

GLOBAL MARITIME MINISTRIES, INC.

FINANCIAL STATEMENTS

December 31, 2023 and 2022



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Global Maritime Ministries, Inc.
New Orleans, Louisiana

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Global Maritime Ministries, Inc. (a nonprofit Organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Global Maritime Ministries, Inc. as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Global Maritime Ministries, Inc. and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the 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; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Global Maritime Ministries, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Global Maritime Ministries, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Global Maritime Ministries, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Wegmann Dazet, APC

Metairie, Louisiana
June 27, 2024

GLOBAL MARITIME MINISTRIES, INC.
STATEMENTS OF FINANCIAL POSITION

December 31, 2023 and 2022

	2023	2022
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,498,255	\$ 1,447,701
Receivables	42,779	21,989
Grant receivable	125,000	250,000
Prepaid expenses	8,313	12,818
Investments in marketable securities	447,892	406,411
Total current assets	<u>2,122,239</u>	<u>2,138,919</u>
Property and equipment, at cost less accumulated depreciation	<u>652,935</u>	<u>604,115</u>
Total assets	<u><u>\$ 2,775,174</u></u>	<u><u>\$ 2,743,034</u></u>
LIABILITIES		
Current liabilities		
Accounts payable	\$ 69,551	\$ 14,396
Accrued expenses	3,143	2,252
Total current liabilities	<u>72,694</u>	<u>16,648</u>
Total liabilities	<u>72,694</u>	<u>16,648</u>
NET ASSETS		
Without donor restrictions		
Board designated	298,421	261,564
Unrestricted	2,269,622	2,019,229
With donor restrictions	134,437	445,593
Total net assets	<u>2,702,480</u>	<u>2,726,386</u>
Total liabilities and net assets	<u><u>\$ 2,775,174</u></u>	<u><u>\$ 2,743,034</u></u>

See accompanying Notes to Financial Statements.

GLOBAL MARITIME MINISTRIES, INC.

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues			
Contributions	\$ 365,504	\$ -	\$ 365,504
Bibles	-	125	125
Christmas	-	9,311	9,311
Miscellaneous income	38,523	-	38,523
Gain on disposal of assets	11,000	13,438	24,438
Interest income	11,032	-	11,032
Investment income	41,482	-	41,482
Net assets released from restrictions	334,030	(334,030)	-
Total revenues	801,571	(311,156)	490,415
Expenses			
Program services			
Program expenses	422,097	-	422,097
Supporting services			
General and administrative	76,201	-	76,201
Fundraising	16,023	-	16,023
Total expenses	514,321	-	514,321
Change in net assets	287,250	(311,156)	(23,906)
Net assets			
Beginning of year	2,280,793	445,593	2,726,386
End of year	\$ 2,568,043	\$ 134,437	\$ 2,702,480

See accompanying Notes to Financial Statements.

GLOBAL MARITIME MINISTRIES, INC.

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues			
Contributions	\$ 323,718	\$ 175,000	\$ 498,718
Grant income	2,234	-	2,234
Bibles	-	70	70
Christmas	-	4,628	4,628
Miscellaneous income	122,193	-	122,193
Interest income	4,140	-	4,140
Investment income	(45,664)	-	(45,664)
Net assets released from restrictions	129,287	(129,287)	-
Total revenues	535,908	50,411	586,319
Expenses			
Program services			
Program expenses	360,586	-	360,586
Supporting services			
General and administrative	65,789	-	65,789
Fundraising	25,923	-	25,923
Total expenses	452,298	-	452,298
Change in net assets	83,610	50,411	134,021
Net assets			
Beginning of year	2,197,183	395,182	2,592,365
End of year	\$ 2,280,793	\$ 445,593	\$ 2,726,386

See accompanying Notes to Financial Statements.

GLOBAL MARITIME MINISTRIES, INC.
STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2023

