MISSION: ST. LOUIS
(A NONPROFIT ORGANIZATION)

FINANCIAL STATEMENTS,
INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2019

Mission: St. Louis

CONTENTS

SCHMERSAHL TRELOAR & CO.
Certified Public Accountants

Independent Auditors' Report

To the Board of Directors of
Mission: St. Louis
St. Louis, Missouri

Report on the Financial Statements

We have audited the accompanying financial statements of Mission: St. Louis (a nonprofit organization), which comprise the statement of financial position as of December 31, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Mission: St. Louis as of December 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Correction of Error

As discussed in Note K to the financial statements, certain errors resulting in an overstatement of revenue and accounts receivable were discovered during the current year. Beginning net assets have been restated to correct the error. Our opinion is not modified with respect to this matter.

Schmersahl Treloar & Co.

St. Louis, Missouri
November 4, 2020

FINANCIAL STATEMENTS

MISSION: ST. LOUIS
STATEMENT OF FINANCIAL POSITION
December 31, 2019

ASSETS

CURRENT ASSETS	
Cash and cash equivalents	$ 247,299
Accounts receivable, net	579,863
Pledges receivable	12,800
Total Current Assets	839,962
INVESTMENTS	140,000
OTHER ASSETS	808
PROPERTY AND EQUIPMENT, NET	24,968
TOTAL ASSETS	$ 1,005,738

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	
Accounts payable	$ 79,527
Accrued expenses	127,322
Other liabilities	106,095
Total Current Liabilities	312,944
NET ASSETS	
Without donor restrictions	
Undesignated	655,026
Net investment in property and equipment	24,968
Total Net Assets Without Donor Restrictions	679,994
With donor restrictions	
Time-restricted for future periods	12,800
Total Net Assets With Donor Restrictions	12,800
Total Net Assets	692,794
TOTAL LIABILITIES AND NET ASSETS	$ 1,005,738

See accompanying notes to financial statements

MISSION: ST. LOUIS
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE			
Donations and contributions, including in-kind	$ 729,187	$ 12,800	$ 741,987
Program revenue	42,483	-	42,483
Special event revenue, net of direct benefits to donors	528,252	-	528,252
Grant revenue	3,086,723	-	3,086,723
Contract revenue	23,810	-	23,810
Investment income	382	-	382
Other income	17,250	-	17,250
Net assets released from restrictions	204,962	(204,962)	-
Total Revenue	4,633,049	(192,162)	4,440,887
EXPENSES			
Program Services	3,314,376	-	3,314,376
Management and general	502,341	-	502,341
Fundraising	548,865	-	548,865
Total Expenses	4,365,582	-	4,365,582
CHANGE IN NET ASSETS	267,467	(192,162)	75,305
NET ASSETS, Beginning of year, Restated (Note K)	412,527	204,962	617,489
NET ASSETS, End of year	$ 679,994	$ 12,800	$ 692,794

See accompanying notes to financial statements

MISSION: ST. LOUIS
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2019

	Program Services	Management and General	Fund-Raising	Cost of Direct Benefits to Donors	Total
EXPENSES					
Salaries and wages	$ 1,351,130	$ 215,346	$ 278,855	$ -	$ 1,845,331
Employee benefits	186,275	29,689	38,445	-	254,409
Payroll taxes	109,734	17,490	22,648	-	149,872
Total Salaries and Related Expenses	1,647,139	262,525	339,948	-	2,249,612
Assistance to individuals	60,234	-	-	-	60,234
Auto	7,837	1,131	16	-	8,984
Bad debt	-	300	-	-	300
Bank and credit card fees	267	1,186	17,549	-	19,002
	-	-	-		
Contract services	54,422	15,090	-	-	69,512
Depreciation	5,973	929	336	-	7,238
Dues and subscriptions	10,599	8,564	4,971	-	24,134
Equipment rental	17,482	757	-	-	18,239
	-	-	-		
Grant expenditures	1,058,165	-	-	-	1,058,165
Information technology	3,433	397	-	-	3,830
Insurance	15,066	2,342	847	-	18,255
Marketing and advertising	4,739	2,254	2,068	-	9,061
	-	-	-		
Miscellaneous	28,928	45,569	9,144	-	83,641
Payroll processing	12,534	2,703	1,883	-	17,120
Penalties and fees	31	136	2,009	-	2,176
Printing and postage	26,156	4,066	1,471	-	31,693
	-	-	-		
Professional fees	22,081	120,869	18,920	-	161,870
Program events	137,081	-	-	-	137,081
Rent and utilities	82,480	12,822	4,637	-	99,939
Repairs and maintenance	12,305	1,913	692	-	14,910
	-	-	-		
Special event fees	-	-	133,714	46,696	180,410
Staff training	20,657	3,211	1,161	-	25,029
Supplies	39,235	7,084	8,174	-	54,493
Telephone	16,669	2,591	937	-	20,197
Travel and meeting	30,863	5,902	388	-	37,153
Total Expenses before Cost of Direct Benefit to Donors	3,314,376	502,341	548,865	46,696	4,412,278
Less: Cost of Direct Benefit to Donors	-	-	-	(46,696)	(46,696)
TOTAL FUNCTIONAL EXPENSES	$ 3,314,376	$ 502,341	$ 548,865	$ -	$ 4,365,582

