Open Door Mission

Consolidated Financial Statements and Independent Auditors' Report

March 31, 2025 and 2024

Open Door Mission

Index

Lutz
MIND WHAT MATTERS

INDEPENDENT AUDITORS' REPORT

Board of Directors
Open Door Mission
Omaha, Nebraska

Opinion
We have audited the accompanying consolidated financial statements of Open Door Mission (the Organization), which comprise the consolidated statements of financial position as of March 31, 2025 and 2024, the related consolidated statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the consolidated financial statements).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organization as of March 31, 2025 and 2024, and the changes in their consolidated net assets and their consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We have conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our 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 Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of these 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.

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 issued or available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance whether the consolidated 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 in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than 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 judgement made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement 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 audits in order to design audit procedures that are appropriate in the circumstances, but not for the purposes 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 judgement, 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 audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the 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 consolidated financial statements. The supplementary information has been subjected to the auditing procedures applied in the audit of the 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 consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Lutz & Company, P.C.

September 2, 2025

Open Door Mission

Consolidated Statements of Financial Position

March 31, 2025 and 2024

ASSETS

	2025	2024
CURRENT ASSETS		
Cash and Cash Equivalents	$ 10,821,704	$ 11,174,992
Restricted Cash and Cash Equivalents	1,197,609	627,514
Investments	6,132,569	5,653,298
Inventories	1,034,152	802,487
Prepaid Expenses	125,901	100,234
Other Current Assets	-	1,875
Total Current Assets	19,311,935	18,360,400
PROPERTY AND EQUIPMENT		
Land	2,892,716	2,495,716
Buildings and Improvements	19,318,432	8,597,518
Furniture and Equipment	2,003,207	1,594,081
Vehicles	816,270	841,003
Construction in Progress	3,185,386	466,016
Total Cost	28,216,011	13,994,334
Less Accumulated Depreciation	5,774,733	5,157,204
Net Book Value	22,441,278	8,837,130
OTHER ASSETS		
Accrued Interest Receivable, Related Parties	334,055	1,395,539
Notes Receivable, Related Parties	735,253	2,803,574
Operating Lease Right-of-Use Assets	1,145,629	1,977,566
Restricted Investments for Endowment	4,505,133	3,222,338
Deposits and Other Assets	80	80
Total Other Assets	6,720,150	9,399,097
TOTAL ASSETS	**$ 48,473,363**	**$ 36,596,627**

Open Door Mission

Consolidated Statements of Financial Position

March 31, 2025 and 2024

LIABILITIES		
	2025	**2024**
CURRENT LIABILITIES		
Current Portion of Long-Term Debt	$ 118,561	$ -
Accounts Payable	416,605	131,739
Accrued Compensation and Other Accrued Expenses	456,130	415,189
Current Portion of Operating Lease Liabilities	228,234	450,245
Total Current Liabilities	1,219,530	997,173
LONG-TERM LIABILITIES		
Long-Term Debt, Less Current Portion	2,575,733	450,000
Other Long-Term Liabilities	43,854	46,001
Operating Lease Liabilities, Less Current Portion	966,815	1,588,048
Total Long-Term Liabilities	3,586,402	2,084,049
Total Liabilities	4,805,932	3,081,222
COMMITMENTS AND CONTINGENCIES		
NET ASSETS		
Without Donor Restrictons	40,707,697	31,458,450
With Donor Restrictions	2,959,734	2,056,955
Total Net Assets	43,667,431	33,515,405
TOTAL LIABILITIES AND NET ASSETS	**$ 48,473,363**	**$ 36,596,627**

Open Door Mission

Consolidated Statement of Activities and Changes in Net Assets

Year Ended March 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT			
Contributions	$ 11,795,640	$ 950,578	$ 12,746,218
Non-Cash Contributions	13,773,726	-	13,773,726
Bequests and Memorials	488,476	-	488,476
Total Support	26,057,842	950,578	27,008,420
REVENUE			
Interest and Dividends	709,914	52,635	762,549
Realized and Unrealized Gain on Investments	424,570	125,155	549,725
Rental Income	600,994	-	600,994
Miscellaneous	646,516	-	646,516
Contribution from Acquisition	6,296,882	-	6,296,882
Total Revenue	8,678,876	177,790	8,856,666
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of Program Restrictions	225,589	(225,589)	-
TOTAL SUPPORT, REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS	34,962,307	902,779	35,865,086
EXPENSES			
Program Services			
Lydia House - Women and Children's Emergency Services	3,395,289	-	3,395,289
Lydia House - Women and Children's Recovery Services	1,631,240	-	1,631,240
Open Door Mission - Men's Emergency Services	4,403,134	-	4,403,134
Open Door Mission - Men's Recovery Services	1,212,091	-	1,212,091
Public Services	9,289,164	-	9,289,164
Public Education	161,662	-	161,662
Permanent Supportive Housing	1,872,258	-	1,872,258
Total Program Expenses	$ 21,964,838	$ -	$ 21,964,838

See Notes to Consolidated Financial Statements.

Open Door Mission

Consolidated Statement of Activities and Changes in Net Assets

Year Ended March 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Supporting Services			
General and Administrative	$ 1,264,299	$ -	$ 1,264,299
Fundraising	2,483,923	-	2,483,923
Total Supporting Services Expenses	3,748,222	-	3,748,222
Total Expenses	25,713,060	-	25,713,060
Change in Net Assets	9,249,247	902,779	10,152,026
Net Assets, Beginning of Year	31,458,450	2,056,955	33,515,405
NET ASSETS, END OF YEAR	**$ 40,707,697**	**$ 2,959,734**	**$ 43,667,431**

See Notes to Consolidated Financial Statements.

Open Door Mission

Consolidated Statement of Activities and Changes in Net Assets

Year Ended March 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT			
Contributions	$ 11,153,666	$ 1,806,163	$ 12,959,829
Non-Cash Contributions	15,926,111	-	15,926,111
Bequests and Memorials	2,662,539	-	2,662,539
Total Support	29,742,316	1,806,163	31,548,479
REVENUE			
Interest and Dividends, Net	666,338	34,590	700,928
Realized and Unrealized Gain on Investments	827,549	124,791	952,340
Rental Income	507,719	-	507,719
Miscellaneous	299,024	-	299,024
Total Revenue	2,300,630	159,381	2,460,011
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of Program Restrictions	123,912	(123,912)	-
TOTAL SUPPORT, REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS	32,166,858	1,841,632	34,008,490
EXPENSES			
Program Services			
Lydia House - Women and Children's Emergency Services	3,833,573	-	3,833,573
Lydia House - Women and Children's Recovery Services	1,592,841	-	1,592,841
Open Door Mission - Men's Emergency Services	4,959,439	-	4,959,439
Open Door Mission - Men's Recovery Services	1,201,638	-	1,201,638
Public Services	9,964,480	-	9,964,480
Public Education	171,521	-	171,521
Permanent Supportive Housing	2,142,697	-	2,142,697
Total Program Expenses	$ 23,866,189	$ -	$ 23,866,189

See Notes to Consolidated Financial Statements.

