Mercury One, Inc. and Affiliate

Consolidated Financial Statements
December 31, 2023

SFC
Certified Public Accountants

Mercury One, Inc. and Affiliate

Contents

Independent Auditors' Report

To the Board of Directors of
Mercury One, Inc. and Affilate

Opinion

We have audited the accompanying consolidated financial statements of Mercury One, Inc. and Affilate (nonprofit organizations, hereinafter referred to as the Organization), which comprise the consolidated statement of financial position as of December 31, 2023, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2023, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with GAAP, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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, including omissions, 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 consolidated 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 consolidated 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 consolidated 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 Organization'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 consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating statements of financial position and activities are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. This information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, such information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Sutton Frost Cary

A Limited Liability Partnership

Arlington, Texas
August 9, 2024

Mercury One, Inc. and Affiliate
Consolidated Statement of Financial Position
December 31, 2023

Assets

Cash and cash equivalents	$ 27,433,951
Accounts receivable	3,797
Unconditional promises to give	259,600
Prepaid expenses	55,737
Inventory	96,269
Other assets	52,857
Property and equipment, net	707,541
Right-of-use asset - operating lease, net	1,073,681
Total assets	$ 29,683,433

Liabilities and Net Assets

Liabilities:	
Accounts payable	$ 194,224
Accrued expenses	461,192
Right-of-use liability - operating lease	1,469,514
Total liabilities	2,124,930
Net assets:	
Net assets without donor restrictions	4,528,107
Net assets with donor restrictions	23,030,396
Total net assets	27,558,503
Total liabilities and net assets	$ 29,683,433

See notes to consolidated financial statements

Mercury One, Inc. and Affiliate
Consolidated Statement of Activities
Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Operating revenues and support:			
Contributions of financial assets	$ 5,325,746	$ 9,643,182	$ 14,968,928
Contributions of nonfinancial assets	236,993	-	236,993
Special events (net of direct costs of $23,782)	505,692	-	505,692
Program fees	124,913	-	124,913
Other income	60,154	-	60,154
Released from restrictions	8,569,001	(8,569,001)	-
Total operating revenue and support	14,822,499	1,074,181	15,896,680
Operating expenses:			
Program services	9,145,522	-	9,145,522
General and administrative	3,052,538	-	3,052,538
Fundraising	1,537,864	-	1,537,864
Total operating expenses	13,735,924	-	13,735,924
Excess of support and revenue over expenses	1,086,575	1,074,181	2,160,756
Non-operating income (expense):			
Interest income	136,795	-	136,795
Refunded grants	3,103,000	16,412,000	19,515,000
Artifact acquisitions	(1,601,052)	-	(1,601,052)
Total non-operating income (expense)	1,638,743	16,412,000	18,050,743
Change in net assets	2,725,318	17,486,181	20,211,499
Net assets at beginning of year	1,802,789	5,544,215	7,347,004
Net assets at end of year	$ 4,528,107	$ 23,030,396	$ 27,558,503

Mercury One, Inc. and Affiliate
Consolidated Statement of Functional Expenses
Year Ended December 31, 2023

	Program Services	Management and General	Fundraising	Total
Salaries	$ 436,955	$ 553,207	$ 560,242	$ 1,550,404
Employee benefits	81,936	143,337	107,786	333,059
Payroll taxes	33,759	42,510	48,763	125,032
Grants	3,015,861	-	-	3,015,861
Sponsorships	84,885	131,828	57,500	274,213
Program expenses	4,139,899	308,750	-	4,448,649
Artifact acquisitions	1,601,052	-	-	1,601,052
Contract services	50,652	46,262	104,713	201,627
Professional fees	261,800	1,365,872	7,665	1,635,337
Supplies	8,930	2,687	2,650	14,267
Building rent, operations and maintenance	415,260	84,110	123,208	622,578
Maintenance	16,052	3,251	4,763	24,066
Insurance	14,388	27,185	-	41,573
Information technology	74,285	98,269	107,081	279,635
Event expenses	31,155	1,365	190,716	223,236
Dues and memberships	-	2,067	16,845	18,912
Postage and mailing services	4,436	4,421	45,102	53,959
Printing, reproduction and copying	10,562	17,104	21,249	48,915
Travel and transportation	83,763	42,701	17,387	143,851
Website maintenance	12,000	976	-	12,976
Promotion and advertising	899	1,888	89,070	91,857
Donation fees	179,797	62,305	-	242,102
Other expenses	24,631	79,197	7,696	111,524
Depreciation and amortization	163,617	33,246	49,210	246,073
Total expenses	10,746,574	3,052,538	1,561,646	15,360,758
Less expenses included with revenues and non-operating expenses on the statement of activities				
Direct costs of special events	-	-	(23,782)	(23,782)
Artifact acquisition expense	(1,601,052)	-	-	(1,601,052)
Total expenses included in the expense section on the statement of activities	$ 9,145,522	$ 3,052,538	$ 1,537,864	$ 13,735,924

