TEEN CHALLENGE OF THE
MID-SOUTH, INC.

ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2023

JOHNSON, MURPHEY & WRIGHT, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
CHATTANOOGA, TENNESSEE

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Teen Challenge of the Mid-South, Inc.

Opinion

We have audited the accompanying financial statements of Teen Challenge of the Mid-South, Inc., which comprise the Statement of Financial Position as of December 31, 2023, and the related Statements of Activities, Cash Flows, and Functional Expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Teen Challenge of the Mid-South, Inc. as of December 31, 2023, 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.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Teen Challenge of the Mid-South, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are 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 misstatements, 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 judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement 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 Teen Challenge of the Mid-South, 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Teen Challenge of the Mid-South, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Supplemental Information is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Johnson, Murphy & Wright, P.C.

Chattanooga, Tennessee
May 9, 2024

TEEN CHALLENGE OF THE MID-SOUTH, INC.
Statement of Financial Position
December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
ASSETS			
Current assets			
Cash	$ 269,854	$ 94,301	$ 364,155
Investments	1,001,302	-	1,001,302
Grant receivable	16,954	-	16,954
Total current assets	1,288,110	94,301	1,382,411
Non-current assets			
Property and equipment - net	1,843,594	-	1,843,594
TOTAL ASSETS	$ 3,131,704	$ 94,301	$ 3,226,005
LIABILITIES AND NET ASSETS			
Liabilities			
Current liabilities			
Accounts payable	$ 26,936	$ -	$ 26,936
Other accrued expenses	9,899	-	9,899
Line of credit	100,000	-	100,000
Total current liabilities	136,835	-	136,835
Net assets			
Without donor restrictions	2,994,869	-	2,994,869
With donor restrictions	-	94,301	94,301
Total net assets	2,994,869	94,301	3,089,170
TOTAL LIABILITIES AND NET ASSETS	$ 3,131,704	$ 94,301	$ 3,226,005

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

TEEN CHALLENGE OF THE MID-SOUTH, INC.
Statement of Activities
Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS AND OTHER SUPPORT			
Contributions and grants	$ 947,047	$ -	$ 947,047
Special events	83,160	-	83,160
Application and tuition	23,722	-	23,722
Pick-up service	158,945	-	158,945
Food stamps	77,993	-	77,993
Other program income	4,518	-	4,518
Miscellaneous	26,897	-	26,897
Investment return, net	126,824	-	126,824
Net assets released from restrictions:			
Satisfaction of program restrictions	50,084	(50,084)	-
Total revenues, gains and other support	1,499,190	(50,084)	1,449,106
EXPENSES			
Program service			
Outreach and ministry	1,127,731	-	1,127,731
Supporting services			
Management and general	223,292	-	223,292
Fundraising	96,158	-	96,158
Total supporting services	319,450	-	319,450
Total expenses	1,447,181	-	1,447,181
Change in net assets	52,009	(50,084)	1,925
Net assets - beginning	2,942,860	144,385	3,087,245
Net assets - end	$ 2,994,869	$ 94,301	$ 3,089,170

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

TEEN CHALLENGE OF THE MID-SOUTH, INC.
Statement of Cash Flows
Year Ended December 31, 2023

Cash Flows from Operating Activities	
Increase (decrease) in net assets	$ 1,925
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Depreciation	91,790
Net realized and unrealized (gains) losses on investments	(126,823)
(Increase) decrease in grant receivable	(3,784)
(Increase) decrease in accounts receivable	1,654
(Increase) decrease in prepaid expenses	2,500
Increase (decrease) in accounts payable	(4,064)
Increase (decrease) in other accrued expenses	(518)
Net cash provided (used) by operating activities	(37,320)
Cash Flows from Investing Activities	
Proceeds from sales of investments	100,000
Purchase of equipment	(131,633)
Net cash provided (used) by investing activities	(31,633)
Net increase (decrease) in cash	(68,953)
Cash - beginning	433,108
Cash - end	$ 364,155

Supplemental Disclosure	
Interest paid	$ 6,550

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

TEEN CHALLENGE OF THE MID-SOUTH, INC.
Statement of Functional Expenses
Year Ended December 31, 2023