Open Door Mission

Consolidated Statement of Activities and Changes in Net Assets

Year Ended March 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Supporting Services			
General and Administrative	$ 1,221,352	$ -	$ 1,221,352
Fundraising	2,723,327	-	2,723,327
Total Supporting Services Expenses	3,944,679	-	3,944,679
Total Expenses	27,810,868	-	27,810,868
Change in Net Assets	4,355,990	1,841,632	6,197,622
Net Assets, Beginning of Year	27,102,460	215,323	27,317,783
NET ASSETS, END OF YEAR	**$ 31,458,450**	**$ 2,056,955**	**$ 33,515,405**

See Notes to Consolidated Financial Statements.

Open Door Mission

Consolidated Statement of Functional Expenses - Program Services

Year Ended March 31, 2025

	Overnight Guests							
	Lydia House-Women and Children's Emergency Services	Lydia House-Women and Children's Recovery Services	Open Door Mission-Men's Emergency Services	Open Door Mission-Men's Recovery Services	Public Services	Public Education	Permanent Supportive Housing	Total
Direct Expenses	$ 2,082,314	$ 480,834	$ 2,439,665	$ 587,883	$ 5,043,058	$ 161,662	$ 918,183	$11,713,599
Salaries, Payroll Taxes and Related Benefits	643,694	775,378	1,295,926	412,967	1,116,490	-	386,603	4,631,058
Telephone	2,416	3,468	3,406	2,581	5,909	-	9,670	27,450
Occupancy, Including Depreciation	383,328	304,237	299,830	124,512	655,951	-	432,758	2,200,616
Printing, Postage and Office Supplies	1,770	1,842	1,744	1,689	2,717	-	2,483	12,245
Travel and Conferences	233	1,234	2,780	867	-	-	271	5,385
Technology Support	8,084	5,683	5,725	7,731	9,066	-	6,414	42,703
Food and Kitchen	271,377	56,451	323,288	73,723	2,393,011	-	115,206	3,233,056
Vehicle Expenses	2,073	2,113	30,770	138	62,962	-	670	98,726
Total	**$ 3,395,289**	**$ 1,631,240**	**$ 4,403,134**	**$ 1,212,091**	**$ 9,289,164**	**$ 161,662**	**$ 1,872,258**	**$21,964,838**

See Notes to Consolidated Financial Statements.

Open Door Mission

Consolidated Statement of Functional Expenses – Program Services

Year Ended March 31, 2024

	Overnight Guests							
	Lydia House-Women and Children's Emergency Services	Lydia House-Women and Children's Recovery Services	Open Door Mission-Men's Emergency Services	Open Door Mission-Men's Recovery Services	Public Services	Public Education	Permanent Supportive Housing	Total
Direct Expenses	$ 2,388,872	$ 616,542	$ 2,696,244	$ 693,326	$ 4,983,955	$ 171,521	$ 1,071,049	$12,621,509
Salaries, Payroll Taxes and Related Benefits	607,737	640,433	1,294,979	240,777	1,011,118	-	483,854	4,278,898
Telephone	2,504	3,511	3,950	2,357	7,215	-	9,488	29,025
Occupancy, Including Depreciation	309,829	205,255	342,341	108,999	518,898	-	344,799	1,830,121
Printing, Postage and Office Supplies	2,707	2,763	2,061	2,089	5,156	-	3,754	18,530
Dues and Subscriptions	3	2	150	151	3	-	2	311
Travel and Conferences	694	2,427	1,047	5,093	1,057	-	1,303	11,621
Technology Support	9,135	6,817	4,747	7,856	8,716	-	6,565	43,836
Food and Kitchen	510,162	113,163	578,312	140,553	3,361,426	-	220,758	4,924,374
Vehicle Expenses	1,930	1,928	35,608	437	66,936	-	1,125	107,964
Total	**$ 3,833,573**	**$ 1,592,841**	**$ 4,959,439**	**$ 1,201,638**	**$ 9,964,480**	**$ 171,521**	**$ 2,142,697**	**$23,866,189**

See Notes to Consolidated Financial Statements.

Open Door Mission

Consolidated Statement of Functional Expenses – Supporting Services

Year Ended March 31, 2025

	General and Administrative	Fundraising	Total
General and Administrative - Other	$ 96,116	$ -	$ 96,116
Mailing and Printing Costs	-	1,313,147	1,313,147
Bank Charges	79,535	-	79,535
Salaries, Payroll Taxes, and Related Benefits	843,954	1,115,600	1,959,554
Telephone	6,508	7,300	13,808
Occupancy, Including Depreciation	70,941	22,419	93,360
Printing, Postage and Office Supplies	17,687	15,753	33,440
Professional Fees	80,978	-	80,978
Dues and Subscriptions	15,908	1,590	17,498
Travel and Conferences	28,055	910	28,965
Technology Support	7,770	3,859	11,629
Vehicle Expenses	16,847	3,345	20,192
Total	**$ 1,264,299**	**$ 2,483,923**	**$ 3,748,222**

See Notes to Consolidated Financial Statements.