Mercury One, Inc. and Affiliate
Consolidated Statement of Cash Flows
Years Ended December 31, 2023

Cash flows from operating activities:	
Change in net assets	$ 20,211,499
Adjustments to reconcile change in net assets	
to net cash provided by operating activities:	
Refunded grants	(19,515,000)
Amortization of right-of-use assets, operating leases	417,477
Depreciation	239,857
Amortization of intangible assets	6,216
Acquisition of collection items	1,601,052
Changes in assets and liabilities:	
Accounts receivable	1,258,583
Unconditional promises to give	150,000
Prepaid expenses	95,086
Inventory	94,553
Other assets	1,518
Accounts payable	114,012
Accrued expenses	16,047
Grants payable	(1,071,727)
Operating lease liabilities	(549,529)
Net cash provided by operating activities	3,069,644
Cash flows from investing activities:	
Cash acquired from the termination of the MOU with The Nazarene Fund, Inc.	18,588,918
Purchases of property and equipment	(138,251)
Acquisition of collection items	(1,601,052)
Net cash provided by investing activities	16,849,615
Net increase in cash and cash equivalents	19,919,259
Cash and cash equivalents at beginning of year	7,514,692
Cash and cash equivalents at end of year	$ 27,433,951

See notes to consolidated financial statements.

1. Organization

Mercury One, Inc. (Mercury One) is a not-for-profit organization whose mission and principal activities are humanitarian aid and education focused on restoring the human spirit. The Organization's initiatives include providing programs to individuals to advance the skills, knowledge and attitudes necessary for communities to help themselves as well as assisting our nation's veterans, providing aid to those in crisis and rebuilding and restoring the lives of Christians, and other persecuted religious minorities around the world. The American Journey Experience is a state-of-the-art museum and research library focusing on American history that provides tours and educational programs. The Organization's support and revenues are derived principally from contributions and program income, and its activities are conducted principally in the Irving, Texas area. The Organization is primarily supported by contributions from individuals and other organizations.

The primary programs are:

Education - to educate, enlighten, inspire and engage all Americans and people seeking information about the birth, background, history, and unfolding of America's journey.

The Nazarene Fund - to liberate the captive, to free the enslaved, and to rescue, rebuild and restore the lives of Christians and other persecuted religious and ethnic minorities wherever and whenever they are in need.

Humanitarian - to provide relief for people impacted by natural disasters such as tornadoes, hurricanes and wildfires as part of the Organization's effort to restore the human spirit.

In September 2023, The Nazarene Fund Global, LLC (TNF) was formed, and the sole member of TNF is Mercury One. During September 2023, Mercury One terminated its memorandum of understanding (MOU) with The Nazarene Fund, Inc., and upon termination of this MOU, the unused grant funds of The Nazarene Fund, Inc. were transferred to TNF. TNF provides support to persecuted Christians and other minorities around the globe.

Assets returned due to the termination of the MOU with The Nazarene Fund, Inc. are as follows:

Cash	$ 18,588,918
Accounts receivable	926,082
	$ 19,515,000

Mercury One and TNF are collectively referred to herein as the Organization.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying consolidated financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Consolidated Financial Statements

In accordance with the provisions of FASB ASC 958-810 *Not-for-Profit Entities/Consolidations*, the financial statements of Mercury One and TNF have been consolidated and all inter-organization transactions and accounts have been eliminated.

Consolidated Financial Statement Presentation

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

> *Net assets without donor restrictions* - Net assets not subject to donor-imposed restrictions. Net assets without donor restrictions may be designated for specific purposes by action of the board of directors.
>
> *Net assets with donor restrictions* - Net assets subject to donor-imposed restrictions that will be met by actions of the Organization and/or the passage of time.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. In the absence of donor restrictions to the contrary, restrictions on contributions of property or equipment or on assets restricted to acquiring property or equipment expire when the property or equipment is placed in service.

Financial Instruments and Credit Risk Concentrations

Financial instruments which are potentially subject to concentrations of credit risk consist principally of cash and cash equivalents, accounts receivable and unconditional promises to give. Cash and cash equivalents are placed with a high credit quality financial institution to minimize credit risk. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to $250,000. The uninsured bank balance totaled $5,416,090 as of December 31, 2023.

