CONSOLIDATED FINANCIAL STATEMENTS

WATERFRONT RESCUE MISSION, INC.
AND AFFILIATED ORGANIZATION

DECEMBER 31, 2024

C O N T E N T S

BROWN THORNTON ◆ PACENTA & Company, P.A.
Certified Public Accountants
Business & Financial Consultants

Michael D. Thornton, Shareholder
Jan M. Pacenta, Shareholder
Catherine T. Bond, Officer
John R. Dunaway, Of Counsel
Russell F. Lentz, Of Counsel
Sandy J. Queen, Officer
Sean K. Quigley, Officer

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Waterfront Rescue Mission, Inc.
and Affiliated Organization
Pensacola, Florida

Opinion

We have audited the accompanying consolidated financial statements of Waterfront Rescue Mission, Inc. and affiliate (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Waterfront Rescue Mission, Inc. and affiliate as of December 31, 2024, and the changes in their net assets and their 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 Consolidated Financial Statements section of our report. We are required to be independent of Waterfront Rescue Mission, Inc. 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.

Responsibilities of Management for the Consolidated Financial Statements

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

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In preparing the consolidated 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 within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 consolidated 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.

Report on Summarized Comparative Information

We have previously audited Waterfront Rescue Mission, Inc. and affiliate's 2023 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated June 7, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Brown Thornton Pacenta & Company, P.A.

Pensacola, Florida
May 15, 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

WATERFRONT RESCUE MISSION, INC. AND AFFILIATED ORGANIZATION

DECEMBER 31, 2024
(With comparative totals for 2023)

ASSETS

	2024	2023
ASSETS		
Cash and cash equivalents	$ 6,761,495	$ 6,273,675
Accounts receivable	34,536	10,989
Contribution receivable	675,000	425,000
Accrued interest	19,565	-
Contributed merchandise inventory	1,105,168	1,141,065
Purchased merchandise inventory	79,035	73,783
Prepaid expenses and deposits	323,608	303,768
Investments	4,923,642	6,417,841
Certificates of deposit	1,789,000	-
Operating lease right-of-use assets	447,671	783,619
Finance lease right-of-use assets, net	1,216,759	1,234,728
Construction in progress	173,092	5,319
Land, buildings, and equipment, net	13,257,944	13,088,722
Total assets	$ 30,806,515	$ 29,758,509

LIABILITIES AND NET ASSETS

	2024	2023
LIABILITIES		
Accounts payable	$ 166,735	$ 214,019
Accrued liabilities	132,432	388,787
Accrued compensated absences	182,871	188,267
Operating lease liabilities	454,664	765,326
Finance lease liabilities	1,304,695	1,305,542
Notes payable, net	537,311	882,083
Contingent notes payable	1,225,243	1,225,243
Deposits payable	10,968	10,968
Deferred revenues	50,089	56,940
Total liabilities	4,065,008	5,037,175
NET ASSETS		
Without donor restrictions	26,011,740	24,282,217
With donor restrictions	729,767	439,117
Total net assets	26,741,507	24,721,334
Total liabilities and net assets	$ 30,806,515	$ 29,758,509

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

CONSOLIDATED STATEMENT OF ACTIVITIES

WATERFRONT RESCUE MISSION, INC. AND AFFILIATED ORGANIZATION

YEAR ENDED DECEMBER 31, 2024
(With comparative totals for 2023)

	Without Donor Restrictions	With Donor Restrictions	2024 Total	2023 Total
CHANGES IN NET ASSETS				
REVENUE AND SUPPORT				
Sales of purchased merchandise				
(less cost of $196,169 and $239,711)	$ 161,268	$ -	$ 161,268	$ 168,229
Merchandise contributed for sale				
(less cost of recyclables of $16,853 and $20,327)	9,951,382	-	9,951,382	9,852,049
Donated services and noncash contributions	459,314	-	459,314	460,136
Cash contributions and grants	3,847,674	300,000	4,147,674	3,579,950
Interest	435,871	-	435,871	411,147
Investment income	261,747	-	261,747	107,184
Gain (loss) on sale of assets	5,150	-	5,150	-
Participation fees	383,746	-	383,746	327,163
Special events				
(less direct costs of $23,883 and $8,096)	(23,883)	-	(23,883)	(8,096)
Meal supplement	7,881	-	7,881	13,309
Other revenue	245,633	-	245,633	242,799
Net assets released from restrictions	9,350	(9,350)	-	-
TOTAL REVENUE AND SUPPORT	15,745,133	290,650	16,035,783	15,153,870
EXPENSES				
Program services				
Missions	3,788,039	-	3,788,039	3,321,551
Thrift stores	6,802,340	-	6,802,340	6,667,126
Recycling center	1,159,064	-	1,159,064	1,186,792
Total program services	11,749,443	-	11,749,443	11,175,469
Supporting services				
General and administrative	1,329,881	-	1,329,881	1,107,340
Fundraising	936,286	-	936,286	883,001
Total supporting services	2,266,167	-	2,266,167	1,990,341
TOTAL EXPENSES	14,015,610	-	14,015,610	13,165,810
CHANGE IN NET ASSETS	1,729,523	290,650	2,020,173	1,988,060
NET ASSETS, BEGINNING OF YEAR	24,282,217	439,117	24,721,334	22,733,274
NET ASSETS, END OF YEAR	$ 26,011,740	$ 729,767	$ 26,741,507	$ 24,721,334

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

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

WATERFRONT RESCUE MISSION, INC. AND AFFILIATED ORGANIZATION

YEAR ENDED DECEMBER 31, 2024
(With comparative totals for 2023)