Open Door Mission

Consolidated Statement of Functional Expenses – Supporting Services

Year Ended March 31, 2024

	General and Administrative	Fundraising	Total
General and Administrative - Other	$ 79,818	$ -	$ 79,818
Mailing and Printing Costs	-	1,623,283	1,623,283
Bank Charges	63,559	-	63,559
Salaries, Payroll Taxes, and Related Benefits	764,488	1,029,056	1,793,544
Interest Expense	235	-	235
Telephone	5,495	5,062	10,557
Occupancy, Including Depreciation	170,286	31,963	202,249
Printing, Postage and Office Supplies	18,989	20,726	39,715
Professional Fees	57,173	-	57,173
Dues and Subscriptions	15,121	2,100	17,221
Travel and Conferences	25,485	3,487	28,972
Technology Support	8,064	3,756	11,820
Vehicle Expenses	12,639	3,894	16,533
Total	**$ 1,221,352**	**$ 2,723,327**	**$ 3,944,679**

Open Door Mission

Consolidated Statements of Cash Flows

Years Ended March 31, 2025 and 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	$ 10,152,026	$ 6,197,622
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation	760,861	634,479
Realized and Unrealized Gain on Investments	(549,725)	(952,340)
Contributions of Investments	(201,168)	(123,024)
Contributions Restricted to Endowment	(775,100)	(1,724,900)
Contribution from Acquisition	(6,296,882)	-
Increase in Accrued Interest Receivable, Related Parties	(233,095)	(122,305)
Lease Expense	10,612	22,665
Loss (Gain) on Contract Termination	(21,919)	1,481
Decrease (Increase) in Operating Assets:		
Receivables	11,398	-
Inventories	(231,665)	70,789
Prepaid Expenses	(13,686)	(12,433)
Other Current Assets	1,875	2,715
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	(68,192)	35,279
Accrued Compensation and Other Accrued Expenses	(50,459)	177,880
Other Long-Term Liabilities	(2,147)	(5,880)
Net Cash Provided by Operating Activities	2,492,734	4,202,028
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sale of Investments	2,512,764	3,522,417
Purchase of Investments	(3,523,937)	(6,546,202)
Purchase of Property and Equipment	(2,668,970)	(1,091,668)
Cash Paid for Acquisition of Help the Homeless of the Metro, LLC, Net of Cash Acquired	568,710	-
Net Cash Used in Investing Activities	(3,111,433)	(4,115,453)
CASH FLOWS FROM FINANCING ACTIVITIES		
Collection of Contributions Restricted to Endowment	775,100	1,724,900
Issuance of Long-Term Debt	60,406	-
Net Cash Provided by Financing Activities	835,506	1,724,900
Net Increase in Cash and Cash Equivalents and Restricted Cash and Cash Equivalents	216,807	1,811,475
Cash and Cash Equivalents and Restricted Cash and Cash Equivalents, Beginning of Year	11,802,506	9,991,031
Cash and Cash Equivalents and Restricted Cash and Cash Equivalents, End of Year	**$ 12,019,313**	**$ 11,802,506**

See Notes to Consolidated Financial Statements.

Open Door Mission

Consolidated Statements of Cash Flows

Years Ended March 31, 2025 and 2024

	2025	2024
NONCASH INVESTING AND FINANCING ACTIVITIES		
Operating Lease Right-of-Use Assets Obtained in Exchange for Operating Lease Liabilities	$ 100,168	$ -
Property and Equipment Purchases included in Accounts Payable	352,517	-
Lease Termination/Modification Loss (Gain)	(21,919)	1,481
Acquisition of Help the Homeless of the Metro, LLC		
Receivables	$ (11,398)	$ -
Prepaid Expenses	(11,981)	-
Property and Equipment	(11,343,522)	-
Accounts Payable	541	-
Other Accrued Expenses	91,400	-
Long-Term Debt	1,883,888	-
Note Receivable Exchanged	2,368,321	-
Interest Receivable Exchanged	1,294,579	-
Contribution Gain on Acquisition	6,296,882	-
Net Cash Paid for Help the Homeless of the Metro, LLC, Net of Cash Acquired of $570,220	**$ 568,710**	**$ -**

1. Summary of Significant Accounting Policies

A summary of the significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements is set forth below.

Principles of Consolidation

The Open Door Mission has control and a direct economic interest in Help the Homeless, Inc. of 100% as of and for the years ended March 31, 2025 and 2024. Help the Homeless, Inc. has control and direct economic interest in Help the Homeless of the Metro, LLC of 100% effective as of December 31, 2024 and thereafter. The consolidated financial statements include the accounts and operations of Open Door Mission, Help the Homeless, Inc., and Help the Homeless of the Metro, LLC (collectively, the Organization). All significant intercompany balances and transactions have been eliminated in consolidation.

Organization and Nature of Activities

Open Door Mission was incorporated on February 26, 1955 as Rescue Mission, Inc. d/b/a Open Door Mission, a Nebraska nonprofit corporation. In 2015, the Organization's name changed to Open Door Mission, a Nebraska religious nonprofit corporation. It operates as the Open Door Mission, Lydia House, and Timberlake Outreach Center from its locations in Omaha and Elkhorn, Nebraska and Council Bluffs, Iowa. The Organization is a human services organization whose mission is to provide for the needs of the homeless or needy persons with shelter, food and clothing and spiritual, physical and emotional help. The Organization provides an opportunity for guests to develop Christian lifestyles and become productive individuals in society. Help the Homeless, Inc. is a nonprofit corporation which seeks to reduce homelessness and provide shelter, food and transportation to the homeless. Help the Homeless of the Metro, LLC is a for-profit entity that supports multi-family housing for the homeless.

Assignment and Assumption Agreement

Open Door Mission through Help the Homeless, Inc., was a general member and had a 0.01% ownership interest in Help the Homeless of the Metro, LLC. After the applicable tax credit compliance period for the limited liability company (which is generally 15 years), Open Door Mission through Help the Homeless, Inc., was assigned and acquired the remaining 99.99% member interest in Help the Homeless of the Metro, LLC from Midwest Housing Equity Group through an assignment agreement on December 31, 2024 including a cash payment of $1,510 and forgiveness as consideration of the Open Door Mission's note receivable of $2,368,321 and related accrued interest of $1,294,579 with Help the Homeless of the Metro, LLC. The primary assets acquired at fair value include the Lydia House of certain assets of $11,937,121 and certain liabilities of $1,975,829. Accordingly, the Organization recorded a contribution gain from the acquisition/assignment of $6,296,882 which is recorded on the accompanying consolidated statement of activities and changes in net assets for the year ended March 31, 2025.

