

**GOOD NEWS JAIL AND PRISON MINISTRY**

**Henrico, Virginia**

**FINANCIAL REPORT**

**June 30, 2025**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Good News Jail and Prison Ministry  
Henrico, Virginia

### **Opinion**

We have audited the financial statements of Good News Jail and Prison Ministry (the "Ministry"), which comprise the statements of financial position as of June 30, 2025 and 2024, 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 the Ministry as of June 30, 2025 and 2024, and the changes in its net assets, functional expenses 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 (GAAS). 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 the Ministry and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the 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 the Ministry'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 GAAS 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 GAAS, 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 the Ministry'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 the Ministry'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.

*Yount, Hyde & Barbour, P.C.*

Richmond, Virginia  
January 26, 2026

**GOOD NEWS JAIL AND PRISON MINISTRY**

**Statements of Financial Position**

June 30, 2025 and 2024

<b>Assets</b>	<b>2025</b>	<b>2024</b>
<b>Current Assets</b>		
Cash and cash equivalents	1,339,322	\$ 1,364,645
Accounts receivable	88,335	165,854
Donated rent receivable	--	21,391
Inventory	37,570	37,570
Other current assets	5,297	--
Total current assets	1,470,524	1,589,460
<b>Property and Equipment, net</b>	3,179	6,458
<b>Right of Use Assets - Operating</b>	46,651	62,962
<b>Investments</b>	1,039,941	807,681
Total assets	\$ 2,560,295	\$ 2,466,561
 <b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 60,490	\$ 74,337
Accrued liabilities	118,604	73,543
Deferred revenue	86,947	167,143
Current portion of lease liabilities - operating	17,006	16,311
Total current liabilities	283,047	331,334
<b>Lease Liabilities - operating, less current portion</b>	29,645	46,652
Total liabilities	312,692	377,986
<b>Net Assets</b>		
Without donor restrictions:		
Undesignated	1,073,587	1,180,208
Board-designated endowment fund	941,213	716,359
Total net assets without donor restrictions	2,014,800	1,896,567
With donor restrictions	232,803	192,008
Total net assets	2,247,603	2,088,575
Total liabilities and net assets	\$ 2,560,295	\$ 2,466,561

See Notes to Financial Statements.

**GOOD NEWS JAIL AND PRISON MINISTRY**

**Statement of Activities**

For the Year Ended June 30, 2025

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenues, Gains and Other Support</b>			
Contributions and support	7,337,762	\$ 103,953	\$ 7,441,715
Program revenue	1,104,108	--	1,104,108
Investment return, net	142,782	14,258	157,040
Other revenue	266,079	--	266,079
	8,850,731	118,211	8,968,942
Net assets released from restrictions	77,416	(77,416)	--
Total revenues, gains and other support	8,928,147	40,795	8,968,942
 <b>Operating Expenses</b>			
Program services	7,359,213	--	7,359,213
Management and general	969,261	--	969,261
Fundraising	481,440	--	481,440
Total operating expenses	8,809,914	--	8,809,914
 Change in net assets	118,233	40,795	159,028
 <b>Net assets, beginning of year</b>	1,896,567	192,008	2,088,575
 <b>Net assets, end of year</b>	\$ 2,014,800	\$ 232,803	\$ 2,247,603

See Notes to Financial Statements.

**GOOD NEWS JAIL AND PRISON MINISTRY**

**Statement of Activities**

For the Year Ended June 30, 2024

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Revenues, Gains and Other Support</b>			
Contributions and support	\$ 7,863,409	\$ 17,292	\$ 7,880,701
Program revenue	1,087,953	--	1,087,953
Contributed nonfinancial assets	923	--	923
Investment return, net	148,986	16,771	165,757
Government grant - Paycheck Protection Program	8,422	--	8,422
	9,109,693	34,063	9,143,756
Net assets released from restrictions	45,270	(45,270)	--
Total revenues, gains and other support	9,154,963	(11,207)	9,143,756
 <b>Operating Expenses</b>			
Program services	7,782,343	--	7,782,343
Management and general	978,025	--	978,025
Fundraising	495,274	--	495,274
Total operating expenses	9,255,642	--	9,255,642
Change in net assets	(100,679)	(11,207)	(111,886)
<b>Net assets, beginning of year</b>	1,997,246	203,215	2,200,461
<b>Net assets, end of year</b>	\$ 1,896,567	\$ 192,008	\$ 2,088,575

See Notes to Financial Statements.