	Programming Services	Supporting Services		Total
	Ministry expenses	General and Administrative	Fundraising	Expenses
Annuity	\$ 19,680	\$ 3,936	\$ 384	\$ 24,000
Auto expense	11,776	-	-	11,776
Bank service charge	-	240	-	240
Benevolence	752	-	-	752
Bibles	3,032	-	-	3,032
Christmas	12,056	-	-	12,056
Conference	9,245	-	-	9,245
Custodial supplies	685	28	-	713
Depreciation	43,671	1,818	-	45,489
Dues and subscriptions	-	3,419	-	3,419
Equipment purchases	1,216	-	-	1,216
Event expense	2,094	-	-	2,094
Fuel	7,921	-	-	7,921
Fundraising	-	-	12,964	12,964
Housing	60,664	10,677	1,119	72,460
Insurance	39,700	1,154	-	40,854
Marketing	-	6,294	-	6,294
Miscellaneous	1,025	6,137	-	7,162
Office supplies	-	4,045	-	4,045
Other expense	17,641	-	-	17,641
Payroll service fees	-	989	-	989
Payroll taxes and employee benefits	3,993	-	-	3,993
Postage and delivery	-	4,400	-	4,400
Processing fees	-	2,554	-	2,554
Professional fees	8,379	-	-	8,379
Repairs and maintenance	6,794	274	-	7,068
Salaries	131,216	14,241	1,464	146,921
Staff uniforms	-	6,081	-	6,081
Supplies	2,698	-	-	2,698
Technology	1,145	-	-	1,145
Travel	5,810	-	-	5,810
Utilities	23,286	8,390	-	31,676
Worker's comp insurance	7,618	1,524	92	9,234
Total expenses	<u>\$ 422,097</u>	<u>\$ 76,201</u>	<u>\$ 16,023</u>	<u>\$ 514,321</u>

See accompanying Notes to Financial Statements.

GLOBAL MARITIME MINISTRIES, INC.
STATEMENT OF FUNCTIONAL EXPENSES

For the Year Ended December 31, 2022

	Programming Services	Supporting Services		
	Ministry expenses	General and Administrative	Fundraising	Total Expenses
Annuity	\$ 19,680	\$ 3,936	\$ 384	\$ 24,000
Auto expense	6,411	-	-	6,411
Bank service charge	-	500	-	500
Benevolence	500	-	-	500
Bibles	2,691	-	-	2,691
Christmas	11,144	-	-	11,144
Conference	3,798	-	-	3,798
Custodial supplies	268	10	-	278
Depreciation	43,658	1,861	-	45,519
Dues and subscriptions	-	2,955	-	2,955
Equipment purchases	1,350	-	-	1,350
Event expense	2,538	-	-	2,538
Fuel	8,541	-	-	8,541
Fundraising	-	-	23,274	23,274
Housing	54,752	9,589	976	65,317
Insurance	35,739	907	-	36,646
Marketing	-	3,736	-	3,736
Miscellaneous	3,193	2,181	-	5,374
Office supplies	-	7,352	-	7,352
Other expense	18,146	-	-	18,146
Payroll service fees	-	935	-	935
Payroll taxes and employee benefits	2,173	-	-	2,173
Postage and delivery	-	4,482	-	4,482
Processing fees	-	2,441	-	2,441
Professional fees	7,171	-	-	7,171
Repairs and maintenance	4,355	172	-	4,527
Salaries	94,202	12,110	1,240	107,552
Special recognitions	9,172	-	-	9,172
Staff uniforms	-	317	-	317
Supplies	1,410	-	-	1,410
Technology	1,068	-	-	1,068
Travel	1,962	-	-	1,962
Utilities	22,607	11,494	-	34,101
Worker's comp insurance	4,057	811	49	4,917
Total expenses	<u>\$ 360,586</u>	<u>\$ 65,789</u>	<u>\$ 25,923</u>	<u>\$ 452,298</u>

See accompanying Notes to Financial Statements.

GLOBAL MARITIME MINISTRIES, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Change in net assets	\$ (23,906)	\$ 134,021
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	45,489	45,519
Gain on disposal of assets	(24,438)	-
Net realized and unrealized gain on investments	(33,024)	52,528
(Increase) decrease in operating assets:		
Grant receivable	125,000	125,000
Receivables	(20,790)	203,610
Prepaid expenses	4,505	2,305
Increase (decrease) in operating liabilities:		
Accounts payable	55,155	11,883
Accrued expenses	891	(22,697)
Net cash provided by operating activities	<u>128,882</u>	<u>552,169</u>
Cash flows from investing activities:		
Proceeds from disposal of assets	30,213	-
Purchase of property and equipment	(100,084)	(27,169)
Purchase of investments	(8,457)	(6,864)
Net cash used by investing activities	<u>(78,328)</u>	<u>(34,033)</u>
Net increase in cash and cash equivalents	50,554	518,136
Cash and cash equivalents at beginning of year	<u>1,447,701</u>	<u>929,565</u>
Cash and cash equivalents at end of year	<u><u>\$ 1,498,255</u></u>	<u><u>\$ 1,447,701</u></u>

See accompanying Notes to Financial Statements.

