



MISSIONARY VENTURES INTERNATIONAL, INC.

FINANCIAL STATEMENTS

FOR THE YEARS ENDED JULY 31, 2021 AND 2020





REPORT OF INDEPENDENT AUDITOR

The Board of Directors
Missionary Ventures International, Inc.
Maitland, Florida

We have audited the accompanying financial statements of Missionary Ventures International, Inc. ("the Organization"), which consist of the statements of financial position as of July 31, 2021 and 2020, and the related statements of activities, cash flows, and functional expenses for the years 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from 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 auditor's 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 Organization'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 Organization'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 that 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 Missionary Ventures International, Inc. as of July 31, 2021 and 2020, the changes in its net assets, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Battis Morrison Wales & Lee, P.A.

BATTIS MORRISON WALES & LEE, P.A.

Orlando, Florida
November 11, 2021

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MISSIONARY VENTURES INTERNATIONAL, INC.
STATEMENTS OF FINANCIAL POSITION

ASSETS

| | July 31, | |
|-----------------------------|---------------------|---------------------|
| | 2021 | 2020 |
| ASSETS | | |
| Cash and cash equivalents | \$ 2,507,923 | \$ 2,471,483 |
| Property and equipment, net | 1,058,002 | 916,800 |
| Other assets | 122,745 | 44,669 |
| Total assets | \$ 3,688,670 | \$ 3,432,952 |

LIABILITIES AND NET ASSETS

| | | |
|---|---------------------|---------------------|
| LIABILITIES | | |
| Accounts payable and accrued expenses | \$ 70,842 | \$ 103,614 |
| Field coordinator personal amounts held | 300,366 | 231,040 |
| Total liabilities | 371,208 | 334,654 |
| NET ASSETS | | |
| Without donor restrictions | 1,688,767 | 1,575,570 |
| With donor restrictions | 1,628,695 | 1,522,728 |
| Total net assets | 3,317,462 | 3,098,298 |
| Total liabilities and net assets | \$ 3,688,670 | \$ 3,432,952 |

The Accompanying Notes are an Integral
Part of These Financial Statements

MISSIONARY VENTURES INTERNATIONAL, INC.
STATEMENTS OF ACTIVITIES

| | For The Year Ended July 31, 2021 | | | For The Year |
|---|----------------------------------|----------------------------|----------------------------|----------------------------|
| | Without Donor | With Donor | Total | Ended |
| | Restrictions | Restrictions | | July 31, 2020 |
| PUBLIC SUPPORT AND REVENUE AND NET ASSETS | | | | |
| RELEASED FROM RESTRICTIONS | | | | |
| Contributions with donor restrictions | \$ — | \$ 5,183,714 | \$ 5,183,714 | \$ 5,014,071 |
| Contributions without donor restrictions | 959,726 | — | 959,726 | 777,424 |
| Grant revenue | 127,717 | — | 127,717 | 114,800 |
| Other revenue | — | — | — | 185 |
| Net assets released from restrictions | <u>5,077,747</u> | <u>(5,077,747)</u> | <u>—</u> | <u>—</u> |
| Total public support and revenue and net assets released from restrictions | <u>6,165,190</u> | <u>105,967</u> | <u>6,271,157</u> | <u>5,906,480</u> |
| EXPENSES | | | | |
| Program activities | | | | |
| Field coordinators | 2,620,303 | — | 2,620,303 | 2,487,741 |
| Transportation | 896,680 | — | 896,680 | 899,395 |
| Health and community | 883,570 | — | 883,570 | 633,482 |
| Christian education | 588,574 | — | 588,574 | 585,747 |
| Church planting | 286,009 | — | 286,009 | 390,560 |
| Team trips | <u>224,341</u> | <u>—</u> | <u>224,341</u> | <u>448,879</u> |
| Total program activities | <u>5,499,477</u> | <u>—</u> | <u>5,499,477</u> | <u>5,445,804</u> |
| Supporting activities | | | | |
| Management and general | 301,232 | — | 301,232 | 398,087 |
| Fundraising | <u>251,284</u> | <u>—</u> | <u>251,284</u> | <u>229,083</u> |
| Total supporting activities | <u>552,516</u> | <u>—</u> | <u>552,516</u> | <u>627,170</u> |
| Total expenses | <u>6,051,993</u> | <u>—</u> | <u>6,051,993</u> | <u>6,072,974</u> |
| CHANGE IN NET ASSETS BEFORE GAIN ON SALE OF PROPERTY | 113,197 | — | 113,197 | (101,627) |
| Gain on sale of property | <u>—</u> | <u>—</u> | <u>—</u> | <u>485,503</u> |
| Change in net assets without donor restrictions | 113,197 | — | 113,197 | 383,876 |
| Change in net assets with donor restrictions | <u>—</u> | <u>105,967</u> | <u>105,967</u> | <u>(64,867)</u> |
| CHANGE IN NET ASSETS | 113,197 | 105,967 | 219,164 | 319,009 |
| NET ASSETS - Beginning of year | <u>1,575,570</u> | <u>1,522,728</u> | <u>3,098,298</u> | <u>2,779,289</u> |
| NET ASSETS - End of year | <u>\$ 1,688,767</u> | <u>\$ 1,628,695</u> | <u>\$ 3,317,462</u> | <u>\$ 3,098,298</u> |