The following is a description of the assets acquired and liabilities assumed of Help the Homeless of the Metro, LLC at December 31, 2024:

Cash and Cash Equivalents	$ 570,220
Receivables	11,398
Prepaid Expenses	11,981
Property and Equipment	11,343,522
	11,937,121
Accounts Payable	$ 541
Accrued Expenses	91,400
Long-Term Debt	1,883,888
	1,975,829
Cash Paid	1,510
Note Receivable Exchanged for Contribution Gain on Acquisition of Help the Homeless of the Metro, LLC	2,368,321
Accrued Interest Receivable Exchanged for Contribution	1,294,579
Gain on Acquisition of Help the Homeless of the Metro, LLC	**$ 6,296,882**

Financial Statement Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets and support, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations. The Board of Directors has designated, from net assets without donor restrictions, net assets for a board-designated endowment.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time. Net assets restricted by the actions of the Organization and/or the passage of time are temporary in nature. 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 and changes in net assets as net assets released from restrictions. Other donor-imposed stipulations are perpetual in nature and require that principal be maintained in perpetuity by the Organization. At March 31, 2025 and 2024, the Organization had $2,500,000 and $1,724,900, respectively, of net assets with donor restrictions perpetual in nature.

Use of Estimates

The preparation of the consolidated 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 and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents and Restricted Cash and Cash Equivalents

For purposes of the consolidated statements of cash flows, the Organization considers all highly liquid investments, with an initial maturity of three months or less, to be cash and cash equivalents. The Organization considers all cash and cash equivalents designated for long-term purposes or received with donor-imposed restrictions limiting their use to long-term purposes to be restricted cash and cash equivalents.

The following table provides a reconciliation of cash and cash equivalents and restricted cash and cash equivalents at March 31 reported within the consolidated statements of financial position that sum to the total shown in the consolidated statements of cash flows.

	2025	2024
Cash and Cash Equivalents	$ 10,821,704	$ 11,174,992
Restricted Cash and Cash Equivalents	1,197,609	627,514
Total Cash and Cash Equivalents and Restricted Cash and Cash Equivalents shown in the Consolidated Statements of Cash Flows	$ 12,019,313	$ 11,802,506

Financial Instruments Subject to Credit Risk

The Organization has three types of financial instruments subject to credit risk. The Organization maintains bank accounts in which the balances sometimes exceed the Federal Deposit Insurance Corporation (FDIC) limit of $250,000. At March 31, 2025 and 2024, there were cash balances in excess of FDIC limits at the bank of approximately $11,060,000 and $11,150,000, respectively.

Receivables also subject the Organization to credit risk.

The Organization invests in a professionally managed portfolio that contains exchange traded funds, mutual funds, fixed income funds, and common stock. Such investments are exposed to various risks such as credit and market. Due to the level of risk associated with such investments, and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the consolidated financial statements.

Investments

Investments are stated at fair value in the consolidated statements of financial position (see Note 3); securities traded on a national securities exchange are valued at quoted market prices. Changes in net unrealized holding gains and losses, realized gains and losses, and interest and dividends net of related investment expenses are included in the consolidated statements of activities and changes in net assets and result in increases or decreases to net assets without donor restrictions unless their use is temporarily restricted to a specified purpose or future period. Realized gains and losses are determined by specifically identifying the investment sold. Interest and dividends are recorded as earned.

Inventories

Inventories consist of donated items and are stated at fair value at the date of donation.

Property and Equipment

Property and equipment are recorded at cost or, in the case of donated property and equipment, at estimated fair value when received. Donations of property and equipment are reported as contributions without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Expenditures for additions and betterments are capitalized; expenditures for maintenance and repairs are expensed as incurred. The costs of assets disposed of and the related accumulated depreciation are eliminated from the accounts in the year of disposal. Gains or losses from property and equipment disposals are recognized in the year of disposal.

Depreciation is computed using the straight-line method over the following estimated useful lives:

	Years
Buildings and Improvements	3-40
Furniture and Equipment	3-10
Vehicles	3-5

Construction in progress is recorded at cost, and no depreciation is recorded until the related assets are placed into service.

Operating Lease Right-of-Use Assets and Operating Lease Liabilities

The Organization follows Accounting Standards Update 2016-02, *Leases (Topic 842)* ("ASU 2016-02") which established a right-of-use (ROU) model that requires a lessee to recognize ROU assets and lease liabilities on the accompanying consolidated statements of financial position. The Organization determines that a contract contains a lease when it provides the Organization with the right to direct the use of an implicitly or explicitly identified asset for a set period of time. Leases are classified as operating or finance leases at inception based on certain criteria.

The Organization has elected the short-term lease practical expedient to exclude leases with initial terms of 12 months or less from recognition on the accompanying consolidated statements of financial position. The Organization has elected the practical expedient to utilize the risk-free rate in determining the present value of lease payments unless the implicit rate is readily determinable.

Long-Lived Asset Impairment

The Organization evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. Management does not believe any impairment existed for the years ended March 31, 2025 and 2024.

Revenue Recognition

Below are descriptions of the Organization's main revenue streams which are disaggregated by type on the accompanying consolidated statements of activities and changes in net assets.

<u>Contributions</u>
Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Conditional promises to give are recognized when the barriers for recognition in the agreement are fully overcome and there is no longer a right of return related to the contributed assets. Contributions that are restricted by the donor are reported as increases in net assets with donor restrictions unless the restrictions expire in the fiscal year in which the contributions are recognized, in which case, the contributions are reported as increases in net assets without donor restrictions. If the restriction does not expire in the fiscal year in which the contributions are recognized, amounts are released from net assets with donor restrictions and reclassified to net assets without donor restriction when the restriction expires. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

<u>In-Kind Contributed Services</u>
In-kind contributions of services are recognized as contribution support at their estimated fair value only when the services received create or enhance nonfinancial assets or require specialized skills possessed by the individuals providing the service and the service would typically need to be purchased if not donated. The fair value is determined to be the amount the Organization would have otherwise paid for the service. Contribution support recognized from contributed services consisted of professional services provided by doctors, other professionals, media outlets, and advertising outlets totaling $180,880 and $263,843 for the years ended March 31, 2025 and 2024, respectively which are included as in-kind contributions and program expenses.

In-Kind Contributions of Goods
In addition to receiving cash contributions, the Organization receives in-kind contributions of food, clothing, furniture, toys, pharmaceuticals, personal care items, and other items from various donors. It is the policy of the Organization to record the estimated fair value of certain in-kind donations as an increase in contribution support and inventory when the items are received and as an expense when the items are distributed to those in need or used in the Organization's operations. The fair value of items is based on a recent cost study performed by the Denver Rescue Mission (See Note 5). The Organization did not monetize any in-kind contributions of goods and unless otherwise noted, in-kind contributions of goods did not have donor restrictions.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services of the Organization have been summarized on a functional basis in the consolidated statements of activities and changes in net assets. Costs are allocated to each functional expense category based on the specific departments benefitted by the expense. Certain categories of expenses are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, food and kitchen and others. Occupancy expenses are allocated to the different functional expense categories based on the square footage within which each program operates. Food and kitchen expenses are allocated based on the number of meals each program serves. Salaries and related expenses for certain individuals performing tasks in multiple functional expense categories are allocated based on estimates of time and effort.