The Organization evaluates the collectability of accounts receivable and unconditional promises to give and maintains allowances for potential losses, if considered necessary. Accounts receivable are unsecured and due from various employees. Unconditional promises to give are unsecured, due 100% from one donor and expected to be collected within one year. No allowance was considered necessary as of December 31, 2023.

Cash and Cash Equivalents

The Organization considers highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents consist of checking and money market accounts.

Inventory

Inventory consists of coffee mugs, books, jewelry and apparel merchandise. Costs are determined using the first-in, first-out (FIFO) method. FIFO inventories are stated at the lower of cost or net realizable value.

Property and Equipment

Property and equipment purchased by the Organization are recorded at cost or if acquired by gift, fair market value at the date of the gift. The Organization follows the practice of capitalizing all expenditures for property and equipment in excess of $5,000; the fair value of donated property and equipment is similarly capitalized. Depreciation is calculated using the straight-line method based upon the estimated useful lives of 3 to 40.

Impairment of Long-Lived Assets

Management of the Organization periodically reviews the carrying value of its long-lived assets, including property and equipment, whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognized to the extent fair value of a long-lived asset is less than the carrying amount. Fair value is determined based on the estimated future cash inflows attributable to the asset less estimated future cash outflows. No impairment loss was recognized during the year ended December 31, 2023.

Collections

Collections of works of art, historical treasures and similar assets are not capitalized in as much as the items are preserved and cared for continuously. Purchases of collection items are reported in the year of acquisition as decreases in net assets without donor restriction, or in net assets with donor restriction if the assets used to purchase the items were restricted to that use by donor stipulation. Contributions of collection items are not reported in the consolidated financial statements. Proceeds from disposal of and insurance recoveries related to collection items are reported as increases in the appropriate net asset classes. The Organization's collections consist of historical artifacts.

The Organization has a policy that requires the use of proceeds from items that are sold to be used for the acquisition of new collection items, the direct care of existing collections or both. Direct care generally includes traditional maintenance, handling, labeling, housing and support, housekeeping, environmental control, conservation, integrated pest management, emergency planning, mitigation and response, health and safety, security, and insurance.

During the year ended December 31, 2023, the Organization acquired historical artifacts for a total cost of $1,601,052. Collection items disposed of totaled $7,063. The estimated value of the collection approximates $7,847,807 at December 31, 2023.

Revenue Recognition

The Organization recognizes contributions when cash, securities or other assets or an unconditional promise to give is received. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. All contributions are considered available for unrestricted use unless specifically restricted by the donor.

Conditional promises to give, 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. Amounts received prior to meeting measurable performance or other barriers are reported as refundable advances.

Event sponsorship revenue is recognized at the date the event occurs. Advanced payments for the event sponsorships are reported as deferred revenue until the date of the event.

Contributions of nonfinancial assets are reflected as contributions at their estimated fair values at date of receipt. The Organization recognizes contribution revenue for certain services received at the fair value of those services, provided those services create or enhance non-financial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Program service fee revenue relates to nominal fees paid for services and are recognized at the time of service.

Estimates and Assumptions

The preparation of consolidated financial statements in conformity with GAAP 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 consolidated financial statements and the reported amounts of support and expenses during the reporting period. Actual results could differ from those estimated.

Functional Allocation of Expenses

The consolidated financial statements report certain categories of expenses that are attributed to more than one program or supporting function, which requires us to allocate certain expenses on a reasonable basis and consistently apply that basis. Those expenses that require allocation include occupancy costs related to our office space, including rental payments, insurance and depreciation, as well as compensation and related costs, technology, office and other expenses. We allocate our occupancy costs on a square footage basis. Compensation and related costs, technology, office and other expenses are allocated on the basis of time and effort related to each function for each respective staff member. Direct client care, maintenance, repairs and security, and professional fees are expensed directly to the program or function benefitted.

Advertising Costs

Advertising costs are expensed as incurred. For the year ended December 31, 2023, advertising costs were $91,857.

Income Taxes

The Organization is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code (IRC) and has not been classified as a private foundation as defined in the IRC. Income generated from activities unrelated to the Organization's exempt purposes is subject to tax under IRC Section 511.

The Organization had no unrelated business income for the year ended December 31, 2023. Accordingly, no provision has been made for federal income tax in the accompanying consolidated financial statements.