The Accompanying Notes are an Integral
Part of These Financial Statements

MISSIONARY VENTURES INTERNATIONAL, INC.
STATEMENTS OF CASH FLOWS

| | For The Years Ended | |
|---|----------------------------|----------------------------|
| | July 31, | |
| | 2021 | 2020 |
| OPERATING CASH FLOWS | | |
| Cash received from contributors | \$ 6,143,440 | \$ 5,791,495 |
| Grant and other revenue received | 49,641 | 185 |
| Cash paid for operating activities and costs | <u>(5,980,146)</u> | <u>(5,995,675)</u> |
| Net operating cash flows | <u>212,935</u> | <u>(203,995)</u> |
| INVESTING CASH FLOWS | | |
| Net proceeds from sale of property | — | 2,462,472 |
| Purchases of and improvements to property and equipment | <u>(176,495)</u> | <u>(936,031)</u> |
| Net investing cash flows | <u>(176,495)</u> | <u>1,526,441</u> |
| FINANCING CASH FLOWS | | |
| Borrowings | <u>—</u> | <u>114,800</u> |
| Net financing cash flows | <u>—</u> | <u>114,800</u> |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | 36,440 | 1,437,246 |
| CASH AND CASH EQUIVALENTS - Beginning of year | <u>2,471,483</u> | <u>1,034,237</u> |
| CASH AND CASH EQUIVALENTS - End of year | <u>\$ 2,507,923</u> | <u>\$ 2,471,483</u> |
| RECONCILIATION OF CHANGE IN NET ASSETS TO NET OPERATING CASH FLOWS | | |
| Change in net assets | \$ 219,164 | \$ 319,009 |
| Adjustments to reconcile change in net assets to net operating cash flows | | |
| Depreciation | 35,293 | 37,994 |
| Gain on sale of property | — | (485,503) |
| Conversion of note payable to grant revenue (see Note F) | — | (114,800) |
| Change in other assets | (78,076) | 80,335 |
| Change in accounts payable and accrued expenses | (32,772) | (53,511) |
| Change in field coordinator personal amounts held | <u>69,326</u> | <u>12,481</u> |
| Net operating cash flows | <u>\$ 212,935</u> | <u>\$ (203,995)</u> |

SUPPLEMENTAL DISCLOSURE

During the year ended July 31, 2020, \$114,800 of principal reductions of a certain note payable are included in "grant revenue" in the consolidated statement of activities. See Note F.