MISSION: ST. LOUIS
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2019

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	$ 75,305
Adjustments to reconcile change in net assets to net change in cash and cash equivalents from operating activities:	
Depreciation	7,238
Bad debt	300
Donated equipment received	(3,209)
Contributed equipment	3,264
Donated securities	(78,885)
Proceeds from the sale of donated securities	78,885
(Increase) decrease in assets:	
Accounts receivable	(204,996)
Pledges receivable	(1,020)
Other assets	(8)
Increase (decrease) in liabilities:	
Accounts payable	69,129
Accrued expenses	25,515
Other liabilities	89,850
Net Change in Cash and Cash Equivalents from Operating Activities	61,368
CASH AND CASH EQUIVALENTS, Beginning of year	185,931
CASH AND CASH EQUIVALENTS, End of year	$ 247,299

SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION:	
Cash paid during the year for:	
Interest	$ 2,175
Income taxes	$ -

See accompanying notes to financial statements

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Mission: St. Louis (the "Organization") was incorporated in May 2007 in the state of Missouri and Mission: St. Louis is classified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The Organization's mission is to empower people to transform neighborhoods and provides a program designed to give members of the community access to opportunities to succeed in all areas of their lives.

Description of Programs

The Organization is structured through three impact areas consisting of education, employment and housing rehabilitation.

Beyond School

Youth born into under-resourced communities face an achievement/opportunity gap that becomes apparent in middle school and widens in high school. A majority of our students (79%) qualify for free or reduced lunch, indicating that students come from low-income households. In 2019, Beyond School ("BS") served 213 students across all sites. At the beginning of the year, 66% of BS students were below grade level in reading and 70% were below grade level in math. Of the programs regularly attending students, 86% of participants show improvement in test scores and report cards. Teachers reported differences in BS students' academic performance and behavior choices in the classroom. At least 91% demonstrate that they have developed social skills (e.g., interpersonal communication, conflict resolution) as measured by the PROPS, ThinkSlip data, and school referral data. In addition to engaging the school staff, we also engage with family weekly. In 2019, we increased our family engagement by 57% in student activities from the previous year for a total of 187 parents/guardians. Parents expressed satisfaction with the rate of growth of their children and appreciated the varied experiences students receive. These experiences are provided through enrichment opportunities such as aerospace, dance, cooking, martial arts, field trips, and visual arts. Student-led community services activities are also offered (33 in 2019). These collaborative and interactive activities allow students to explore possibilities for future careers, constructive hobbies, and encourage them to be community-oriented.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Description of Programs (*Continued*)

Beyond Jobs

Unemployment and under-employment contributes greatly to the generational cycle of poverty in St. Louis. To address this, Beyond Jobs is a multi-pronged approach to connecting people with employment. Overwhelmingly, we have found a majority of people within our community lack both the hard and soft skills to be job ready. To address this, Job & Leadership Training (JLT) provides job training, leadership development, relational accountability, and employment opportunities. In 2019, 94% of participants were African American, 99% were living below poverty level, 86% were justice-involved, 31% did not have a high school diploma/equivalent and 96% of participants were unemployed at the time of orientation. We encourage students to realize their inherent value so that they can also recognize the value of community and their ability to be positive influencers within it. Employment drastically decreases students' chances of recidivism and increases their access to healthcare, nutritious food, childcare, housing and transportation. Students move from survival mode to a stable and safe circumstance. JLT provides 14 months of support that begins with an 8-week intensive phase that focuses on job skills, financial literacy, manhood, and an internship. We collaborate with 20 employers who provide internship opportunities for on-the-job training to develop necessary skills. In 2019, 78 men graduated Job & Leadership Training, 48% gained employment during Phase II, and 88% of employed have been able to maintain consistent employment 6 months post-program thus far. A total of 57 volunteers mentored and invested their time and energy in the program. Hire St. Louis placed 16 of graduates into living-wage positions.