Income Taxes

Open Door Mission and Help the Homeless, Inc. have qualified under Internal Revenue Code Section 501(c)(3) for Federal income tax purposes as tax-exempt organizations other than a private foundation. The consolidated financial statements will not reflect a provision for income taxes, except for the tax on unrelated business income. As of and for the years ended March 31, 2025 and 2024, the Organization had no tax liability for unrelated business income.

Help the Homeless of the Metro, LLC is treated as a disregarded entity for federal income tax purposes effective December 31, 2024 and thereafter. As such, the activities of Help the Homeless of the Metro, LLC are reported as part of the Organization's annual information return (Form 990).

The Organization follows the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 740-10 related to uncertain income tax positions. Management believes there are no uncertain income tax positions taken which would require the Organization to reflect a liability for unrecognized tax benefits on the accompanying consolidated statements of financial position.

The Organization is no longer subject to income tax examinations by Federal, state, or local tax authorities for years before March 31, 2022.

Reclassifications

Certain reclassifications have been made to the 2024 consolidated financial statements to conform to the 2025 presentation.

Subsequent Events

Subsequent events are events or transactions that occur after the consolidated statement of financial position date, but before the consolidated financial statements are available to be issued and may require potential recognition or disclosure in the consolidated financial statements. Management has considered such events or transactions through September 2, 2025, noting no items requiring disclosure.

2. Liquidity and Cash Management

The following reflects the Organization's financial assets as of March 31, 2025 and 2024, respectively, reduced by amounts not available for general use within one year of the date of the consolidated statement of financial position because of contractual or donor-imposed restrictions.

	2025	2024
Financial Assets at March 31,	$ 19,311,935	$ 18,360,400
Less Amounts Unavailable for General Expenditures Within One Year Due to:		
Restricted by Donor with Time or Purpose Restrictions	(235,185)	(172,674)
Other Current Assets	-	(1,875)
Inventories	(1,034,152)	(802,487)
Prepaid Expenses	(125,901)	(100,234)
Restricted Cash and Cash Equivalents	(1,197,609)	(627,514)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	$ 16,719,088	$ 16,655,616

The Organization manages its liquid resources by structuring its financial assets to be available as its general expenditures, liabilities, and other obligations become due. In addition, the Organization invests cash in excess of daily requirements in commercial money market instruments. In the event of unanticipated liabilities, the Organization could draw upon its $500,000 and $1,000,000 lines of credit (see Note 6). In order to receive a more preferential interest rate on the $1,000,000 line of credit, the Organization agreed to maintain a money market account with the bank as additional collateral for the loan, which is included in restricted cash. In the event of unanticipated liabilities, the Organization could utilize these funds.

3. **Fair Value Measurements**

FASB Codification Topic 820-10 on Fair Value Measurements (FASB 820-10) establishes a framework for measuring fair value and provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values giving the highest priority to the unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 – Unadjusted quoted prices available in active markets that are accessible at the measurement date for identical assets or liabilities. This level primarily consists of financial instruments such as exchange-traded securities.

Level 2 – Pricing inputs include quoted prices for identical or similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs reflect management's best estimates of fair value using its own assumptions about the assumptions a market participant would use in pricing the asset or liability.

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodology used for assets measured at fair value at March 31, 2025 and 2024.

Exchange Traded Funds, Mutual Funds, and Common Stock: Valued at the closing price reported on the active market on which the individual securities are traded.

Corporate Bonds: Valued at the closing price reported on the active market for similar assets.

The following table presents by level, within the fair value hierarchy, the Organization's investments at fair value as of March 31, 2025:

	Level 1	Level 2	Level 3	Total
Exchange Traded Funds	$ 2,798,890	$ -	$ -	$ 2,798,890
Corporate Bonds	-	2,907,517	-	2,907,517
Common Stock	4,931,295	-	-	4,931,295
Total Investments at Fair Value	$ 7,730,185	$ 2,907,517	$ -	$ 10,637,702

The following table presents by level, within the fair value hierarchy, the Organization's investments at fair value as of March 31, 2024:

	Level 1	Level 2	Level 3	Total
Exchange Traded Funds	$ 2,397,762	$ -	$ -	$ 2,397,762
Corporate Bonds	-	2,519,864	-	2,519,864
Common Stock	3,705,305	-	-	3,705,305
Mutual Funds	252,705	-	-	252,705
Total Investments at Fair Value	$ 6,355,772	$ 2,519,864	$ -	$ 8,875,636

4. Leases

The Organization only has operating leases. The Organization leases its various facilities and certain equipment through operating leases with noncancelable terms ending at various dates through December 31, 2030. Certain of the leases in place at March 31, 2025 and 2024 are with related parties RBL LLC, and GTMC, LLC (see Note 10). Effective on December 31, 2024, Help the Homeless of the Metro, LLC became wholly-owned by Open Door Mission through Help the Homeless, Inc (See Note 1). Accordingly, Help the Homeless of the Metro, LLC is included in the consolidated financial statements from December 31, 2024 and thereafter. Prior to December 31, 2024, Help the Homeless of the Metro, LLC was considered a related party, and also had a lease with the Open Door Mission. There are no renewal options within the terms of the leases. Non-lease components include maintenance expenses and other rent related operating expenses of a facility being leased. The non-lease components have not been included in the calculation of the right-of-use assets and lease liabilities.

During the year ended March 31, 2025, the Organization terminated an operating lease which resulted in the reduction of ROU assets of $539,869 and lease liabilities of $561,788. A gain of $21,919 was recorded and is presented in miscellaneous income on the consolidated statement of activities and changes in net assets.