	Program Service	Supporting Services		
	Outreach and Ministry	Management and General	Fund-Raising	Total
EXPENSES				
Salaries	$ 581,121	$ 128,581	$ 24,198	$ 733,900
Payroll taxes	44,232	2,334	2,168	48,734
Employee benefits	10,286	3,743	522	14,551
Advertising	-	-	19,582	19,582
Computer expense	-	3,680	-	3,680
Credit card fees	-	-	8,169	8,169
Depreciation	91,790	-	-	91,790
Dues, licenses and subscriptions	3,923	18,794	-	22,717
Food	100,987	-	-	100,987
Fundraising events	-	-	21,579	21,579
Gifts and meals	-	-	4,070	4,070
Insurance	66,186	5,658	-	71,844
Interest	-	6,550	-	6,550
Miscellaneous	2,151	33	500	2,684
Occupancy	102,273	-	-	102,273
Office and house supplies	19,455	9,893	-	29,348
Postage and printing	-	1,236	13,601	14,837
Professional services	-	42,790	-	42,790
Repairs and maintenance	45,632	-	-	45,632
Staff training	340	-	965	1,305
Student support and education	23,279	-	-	23,279
Telephone	17,413	-	-	17,413
Travel	18,663	-	804	19,467
Total expenses	$ 1,127,731	$ 223,292	$ 96,158	$ 1,447,181

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

TEEN CHALLENGE OF THE MID-SOUTH, INC.
Notes to Financial Statements
December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

A. Nature of Activities

Teen Challenge of the Mid-South, Inc. (the Entity), division of Teen Challenge International, is a Christ-centered residential treatment center for men and women addicted to drugs, alcohol, and other life controlling problems. The Entity was founded in 1978 and is located in Chattanooga, Tennessee. Approximately 50% of the Entity's students are men and women who are paroled or probated to the Entity through the judicial system. While at Teen Challenge, a student participates in a twelve week lecture class. They also spend approximately thirty-two weeks in a classroom working on personal growth which helps the student learn to deal with hard issues faced in life. For the first eight months of the program, students may not obtain a job outside of the Entity. Once they enter the third and final phase of the program, called re-entry, they are eligible to obtain employment while still living under the accountability of the Entity. The re-entry phase lasts four months. The Entity also has an outreach program which focuses on conducting drug awareness programs in churches, schools, youth campuses and forging countries. The Entity's primary revenue sources are from grants, contributions, and special events.

B. Basis of Accounting

The financial statements are prepared on the accrual basis of accounting, in accordance with the AICPA Audit and Accounting Guide, *Not-for-Profit Entities,* and FASB ASC 958-205-05-6.

C. Net Asset Accounting

The Entity follows the recommendations of the Financial Accounting Standards Board (FASB) ASC 958-205-05-6. The Entity is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are available for use in general operations and are not subject to donor or grantor restrictions. The Board of Directors can designate, from net assets without donor restrictions, net assets for a specific purpose. At year-end, the Entity did not have any board-designated net assets.

Net assets with donor restrictions are contributions subject to donor or grantor restrictions. The Entity reports contributions restricted by donors, including property and equipment, 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 Statement of Activities as net assets released from restrictions.

D. Revenue Recognition

The Entity follows FASB ASC Topic 606, *Revenue from Contracts with Customers*, which establishes a contract and control-based revenue recognition model, a basis for deciding when revenue is recognized over time or at a point in time and expands disclosures about revenue.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Revenue Recognition (Continued)

The Entity recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is 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 substantially met.

E. Cash and Cash Equivalents

The Entity considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

F. Investments

Investments are carried at fair value, determined based on quoted market prices or estimated values provided by external investment managers or other sources. Donated investments are reflected as contributions at their market value at the date of receipt. Realized and unrealized gains and losses, less investment expenses, are reflected within investment return, net, in the Statement of Activities. In accordance with FASB 958-225-45-6, investment gains and income whose restrictions are met in the same reporting period are reported as support in net assets without donor restrictions.

G. Prepayment of Expenses

Expenses extending over more than one accounting period are allocated between accounting periods and reported as an expense of the period in which they relate. At year-end, the Entity did not have any prepaid expenses.

H. Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue in the Statement of Activities. The allowance for uncollectible promises to give is based on historical experience and an assessment of economic conditions. Promises to give are written off when deemed uncollectible. Conditional promises to give are not included as support until the conditions are substantially met. At year-end, there were no promises to give.

I. Inventory

Supplies are expensed when they are purchased, therefore, no inventory is maintained.

J. Leases

The Entity follows Accounting Standards Update (ASU) No. 2016-02, *Leases*. Determination if an arrangement is or contains a lease occurs at the arrangement's inception. Leases are included in right of use assets and lease liabilities in the Statement of Financial Position and are initially recorded at the present value of the future minimum lease payments over the lease term. Short-term leases are not reported as right of use assets and lease liabilities. Instead, the lease payments of short-term leases are reported as lease expense on a straight-line basis over the lease term. At year-end, the Entity was not a lessee in any operating or finance lease.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Property and Equipment

Property and equipment are valued at cost, if purchased, or fair value if contributed. The expenses for property and equipment in excess of $1,000 are capitalized. Minor repairs and maintenance are expensed as incurred and additions and improvements that significantly extend the life of assets are depreciated over the remaining useful lives of the related fixed asset. At the time that assets are retired or disposed of, costs and accumulated depreciation are eliminated from the related accounts and any gain or loss is credited or charged to income. Depreciation is computed on the straight-line method over the estimated useful lives of the assets as follows:

Buildings	5-40 years
Equipment	3-15 years
Furniture	5-10 years
Vehicles	3-5 years

L. Compensated Absences

Any unused vacation or sick leave expires at year-end, therefore, there is no accrual of a liability for future benefits.

M. In-kind Contributions

Contributed nonfinancial assets, including donated professional services, donated equipment, and other in-kind contributions, are recorded at the fair value of the goods or services received. The Entity does not sell donated gifts-in-kind. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program and supporting services; 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 year.

N. Functional Allocation of Expenses

The financial statements report certain categories of expenses that 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 salaries, payroll taxes, and employee benefits, which are allocated on the basis of estimates of time and effort.

O. Description of Program and Supporting Services

Outreach and Ministry

Dedicated to a 4-12 month program where students reside on campus and pour love into their lives that once seemed hopeless.

Management and General

Includes the functions necessary to ensure an adequate working environment; provide coordination and articulation of the Entity's programs; and manage the functioning of the Board of Directors and financial and budgetary responsibilities.

Fundraising

Provides the structure necessary to encourage and secure financial support from outside sources.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

P. 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. Accordingly, actual results could differ from those estimates.

Q. Uncertain Tax Position

The Entity accounts for the effect of any uncertain tax position based on a more likely than not threshold of the recognition of the tax position being sustained based on the merits of the position under examination by the applicable taxing authority. If a tax position is deemed to be uncertain, the unrecognized tax benefit is estimated based on a probability assessment. Tax positions include, but are not limited to, the tax-exempt status and determination of whether income is subject to unrelated business income tax. There were no uncertain tax positions requiring recognition in the financial statements at year-end.

R. Taxes

The Entity is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code. It is exempt from federal income taxes on related income pursuant to Section 501 of the Code. No federal excise tax or unrelated business income tax was due for the previous tax year.

S. Events Occurring after Reporting Date

The Entity has evaluated events and transactions that occurred between December 31, 2023, and May 9, 2024, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

NOTE 2 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Entity's financial assets available within one year of the balance sheet date for general expenditures are as follows:

Cash	$ 364,155
Investments	1,001,302
Grant receivable	16,954
Total financial assets	1,382,411
Less: net assets with donor restrictions	(94,301)
Total	$ 1,288,110

As part of the Entity's liquidity management, it has a policy to structure its financial assets to be available for spending as its general expenditures, liabilities, and other obligations come due. Resources are maintained to meet any donor-imposed restrictions, which makes those resources unavailable for general expenditures. To help manage unanticipated liquidity needs, the Entity has a line of credit available to them. The maximum credit limit is $100,000. At year-end, the Entity had borrowed the entire balance of this credit line, leaving none available to be borrowed.

