



Battt Morrison
Wales & Lee

CERTIFIED PUBLIC ACCOUNTANTS®

Mesa Global

Consolidated Financial Statements

For The Year Ended June 30, 2025

REPORT OF INDEPENDENT AUDITOR

The Board of Directors
Mesa Global
Charlotte, North Carolina

Opinion

We have audited the accompanying consolidated financial statements of Mesa Global ("the Organization"), which consist of the consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities, cash flows, and functional expenses 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 consolidated financial position of Mesa Global as of June 30, 2025, the consolidated changes in its net assets and its consolidated 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 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 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 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.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 consolidated 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 risk 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 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.

Batts Morrison Wales & Lee, P.A.

BATTS MORRISON WALES & LEE, P.A.

Orlando, Florida
October 8, 2025

MESA GLOBAL
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
June 30, 2025

ASSETS

ASSETS

Cash and cash equivalents	\$ 1,166,691
Cash restricted for long-term purposes	154,402
Investments	11,218,883
Other assets, net	343,942
Property and equipment, net	<u>338,769</u>

Total assets	<u>\$ 13,222,687</u>
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LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	\$ 151,763
Other liabilities	<u>386,607</u>

Total liabilities	<u>538,370</u>
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NET ASSETS

Without donor restrictions	
Undesignated	3,057,862
Designated - missionary support	5,936,894
Designated - health insurance	169,107
Investment in property and equipment	<u>338,769</u>

Total without donor restrictions	9,502,632
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With donor restrictions	<u>3,181,685</u>
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Total net assets	<u>12,684,317</u>
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Total liabilities and net assets	<u>\$ 13,222,687</u>
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MESA GLOBAL
CONSOLIDATED STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS			
Contributions	\$ 18,251,024	\$ 3,124,616	\$ 21,375,640
Investment income, net	613,899	—	613,899
Tuition and seminar revenue	359,200	—	359,200
Other income	204,210	—	204,210
Net assets released from restrictions	<u>2,421,854</u>	<u>(2,421,854)</u>	<u>—</u>
Total public support and revenue and net assets released from restrictions	<u>21,850,187</u>	<u>702,762</u>	<u>22,552,949</u>
EXPENSES			
Program activities			
Training ministry	5,831,055	—	5,831,055
Evangelism and church planting	5,485,056	—	5,485,056
Community development and compassion	3,836,247	—	3,836,247
Leadership development	2,047,360	—	2,047,360
Church mobilization	974,321	—	974,321
Home ministry	<u>505,952</u>	<u>—</u>	<u>505,952</u>
Total program activities	<u>18,679,991</u>	<u>—</u>	<u>18,679,991</u>
Supporting activities			
Management and general	2,833,075	—	2,833,075
Missionary support fundraising	595,029	—	595,029
General fundraising	<u>456,690</u>	<u>—</u>	<u>456,690</u>
Total supporting activities	<u>3,884,794</u>	<u>—</u>	<u>3,884,794</u>
Total expenses	<u>22,564,785</u>	<u>—</u>	<u>22,564,785</u>
CHANGE IN NET ASSETS	(714,598)	702,762	(11,836)
NET ASSETS - Beginning of year	<u>10,217,230</u>	<u>2,478,923</u>	<u>12,696,153</u>
NET ASSETS - End of year	<u>\$ 9,502,632</u>	<u>\$ 3,181,685</u>	<u>\$ 12,684,317</u>

The Accompanying Notes are an Integral
Part of These Consolidated Financial Statements

MESA GLOBAL
CONSOLIDATED STATEMENT OF CASH FLOWS
For The Year Ended June 30, 2025

OPERATING CASH FLOWS

Cash received from contributors	\$ 21,375,640
Tuition and seminar revenue received	342,057
Investment income received	275,760
Other revenue received	204,210
Cash paid for operating activities and costs	<u>(22,273,464)</u>

Net operating cash flows	<u>(75,797)</u>
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INVESTING CASH FLOWS