For the years ended March 31, total lease cost and other information included in the calculation of the operating lease right-of-use assets and operating lease liabilities consisted of the following:

	2025	2024
Lease Cost		
Operating Lease Expense	$ 458,015	$ 523,564
Short-Term Lease Expense	-	36,581
Total Lease Cost	$ 458,015	$ 560,145
Other Information		
Cash Paid for Amounts Included in the Measurement of Lease Liabilities:		
Operating Cash Flows from Operating Leases	$ 447,403	$ 500,899
Operating Lease Right-of-Use Assets Obtained in Exchange for Operating Lease Liabilities	100,168	-
Lease Termination/Modification Gain (Loss)	21,919	(1,481)
Weighted-Average Remaining Lease Term (Years) - Operating Leases	5.1	4.8
Weighted-Average Discount Rate - Operating Leases	2.55%	2.47%

Future minimum lease payments under these leases, excluding taxes, common area maintenance and other related operating expenses, for the years ending after March 31, 2025 and their reconciliation to the operating lease liabilities included in the accompanying consolidated financial statements are as follows:

Year Ending March 31,	Operating Leases
2026	$ 190,253
2027	260,644
2028	267,827
2029	190,558
2030	185,026
Thereafter	179,646
Total Future Lease Payments	1,273,954
Less: Discount to Present Value	(78,905)
Total Lease Liabilities	1,195,049
Less: Current Portion	(228,234)
Lease Liabilities, Less Current Portion	$ 966,815

Lease expenses with related parties (see Note 10) was approximately $433,000 and $506,000 for the years ended March 31, 2025 and 2024, respectively.

5. Non-Cash Contributions

In-kind contributions of goods and services at March 31, 2025 and 2024 consists of the following:

	2025	2024
Clothing and Shoes	$ 4,383,326	$ 4,892,130
Food	2,635,326	4,368,841
Household Items	4,788,308	4,259,826
Personal Care	707,572	704,443
Toys and Sporting Goods	1,078,314	1,437,028
Media Services	122,980	208,213
Professional Services	57,900	55,630
	$ 13,773,726	$ 15,926,111

6. Financing Arrangements

The Organization's financing arrangements consist of $500,000 and $1,000,000 revolving lines of credit with a bank. These lines are secured by substantially all assets of the Organization. The lines of credit bear interest at the bank's money market account rate plus 2.50% (the bank's money market account rate was 3.50% at March 31, 2025), subject to a floor of 3.50%, and at the Wall Street Journal Prime rate plus 0.75% (7.50%), respectively, and are due September 1, 2025. As of March 31, 2025 and 2024, there were no balances outstanding on these lines of credit.

7. Long-Term Debt

Long-term debt at March 31 consists of the following:

	2025	2024
Subsidy payable to a bank with a retention period of 15 years. If the Organization maintains a minimum of 42% occupancy with disabled individuals over a 15-year period in the Garland Thompson Men's Center (through 2026), the subsidy will be forgiven. The disabled individuals must also meet certain low income thresholds.	$ 450,000	$ 450,000
Subsidy payable to a bank with a retention period of 15 years. If the Organization maintains a minimum of 42% occupancy with disabled individuals over a 15-year period for the Lydia House the subsidy will be forgiven. The disabled individuals must also meet certain low income thresholds.	450,000	-
Subsidy payable to Housing and Urban Development (HUD) with a retention period of 20 years. If the Organization operates in accordance with the requirements of the program over a 20-year period, the subsidy will be forgiven.	300,000	-

		2025		2024
Note payable to the City of Omaha, accruing interest at 4.58% per annum until January 1, 2030, when all principal and accrued interest will become due in monthly installments for the next 30 years. The note is collateralized by certain property.	$	1,375,733	$	-
Note payable to a bank, due in semi-annual installments of $64,175, which includes interest at 6.06%, maturing on October 15, 2025. The note payable is collateralized by a deed of trust.		118,561		-
Total Long-Term Debt		2,694,294		450,000
Less Current Portion		118,561		-
Long-Term Debt, Less Current Portion	$	2,575,733	$	450,000

The aggregate maturities of long-term debt for years ending after March 31, 2025 are as follows:

Year Ending March 31,		
2026	$	118,561
2027		450,000
2028		450,000
2029		-
2030		-
Thereafter		1,675,733
	$	2,694,294

8. Restrictions and Limitations on Net Asset Balances

Net assets with donor restrictions that are temporary in nature and their related changes as of and for the year ended March 31, 2025 consists of the following:

		2024		Additions		Releases		2025
Dental Program	$	-	$	41,659	$	-	$	41,659
Donor-Restricted Endowment Fund Earnings		159,381		177,790		(112,622)		224,549
Health Insurance Trust Account		51,967		-		(51,967)		-
Lydia House - Playground		61,000		-		(61,000)		-
Learning for Men & Women		-		89,442		-		89,442
Meals of Hope		-		43,750		-		43,750
Other		59,707		627		-		60,334
	$	332,055	$	353,268	$	(225,589)	$	459,734

Net assets with donor restrictions that are perpetual in nature at March 31, 2025 consist of the following:

	2024	Additions	Releases	2025
Donor-Restricted Endowment Fund	$ 1,724,900	$ 775,100	$ -	$ 2,500,000
Total Net Assets with Donor Restrictions	$ 2,056,955	$ 1,128,368	$ (225,589)	$ 2,959,734

Net assets with donor restrictions that are temporary in nature and their related changes as of and for the year ended March 31, 2024 consists of the following:

	2023	Additions	Releases	2024
Dock	$ 90,000	$ -	$ (90,000)	$ -
Donor-Restricted Endowment Fund Earnings	-	159,381	-	159,381
Health Insurance Trust Account	31,704	20,263	-	51,967
Lydia House - Playground	-	61,000	-	61,000
Other	93,619	-	(33,912)	59,707
	$ 215,323	$ 240,644	$ (123,912)	$ 332,055

Net assets with donor restrictions that are perpetual in nature at March 31, 2024 consist of the following:

	2023	Additions	Releases	2024
Donor-Restricted Endowment Fund	$ -	$ 1,724,900	$ -	$ 1,724,900
Total Net Assets with Donor Restrictions	$ 215,323	$ 1,965,544	$ (123,912)	$ 2,056,955

9. Retirement Plan

The Organization has a safe harbor 401(k) plan that provides for the Organization to contribute a dollar for dollar matching contribution up to 4% of each participant's eligible compensation. Eligible employees were those who have over a year of service (worked more than 1,000 hours a year) and have attained the age of twenty and one half. The participants are allowed to make pre-tax and Roth after-tax deferred contributions, through salary reduction, to the plan.

Contributions of $275,509 and $230,261 were made for the years ended March 31, 2025 and 2024, respectively.