Beyond Charity

While education and employment are critical factors in breaking the cycle of poverty, other neighborhood issues also contribute to the generational cycle of poverty in St. Louis. Older adults are important matriarchs and patriarchs of the community. Beyond Charity is comprised of programs that are responsive to needs in the community, including Senior Services, AMP (service trip opportunities), Home Repair, and community services (Affordable Christmas, Tax Prep, and VISTA). In 2019, we supported 198 older adults by providing 1,883 home repair projects. Through these home repairs, we were able to decrease the housing cost burden, and allow the homeowners to remain safely housed within their community. We saved $68,054 in material costs and 1,546 total labor hours for our clients in 2019. A stable neighborhood environment contributes to health and wellness of community members. In 2019, our AMP program mobilized 1,408 volunteers who completed 8,360 hours of service in our empowerment programs. Our annual Affordable Christmas store that we set up each December, and a tax return preparation program each spring. This past Christmas we served 310 families and 1,067 youths with the support of 350 volunteers through our Affordable Christmas event. Finally, we work with the Corporation for National and Community Service as an intermediary agency for AmeriCorps VISTA. We sub-grant VISTA members to serve at nonprofits across Missouri to address issues of poverty. In 2019, 103 VISTA members served as full-time volunteers for year-long commitments, placed at 40 sites.

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (*Continued*)

Basis of Accounting

The accompanying financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Net Assets without Donor Restrictions

Net assets available for use in general operations and not subject to donor or certain grantor restrictions.

Net Assets with Donor Restrictions

Net assets subject to donor or certain grantor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that such assets be maintained in perpetuity. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Change in Accounting Principle

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606).* Subsequent to May 2014, the FASB issued six ASUs to clarify certain matters related to Topic 606.

Topic 606 supersedes the revenue recognition requirements in FASB ASC 605, *Revenue Recognition*, and requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The updates address the complexity of revenue recognition and provide sufficient information to enable financial statements users to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.

The Organization's financial statements reflect the application of Topic 606 guidance beginning in 2019. No cumulative-effect adjustment in net assets was recorded because the adoption of ASU 2014-09 did not significantly impact the Organization's reported historical revenue.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Change in Accounting Principle *(Continued)*

Additionally in June 2018, FASB issued Accounting Standards (ASU) 2018-08, *Accounting Guidance for Contributions Received and Made.* This ASU was issued to clarify accounting guidance for contributions received and contributions made. The amendments to this ASU assists entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as an exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. The implementation of this standard had no impact on the financial statements.

Functional Allocation of Expenses

The Statement of Functional Expenses report certain categories of expenses that are attributable to one or more program or supporting functions of the Organization. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include: depreciation, insurance, rent and utilities, telephone, and certain repairs and maintenance expenses which are allocated on an estimated square footage basis; salaries, employee benefits, payroll taxes, and staff training are allocated on personnel time and effort; and certain other expenses have been allocated among program services, management and general, and fundraising on the basis of time and effort.

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 certain reported amounts and disclosures. Actual results may differ from these estimates.

Financial Instruments

The following methods and assumptions were used by the Organization in estimating its fair value disclosure for the financial statements:

The carrying amount of cash and cash equivalents, accounts receivable, pledges receivable, other assets, accounts payable, accrued expenses, and other liabilities reported in the Statement of Financial Position approximate fair value because of the short-term maturities of those instruments.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Cash and Cash Equivalents *(Continued)*

The Organization maintains cash deposits in bank accounts which at times may exceed federally insured limits of up to $250,000. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

Accounts Receivable

Accounts receivable are stated at net realizable amounts from various reimbursable grant contracts.

Management has elected to record bad debts using the direct write-off method. Generally accepted accounting principles require that the allowance method be used to reflect bad debts. However, the effect of the use of the direct write-off method is not materially different from the results that would have been obtained had the allowance method been followed. The Organization recognized $300 in bad debt expense for the year ended December 31, 2019.