	Missions	Thrift Stores	Recycling Center	Total Program Services	General and Administrative	Fund Raising	Total Supporting Services	Total Expenses 2024	Total Expenses 2023
Accounting and legal	$ 1,700	$ 27,349	$ -	$ 29,049	$ 77,309	$ 6,500	$ 83,809	$ 112,858	$ 90,778
Advertising	6,243	144,410	-	150,653	4,033	198,857	202,890	353,543	324,770
Amortization of right-to-use-assets	36,353	-	119,118	155,471	2,482	-	2,482	157,953	135,400
Bank charges	46	13,353	-	13,399	22,662	222	22,884	36,283	32,337
Banquets	7,933	-	-	7,933	1,505	-	1,505	9,438	6,087
Contracted services	173,187	56,616	33,621	263,424	36,909	64,882	101,791	365,215	517,704
Convention travel	10,037	7,412	977	18,426	16,891	441	17,332	35,758	27,736
Credit card	4,675	175,807	-	180,482	-	28,080	28,080	208,562	187,423
Depreciation	397,914	182,231	30,930	611,075	5,257	6,290	11,547	622,622	604,684
Direct mail	-	-	-	-	-	526,415	526,415	526,415	510,205
Donations in-kind	447,740	9,863	1,711	459,314	-	-	-	459,314	460,136
Donations to others	79	658	-	737	2,655	-	2,655	3,392	3,653
Drug free program	3,572	32	1,038	4,642	923	-	923	5,565	11,706
Dues and subscriptions	14,763	13,780	-	28,543	6,629	2,786	9,415	37,958	31,353
Education and training	18,458	1,876	-	20,334	4,097	-	4,097	24,431	27,639
Insurance	153,900	431,635	55,018	640,553	11,416	-	11,416	651,969	577,868
Interest	76,948	5,017	22,096	104,061	1,555	-	1,555	105,616	97,374
Janitorial	51,570	20,082	684	72,336	5,885	-	5,885	78,221	68,946
Meals	72,469	3,344	559	76,372	6,398	-	6,398	82,770	64,310
Medical	45	-	-	45	-	-	-	45	-
Personnel benefits	133,461	261,056	77,142	471,659	88,318	4,859	93,177	564,836	549,166
Personnel costs	1,475,561	4,226,414	599,797	6,301,772	868,513	66,800	935,313	7,237,085	6,695,992
Postage	453	91	-	544	7,777	14,469	22,246	22,790	24,377
Rent	53,842	467,219	6,852	527,913	19,008	-	19,008	546,921	447,824
Repairs and maintenance	209,510	225,407	38,044	472,961	90,669	15,685	106,354	579,315	509,519
Supplies and small equipment	102,041	94,045	2,905	198,991	16,616	-	16,616	215,607	202,398
Sustenance	1,500	-	-	1,500	-	-	-	1,500	4,500
Taxes and licenses	1,291	24,900	967	27,158	1,869	-	1,869	29,027	14,761
Telephone	47,680	33,948	9,525	91,153	20,005	-	20,005	111,158	112,907
Utilities	256,897	367,990	29,177	654,064	10,478	-	10,478	664,542	625,116
Vehicles	28,171	7,805	128,903	164,879	22	-	22	164,901	199,141
Total	$ 3,788,039	$ 6,802,340	$ 1,159,064	$ 11,749,443	$ 1,329,881	$ 936,286	$ 2,266,167	$ 14,015,610	$ 13,165,810

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

CONSOLIDATED STATEMENT OF CASH FLOWS

WATERFRONT RESCUE MISSION, INC. AND AFFILIATED ORGANIZATION

YEAR ENDED DECEMBER 31, 2024
(With comparative totals for 2023)

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 2,020,173	$ 1,988,060
Adjustments to reconcile change in net assets		
to net cash used in operating activities:		
Merchandise contributed for sale, net	(9,951,382)	(9,852,049)
Sales of contributed merchandise	9,987,279	9,867,976
In-kind stock donation	(19,787)	(14,875)
Depreciation	622,622	604,684
Amortization of loan costs	495	11,711
Amortization of right-of-use-assets	157,953	135,400
Unrealized (gain) loss on investments	3,460	(79,755)
(Gain) loss on sale of property and equipment	(5,150)	-
(Increase) decrease in operating assets:		
Accounts receivable	(23,547)	(5,138)
Contributions receivable	(250,000)	189,000
Accrued interest receivable	(19,565)	-
Pledges receivable	-	40,000
Inventory of purchased goods	(5,252)	(8,620)
Prepaid expenses	(19,840)	(80,351)
Operating lease right-of-use assets	335,948	267,436
Finance lease right-of-use assets	68,207	112,402
Increase (decrease) in operating liabilities:		
Accounts payable	(47,284)	(81,343)
Accrued liabilities	(256,355)	48,039
Accrued compensated absences	(5,396)	(98,638)
Operating lease liabilities	(310,662)	(290,594)
Deferred revenues	(6,851)	12,825
Net cash provided by operating activities	2,275,066	2,766,170
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in investments, net	(128,137)	(634,393)
Purchase of property and equipment	(959,217)	(860,190)
Proceeds from sale of property and equipment	4,750	-
Purchase of investments	(1,366,095)	(6,293,559)
Purchase of certificates of deposit	(1,789,000)	-
Proceeds from sale of investments	3,004,758	653,883
Net cash used by investing activities	(1,232,941)	(7,134,259)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on long-term debt	(345,267)	(370,668)
Payments on finance leases	(209,038)	(227,958)
Net cash used by financing activities	(554,305)	(598,626)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	487,820	(4,966,715)
Cash and cash equivalents, beginning of year	6,273,675	11,240,390
Cash and cash equivalents, end of year	$ 6,761,495	$ 6,273,675

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

WATERFRONT RESCUE MISSION, INC. AND AFFILIATED ORGANIZATION

NOTE A - ORGANIZATION AND PURPOSE OF OPERATIONS

Waterfront Rescue Mission, Inc. (the Mission) was founded in 1949 as a Florida nonprofit organization. The Mission provides rehabilitative services to indigent people and those suffering from substance abuse and other life-dominating issues. Healing and restoration are the goals of this Bible-based model that promotes self-sufficient, productive members of the community in the states of Florida and Alabama.