MISSIONARY VENTURES INTERNATIONAL, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For The Year Ended July 31, 2021

| | Program activities | | | | | | Total program activities |
|--|---------------------|-------------------|----------------------|---------------------|-------------------|-------------------|--------------------------|
| | Field coordinators | Transportation | Health and community | Christian education | Church planting | Team trips | |
| International project payments | \$ 95 | \$ 816,768 | \$ 850,659 | \$ 562,250 | \$ 263,330 | \$ 1,200 | \$ 2,494,302 |
| Field coordinator support payments | 2,488,168 | — | — | — | — | — | 2,488,168 |
| Salaries and benefits | 59,805 | 54,804 | 14,514 | 14,514 | 14,514 | 89,323 | 247,474 |
| Short term missions trips | — | — | — | — | — | 107,555 | 107,555 |
| Professional services and fees | 24,830 | 3,710 | 5,415 | 2,143 | 1,932 | 3,799 | 41,829 |
| Communications | 10,991 | 3,597 | 3,758 | 2,484 | 1,163 | 437 | 22,430 |
| Technology and non-capitalized equipment | 4,290 | 3,785 | 1,009 | 1,009 | 1,009 | 6,813 | 17,915 |
| Utilities and facilities | 3,748 | 3,307 | 882 | 882 | 882 | 5,953 | 15,654 |
| MVI international office support | 15,941 | 5,217 | 5,450 | 3,602 | 1,687 | 634 | 32,531 |
| Depreciation | 3,333 | 2,941 | 784 | 784 | 784 | 5,294 | 13,920 |
| Other | 8,016 | 1,593 | 843 | 650 | 452 | 1,609 | 13,163 |
| Insurance | 657 | 580 | 155 | 155 | 155 | 1,043 | 2,745 |
| Office expense | 429 | 378 | 101 | 101 | 101 | 681 | 1,791 |
| Total expenses | \$ 2,620,303 | \$ 896,680 | \$ 883,570 | \$ 588,574 | \$ 286,009 | \$ 224,341 | \$ 5,499,477 |

The Accompanying Notes are an Integral
Part of These Financial Statements

MISSIONARY VENTURES INTERNATIONAL, INC.

STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)

For The Year Ended July 31, 2021

| | Total program activities | Supporting activities | | Total supporting activities | Total expenses |
|--|-----------------------------|---------------------------|--------------------------|--------------------------------|----------------------------|
| | | Management and general | Fundraising | | |
| International project payments | \$ 2,494,302 | \$ — | \$ — | \$ — | \$ 2,494,302 |
| Field coordinator support payments | 2,488,168 | — | — | — | 2,488,168 |
| Salaries and benefits | 247,474 | 217,977 | 180,955 | 398,932 | 646,406 |
| Short term missions trips | 107,555 | — | — | — | 107,555 |
| Professional services and fees | 41,829 | 12,906 | 7,118 | 20,024 | 61,853 |
| Communications | 22,430 | 4,698 | 27,592 | 32,290 | 54,720 |
| Technology and non-capitalized equipment | 17,915 | 16,149 | 11,355 | 27,504 | 45,419 |
| Utilities and facilities | 15,654 | 14,110 | 9,921 | 24,031 | 39,685 |
| MVI international office support | 32,531 | 6,069 | — | 6,069 | 38,600 |
| Depreciation | 13,920 | 12,550 | 8,823 | 21,373 | 35,293 |
| Other | 13,163 | 8,704 | 2,646 | 11,350 | 24,513 |
| Insurance | 2,745 | 6,455 | 1,739 | 8,194 | 10,939 |
| Office expense | <u>1,791</u> | <u>1,614</u> | <u>1,135</u> | <u>2,749</u> | <u>4,540</u> |
| Total expenses | <u>\$ 5,499,477</u> | <u>\$ 301,232</u> | <u>\$ 251,284</u> | <u>\$ 552,516</u> | <u>\$ 6,051,993</u> |

The Accompanying Notes are an Integral
Part of These Financial Statements

MISSIONARY VENTURES INTERNATIONAL, INC.