TNF is wholly-owned, for profit subsidiary of Mercury One which is considered to be a disregarded entity in the preparation of Mercury One's federal information return and consolidated financial statements.

GAAP requires the evaluation of tax positions taken in the course of preparing the Organization's tax return and recognition of a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken by the Organization, and has concluded that as of December 31, 2023, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the consolidated financial statements.

3. Property and Equipment

Property and equipment consist of the following at December 31, 2023:

Furniture and fixtures	$ 425,630
Leasehold improvements	1,235,619
Software	53,867
	1,715,116
Accumulated depreciation	(1,007,575)
	$ 707,541

Depreciation expense totaled $239,857 for the year ended December 31, 2023, respectively.

4. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes or future periods at December 31, 2023:

Humanitarian aid - disaster relief	$ 3,541,898
Humanitarian aid	1,488,099
Nazarene Fund 1.0	583,047
Time restricted	259,600
Humanitarian aid - Israel	949,201
Humanitarian aid - border relief	1,154
Humanitarian aid - veterans	45,298
The Nazarene Fund	16,162,099
	$ 23,030,396

5. Contributed Nonfinancial Assets

During the year ended December 31, 2023, the Organization received donated services with values totaling $236,993. Contributed services are valued at the estimated fair market value based on current rates for similar services. The amount was fully allocated to management and general expenses in the accompanying consolidated statement of functional expenses, and there were no donor restrictions related to these contributions.

6. Retirement Plan

The Organization sponsors a defined contribution retirement plan under Section 403(b) of the IRC in which all employees who have completed ninety days of service are eligible to participate. The plan document was executed May 17, 2017. Employees may make voluntary contributions to the plan, which are matched by the Organization up to three percent of compensation. Vesting of employer matching is a four-tiered step, with vesting increments of 25% for each year of service. The Organization's total contributions to the plan were $13,347 for the year ended December 31, 2023.

7. Leases

In evaluating its contracts, the Organization separately identifies lease and nonlease components, such as common area and other maintenance costs, in calculating the right-of-use (ROU) assets and lease liabilities for its office space and equipment. The Organization has elected the practical expedient to not separate lease and nonlease components and classifies the contract as a lease if consideration in the contract allocated to the lease component is greater than the consideration allocated to the nonlease component.

Leases result in the recognition of ROU assets and lease liabilities on the consolidated statement of financial position. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. The Organization determines lease classification as operating or finance at the lease commencement date.

At lease inception, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. The Organization uses the implicit rate when readily determinable. As most of the leases do not provide an implicit rate, the Organization uses the incremental borrowing rate or the risk-free rate derived from the interest paid on short-term government debt to determine the present value of lease payments.

The lease term may include options to extend or to terminate the lease that the Organization is reasonably certain to exercise. Lease expense is generally recognized on a straight-line basis over the lease term. The Organization has elected not to record leases with an initial term of 12 months or less on the consolidated statement of financial position. Lease expense on such leases is recognized on a straight-line basis over the lease term.

Nature of Leases

The Organization leases its office space under an operating lease agreement. The agreement expires in July 2026. The Organization is also responsible for paying all taxes associated with the property. Future minimum lease payments and reconciliations to the consolidated statement of financial position are as follows for the years ending December 31:

2024	$ 587,519
2025	602,976
2026	305,357
Total future undiscounted lease payements	1,495,852
Less present value discount	(26,338)
Lease liability	$ 1,469,514

The following is the lease cost and other required information for the year ended December 31, 2023:

Total operating lease cost	$ 417,476
Other information:	
Cash paid for amounts included in	
the measurement of lease liabilities:	
Operating cash flows from operating leases	$ (549,529)
Weighted-average remaining lease term:	2.42 years
Weighted-average discount rate:	1.46%

8. Liquidity and Availability of Resources

The Organization's financial assets available to meet cash needs for general expenditures within one year are as follows at December 31, 2023:

Cash and cash equivalents	$ 27,433,951
Accounts receivable	3,797
Pledge receivable	259,600
Total financial assets	27,697,348
Less amounts not available for general expenditures within one year:	
Donor-imposed restrictions	(22,770,796)
Financial assets available to meet cash needs for general expenditures within one year	$ 4,926,552

The Organization 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. The Organization has a liquidity policy to maintain current financial assets less current liabilities at a minimum of 180 days, or six months operating expenses. The Organization has a policy to target a year-end balance of reserves without donor restriction and which are undesignated by the board of directors (financial assets available for use within next year) carry over $1,000,000 to the next year to meet 90 to 120 days, or three to four months, of expected expenditures. To achieve these targets, the Organization reviews program fund balances on a monthly basis (which includes separating donor restricted funds from general funds), forecasts its future cash flows and monitors its liquidity quarterly and monitors its reserves annually. During the year ended December 31, 2023, the level of liquidity and reserves were managed within the policy requirements.