The Mission offers a range of impactful programs to support individuals in need, including its thrift stores, recycling center, and mission initiatives. At the heart of these efforts is the LifeBuilder Recovery Program, a 90-day Christian residential program that helps men overcome addiction and rebuild their lives with renewed hope and purpose. To support long-term success, the Career Development Program assists men in enrolling in local colleges, universities, and vocational schools, while also helping them secure employment. These services aim to empower participants to become productive and self-sufficient members of society. The Veterans Program supports homeless military veterans by working with the U.S. Department of Veterans Affairs to help them access benefits and affordable housing. Through the Respite Care Program, ill or injured homeless men and women are provided a safe, supportive place to rest and recover, complete with hospital-style beds and medical oversight. The Day Resource Center serves men, women, and children experiencing homelessness or poverty by offering essential services such as job search support, mail and phone access, storage lockers, clothing, meals, laundry and shower facilities, recreational activities, and spiritual counseling. Across its various programs, the Mission also offers literacy and computer skills training, as well as opportunities to learn valuable work skills including forklift operation, merchandising, production, register use, customer service, and cooking. The Mission's thrift stores provide the community with affordable, high-quality clothing, shoes, household goods, and gently-used furniture. Locations include Pensacola, Fort Walton, Crestview, Milton, Foley, Gulf Breeze, and Mobile. These stores are supported by in-kind donations, which help fund the Mission's programs. The Recycling and Donation Center processes approximately 1,800 tons of donated materials each year. Items are either resold at market value or recycled to reduce landfill waste. Staff at both the thrift stores and the recycling center work closely with clients, providing job skills training while promoting environmental stewardship, Christian values, and strong work ethics. The Mission is a proud member of the CityGate Network and the Evangelical Council for Financial Accountability, reflecting its commitment to transparency, faith-based service, and community impact.

Waterfront Rescue Mission Foundation, Inc. (the Foundation) was created in 1995 to assure preservation of the Mission's assets, and to meet other long-term financial needs of the Mission. The Foundation holds and invests funds contributed to it by the Mission and administers certain private contributions and endowment funds received to support the purpose of the Mission. The Foundation's revenue and net assets are summarized in the consolidating schedules.

NOTE A - ORGANIZATION AND PURPOSE OF OPERATIONS (Continued)

The Mission and the Foundation are affiliated nonprofit organizations by virtue of the fact that they share a common board of directors. The accompanying financial statements of Mission and the Foundation are presented on a consolidated basis for the year ended December 31, 2024 (the Organization).

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Principles of Consolidation - The consolidated financial statements include the accounts of Waterfront Rescue Mission, Inc. and the Waterfront Rescue Mission Foundation, Inc. (collectively, the Organization). All material related party transactions have been eliminated in consolidation.

2. Basis of Accounting - The Organization prepares its financial statements on the accrual basis of accounting, following accounting principles generally accepted in the United States of America for nonprofit organizations.

3. Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

4. Basis of Presentation - The Organization is required by the *Financial Statements of Not-for-Profit Organizations* topic of the FASB Accounting Standard Codification to report information regarding its financial position and activities according to two classes of net assets:

   Without donor restrictions - not subject to donor-imposed stipulations.

   With donor restrictions - subject to donor-imposed stipulations.

5. Cash and Cash Equivalents - For the purpose of the consolidated statements of cash flows, the Organization considers highly liquid investments with an original maturity of three months or less to be cash equivalents.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

6. Accounts Receivable - Trade accounts receivable represents amounts due from sales in the Organization's recycling program and are presented net of an allowance for credit losses. The Organization estimates the allowance based on historical experience, coupled with a review of the current status of existing receivables. Trade accounts receivable balances will be written off in the period management deems they are uncollectible. Recoveries of trade receivables previously written off will be recorded in revenue when received. Management has evaluated the receivables and considered them to be fully collectible. Accordingly, there was no allowance for credit losses at December 31, 2024.

7. Pledges Receivable - Unconditional promises to give (pledges) are recognized in the period that notification is received. The pledges are recorded as revenue and net assets with donor restrictions. Pledges are discounted, using a market discount rate, to present value for collections expected in future years. Accretion of the discount in subsequent years is also recorded as contribution revenue. The Organization did not apply a discount to the pledge receivable balance at December 31, 2024. There were no pledges receivable at December 31, 2024.

   Pledges receivable are stated net of an allowance for uncollectible pledges. The Organization estimates the allowance based on an analysis of specific donors, taking into consideration the age of past due amounts and an assessment of the donor's ability to pay. There was no allowance for pledges receivable at December 31, 2024.

8. Contributed Merchandise - Inventories of clothing and other merchandise donated to the Mission for sale through the thrift stores and use in the Mission's program services are recorded at estimated net realizable value. The value of inventory on hand in the thrift stores is estimated using the subsequent sales method. That inventory method uses inventory turnover statistics and sales subsequent to year end to estimate inventory at December 31, 2024. The value of warehouse goods is estimated based on the average weight, by type, of merchandise. Because of the inherent uncertainties in estimating the net realizable value of contributed merchandise, it is at least reasonably possible that the estimates used will change in the near term.

9. Purchased Goods Merchandise - Inventories of merchandise purchased for resale are valued at lower of cost (first in-first out) or market.

10. Fair Value Measurement - Investments are measured at fair value by the fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs consist of observable inputs other than quoted prices for identical assets; Level 3 inputs consist of significant unobservable inputs and have the lowest priority.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

When available, the Organization measures fair value using Level 1 inputs, because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available. The Organization used the following methods and significant assumptions to estimate fair value for its assets measured and carried at fair value in the consolidated financial statements:

> Investments in debt securities and certain equity securities are measured at fair value using Level 1 inputs. Gains and losses on investments are reported as increases or decreases in net assets without donor restriction unless their use is restricted by the donor, and dividend, interest, and other investment income is reported in the period earned as increases in net assets without donor restriction unless donor-imposed restrictions apply.