STATEMENT OF FUNCTIONAL EXPENSES

For The Year Ended July 31, 2020

| | Program activities | | | | | | Total program activities |
|--|----------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------------------|
| | Field coordinators | Transportation | Health and community | Christian education | Team trips | Church planting | |
| International project payments | \$ 350 | \$ 818,379 | \$ 605,501 | \$ 559,077 | \$ 2,995 | \$ 365,390 | \$ 2,351,692 |
| Field coordinator support payments | 2,357,612 | — | — | — | — | — | 2,357,612 |
| Salaries and benefits | 58,841 | 51,918 | 13,845 | 13,845 | 93,453 | 13,845 | 245,747 |
| Short term missions trips | — | — | — | — | 318,390 | — | 318,390 |
| Other | 12,690 | 4,693 | 1,702 | 1,753 | 3,466 | 1,597 | 25,901 |
| Professional services and fees | 19,771 | 3,410 | 3,724 | 2,038 | 4,847 | 1,693 | 35,483 |
| Technology and non-capitalized equipment | 4,502 | 3,972 | 1,059 | 1,059 | 7,150 | 1,059 | 18,801 |
| Communications | 8,980 | 3,114 | 1,986 | 2,106 | 1,128 | 1,735 | 19,049 |
| Utilities and facilities | 4,356 | 3,843 | 1,025 | 1,025 | 6,918 | 1,025 | 18,192 |
| MVI international office support | 15,211 | 5,275 | 3,363 | 3,567 | 1,910 | 2,939 | 32,265 |
| Depreciation | 3,588 | 3,168 | 844 | 844 | 5,699 | 844 | 14,987 |
| Insurance | 891 | 786 | 210 | 210 | 1,416 | 210 | 3,723 |
| Office expense | 949 | 837 | 223 | 223 | 1,507 | 223 | 3,962 |
| Total expenses | <u>\$ 2,487,741</u> | <u>\$ 899,395</u> | <u>\$ 633,482</u> | <u>\$ 585,747</u> | <u>\$ 448,879</u> | <u>\$ 390,560</u> | <u>\$ 5,445,804</u> |

The Accompanying Notes are an Integral
Part of These Financial Statements

MISSIONARY VENTURES INTERNATIONAL, INC.

STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)

For The Year Ended July 31, 2020

| | Total program activities | Supporting activities | | Total supporting activities | Total expenses |
|--|-----------------------------|---------------------------|--------------------------|--------------------------------|----------------------------|
| | | Management and general | Fundraising | | |
| Field coordinator support payments | \$ 2,357,612 | \$ — | \$ — | \$ — | \$ 2,357,612 |
| International project payments | 2,351,692 | 2,400 | — | 2,400 | 2,354,092 |
| Salaries and benefits | 245,747 | 222,705 | 155,754 | 378,459 | 624,206 |
| Short term missions trips | 318,390 | — | — | — | 318,390 |
| Other | 25,901 | 94,171 | 5,657 | 99,828 | 125,729 |
| Professional services and fees | 35,483 | 11,594 | 4,856 | 16,450 | 51,933 |
| Technology and non-capitalized equipment | 18,801 | 16,949 | 11,917 | 28,866 | 47,667 |
| Communications | 19,049 | 3,445 | 24,999 | 28,444 | 47,493 |
| Utilities and facilities | 18,192 | 16,398 | 11,530 | 27,928 | 46,120 |
| MVI international office support | 32,265 | 5,836 | — | 5,836 | 38,101 |
| Depreciation | 14,987 | 13,508 | 9,499 | 23,007 | 37,994 |
| Insurance | 3,723 | 7,509 | 2,359 | 9,868 | 13,591 |
| Office expense | <u>3,962</u> | <u>3,572</u> | <u>2,512</u> | <u>6,084</u> | <u>10,046</u> |
| Total expenses | <u>\$ 5,445,804</u> | <u>\$ 398,087</u> | <u>\$ 229,083</u> | <u>\$ 627,170</u> | <u>\$ 6,072,974</u> |

The Accompanying Notes are an Integral
Part of These Financial Statements

MISSIONARY VENTURES INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE A – NATURE OF ACTIVITIES

Missionary Ventures International, Inc. (“the Organization”) is a not-for-profit interdenominational Christian organization. The Organization’s mission is to work with individuals and churches to bring the love and message of Jesus Christ to hurting people. To accomplish its mission, the Organization channels resources for the development of churches, schools, feeding centers, orphanages, clinics, and hospitals in seventy-eight countries located around the world. The Organization is headquartered in Maitland, Florida.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

The Organization recognizes cash contributions as revenue when the contributions are received by the Organization. Contributions are recorded as support with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as “net assets released from restrictions.”