**GOOD NEWS JAIL AND PRISON MINISTRY**

**Statement of Functional Expenses**

For the Year Ended June 30, 2025

	<b>Program Services</b>	<b>Supporting Services</b>		<b>Total</b>
		<b>Management and General</b>	<b>Fundraising</b>	
Advertising	\$ --	\$ 16,917	\$ 11,278	\$ 28,195
Bad debt	--	50,243	--	50,243
Bank fees	--	7,632	--	7,632
Communications	1,783	86,368	52,824	140,975
Depreciation	--	3,279	--	3,279
Employee benefits	1,249,617	83,308	55,539	1,388,464
Insurance	21,293	26,726	946	48,965
International	657,650	--	--	657,650
Memberships	--	11,563	--	11,563
Ministerial	406,640	11,296	146,842	564,778
Miscellaneous	--	1,826	--	1,826
Occupancy	--	2,768	--	2,768
Office supplies	46,969	41,099	711	88,779
Payroll taxes	33,259	2,217	1,478	36,954
Postage and shipping	49,517	--	--	49,517
Printing	27,364	1,440	--	28,804
Professional services	93,851	279,550	--	373,401
Rent	--	25,296	--	25,296
Salaries	4,660,657	310,710	207,140	5,178,507
Training	5,266	--	--	5,266
Travel	105,347	7,023	4,682	117,052
	<u>\$ 7,359,213</u>	<u>\$ 969,261</u>	<u>\$ 481,440</u>	<u>\$ 8,809,914</u>

See Notes to Financial Statements.

**GOOD NEWS JAIL AND PRISON MINISTRY**

**Statement of Functional Expenses**

For the Year Ended June 30, 2024

	<b>Program Services</b>	<b>Supporting Services</b>		<b>Total</b>
		<b>Management and General</b>	<b>Fundraising</b>	
Advertising	\$ --	\$ 7,460	\$ 4,974	\$ 12,434
Bank fees	--	6,291	--	6,291
Communications	--	94,502	63,001	157,503
Depreciation	--	380	--	380
Employee benefits	1,258,320	74,959	50,306	1,383,585
Insurance	41,370	8,275	1,880	51,525
International	688,408	--	--	688,408
Memberships	--	13,793	--	13,793
Ministerial	384,381	10,677	138,804	533,862
Miscellaneous	--	23	--	23
Occupancy	--	5,049	--	5,049
Office supplies	41,731	37,718	803	80,252
Payroll taxes	43,262	1,820	1,878	46,960
Postage and shipping	58,938	--	--	58,938
Printing	28,561	6,058	8,655	43,274
Professional services	69,536	311,250	--	380,786
Rent	--	62,310	--	62,310
Salaries	4,919,606	327,974	218,649	5,466,229
Training	105,947	--	--	105,947
Travel	142,283	9,486	6,324	158,093
	<u>\$ 7,782,343</u>	<u>\$ 978,025</u>	<u>\$ 495,274</u>	<u>\$ 9,255,642</u>

See Notes to Financial Statements.

**GOOD NEWS JAIL AND PRISON MINISTRY**

**Statements of Cash Flows**

For the Years Ended June 30, 2025 and 2024

	<b>2025</b>	<b>2024</b>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 159,028	\$ (111,886)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	3,279	380
Unrealized and realized (gain) on investments	(126,146)	(112,474)
Donated rent receivable	21,391	25,010
Amortization of right of use asset - operating	25,864	42,685
Net changes in assets and liabilities:		
Decrease (increase) in accounts receivable	77,519	(412)
(Increase) decrease in other current assets	(5,297)	13,192
(Decrease) increase in accounts payable	(13,847)	43,502
Increase (decrease) in accrued liabilities	45,061	(109,910)
(Decrease) increase in deferred revenue	(80,196)	28,372
(Decrease) in lease liabilities - operating	(25,865)	(41,531)
Net cash provided by (used in) operating activities	80,791	(223,072)
 <b>Cash Flows from Investing Activities</b>		
Purchase of investment securities	(430,964)	(27,118)
Proceeds from sale of investment securities	324,850	20,120
Net cash (used in) investing activities	(106,114)	(6,998)
 Net (decrease) in cash and cash equivalents	(25,323)	(230,070)
 <b>Cash and Cash Equivalents</b>		
Beginning of year	1,364,645	1,594,715
 End of year	\$ 1,339,322	\$ 1,364,645
 <b>Supplemental Disclosures of Noncash Operating Investing and Financing Activities</b>		
Right-of-use assets recognized after adoption of ASC 842, <i>Leases</i>	\$ --	\$ 72,628

See Notes to Financial Statements.