The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization 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.

Changes in the value of remeasurement are recorded in the period remeasured.

11. Land, Buildings, and Equipment - Land, buildings, and equipment are stated at cost, or if donated, at the estimated fair market value on the date of the gift. It is the policy of the Organization to capitalize purchases of property and equipment in excess of $5,000. Contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those assets must be maintained, the Organization reports expirations of donor restrictions when the acquired assets are placed in service as instructed by the donor. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

    Depreciation is provided on a straight-line method over the estimated useful lives of the assets, as follows:

Buildings and improvements	5 - 40 years
Furniture, fixtures, and equipment	4 - 10 years
Vehicles	3 - 5 years

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

12. Debt Issuance Costs - Debt issuance costs are reported on the statement of financial position as a direct deduction from the face amount of debt. The Organization reflects amortization of debt issuance costs as interest expense.

13. Program Revenue - The Organization recognizes revenue, based on the transaction price, for in-store merchandise and online sales when the customer receives the merchandise. In determining the transaction price, the Organization considers the amount to be contractually billed to its customer.

    The Organization sells gift cards through its stores. The Organization does not charge fees on unused gift cards. Revenues from gift cards is recognized when the gift card is redeemed by the customer.

    Program fee revenue is reported at the estimated net realizable amounts that reflects the consideration to which the Organization expects to be entitled in exchange for providing client services. These amounts are due from clients. Generally, the Organization bills the client when services are provided. Revenue is recognized as performance obligations are satisfied. It is the Organization's expectation that the period between the time the service is provided to a client and the time a client pays for that service will be one year or less.

    Performance obligations are determined based on the nature of services provided by the Organization. Revenue for performance obligations satisfied over time is recognized based on actual services rendered. Generally, performance obligations are satisfied over time when services are provided.

    The Organization measures the performance obligation from when the Organization begins to provide services to a client to the point when it is no longer required to provide services to that client.

    Each performance obligation is separately identifiable from other promises in the contract with the customers. As the performance obligations are met, revenue is recognized based upon allocated transaction price. The transaction price is allocated to separate performance obligations based upon the relative standalone selling price.

    Because all of its performance obligations relate to short-term contracts, the Organization has elected to apply the optional exemption provided in *FASB ASC Subtopic 606-10-50-14(a)*, and therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period.

    Contract receivables, assets, and liabilities at January 1, 2023, were $5,851, zero, and zero, respectively.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

14. Contributions - Contributions are recorded depending on the existence and/or nature of any donor-imposed stipulations and/or restrictions.

    All bequests are recorded as contributions to the Foundation, unless the donor specifies the gift should go directly to the Mission.

    Contributions are recognized when the donor makes an unconditional promise to give. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions are met in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

15. Donated Goods and Services - The Organization records various types of in-kind support, including contributed professional services and materials. Contributed professional services are recognized if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Contributions of tangible assets are recognized at fair value when received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor and are treated as in-kind support for purposes of meeting state matching requirements. A number of unpaid volunteers have made significant contributions of their time to the Mission. The value of this contributed time is not reflected in these statements, since it does not meet the aforementioned criteria.

    Significant amounts of food, clothing, furniture, appliances, and other merchandise are donated to the Mission. These donations are recorded at their estimated net realizable value. Most of the items donated are sold through the Mission’s thrift stores. However, management estimates the value of “donations in-kind” used in the Mission’s program services to feed, clothe, and otherwise assist indigent individuals for the year ended December 31, 2024 to be $459,314.

16. Grants - The Organization records grant revenue over the period of the award and the provisions of the grant determine the timing of revenue recognition. Grant expenses are recognized when incurred. Amounts that have been awarded but not received are recorded as grants receivable.

17. Sublease Rental Income - Sublease rental income is recognized on a straight-line basis based on the aggregate minimum rental payments outlined in the lease agreements over the applicable lease terms.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

18. Functional Allocation of Expenses - The cost of providing the various programs and other activities has been summarized on a functional basis in the statement of functional expenses. Expenses that can be identified with a specific program or support service are allocated directly according to their natural expenditure classification. Some costs are allocated based on estimates by management.

19. Advertising Expense - The Organization uses advertising to promote its programs among the audiences they service. The production costs of advertising are expensed the first time the advertising takes place, including direct-response advertising. Advertising costs were $353,543 for the year ended December 31, 2024.

20. Comparative Financial Information - The financial statements include certain prior-year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjuncture with the Organization's financial statements for the year ended December 31, 2023 from which the summarized information was derived. Certain accounts and activities in the prior year have been reclassified to conform to the presentation in the current year financial statements.

21. Tax Exemptions - The Mission and the Foundation are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and comparable state laws and are exempt from federal income taxes other than income from certain activities not directly related to their tax-exempt purpose. Neither the Mission nor the Foundation had any unrelated business income for the year ended December 31, 2024. In addition, the Mission and the Foundation qualify for the charitable contribution deduction under Section 170(b)(1)(A) and have been classified as organizations other than a private foundation under Section 509(a)(2).

    The Organization follows the accounting standard for uncertainty in income taxes, which addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more-likely-than-not that the tax position will be sustained on examination by taxing authorities. The guidance on accounting for uncertainty in income taxes also addresses de-recognition, classification, interest, and penalties on income taxes, and accounting in interim periods. The Organization believes that any tax positions it has taken or expects to take that are more-likely-than-not sustainable, as described in the Codification, would not be material to the financial statements taken as a whole. Accordingly, no liability has been provided for unrecognized tax benefits, nor has any interest or penalty been accrued at December 31, 2024.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Organization's information and tax returns for the years ended December 31, 2022 through 2024 are subject to examination by the Internal Revenue Service, generally for three years after they were filed.