10. Related Parties

Prior to December 31, 2024, Open Door Mission through Help the Homeless, Inc., served as the Managing General Member of Help the Homeless of the Metro, LLC. Effective December 31, 2024, through the assumption and assignment agreement described in Note 1, the Organization acquired 100% of the member interest in Help the Homeless of the Metro, LLC and will be consolidated in the financial statements from December 31, 2024 and thereafter. For the period from April 1, 2024 to December 31, 2024 and for the year ended March 31, 2024, the Organization had a related party lease with Help the Homeless of the Metro, LLC which required the Organization to pay normal rent and all operating expenses and maintenance costs for the building during the lease period (See Note 4). The Organization has guaranteed all Help the Homeless of the Metro, LLC obligations and operates the property as a qualified low income housing project.

Effective upon the acquisition of Help the Homeless of the Metro, LLC on December 31, 2024 (see Note 1), the unsecured promissory note receivable in the amount of $2,368,321 and related accrued interest of $1,294,579 were exchanged/forgiven as part of the transaction. These amounts are included as part of the contribution gain on acquisition on the accompanying consolidated statements of activities for the year ended March 31, 2025. Prior to December 31, 2024, the Organization held an unsecured promissory note receivable in the amount of $2,368,321 from Help the Homeless of the Metro, LLC for cash advances provided in constructing the Lydia House. The note called for interest-only payments at 3% compounded through April 2027, at which time all unpaid principal and interest is due.

The Organization formed a Nebraska Limited Liability Company, Rebuilding Lives, L.L.C. (RBL LLC) in which the Organization serves as the Managing Member and currently has a minority equity position. The Organization loaned RBL LLC $300,000, which is memorialized by an unsecured promissory note with accrued interest at 6% compounded through December 30, 2030, at which time all unpaid principal and interest is due. As Managing Member of RBL LLC, the Organization agreed to operate its building as a “qualified low income housing project” in adherence with the rules and regulations set forth in Section 42 of the Internal Revenue Code for a period of no less than 15 years.

As of March 31, 2025 and 2024, the Organization had accrued interest receivable from the related parties above totaling $334,055 and $1,395,539, respectively.

The Organization entered into a 17-year lease agreement with RBL LLC to operate the building as a qualified low income housing project (See Note 4). The lease agreement requires the Organization to pay normal rent and all operating expenses and maintenance costs for the building during the lease period. The Organization has guaranteed all RBL LLC obligations and all the obligations of operating it as a qualified low income housing project.

The Organization has formed a Nebraska Limited Liability Company, GTMC, LLC, in which Help the Homeless, Inc. serves as the Managing Member and currently has a minority equity position. GTMC, LLC constructed a three-story building that provides 96 single resident occupant units for transitional and permanent supportive housing for men. The total construction cost at completion was $5,847,541 as of March 31, 2013. The Organization has made advances of $335,253 as of March 31, 2025 and 2024 to GTMC, LLC. These advances are accruing interest at 3% compounded through to repayment.

During the year ended March 31, 2013, the Organization entered into a 17-year lease agreement with GTMC, LLC to operate the building as a qualified low income housing project (See Note 4). The lease agreement requires the Organization to pay normal rent and all operating expenses and maintenance costs for the building during the lease period.

11. Commitments and Contingencies

Employment Agreement

The Organization has entered into an employment agreement with a member of management. This agreement provides for a minimum annual salary with adjustments available to reflect changes in the cost of living. In addition, they provide for bonus payments and the terms of future termination of employment.

Self-Insured Health Insurance

The Organization is self-insured under its employee group health insurance program. In connection therewith, excess loss insurance coverage is maintained by the Organization.

12. Endowment Fund

The Organization's endowment fund consists of both funds with donor restrictions and funds without donor restrictions functioning as an endowment through designation by the Board of Directors. The earnings of the endowment fund support the annual operating needs of the Organization as determined by the Board of Directors. Net assets associated with endowment funds, including funds designated by the Board of Directors, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Organization is subject to the Nebraska Uniform Prudent Management of Institutional Funds Act (NUPMIFA) and, thus, classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the Board of Directors appropriates such amounts for expenditure. The Board of Directors has interpreted NUPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund unless a donor stipulates the contrary.

As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Organization considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Organization has interpreted NUPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. Additionally, in accordance with NUPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund

2. The purposes of the donor-restricted endowment fund

3. The general economic conditions

4. The possible effect of inflation and deflation

5. The expected total return from income and the appreciation of investments

6. The investment policies of the Organization

Endowment fund net assets at March 31, 2025 include funds without donor restrictions functioning as an endowment totaling $1,780,584 and funds with donor restrictions totaling $2,724,549, which consist of $2,500,000 in funds required to be held in perpetuity and $224,549 in accumulated investment earnings subject to appropriation by the Board of Directors. During 2025, the endowment fund net assets changed as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment Net Assets, Beginning of Year	$ 1,338,057	$ 1,884,281	$ 3,222,338
Contributions	324,000	775,100	1,099,100
Investment Return			
Interest and Dividends, Net	35,090	52,635	87,725
Realized and Unrealized Gain on Investments	83,437	125,155	208,592
Total Investment Return	118,527	177,790	296,317
Other Changes			
Amounts Approved for Expenditure	-	(112,622)	(112,622)
Endowment Net Assets, End of Year	$ 1,780,584	$ 2,724,549	$ 4,505,133

Endowment fund net assets at March 31, 2024 include funds without donor restrictions functioning as an endowment totaling $1,338,057 and funds with donor restrictions totaling $1,884,281, which consist of $1,724,900 in funds required to be held in perpetuity and $159,381 in accumulated investment earnings subject to appropriation by the Board of Directors. During 2024, the endowment fund net assets changed as follows:

	Without Restrictions	With Donor Restrictions	Total
Endowment Net Assets, Beginning of Year	$ -	$ -	$ -
Contributions	1,224,878	1,724,900	2,949,778
Investment Return			
Interest and Dividends, Net	24,563	34,590	59,153
Realized and Unrealized			
Gain on Investments	88,616	124,791	213,407
Total Investment Return	113,179	159,381	272,560
Other Changes			
Amounts Approved for Expenditure	-	-	-
Endowment Net Assets, End of Year	$ 1,338,057	$ 1,884,281	$ 3,222,338

The Organization has adopted investment and spending policies for the funds functioning as endowments that attempt to provide a stream of funding to support the annual operating needs of the Organization while seeking to maintain the purchasing power of the endowment assets. The policies and objectives are to preserve and increase the real principal value of the endowment fund over the long term, generate sufficient capital through interest, dividends and capital appreciation to fulfill the annual operating needs of the Organization, maintain prudent asset class diversification and prudent diversification within selected asset classes, and increase the value of the endowment at a rate greater than inflation.