Assessments

The Board of Directors has established a policy to utilize up to 15% of contributions restricted for the support of certain ministries to help offset general operational expenses, including the cost of operating the United States headquarters office. The amounts so utilized are reflected as “contributions without donor restrictions” revenue in the accompanying statements of activities. Contributions for which the donor requests that 100% of such gifts be used to support a specific ministry are not subject to the policy.

Contributions with donor restrictions

All contributions are received as donations to the Organization and not to specific individuals. Contributions which donors request to be used to support the ministry activities of specific missionaries or specific projects are under the full control of the Organization. In order to conservatively account for such contributions, the Organization recognizes them as contributions with donor restrictions until they are expended for appropriate ministry purposes.

Cash and cash equivalents

The Organization considers all investment instruments purchased or donated with original maturities of three months or less to be cash equivalents.

Property and equipment

Property and equipment are stated at cost, if purchased, or estimated fair value on the date of donation, if donated. The Organization uses the straight-line method of depreciating assets over their estimated useful lives.

Field coordinator personal amounts held

Field coordinator personal amounts held represent funds held on behalf of field coordinators as of year-end.

Net assets

Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes. Net assets with donor restrictions consist of amounts with uses limited by donor-imposed time and/or purpose restrictions.

MISSIONARY VENTURES INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional allocation of expenses

The statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. Indirect costs that benefit multiple functional areas are allocated among the various functional areas based primarily on employee time and space utilization.

Income taxes

The Organization is exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code and from state income tax pursuant to Florida law. The Organization is further classified as a public charity and not a private foundation for federal tax purposes. The Organization has not incurred unrelated business income taxes. As a result, no income tax provision or liability has been provided for in the accompanying financial statements.

Use of estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Significant estimates used in preparing these financial statements include those used in estimating the useful lives of property and equipment. Actual results could differ from the estimates.

Economic uncertainties

In January 2020, the World Health Organization (“WHO”) announced a global health emergency related to the outbreak of a virus originating in China. In March 2020, WHO elevated the classification of the outbreak to a pandemic (“the pandemic”). Management is closely monitoring the potential impact of the pandemic on the Organization’s financial condition and has taken actions to mitigate its impact. Such actions include availing the Organization of relief measures available under federal law and reducing the overall scope and cost of operations. Because of the unknown impact on global commerce, management is not able to estimate the effects of the pandemic on its operating results, financial condition, or liquidity for the year ending July 31, 2022.

Reclassifications

Certain amounts included in the July 31, 2020 financial statements have been reclassified to conform to classifications adopted during the year ended July 31, 2021. The reclassifications had no material effect on the accompanying financial statements.

Subsequent events

The Organization has evaluated for possible financial reporting and disclosure subsequent events through November 11, 2021, the date as of which the financial statements were available to be issued.

NOTE C – LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure within one year of the date of the statements of financial position are as follows:

| <u>Category</u> | <u>July 31,</u> | |
|--|---------------------|---------------------|
| | <u>2021</u> | <u>2020</u> |
| Cash and cash equivalents | \$ 2,507,923 | \$ 2,471,483 |
| Employee Retention Tax Credit included in “other assets” | <u>78,048</u> | <u>—</u> |
| Total financial assets available within one year | 2,585,971 | 2,471,483 |
| Less: Field coordinator personal amounts held | <u>(300,366)</u> | <u>(231,040)</u> |
| Net financial assets available within one year | <u>\$ 2,285,605</u> | <u>\$ 2,240,443</u> |

MISSIONARY VENTURES INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE C – LIQUIDITY AND AVAILABILITY OF RESOURCES (Continued)

The Organization is primarily supported by contributions. As part of the Organization’s liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization has certain donor-restricted net assets that are available for general expenditure, because the restrictions on the net assets are expected to be met by conducting the normal activities of the Organization’s programs in the coming year.