Property and Equipment

Property and equipment are valued at cost. Major additions and improvements with costs exceeding $2,500 and having a useful life of at least 1 year are capitalized to the property accounts, while repairs and maintenance items, which do not improve or extend the useful life of the respective assets, are expensed as incurred. Donated assets are recorded at their estimated fair market value when received. Depreciation is computed using the straight-line method as follows:

Building and leasehold improvements	5 Years
Software and equipment	3 – 6 Years
Vehicles	7 Years

Expenditures for maintenance and repairs are charged to operations when incurred. Expenditures for improvements and major rehabilitations that extend the useful life of an asset are capitalized.

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (*Continued*)

Investments

The Organization carries investments in certificates of deposit at cost which approximates fair value in the Statement of Financial Position. Interest income is included in the accompanying Statement of Activities.

Investments are exposed to various risks such as significant world events, interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the amounts reported in the Statement of Financial Position.

Revenue Recognition

The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give – that is, those with a measureable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

Donations and Contributions
Donations and contributions are recognized when a donor makes a promise to give to the Organization that is, in substance, unconditional. Restricted contributions which are received and expended in the same fiscal year are reported as increases in net assets without donor restrictions. Amounts received that are restricted by the donor for use in future periods or for specific purposes are reported as support with donor restrictions that increases net assets with donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions. Adoption of ASU 2018-08 had no impact on the recognition of donations and contributions.

Special Event Revenue
Special events revenue from ticket sales and sponsorships that relate to the commensurate value the attendee receives in return is recognized when the related events are held and performance obligations are met. Adoption of Topic 606 had no impact on the recognition of special event revenue.

Grant and Contract Revenue
A portion of the Organization's revenue is derived from cost-reimbursable federal, state, and local contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contacts or grant provisions. Adoption of ASU 2018-08 had no impact on the recognition of grant and contract revenue.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Revenue Recognition *(Continued)*

Program Revenue
Program revenue is recorded as performance obligations are met. Payments received in advance are deferred until earned. Adoption of Topic 606 had no impact on the recognition of program revenue.

Concentration of Support and Revenue

For the year ended December 31, 2019, the percentage of support and revenue provided by federal, state and local government agencies was approximately 70%.

Donated Property, Materials, and Services

Various services and materials are donated to the Organization. Donated materials and donated services that meet the criteria for recognition under the provisions of accounting for contributions received and contributions made in regard to financial statements of not-for-profit organizations as discussed under this topic of the FASB Accounting Standards Codification, have been recorded at fair value at the date of donation. Donated materials and equipment amounted to $49,905 for the year ended December 31, 2019.

A substantial number of volunteers have donated significant amounts of their time and materials in the Organization's program services and special events. No amounts have been recorded for donated services as no objective basis is available to measure the value of such services.

Commitments and Contingencies

In the normal course of operations, the Organization participates in a number of federal and state-assisted grant programs. These programs are subject to audit by the grantors or their representatives. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Presently, the Organization has no such request pending, and in the opinion of management, any such amounts would not be considered material.

Income Taxes

The Organization qualifies as a nonprofit and religious organization and is exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code. The Organization does not have unrelated business income, excise taxes, or activities that would threaten the Organization's tax-exempt status. Accordingly, no provision for federal or state income taxes is provided. The Organization files an information return, IRS Form 990. The Organization's tax returns for tax years 2016 and later remain subject to examination by taxing authorities.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Income Taxes *(Continued)*

The Organization adopted the provisions relating to Accounting for Uncertainty in Income Taxes and management is not aware of any uncertain tax positions of the Organization related to tax filings.

Subsequent Events

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 4, 2020, the date the financial statements were available to be issued.

B. PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31:

	2019
Furniture and equipment	$ 37,460
Vehicles	60,066
Building and leasehold improvements	2,500
	100,026
Less: Accumulated depreciation	(75,058)
Total Property and Equipment, net	$ 24,968

For the year ended December 31, 2019, depreciation expense was $7,238.

C. INVESTMENTS

The Organization's investments are stated at cost which approximates fair value and consist of a certificate of deposit.

