are allocated based on an estimate of time and effort spent, and occupancy and depreciation, which are allocated based on an estimate of square footage.

See independent auditor's report.

# ASSOCIATION OF GOSPEL RESCUE MISSIONS dba CITYGATE NETWORK

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

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### Advertising

Advertising costs are expensed as incurred and totaled \$12,453 and \$9,047, respectively, for the years ended December 31, 2024 and 2023.

### Income taxes

The Organization is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code ("Code") and is not a private foundation under Section 509(a)(2) of the Code. The Organization evaluates the effect of uncertain tax positions, if any, and provides for those positions in accordance with the provisions of FASB ASC Topic 450, *Contingencies*. No tax accrual for uncertain tax positions has been recorded as management believes there are no uncertain tax positions for the Organization.

### Reclassifications

Certain prior year balances and amounts have been reclassified to conform to the current year presentation. These reclassifications had no impact on previously reported net assets or change in net assets.

### Subsequent events

Management has evaluated subsequent events through the date of the independent auditor's report, the date on which the financial statements were available to be issued.

See independent auditor's report.

# ASSOCIATION OF GOSPEL RESCUE MISSIONS dba CITYGATE NETWORK

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

### 2. LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available to meet cash needs for general expenditures, that is, without donor or other restrictions limiting their use, within one year of the consolidated statement of financial position date, comprise the following as of December 31,:

	<b>2024</b>	<b>2023</b>
Financial assets at year end:		
Cash and equivalents	\$ 1,030,527	\$ 971,231
Accounts receivable	60,469	51,971
Contributions receivable	100,000	200,000
Investments	514,177	513,099
 Total financial assets at year end	 1,705,173	 1,736,301
 Less amounts unavailable for general expenditures within one year due to:		
Net assets with donor restrictions	(134,092)	(344,182)
 Financial assets available to meet cash needs for general expenditures within one year	 \$ 1,571,081	 \$ 1,392,119

As part of the Organization's liquidity management plan, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. In addition, the Organization invests cash in excess of daily requirements in short-term investments, CDs, and money market funds. Also, the Organization has board-designated net assets totaling \$553,450 as of December 31, 2024 and 2023. Of these amounts, \$500,000 could be made available for current operations, if necessary.

### 3. CONTRIBUTIONS RECEIVABLE

Contributions receivable consist of the following as of December 31,:

	<b>2024</b>	<b>2023</b>
Within one year	\$ 100,000	\$ 100,000
In one to five years	-	100,000
 Contributions receivable, net	 \$ 100,000	 \$ 200,000

See independent auditor's report.

# ASSOCIATION OF GOSPEL RESCUE MISSIONS dba CITYGATE NETWORK

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

### 4. PROPERTY AND EQUIPMENT, NET

Property and equipment consist of the following as of December 31,:

	<b>2024</b>	<b>2023</b>
Building and building improvements	\$ 895,525	\$ 895,525
Furniture and equipment	54,253	54,253
	949,778	949,778
Gross depreciable property and equipment	949,778	949,778
Less: accumulated depreciation	(205,917)	(182,987)
	743,861	766,791
Land	305,740	305,740
	305,740	305,740
Property and equipment, net	\$ 1,049,601	\$ 1,072,531

Depreciation expense related to property and equipment totaled \$22,930 and \$23,901 for the years ended December 31, 2024 and 2023, respectively.

### 5. NET ASSETS

Net assets with donor restrictions consist of the following as of December 31,:

	<b>2024</b>	<b>2023</b>
Subject to expenditure for specified purpose:		
Disaster relief fund	\$ 9,583	\$ -
Expansion program fund - General	250	1,335
Expansion program fund - Hawaii	997	-
Marilyn E Farmer Award	6,419	6,522
Murdock/Ripple Effect	16,633	86,848
Murdock/Membership Dept	100,000	223,806
NextGen Chamber grant fund	-	23,771
Scholarship funds	210	1,900
	210	1,900
Total net assets with donor restrictions	\$ 134,092	\$ 344,182

Board-designated net assets consist of an operating reserve that requires board approval for expenditure and funds set aside for the Ripple Effect matching grant.

See independent auditor's report.

# ASSOCIATION OF GOSPEL RESCUE MISSIONS dba CITYGATE NETWORK

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

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### 6. LINE OF CREDIT

The Organization had an unsecured line of credit with a financial institution in the amount of \$385,000 that matured on December 21, 2023, bearing interest at 5.25% per annum. Management intends to obtain a new line of credit in the amount of \$400,000. There was no outstanding balance as of December 31, 2024 and 2023.

### 7. OPERATING LEASE INCOME

The Organization leases office space with monthly rents of approximately \$4,380 through December 2027. Lease income from third parties totaled \$52,559 and \$51,156 for the years ended December 31, 2024 and 2023, respectively. The future minimum rental payments to be received for these leases are as follows:

Years Ending December 31,	
2025	\$ 52,559
2026	52,559
2027	52,559
	<hr/>
	\$ 157,677
	<hr/> <hr/>

### 8. CONCENTRATIONS

#### Cash and equivalents

The Organization maintains its cash and equivalents in bank deposit accounts in which the deposits are guaranteed by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. At certain times during the year the Organization had deposits in excess of FDIC limits. This risk is managed by maintaining deposits with high-quality financial institutions. The Organization does not anticipate nonperformance by these institutions.

#### Contributions receivable

All contributions receivable were from one donor as of December 31, 2024 and 2023.

#### Contributions and grants

One donor accounted for 44% of contributions and grants for the year ended December 31, 2024. One donor accounted for 35% of contributions and grants for the year ended December 31, 2023.

See independent auditor's report.

# ASSOCIATION OF GOSPEL RESCUE MISSIONS dba CITYGATE NETWORK

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2024 AND 2023

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### 9. RETIREMENT PLAN

Citygate Network has a 403(b) Retirement Plan ("Plan") that is available to all employees upon their start date. Employees can contribute 100% of eligible compensation up to the IRS approved limits. During the years ended December 31, 2024 and 2023, Citygate Network matched employee deferrals 100%, up to the first 5% of employee contributions. Employer contributions to the Plan totaled \$48,607 and \$37,720 for the years ended December 31, 2024 and 2023, respectively. Participants are 100% vested in all contributions to the Plan.

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See independent auditor's report.