GLOBAL MARITIME MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2023 and 2022

1) Nature of activities

Global Maritime Ministries, Inc. (the “Organization”) is a non-profit corporation formed in 1965 with a mission to provide holistic Christian ministry by meeting the spiritual, emotional, and physical needs of seafarers and maritime workers.

2) Summary of significant accounting policies

The significant accounting policies followed by the Organization are summarized as follows:

(a) Basis of accounting and presentation

The Organization’s policy is to prepare its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) Topic, *Financial Statements of Not-for-Profit Organizations*. In accordance with this guidance, the Organization is required to report information regarding financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

(b) Net assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor-imposed restrictions. Accordingly, net assets are changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated the balance of its investment in the Group Investment Fund as operating reserve.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those 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 resources 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.

The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends, or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

(c) Cash and cash equivalents

All cash-related items having a maturity of three months or less from the original maturity date are classified as cash and cash equivalents.

(d) Investments in marketable securities

Investments consist of pooled funds that are used to support cash flow needs during the year. Unrealized and realized gain and losses are included in the change in net assets.

GLOBAL MARITIME MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2023 and 2022

2) Summary of significant accounting policies (continued)

(e) Financial instruments and concentrations of credit risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash deposits. The Organization may at times have cash on deposit at financial institutions that is in excess of federally insured limits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits and amounts at each investment firm are insured by the Securities Investor Protection Corporation (SIPC) up to specific limits. The Organization has not experienced any losses in such accounts. The Organization has no policy requiring collateral or other security to support its deposits.

(f) Depreciation of property and equipment

Depreciation of the vehicles and buildings is provided over the estimated useful lives of the respective assets on a straight-line basis ranging from 10 to 39 years.

Property and equipment are stated at cost. Additions, renewals, and betterments that add materially to the productive capacity or extend the life of an asset are capitalized. Expenditures for maintenance and repairs, which do not extend the life of the applicable assets, are charged to expense as incurred. Upon retirement or disposal of an asset, the asset and accumulated depreciation accounts are adjusted accordingly. Any resulting gain or loss is included in the statements of activities.

(g) Taxes

The Organization is exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code ("IRC"); therefore, no provision for income taxes has been made in these financial statements. As a not-for-profit corporation, the Organization is also exempt from state and local taxes.

The Organization recognizes the effect of income tax provisions only if those positions are more likely than not of being sustained. Income generated from activities unrelated to the Organization's exempt purpose is subject to tax under IRC Section 511. There was no unrelated business income tax liability for the years ended December 31, 2023 and 2022.

(h) Promise to give

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

(i) In-kind contributions

Contributed nonfinancial assets include donated professional services, donated equipment, and other in-kind contributions which are recorded at the respective fair values of the goods or services received. We do not sell donated gifts-in-kind. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. No significant contributions of such goods or services were received during the years ended December 31, 2023 and 2022, respectively.

GLOBAL MARITIME MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2023 and 2022

2) Summary of significant accounting policies (continued)

(j) Use of estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(k) Fundraising

All expenses associated with the fundraising events are expensed as incurred.

(l) Functional expenses

The costs of providing the ministry program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Program and supporting expenses, when specifically identifiable, are classified to the function which incurred the expense. Expenses allocated using management's estimate of time include payroll, housing, and retirement plan expenses. Expenses allocated using square footage include repairs and maintenance, utilities, insurance, and depreciation.

(m) Leases

Effective January 1, 2022, the Organization adopted the amended provisions of Financial Accounting Standards Codification Topic 842, "Leases," using the modified retrospective approach, impacting the reporting and disclosures for operating leases. Right to use leased assets and the related liabilities are recognized at the lease commencement date and represent the Organization's right to use an underlying asset and lease obligations for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to place the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or the useful life of the underlying asset using the straight-line method. The Organization is not party to any obligations that would be classified as an operating lease.

3) Receivables

Receivables were as follows:

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Receivables	<u>\$ 42,779</u>	<u>\$ 21,989</u>	<u>\$ 225,599</u>

4) Grant receivable

Included in grant receivable as of December 31, 2023 and 2022, is an unconditional promise to give that is time restricted. As of December 31, 2023 and 2022, grants receivable was \$125,000 and \$250,000, respectively. Per the agreement with the grantor, the Organization will receive \$125,000 in 2024.