Accordingly, the related resources have been included in the quantitative information detailing the financial assets available to meet general expenditures within one year. Management believes the Organization has sufficient liquid assets for general operations that may be drawn upon in the event of an unanticipated financial distress or an immediate liquidity need.

NOTE D – CONCENTRATION OF CREDIT RISK

The Organization maintains its cash and cash equivalents in deposit accounts which may not be federally insured, may exceed federally insured limits, or may be insured by an entity other than an agency of the federal government. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk related to cash or cash equivalents.

NOTE E – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

| Category | July 31, | |
|--------------------------------|--------------|------------|
| | 2021 | 2020 |
| Buildings and improvements | \$ 1,084,837 | \$ 892,468 |
| Office furniture and equipment | 87,223 | 64,025 |
| Software | 11,428 | 6,250 |
| Construction in progress | — | 46,017 |
| Total property and equipment | 1,183,488 | 1,008,760 |
| Less: Accumulated depreciation | (125,486) | (91,960) |
| Net property and equipment | \$ 1,058,002 | \$ 916,800 |

Depreciation expense amounted to \$35,293 and \$37,994 for the years ended July 31, 2021 and 2020, respectively. During the year ended July 31, 2020, the Organization sold certain real property for net proceeds of \$2,462,472, resulting in a gain on the sale of \$485,503, which is included in the accompanying statement of activities as “Gain on sale of property.”

NOTE F – PAYCHECK PROTECTION PROGRAM LOAN

During the year ended July 31, 2020, the Organization obtained a Paycheck Protection Program loan (“PPP loan”) in the amount of \$114,800. Management estimates that the Organization incurred or spent \$114,800 of expenditures eligible for forgiveness. Accordingly, this amount was recognized as a reduction to “notes payable” in the accompanying statement of financial position as of July 31, 2020 (reducing the balance of the PPP loan to zero) and as “grant revenue” in the accompanying statement of activities for the year ended July 31, 2020. The Small Business Administration issued a decision granting full forgiveness of the loan in August 2021.

MISSIONARY VENTURES INTERNATIONAL, INC.

NOTES TO FINANCIAL STATEMENTS

NOTE G - EMPLOYEE RETENTION TAX CREDIT

During the year ended July 31, 2021, the Organization claimed approximately \$130,000 of employee retention tax credit with the Internal Revenue Service. This special employee retention tax credit created recently and temporarily by Congress effectively represents relief/stimulus payments from the federal government, with such payments being provided in the form of a refundable payroll tax credit. The employee retention tax credit is available to employers who meet one of more qualifying criteria established by law. Of the credit amount claimed by the Organization, approximately \$50,000 was received during the year ended July 31, 2021, and the Organization recorded a receivable (which is included in "other assets" in the accompanying statement of financial position) for the remaining amount. As a result of claiming the credit, approximately \$128,000 was recognized as "grant revenue" in the accompanying statement of activities for the year ended July 31, 2021.

NOTE H - NET ASSETS WITH DONOR RESTRICTIONS

Net assets were subject to donor restrictions for the following purposes:

| | <u>July 31,</u> | |
|--|---------------------|---------------------|
| | <u>2021</u> | <u>2020</u> |
| Transportation | \$ 981,342 | \$ 785,290 |
| Christian education | 239,191 | 433,684 |
| Missionary support | 174,265 | 99,031 |
| Church planting | 105,060 | 75,363 |
| Other projects | 60,878 | 59,172 |
| Team trips | 53,348 | 51,621 |
| Health and community | <u>14,611</u> | <u>18,567</u> |
| Total net assets with donor restrictions | <u>\$ 1,628,695</u> | <u>\$ 1,522,728</u> |

Net assets released from restrictions during the year ended July 31, 2020 were \$5,078,938.