To satisfy its long-term rate of return objective, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places more emphasis on equity securities, mutual funds, and fixed-income funds to achieve its long-term objectives. The Organization has adopted a policy to spend no more than 3% of the endowment assets during the year. This rate is determined and adjusted from time to time by the Board of Directors.

SUPPLEMENTARY INFORMATION

Open Door Mission

Consolidating Statement of Financial Position

March 31, 2025

ASSETS

	Open Door Mission	Help the Homeless, Inc.	Help the Homeless of the Metro, LLC	Eliminations	Consolidated
CURRENT ASSETS					
Cash and Cash Equivalents	$ 10,662,730	$ 108,026	$ 50,948	$ -	$ 10,821,704
Restricted Cash and Cash Equivalents	648,264	-	549,345	-	1,197,609
Investments	6,132,569	-	-	-	6,132,569
Inventories	1,034,152	-	-	-	1,034,152
Prepaid Expenses	113,920	-	11,981	-	125,901
Total Current Assets	18,591,635	108,026	612,274	-	19,311,935
PROPERTY AND EQUIPMENT					
Land	2,495,716	-	397,000	-	2,892,716
Buildings and Improvements	8,715,432	-	10,603,000	-	19,318,432
Furniture and Equipment	1,631,013	-	372,194	-	2,003,207
Vehicles	816,270	-	-	-	816,270
Construction in Progress	3,185,386	-	-	-	3,185,386
Total Cost	16,843,817	-	11,372,194	-	28,216,011
Less Accumulated Depreciation	5,655,227	-	119,506	-	5,774,733
Net Book Value	11,188,590	-	11,252,688	-	22,441,278
OTHER ASSETS					
Accrued Interest Receivable, Related Parties	200,065	334,055	-	(200,065)	334,055
Notes Receivable, Related Parties	435,253	735,253	-	(435,253)	735,253
Operating Lease Right-of-Use Assets	1,145,629	-	-	-	1,145,629
Restricted Investments for Endowment	4,505,133	-	-	-	4,505,133
Investment in Help the Homeless of the Metro, LLC	-	9,873,730	-	(9,873,730)	-
Deposits and Other Assets	80	-	-	-	80
Total Other Assets	6,286,160	10,943,038	-	(10,509,048)	6,720,150
TOTAL ASSETS	**$ 36,066,385**	**$ 11,051,064**	**$ 11,864,962**	**$ (10,509,048)**	**$ 48,473,363**

Open Door Mission

Consolidating Statement of Financial Position

March 31, 2025

LIABILITIES

	Open Door Mission	Help the Homeless, Inc.	Help the Homeless of the Metro, LLC	Eliminations	Consolidated
CURRENT LIABILITIES					
Current Portion of Long-Term Debt	$ -	$ -	$ 118,561	$ -	$ 118,561
Accounts Payable	416,605	-	-	-	416,605
Accrued Compensation and Other Accrued Expenses	409,192	-	46,938	-	456,130
Current Portion of Operating Lease Liabilities	228,234	-	-	-	228,234
Total Current Liabilities	1,054,031	-	165,499	-	1,219,530
LONG-TERM LIABILITIES					
Notes Payable, Related Parties	-	635,318	-	(635,318)	-
Long-Term Debt, Less Current Portion	450,000	300,000	1,825,733	-	2,575,733
Other Long-Term Liabilities	43,854	-	-	-	43,854
Operating Lease Liabilities, Less Current Portion	966,815	-	-	-	966,815
Total Long-Term Liabilities	1,460,669	935,318	1,825,733	(635,318)	3,586,402
Total Liabilities	2,514,700	935,318	1,991,232	(635,318)	4,805,932
NET ASSETS					
Without Donor Restrictons	30,591,951	10,115,746	-	-	40,707,697
With Donor Restrictions	2,959,734	-	-	-	2,959,734
Total Net Assets	33,551,685	10,115,746	-	-	43,667,431
Member's Equity	-	-	9,873,730	(9,873,730)	-
Total Member's Equity and Net Assets	33,551,685	10,115,746	9,873,730	(9,873,730)	43,667,431
TOTAL LIABILITIES AND NET ASSETS	**$ 36,066,385**	**$ 11,051,064**	**$ 11,864,962**	**$ (10,509,048)**	**$ 48,473,363**

Open Door Mission

Consolidating Statement of Activities and Changes in Net Assets

Year Ended March 31, 2025

	Open Door Mission	Help the Homeless, Inc.	Help the Homeless of the Metro, LLC	Eliminations	Total
SUPPORT					
Contributions	$ 12,746,218	$ -	$ -	$ -	$ 12,746,218
Non-Cash Contributions	13,773,726	-	-	-	13,773,726
Bequests and Memorials	488,476	-	-	-	488,476
Total Support	27,008,420	-	-	-	27,008,420
REVENUE					
Interest and Dividends	749,314	28,246	3,099	(18,110)	762,549
Realized and Unrealized Gain on Investments	549,725	-	-	-	549,725
Rental Income	600,994	-	68,258	(68,258)	600,994
Miscellaneous	339,946	277,899	28,671	-	646,516
Contribution from Acquisition	-	6,296,882	-	-	6,296,882
Gain on Forgiveness of Debt	-	3,662,900	-	(3,662,900)	-
Loss in Help the Homeless of the Metro, LLC	-	(87,562)	-	87,562	-
Total Revenue	2,239,979	10,178,365	100,028	(3,661,706)	8,856,666
Total Revenue and Support	29,248,399	10,178,365	100,028	(3,661,706)	35,865,086
EXPENSES					
Program Services	21,714,629	62,619	187,590	-	21,964,838
General and Administrative	1,350,667	-	-	(86,368)	1,264,299
Fundraising	2,483,923	-	-		2,483,923
Contribution Expense	3,662,900	-	-	(3,662,900)	-
Total Expenses	29,212,119	62,619	187,590	(3,749,268)	25,713,060
Change in Net Assets	36,280	10,115,746	(87,562)	87,562	10,152,026
Net Assets, Beginning of Year	33,515,405	-	-	-	33,515,405
Member's Equity of LLC	-	-	9,961,292	(9,961,292)	-
NET ASSETS, END OF YEAR	**$ 33,551,685**	**$ 10,115,746**	**$ 9,873,730**	**$ (9,873,730)**	**$ 43,667,431**

Lutz