Investments for the year ended December 31, 2019 are as follows:

	Cost	Fair Value	Unrealized Appreciation
Certificate of deposit	$140,000	$140,000	$ -
Total investments	$140,000	$140,000	$ -

D. FAIR VALUE MEASUREMENTS

The Organization has established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

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

Level 2 - Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 - Inputs to the valuation methodology are unobservable and supported by little or no market activity and that are significant to the fair value of the assets or liabilities including investments in certain hedge funds, commodities, managed futures, private equity, and real estate strategies.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Fair values of assets measured on a recurring basis are as follows:

	Fair Value Measurements at Reporting Date Using:			
	Fair Value	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2019				
Certificate of deposit	$140,000	$ -	$140,000	$ -
Total	$140,000	$ -	$140,000	$ -

E. LINE OF CREDIT

During the year ended December 31, 2019, Mission: St. Louis entered into a line-of-credit agreement with a local bank totaling $140,000. The line expired on April 1, 2020 and had an interest rate of 4.09%. The line was renewed subsequent to year end with an interest rate of 2.8% expiring on March 26, 2021. There were no borrowings against the line at December 31, 2019.

F. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods:

	2019
Subject to passage of time:	
For periods after December 31	$12,800
Total Net Assets with Donor Restrictions	$12,800

Net assets with donor restrictions are reclassified to net assets without donor restrictions when the time restriction expires or the funds are utilized for the restricted purpose.

G. NET ASSETS RELEASED FROM DONOR RESTRICTION

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by donors as follows for the years ended December 31:

	2019
Purpose restrictions accomplished	
North City Wellness	$ 89,887
Job training	6,000
Time restrictions expired	109,075
Passage of time	
Total Net Assets Released from Restrictions	$204,962

H. OPERATING LEASE AGREEMENTS

The Organization leases property under an operating lease expiring in 2022. Total lease expense, including related utilities was $77,203 for the year ended December 31, 2019. The Organization also subleases a portion of the building under a three year sublease. Under this sublease, the Organization will receive between $450 and $500 a month.

The following table reports the minimum future rental payments under the non-cancelable operating lease having a remaining term in excess of one year as of December 31:

2020	$72,000
2021	72,000
2022	18,000
Total	$162,000

I. RELATED PARTY TRANSACTIONS

Donations in the amount of $97,503 were received from Mission: St. Louis' board members during the year ended December 31, 2019.

J. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. The Organization receives revenue from government contracts along with contributions with and without restrictions by donors, and considers all government contracts and contributions, which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Organization maintains financial assets, consisting of cash and investments, on hand to meet its normal operating expenses based on its annual budget. Operating expenses are compared to budgeted expenses on a monthly basis and financial assets on hand are adjusted as necessary.

The Organization's financial assets available within one year of the Statement of Financial Position date for general expenditures are as follows:

	2019
Cash and cash equivalents	$247,299
Accounts receivable	579,863
Pledges receivable	12,800
Investments	140,000
Total financial assets	$979,962
Financial assets available to meet cash needs for general expenditures within one year	$979,962

As more fully described in Note E, the Organization also has a committed line of credit in the amount of $140,000, which it could draw upon in the event of an unanticipated liquidity need.

K. CORRECTION OF AN ERROR

Certain errors resulting in an overstatement of previously reported revenue and accounts receivable were discovered during the year ended December 31, 2019. The net effect of this restatement was to decrease previously reported net assets at January 1, 2019 by $263,815 from $881,304 to $617,489. Net assets with donor restrictions at January 1, 2019 was decreased from $468,777 to $204,962. There were no changes to net assets without donor restrictions.

L. SUBSEQUENT EVENT

As the spread of the COVID-19 coronavirus continues worldwide, economic uncertainties have arisen that are likely to negatively impact our financial results. While management expects this negative impact to be temporary, the severity and duration of the impact is uncertain at this time.

As a part of navigating the Organization through these unprecedented times, management submitted an application with their bank for SBA loan funding under the Paycheck Protection Program (PPP) as provided by the recently passed Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

This application has been approved and loan funding in the amount of $250,000 was received on May 5, 2020. The terms are as follows: Loan is amortized over 24 months at 1% interest and there are no payments required for 10 months. Under certain circumstances all or part of the loan may be forgiven and converted to a grant. The Organization believes they have spent the funds on eligible expenses based on current regulations and will be working with their lender to begin the forgiveness application process. Whatever balance is not forgiven during that 10 months will be repaid over the remaining 14 months at equal principal payments plus interest monthly. The loan is unsecured and is guaranteed by the SBA.