22. Leases - Leases are recognized on the statement of financial position the assets and liabilities for the rights and obligations created by leases with lease terms of more than twelve months. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by a lessee will continue to primarily depend on its classification as a finance or operating lease. The Organization recorded a "right to use" operating and finance assets and operating and finance lease liability.

23. Events Occurring After the Reporting Date - The Waterfront Rescue Mission, Inc. has evaluated events and transactions that occurred between December 31, 2024 and May 15, 2025, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

NOTE C - CASH AND CASH EQUIVALENTS

Cash and cash equivalents were comprised of the following as of December 31, 2024:

Interest bearing accounts	$ 5,480,773
Non-interest bearing accounts	1,271,572
Cash on hand	9,150
	$ 6,761,495

NOTE D - CERTIFICATES OF DEPOSIT

The Organization has two certificates of deposit carried at cost at December 31, 2024 as follows:

	Carrying Value	Interest Rate	Maturity Date
Certificate of deposit	$ 1,539,000	4.16%	October 2025
Certificate of deposit	$ 250,000	4.16%	October 2025

Interest income on the certificates of deposit amounted to $19,565 for the year ended December 31, 2024.

NOTE E - FAIR VALUE MEASUREMENTS

The Organization's investments are reported at fair value in the accompanying statement of financial position. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization 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.

FASB Standards Codification 820, Fair Measurements and Disclosures, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels; Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority; Level 2 inputs consist of observable inputs other than quoted prices for identical assets; and Level 3 inputs consist of significant unobservable inputs and have the lowest priority. When available, the Company measures fair value using Level 1 inputs, because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available. There were no Level 3 inputs during the year ended December 31, 2024.

Level 1 Fair Value Measurements - The fair value of the marketable investments is based on quoted market price held by the Organization at year end.

Level 2 Fair Value Measurements - The fair value of the brokered certificates of deposit are based on quoted market prices that are not active or model derived valuations in which all significant inputs are observable in active markets.

The fair value measurements and levels within the fair value hierarchy of those measurements for the assets reported at fair value on a recurring basis at December 31, 2024, are as follows:

	Fair Value	Fair Value Measurement Using Quoted Prices in Active Markets for Identical Assets (Level 1)	Fair Value Measurement Using Significant Other Observable Inputs (Level 2)
Trading investments	$ 2,812,757	$ 2,812,757	$ -
Certificates of deposit	2,110,885	-	2,110,885
Total	$ 4,923,642	$ 2,812,757	$ 2,110,885

NOTE E - FAIR VALUE MEASUREMENTS (Continued)

Cost, fair value, and unrealized gains for the years ended December 31, 2024 are summarized as follows:

	Cost	Fair Value	Unrealized Gains
Trading investments	$ 2,753,686	$ 2,812,757	$ 59,071
Certificates of deposit	2,066,985	2,110,885	43,900
Total	$ 4,820,671	$ 4,923,642	$ 102,971

NOTE F - SUPPLEMENTAL CASH FLOW INFORMATION

The Organization paid $29,734 in interest during the year ended December 31, 2024. During 2024, the Organization received in-kind stock donations totaling $19,787.

NOTE G - LAND, BUILDINGS, AND EQUIPMENT

Land, buildings, and equipment owned by the Organization at December 31, 2024 were as follows:

Land	$ 2,897,392
Buildings and improvements	15,297,237
Leasehold improvements	105,610
Furniture, fixtures, and equipment	2,777,660
Vehicles	460,533
	21,538,432
Less accumulated depreciation	(8,280,488)
	$ 13,257,944

Depreciation expense for the year ended December 31, 2024 totaled $622,622.

NOTE H - FINANCIAL ASSETS AVAILABLE FOR GENERAL EXPENDITURES

The following reflects the Organization's financial assets as of December 31, 2024, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of December 31, 2024. However, amounts already appropriated from the donor-restricted endowment for general expenditure within one year of December 31, 2024 have not been subtracted as unavailable.

Financial assets, at year-end	$ 14,203,238
Less those unavailable for general expenditures within one year, due to:	
Subject to satisfaction of donor restrictions	(729,767)
Financial assets available to meet cash needs for general expenditures within one year	$ 13,473,471

The Organization at times receives restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Occasionally, the board designates a portion of any operating surplus to its liquidity reserve.

NOTE I - NOTE PAYABLE

The Organization's note payable as of December 31, 2024 is as follows:

The Mission:

Note to bank, monthly payments of $9,623, including interest at 3.95% through April 2026, collateralized by real property in Mobile County and rents with a net book value of $4,922,863	$ 569,313
Less, unamortized debt issuance costs	(32,002)
	$ 537,311

NOTE I - NOTE PAYABLE (Continued)

A schedule of maturities of the note payable is as follows:

Year Ending December 31,	Amounts
2025	$ 70,715
2026	466,596
2027	-
2028	-
2029	-
Thereafter	-
	$ 537,311

Interest expense related to the notes payable for the year ended December 31, 2024 was $105,616, including loan amortization of $495.

NOTE J - CONTINGENT NOTES PAYABLE

The Federal Home Loan Bank Atlanta advanced Affordable Housing Program funds to the Organization in the amount of $1,000,000 for the construction of the Pensacola Mission. The award was recognized by a note which was formally executed September 28, 2012, for this amount, and is secured by the Herman Street building, including all attached real property and improvements with a net book value of $3,015,600. In addition, the ground lease has also been assigned. These funds were awarded in conjunction with the loan, dated February 14, 2012, for $1,000,000 with a financial institution.

During 2014, the Federal Home Loan Bank Atlanta advanced Affordable Housing Program funds to the Organization in the amount of $225,243 for the construction of the Mobile Mission. The award was recognized by a note which was formally executed October 25, 2012, for this amount, and is secured by the Mobile Mission building, including all attached real property and improvements with a net book value of $3,593,248. These funds were awarded in conjunction with the loan, dated September 15, 2014, for $225,243 with a financial institution.