NOTE 2 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS (Continued)

The Entity may receive contributions and promises to give that are restricted by donors, and considers contributions restricted for programs that are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Entity manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

NOTE 3 - CONCENTRATIONS OF CREDIT RISK

Deposit concentration risk

Deposit concentration risk is managed by placing cash in a financial institution believed by the Entity to be creditworthy. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per insured bank. As of year-end, the Entity had $59,620 in excess of FDIC insurance limits. To date, the Entity has not experienced losses in any of these accounts.

Market risk

Investments are closely monitored by management. Although the fair values of investments are subject to fluctuation, management believes their investment choices are prudent for the long-term welfare of the Entity.

Receivables

Credit risk associated with grants receivable is considered to be low due to high historical collection rates and because of the nature of the receivables. The receivables are due from governmental agencies that are supportive of the Entity's mission.

NOTE 4 - CASH

At year-end, cash consisted of the following:

Bank accounts	$ 364,155

NOTE 5 - INVESTMENTS

At year-end, investments consisted of the following:

Money market funds	$ 50,598
Exchange traded products	717,139
Fixed income	233,565
Total	$ 1,001,302

NOTE 6 - FAIR VALUE MEASUREMENT

Certain assets are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset based on the information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets the Entity can access at the measurement date.

Level 2 - Inputs other that quoted prices included within Level 1 that are observable for the asset, either directly or indirectly. These include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset, and market-corroborated inputs.

Level 3 - Unobservable inputs for the asset. Management develops inputs using the best information available in the circumstances.

The Entity's Level 1 investments are comprised of money market funds, exchange traded products, and fixed income with readily determinable fair values based on daily redemption values.

The Entity had no Level 2 or Level 3 investments.

The following table presents assets measured at fair value on a recurring basis as of year-end.

	Level 1	Level 2	Level 3	Total
Investments	$ 1,001,302	$ -	$ -	$ 1,001,302

NOTE 7 - GRANT RECEIVABLE

The grant receivable is considered to be collectable within one year and consists of the following:

State of Tennessee	$ 16,954

Based on subsequent collections and prior grants receivable collection history, an allowance for uncollectable receivables was not considered necessary.

NOTE 8 - PROPERTY AND EQUIPMENT - NET

Property and equipment consist of the following at year-end:

	Balance 12-31-22	Additions	Deletions	Balance 12-31-23
Land	$ 81,697	$ -	$ -	$ 81,697
Buildings	3,635,963	61,883	-	3,697,846
Equipment	238,809	69,750	-	308,559
Furniture	143,430	-	(18,836)	124,594
Vehicles	161,558	-	-	161,558
	4,261,457	131,633	(18,836)	4,374,254
Accumulated depreciation	(2,457,706)	(91,790)	18,836	(2,530,660)
Total	$1,803,751	$ 39,843	$ -	$ 1,843,594

NOTE 9 - LINE OF CREDIT

The Entity has a line of credit with Pinnacle Bank with a maximum credit line of $100,000. Any amounts due are unsecured. As of year-end, there were borrowings under the line of credit totaling $100,000. Amounts outstanding under the line of credit bear interest at 7.5% and such interest is required to be paid monthly. The line of credit is due October 30, 2024. Interest paid on the line of credit for the year totaled $6,550.

NOTE 10 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are subject to the following purpose restrictions:

Rock Point Community Church for purchase of backpacks for students	$ 230
Bishop Family Foundation for student outings	1,018
Schillhahn Huskey Foundation and Osborne Foundation for men's garden project	3,312
Frost Family Foundation for medical needs	7,816
Frost Family Foundation for rebranding	22,440
Frost Family Foundation for staff education scholarship	24,350
Peter Pan Fund for dining hall roof repair	768
Mt. Carmel Baptist Church for backpacks, education materials, and water bottles	2,367
Grandview Foundation for medical expenses	7,000
State of Tennessee for student education	25,000
Total	$ 94,301

NOTE 11 - ADVERTISING

Advertising costs are expensed as incurred and totaled $19,582 during the year ended December 31, 2023.

NOTE 12 - RETIREMENT PLAN

The Entity offers a defined contribution plan covering substantially all employees upon completion of 90 days of service. Contributions are 3% of eligible employees' gross wages. During the year, the Entity's retirement plan expense totaled $14,551.