GLOBAL MARITIME MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2023 and 2022

5) Property and equipment

Property and equipment consists of the following:

	<u>2023</u>	<u>2022</u>
Buildings	\$ 1,018,365	\$ 957,281
Land	113,849	113,849
Vehicles	215,661	232,299
Total costs	1,347,875	1,303,429
Accumulated depreciation	(694,940)	(699,314)
Property and equipment	<u>\$ 652,935</u>	<u>\$ 604,115</u>

On August 29, 2021, Hurricane Ida made landfall on the Louisiana coast, causing extensive damage throughout southeast Louisiana. The Organization experienced significant damages as a result of the weather event. The Organization received insurance proceeds in the amount of \$90,619 for replacement costs of the lost property for the year ended December 31, 2022.

6) Investments

The carrying values of investments are summarized as follows:

	<u>2023</u>	<u>2022</u>
Current		
Short Term Fund	\$ 149,471	\$ 144,847
Group Investment Fund	298,421	261,564
	<u>\$ 447,892</u>	<u>\$ 406,411</u>

Investment income consists of the following:

Interest earned	\$ 8,457	\$ 6,864
Net realized and unrealized gains (losses)	33,025	(52,528)
	<u>\$ 41,482</u>	<u>\$ (45,664)</u>

7) Fair value measurement

Financial Accounting Standards Board, Accounting Standards Codification 820, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides 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 under ASC 820 are described below:

- Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
- Level 2 Inputs to the valuation methodology include:
- Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;

GLOBAL MARITIME MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2023 and 2022

7) Fair value measurement (continued)

- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. 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 methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2023 and 2022.

Pooled funds: Valued at net asset value, which is fair market value, as the assets are marked-to-market on a monthly basis.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2023:

Assets at Fair Value as of December 31, 2023				
	Level 1	Level 2	Level 3	Total
Pooled Funds				
Short Term Fund	\$ 149,471	\$ -	\$ -	\$ 149,471
Group Investment Fund	298,421	-	-	298,421
Total	<u>\$ 447,892</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 447,892</u>

The following tables set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2022:

Assets at Fair Value as of December 31, 2022				
	Level 1	Level 2	Level 3	Total
Pooled Funds				
Short Term Fund	\$ 144,847	\$ -	\$ -	\$ 144,847
Group Investment Fund	261,564	-	-	261,564
Total	<u>\$ 406,411</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 406,411</u>

GLOBAL MARITIME MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2023 and 2022

8) Restrictions on net assets

Net assets with donor restrictions consists of the following as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Subject to expenditures for specified purpose:		
Bibles and tracts	\$ 100	\$ 1,858
Benevolence	-	602
Christmas	8,337	3,299
Van fund	-	14,834
Direct operations for ministry	-	175,000
Subject to passage of time:		
Baptist Community Ministries	125,000	250,000
Total with donor restriction assets	<u>\$ 133,437</u>	<u>\$ 445,593</u>

Net assets released from donor restrictions by incurring expenses satisfying the specified purpose or by occurrence of the passage of time were as follows for the years ended December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Release by satisfaction of specified purpose:		
Bibles and tracts	\$ 1,883	\$ 347
Benevolence	602	602
Christmas	3,272	3,338
Van fund	28,273	-
Direct operations for ministry	175,000	-
Release by passage of time:		
Baptist Community Ministries	125,000	125,000
Total with donor restriction assets	<u>\$ 334,030</u>	<u>\$ 129,287</u>

9) Employee benefits

There is an unqualified plan with discretionary employer contributions to certain employees as approved by the board of directors. Total employer contributions paid for the years ended December 31, 2023 and 2022 were \$24,000 and \$24,000, respectively.

10) Risks and uncertainties

Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect account balances and the amounts reported in the statements of financial position.

GLOBAL MARITIME MINISTRIES, INC.
NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2023 and 2022

11) Liquidity and availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<u>2023</u>
Financial assets:	
Cash and cash equivalents	\$ 1,498,255
Investments	447,892
Grant receivable	125,000
Receivables	42,779
Financial assets, at year end	<u>2,113,926</u>
Less those unavailable for general expenditure within one year, due to:	
Restricted by donor for specified purpose	(8,437)
Board designated	<u>(298,421)</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 1,807,068</u>

12) Recently adopted accounting guidance

In June 2016, the FASB issued guidance (FASB ASC 326) which significantly changed how entities will measure credit losses for most financial assets and certain other instruments that aren't measured at fair value through net income. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Organization that are subject to the guidance in FASB ASC 326 were receivables.

The Organization adopted the standard effective January 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only.

13) Subsequent events

The Organization has evaluated subsequent events through the date of the auditor's report, the date which the financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

financials

Final Audit Report

June 29, 2024

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