In the event of default of any terms or obligations pursuant to the notes, including the sale, conveyance, transfer, or assignment of any interest in the properties referred to in the notes or the failure of the Organization to comply with the occupancy restrictions and conditions specified in the notes, the total principal balances will be due and payable.

NOTE J - CONTINGENT NOTES PAYABLE (Continued)

If the Organization is not in default on any terms or obligations of the note within fifteen years, the entire principal balance shall be forgiven on the fifteenth anniversary of the note. The note is noninterest bearing. The balance of the contingent notes payable for the Pensacola Mission and the Mobile Mission were $1,000,000 and $225,243, respectively, at December 31, 2024.

NOTE K - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes at December 31, 2024:

Estate receivable	$ 675,000
Other purposes	54,767
	$ 729,767

NOTE L - CHANGES IN CONSOLIDATED NET ASSETS

Changes in the consolidated net assets relating to the Mission and affiliate for the year ended December 31, 2024 are as follows:

	Mission	Foundation	Total
Net assets without donor restrictions:			
Balance, December 31, 2023	$ 23,164,981	$ 1,117,236	$ 24,282,217
Changes in net assets without donor restrictions	1,672,643	56,880	1,729,523
Balance, December 31, 2024	$ 24,837,624	$ 1,174,116	$ 26,011,740

	Mission	Foundation	Total
Net assets with donor restrictions:			
Balance, December 31, 2023	$ 439,117	$ -	$ 439,117
Changes in net assets with donor restrictions	290,650	-	290,650
Balance, December 31, 2024	$ 729,767	$ -	$ 729,767

NOTE M - NONCASH CONTRIBUTIONS

Donated food and other goods and services for the fiscal year ended December 31, 2024, included in the consolidated financial statements, were as follows:

Clothing	$ 16,590
Food	399,948
Items to the needy	9,865
Remodeling services	32,911
	$ 459,314

NOTE N - SUBLEASE RENTAL INCOME

The Mission has a month-to-month lease agreement for the North McKenzie Street property in Foley, Alabama requiring monthly rental payments of $2,000.

The Mission has a month-to-month lease agreement for the Ferdon Boulevard property in Crestview, Florida requiring monthly rental payments of $425.

The Mission entered into a sublease agreement in October 2022. The subtenant is leasing approximately 1,500 square feet for $10,000 due monthly expiring in September 30, 2027. The sublease is pledged as collateral in connection with the note payable to Trustmark.

The Mission also has a month-to-month sublease agreement for the Herman Street Day Resource Center with Escambia County Community Clinics, for approximately 540 square feet. Rent of $314 was due monthly through February 2023. In March 2023, the Organization entered into a three-year lease agreement for the property with two three-year renewal terms, with base monthly rental payments of $4,300, with incremental increases. The agreement was amended during 2024 to reduce monthly payments to $2,100 per month.

The Mission has a month-to-month agreement for the West Fairfield Drive property in Pensacola, Florida requiring monthly rental payments of $1,500.

NOTE N - SUBLEASE RENTAL INCOME (continued)

Future minimum sublease payments remaining to be received on the agreements are as follows:

Year Ending December 31,	Amounts
2025	$ 145,200
2026	145,200
2027	115,200
2028	25,200
2029	25,200
Thereafter	54,600
	$ 510,600

The following is a summary of the leased property in service at December 31, 2024:

Land	$ 96,241
Land improvements	12,156
Buildings and improvements	1,563,148
Equipment	1,980
	1,673,525
Less accumulated depreciation	(435,000)
	$ 1,238,525

Rental revenue and expenses for the year ended December 31, 2024 were as follows:

Revenues	$ 203,300
Expenses	
Depreciation	49,432
Insurance	17,697
Repairs and maintenance	17,755
Utilities	31,655
	116,539
Net rental income	$ 86,761

Rental income is included in other revenue in the statement of activities.

NOTE O - LEASES

In 2010, the Organization entered into a ground lease in Pensacola under a fifty-year operating lease requiring annual rental payments of $43,200, with annual increases of $100 per month, and an option to purchase at the end of the lease period. Rent payments due for the year ended December 31, 2024 for this land were $54,000.

The Organization has a month-to-month lease for a facility in Gulf Breeze requiring annual rental payments of $44,400. Rent payments due for the year ended December 31, 2024 for this facility were $44,400.

The Organization leased eight vehicles during 2024. Rent payments due for the year ended December 31, 2024 for these vehicles were $146,865. The leases on the vehicles expire in April 2026 for one vehicle, in June 2026 for three of the vehicles, March 2028 for one of the vehicles, July 2028 for two of the vehicles, and January 2031 for one of the vehicles.

During May 2016, the Organization sold property in Fort Walton Beach and leased back the property to continue operations of the thrift store. The lease for the facility is under a five-year operating lease with two five-year renewal periods available. The lease was renewed in May 2021 requiring annual rental payments of $191,393. In May 2024, the annual rental payments increased to $199,049. Rent payments due for the year ended December 31, 2024 were $196,497.

In 2018, the Organization entered into a lease for a facility in Mobile under a five-year operating lease expiring in 2026. In June 2021, the lease was amended to require annual rental payments of $144,000. Rent payments due for the year ended December 31, 2024 were $144,000.

In July 2021, the Organization entered into an equipment lease in its various Florida and Alabama locations under a five-year operating lease requiring annual rental payments of $5,532 beginning July 2021, expiring 2025. Rent payments due for the year ended December 31, 2024 were $5,532.

In August 2021, the Organization entered into a copier lease in Pensacola under a four-year operating lease requiring annual rental payments of $2,736 beginning July 2021, expiring 2025. Rent payments due for the year ended December 31, 2024 was $2,732.

NOTE O - LEASES (Continued)

The Organization recognizes right-of-use assets and lease liabilities for leases with terms greater than twelve months or for leases that contain a purchase option that is reasonably certain to be exercised. The Organization used one or more practical expedients, including short-term leases with terms twelve months or less to remain off the Organization's Statement of Financial Position. Leases are classified as either finance or operating leases. This classification dictates whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease.