NOTE 13 - RISK MANAGEMENT

It is the policy of the Entity to purchase commercial insurance for the risks of losses to which it is exposed. These risks include general liability, property and casualty, workers' compensation, and directors and officers liabilities. Any claims have not exceeded this commercial coverage in any of the past three fiscal years.

SUPPLEMENTAL INFORMATION

TEEN CHALLENGE OF THE MID-SOUTH, INC.
Comparative Schedule of Financial Position
December 31, 2023 and 2022

	2023	2022
ASSETS		
Current assets		
Cash	$ 364,155	$ 433,108
Investments	1,001,302	974,479
Grant receivable	16,954	13,170
Accounts receivable	-	1,654
Prepaid expenses	-	2,500
Total current assets	1,382,411	1,424,911
Non-current assets		
Property and equipment - net	1,843,594	1,803,751
TOTAL ASSETS	$ 3,226,005	$ 3,228,662
LIABILITIES AND NET ASSETS		
Liabilities		
Current liabilities		
Accounts payable	$ 26,936	$ 31,000
Other accrued expenses	9,899	10,417
Line of credit	100,000	100,000
` Total current liabilities	136,835	141,417
Net assets		
Without donor restrictions	2,994,869	2,942,860
With donor restrictions	94,301	144,385
Total net assets	3,089,170	3,087,245
TOTAL LIABILITIES AND NET ASSETS	$ 3,226,005	$ 3,228,662

TEEN CHALLENGE OF THE MID-SOUTH, INC.
Comparative Schedule of Activities
Years Ended December 31, 2023 and 2022

	2023	2022
REVENUES, GAINS AND OTHER SUPPORT		
Contributions and grants	$ 947,047	$ 1,096,795
Special events	83,160	70,702
Application and tuition	23,722	39,338
Pick-up service	158,945	124,598
Food stamps	77,993	64,461
Other program income	4,518	29,312
Miscellaneous	26,897	4,510
Investment return, net	126,824	(161,173)
Total revenues, gains and other support	1,449,106	1,268,543
EXPENSES		
Program service		
Outreach and ministry	1,127,731	1,089,141
Supporting services		
Management and general	223,292	195,950
Fundraising	96,158	213,864
Total supporting services	319,450	409,814
Total expenses	1,447,181	1,498,955
Change in net assets	1,925	(230,412)
Net assets - beginning	3,087,245	3,317,657
Net assets - end	$ 3,089,170	$ 3,087,245

TEEN CHALLENGE OF THE MID-SOUTH, INC.
Comparative Schedule of Functional Expenses
Years Ended December 31, 2023 and 2022

	Program Service	Supporting Services			
	Outreach and Ministry	Management and General	Fund-Raising	2023 Total	2022 Total
EXPENSES					
Salaries	$ 581,121	$ 128,581	$ 24,198	$ 733,900	$ 733,686
Payroll taxes	44,232	2,334	2,168	48,734	49,491
Employee benefits	10,286	3,743	522	14,551	12,858
Advertising	-	-	19,582	19,582	32,427
Computer expense	-	3,680	-	3,680	35
Credit card fees	-	-	8,169	8,169	9,668
Depreciation	91,790	-	-	91,790	88,091
Dues, licenses and subscriptions	3,923	18,794	-	22,717	21,527
Food	100,987	-	-	100,987	95,652
Fundraising events	-	-	21,579	21,579	65,927
Gifts and meals	-	-	4,070	4,070	1,305
Insurance	66,186	5,658	-	71,844	63,915
Interest	-	6,550	-	6,550	3,945
Miscellaneous	2,151	33	500	2,684	6,084
Occupancy	102,273	-	-	102,273	89,727
Office and house supplies	19,455	9,893	-	29,348	18,210
Postage and printing	-	1,236	13,601	14,837	23,554
Professional services	-	42,790	-	42,790	39,286
Program projects	-	-	-	-	2,111
Repairs and maintenance	45,632	-	-	45,632	60,122
Staff training	340	-	965	1,305	5,093
Student support and education	23,279	-	-	23,279	33,686
Telephone	17,413	-	-	17,413	17,185
Travel	18,663	-	804	19,467	25,370
Total expenses	$ 1,127,731	$ 223,292	$ 96,158	$ 1,447,181	$ 1,498,955