9. Subsequent Events

Management has evaluated subsequent events through August 9, 2024, the date which the consolidated financial statements were available to be issued and concluded that no additional disclosures are required.

Supplementary Information

Mercury One, Inc. and Affiliate
Consolidating Statement of Financial Position
December 31, 2023

	Mercury One	TNF	Eliminations	Consolidated Total
Assets				
Cash and cash equivalents	$ 9,478,521	$ 17,955,430	$ -	$ 27,433,951
Accounts receivable	3,797	-	-	3,797
Unconditional promises to give	259,600	-	-	259,600
Prepaid expenses	55,737	-	-	55,737
Inventory	96,269	-	-	96,269
Due from affiliate	139,833	1,438,334	(1,578,167)	-
Other assets	52,857	-	-	52,857
Property and equipment, net	707,541	-	-	707,541
Right-of-use asset - operating lease, net	1,073,681	-	-	1,073,681
Total assets	$ 11,867,836	$ 19,393,764	$ (1,578,167)	$ 29,683,433
Liabilities and Net Assets				
Liabilities:				
Accounts payable	$ 118,228	$ 75,996	$ -	$ 194,224
Accrued expenses	461,192	-	-	461,192
Due to affiliate	1,438,334	139,833	(1,578,167)	-
Right-of-use liability - operating lease	1,469,514	-	-	1,469,514
Total liabilities	3,487,268	215,829	(1,578,167)	2,124,930
Net assets:				
Net assets without donor restrictions	1,512,271	3,015,836	-	4,528,107
Net assets with donor restrictions	6,868,297	16,162,099	-	23,030,396
Total net assets	8,380,568	19,177,935	-	27,558,503
Total liabilities and net assets	$ 11,867,836	$ 19,393,764	$ (1,578,167)	$ 29,683,433

Mercury One, Inc. and Affiliate
Consolidating Statement of Activities
Year Ended December 31, 2023

	Mercury One			TNF				
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Eliminations	Consolidated Total
Operating revenues and support:								
Contributions of financial assets	$ 5,325,746	$ 9,643,182	$ 14,968,928	$ -	$ 2,276,170	$ 2,276,170	$ (2,276,170)	$ 14,968,928
Contributions of nonfinancial assets	232,232	-	232,232	4,761	-	4,761	-	236,993
Special events (net of direct costs of $23,782)	505,692	-	505,692	-	-	-	-	505,692
Program fees	124,913	-	124,913	-	-	-	-	124,913
Other income	60,154	-	60,154	-	-	-	-	60,154
Released from restrictions	8,319,100	(8,319,100)	-	2,526,071	(2,526,071)	-	-	-
Total operating revenue and support	14,567,837	1,324,082	15,891,919	2,530,832	(249,901)	2,280,931	(2,276,170)	15,896,680
Operating expenses:								
Program services	8,895,621	-	8,895,621	2,526,071	-	2,526,071	(2,276,170)	9,145,522
General and administrative	2,913,481	-	2,913,481	139,057	-	139,057	-	3,052,538
Fundraising	1,450,566	-	1,450,566	87,298	-	87,298	-	1,537,864
Total operating expenses	13,259,668	-	13,259,668	2,752,426	-	2,752,426	(2,276,170)	13,735,924
Excess (deficit) of support and revenue over expenses	1,308,169	1,324,082	2,632,251	(221,594)	(249,901)	(471,495)	-	2,160,756
Non-operating income (expense):								
Interest income	2,365	-	2,365	134,430	-	134,430	-	136,795
Refunded grants	-	-	-	3,103,000	16,412,000	19,515,000	-	19,515,000
Artifact acquisitions	(1,601,052)	-	(1,601,052)	-	-	-	-	(1,601,052)
Total non-operating income (expense)	(1,598,687)	-	(1,598,687)	3,237,430	16,412,000	19,649,430	-	18,050,743
Change in net assets	(290,518)	1,324,082	1,033,564	3,015,836	16,162,099	19,177,935	-	20,211,499
Net assets at beginning of year	1,802,789	5,544,215	7,347,004	-	-	-	-	7,347,004
Net assets at end of year	$ 1,512,271	$ 6,868,297	$ 8,380,568	$ 3,015,836	$ 16,162,099	$ 19,177,935	$ -	$ 27,558,503