The following summarizes the line items in the statements of financial position which include amounts for operating and finance leases as of December 31, 2024:

Operating Leases:	
Operating lease right-of-use-assets	$ 447,671
Current operating lease liabilities	$ 329,222
Noncurrent operating lease liabilities	125,442
Total operating lease liabilities	$ 454,664
Finance Leases:	
Finance lease right-of-use-assets	$ 1,745,645
Accumulated amortization	(528,885)
Finance lease right-of-use-assets, net	$ 1,216,760
Current finance lease liabilities	$ 146,427
Noncurrent finance lease liabilities	1,158,268
Total finance lease liabilities	$ 1,304,695

Right-of-use assets obtained in exchange for new operating and finance lease liabilities during the year ended December 31, 2024 totaled $139,984.

NOTE O - LEASES (Continued)

The following summarized the weighted average remaining lease term, discount rate, and lease costs as of December 31, 2024:

	Operating Leases	Finance Leases
Average monthly payment	$ 13,975	$ 1,343
Average number of payments remaining	17	97
Average discount rate	5%	5%
Total right-of-use assets	$ 447,671	$ 1,216,760
Total lease liabilities	$ 454,664	$ 1,304,695
Total cash paid	$ 340,497	$ 253,438

At December 31, 2024, the Organization was obligated for minimum rental payments under non-cancelable operating and finance leases having remaining terms in excess of one year for each of the next five years and in the aggregate as follows:

December 31,	Operating	Finance
2025	$ 343,049	$ 207,445
2026	126,350	166,287
2027	-	134,468
2028	-	104,739
2029	-	77,411
Thereafter	-	1,656,912
Total lease payments	469,399	2,347,262
Less: interest	(14,735)	(1,042,567)
Present value of lease liabilites	$ 454,664	$ 1,304,695

The equipment and software used in operations is rented on a month-to-month or as needed basis.

NOTE O - LEASES (Continued)

The following summarizes the line items in the statement of functional expenses which include the components of lease expense for the year ended December 31, 2024:

Operating lease expense, included in rent	$ 307,969
Finance lease costs:	
Amortization of lease assets	$ 157,953
Interest on lease liabilities	68,207
Total finance lease costs	$ 226,160

NOTE P - CONCENTRATION OF CREDIT RISK

Financial instruments, which potentially subject the Organization to concentrations of credit risk, include cash in banks and certificates of deposit in excess of federally insured limits. The Organization manages this risk by maintaining its cash in various high-quality financial institutions. The funds in these accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. The uninsured cash balance was $5,289,451 at December 31, 2024.

NOTE Q - PENSION PLAN

All of the full-time employees of the Organization who have attained 21 years of age are covered under a defined contribution pension plan. Employees are permitted to contribute to the plan on a pre-tax basis. The Organization contributes matching contributions, at the Organization’s discretion. Employees are also allowed to make post-tax contributions under a Roth-403(b). The Organization contributed $14,047 to the Plan for the year ended December 31, 2024.

ADDITIONAL INFORMATION

BROWN THORNTON ◆ PACENTA & Company, P.A.
Certified Public Accountants
Business & Financial Consultants

Michael D. Thornton, Shareholder
Jan M. Pacenta, Shareholder
Catherine T. Bond, Officer
John R. Dunaway, Of Counsel
Russell F. Lentz, Of Counsel
Sandy J. Queen, Officer
Sean K. Quigley, Officer

INDEPENDENT AUDITOR'S REPORT ON ADDITIONAL INFORMATION

To the Board of Directors
Waterfront Rescue Mission, Inc.
and Affiliated Organization
Pensacola, Florida

We have audited the consolidated financial statements of Waterfront Rescue Mission, Inc. (a nonprofit organization) and Affiliated Organization for the year ended December 31, 2024, and our report thereon dated May 15, 2025, which expresses an unmodified opinion on those financial statements appears on pages 2 - 4. Our audit was conducted for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The additional information on pages 30 - 32 is presented for purposes of additional analysis and is not a required part of the basic consolidated 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

Brown Thornton Pacenta & Company, P.A.

Pensacola, Florida
May 15, 2025

CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES - MISSIONS

WATERFRONT RESCUE MISSION, INC. AND AFFILIATED ORGANIZATION

YEAR ENDED DECEMBER 31, 2024
(With comparative totals for 2023)

	Pensacola Mission	Mobile Mission	Career Development	Recovery Center	Women's Rescue	Arukah	Total Mission Expenses 2024	Total Mission Expenses 2023
Accounting and legal	$ -	$ 1,700	$ -	$ -	$ -	$ -	$ 1,700	$ 3,556
Advertising	1,984	-	-	-	4,259	-	6,243	106
Amortization of right-to-use-assets	33,991	2,362	-	-	-	-	36,353	33,798
Bank Charges	-	7	-	-	-	39	46	108
Banquets	-	-	-	7,933	-	-	7,933	4,194
Contracted services	81,691	43,774	7,874	20,216	-	19,632	173,187	273,005
Convention travel	2,808	3,339	-	2,743	-	1,147	10,037	7,313
Credit cards	2,815	1,860	-	-	-	-	4,675	4,057
Depreciation	210,459	155,347	8,703	23,405	-	-	397,914	394,573
Donations in-kind	249,925	166,615	31,200	-	-	-	447,740	448,474
Donations to others	79	-	-	-	-	-	79	257
Drug free program	1,525	1,208	-	839	-	-	3,572	3,725
Dues and subscriptions	5,154	6,560	-	3,049	-	-	14,763	15,267
Education and training	7,465	1,448	3,382	6,074	-	89	18,458	17,968
Insurance	71,841	56,406	8,831	16,533	-	289	153,900	137,663
Interest	46,296	30,652	-	-	-	-	76,948	66,496
Janitorial	34,146	13,243	921	2,572	-	688	51,570	42,242
Meals	25,167	22,869	96	24,302	-	35	72,469	51,542
Medical	-	-	-	45	-	-	45	-
Personnel benefits	82,771	16,938	628	28,430	4,482	212	133,461	133,126
Personnel costs	719,617	399,348	23,144	239,417	85,312	8,723	1,475,561	1,143,546
Postage	446	7	-	-	-	-	453	544
Rent	10,023	7,840	32,433	435	3,111	-	53,842	18,872
Repairs and maintenance	117,063	64,626	21,064	6,555	165	37	209,510	146,443
Supplies and small equipment	45,037	20,513	11,299	9,407	11,770	4,015	102,041	51,139
Sustenance	-	-	500	1,000	-	-	1,500	4,500
Taxes and licenses	765	33	241	252	-	-	1,291	2,200
Telephone	15,144	12,786	2,826	9,178	114	7,632	47,680	42,274
Utilities	113,713	115,019	12,364	14,976	156	669	256,897	244,319
Vehicles	18,001	7,926	137	2,107	-	-	28,171	30,244
Total	$ 1,897,926	$ 1,152,426	$ 165,643	$ 419,468	$ 109,369	$ 43,207	$ 3,788,039	$ 3,321,551

See independent auditor’s report on additional information.

CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES - THRIFT STORES

WATERFRONT RESCUE MISSION, INC. AND AFFILIATED ORGANIZATION

YEAR ENDED DECEMBER 31, 2024
(With comparative totals for 2023)

	Pensacola Thrift Store	Foley Thrift Store	Milton Thrift Store	Ft. Walton Thrift Store	Crestview Thrift Store	Gulf Breeze Thrift Store	Mobile Thrift Store	Online Thrift Store	Total Thrift Store Expenses 2024	Total Thrift Store Expenses 2023
Accounting and legal	$ 3,743	$ 2,643	$ 2,643	$ 7,891	$ 2,643	$ 5,143	$ 2,643	$ -	$ 27,349	$ 3,750
Advertising	37,506	20,208	17,750	17,761	12,811	7,335	10,341	20,698	144,410	136,310
Bank charges	2,877	1,938	1,631	1,711	1,516	2,300	1,380	-	13,353	13,481
Contracted services	20,538	6,794	4,983	5,128	5,246	2,822	3,862	7,243	56,616	103,652
Convention travel	582	780	1,193	971	1,187	1,835	864	-	7,412	3,999
Credit cards	51,445	26,927	27,431	22,223	17,925	16,903	12,953	-	175,807	164,220
Depreciation	63,161	53,531	29,087	5,656	17,137	6,245	4,482	2,932	182,231	164,501
Donations in-kind	1,409	1,409	1,409	1,409	1,409	1,409	1,409	-	9,863	11,662
Donations to others	94	94	94	94	94	94	94	-	658	497
Drug free program	-	-	-	-	32	-	-	-	32	5,705
Dues and subscriptions	157	157	157	157	157	157	157	12,681	13,780	7,279
Education and training	268	268	268	268	268	268	268	-	1,876	854
Insurance	130,033	64,725	58,444	72,751	44,343	34,197	16,381	10,761	431,635	382,542
Interest	-	-	-	-	-	5,017	-	-	5,017	7,976
Janitorial	5,066	4,033	3,170	2,677	1,981	1,698	1,296	161	20,082	20,584
Meals	802	636	447	349	554	204	213	139	3,344	4,865
Personnel benefits	80,341	20,343	52,644	16,733	24,439	23,446	23,340	19,770	261,056	256,293
Personnel costs	1,233,644	588,172	552,067	584,563	443,128	345,683	323,157	156,000	4,226,414	4,167,207
Postage	13	13	13	13	13	13	13	-	91	1,157
Rent	1,823	806	5,296	224,662	2,314	81,708	147,596	3,014	467,219	410,564
Repairs and maintenance	56,046	29,678	29,840	24,740	41,498	19,690	23,383	532	225,407	260,321
Supplies and small equipment	23,041	12,760	10,056	11,195	8,253	7,557	8,277	12,906	94,045	138,380
Taxes and licenses	3,262	861	3,588	65	5	17,114	5	-	24,900	4,917
Telephone	6,501	3,541	5,119	4,529	4,059	2,970	6,622	607	33,948	41,723
Utilities	98,467	56,490	31,828	55,034	35,253	21,908	64,184	4,826	367,990	347,519
Vehicles	1,115	1,115	1,115	1,115	1,115	1,115	1,115	-	7,805	7,168
Total	$ 1,821,934	$ 897,922	$ 840,273	$ 1,061,695	$ 667,380	$ 606,831	$ 654,035	$ 252,270	$ 6,802,340	$ 6,667,126

See independent auditor's report on additional information.

CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES - RECYCLING CENTER

WATERFRONT RESCUE MISSION, INC. AND AFFILIATED ORGANIZATION

YEAR ENDED DECEMBER 31, 2024
(With comparative totals for 2023)

	Total Recycling Center Expenses 2024	Total Recycling Center Expenses 2023
Accounting and legal	$ -	$ 750
Amortization of right-to-use-assets	119,118	99,120
Bank charges	-	54
Contracted services	33,621	40,562
Convention travel	977	3,264
Credit cards	-	227
Depreciation	30,930	30,264
Donations in-kind	1,711	-
Drug free program	1,038	785
Insurance	55,018	47,255
Interest	22,096	21,221
Janitorial	684	1,434
Meals	559	405
Personnel benefits	77,142	69,172
Personnel costs	599,797	638,470
Rent	6,852	5,947
Repairs and maintenance	38,044	31,108
Supplies and small equipment	2,905	3,749
Taxes and licenses	967	1,956
Telephone	9,525	9,279
Utilities	29,177	21,407
Vehicles	128,903	160,363
Total	$ 1,159,064	$ 1,186,792

See independent auditor's report on additional information.

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