Proceeds from sales of investments, net	1,030,690
Reinvestment of investment income	(275,760)
Purchases of and improvements to property and equipment	<u>(13,065)</u>

Net investing cash flows	<u>741,865</u>
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NET CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	666,068
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CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - Beginning of year	<u>655,025</u>
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CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - End of year	<u>\$ 1,321,093</u>
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**REPORTED IN THE CONSOLIDATED STATEMENT OF FINANCIAL
POSITION AS FOLLOWS**

Cash and cash equivalents	\$ 1,166,691
Cash restricted for long-term purposes	<u>154,402</u>

Total cash, cash equivalents, and restricted cash	<u>\$ 1,321,093</u>
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**RECONCILIATION OF CHANGE IN NET ASSETS TO NET OPERATING
CASH FLOWS**

Change in net assets	\$ (11,836)
Adjustments to reconcile change in net assets to net operating cash flows	
Net gain on investments	(338,139)
Depreciation and amortization	94,692
Change in other assets, net	130,787
Change in accounts payable and accrued expenses	12,471
Change in other liabilities	<u>36,228</u>

Net operating cash flows	<u>\$ (75,797)</u>
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The Accompanying Notes are an Integral
Part of These Consolidated Financial Statements

MESA GLOBAL
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended June 30, 2025

	Program activities							Supporting activities				
	Training ministry	Evangelism and church planting	Community development and compassion	Leadership development	Church mobilization	Home ministry	Total program activities	Management and general	Missionary support fundraising	General fundraising	Total supporting activities	Total expenses
Salaries	\$ 2,442,409	\$ 3,377,501	\$ 1,942,388	\$ 861,646	\$ 666,621	\$ 319,884	\$ 9,610,449	\$ 1,119,617	\$ 391,688	\$ 278,054	\$ 1,789,359	\$ 11,399,808
Employee benefits and payroll taxes	492,135	719,989	462,799	157,376	125,179	31,583	1,989,061	528,381	81,333	64,557	674,271	2,663,332
Professional services	700,966	330,280	361,143	432,902	31,785	93,734	1,950,810	329,523	42,074	68,646	440,243	2,391,053
Travel	588,509	478,432	220,000	262,451	56,045	36,910	1,642,347	162,421	41,921	37,165	241,507	1,883,854
Ministry project expenses	889,286	173,133	166,465	37,930	22	3,261	1,270,097	15,112	6,532	7	21,651	1,291,748
Charitable contributions and gifts	86,279	164,491	483,639	59,738	49,170	4,652	847,969	16,199	3,688	530	20,417	868,386
Conferences and education	243,145	73,258	60,102	161,536	10,609	4,563	553,213	25,409	9,745	3,972	39,126	592,339
Office expenses	167,344	51,424	36,361	25,544	8,896	4,058	293,627	108,741	5,047	3,196	116,984	410,611
Furnishings, equipment, and software	103,260	38,997	35,398	19,411	12,003	2,551	211,620	110,302	4,822	52	115,176	326,796
Bank and credit card fees	30,856	44,870	46,049	12,291	10,065	3,713	147,844	100,882	5,551	13	106,446	254,290
Insurance	44,000	—	—	—	—	—	44,000	99,182	—	—	99,182	143,182
Occupancy	23,705	17,528	12,681	13,900	1,272	249	69,335	52,018	1,161	13	53,192	122,527
Depreciation and amortization	—	—	—	—	—	—	—	94,692	—	—	94,692	94,692
Dues and subscriptions	14,632	14,937	9,033	2,558	2,536	769	44,465	33,326	1,444	429	35,199	79,664
Advertising	4,529	216	189	77	118	25	5,154	37,270	23	56	37,349	42,503
Total expenses	\$ 5,831,055	\$ 5,485,056	\$ 3,836,247	\$ 2,047,360	\$ 974,321	\$ 505,952	\$ 18,679,991	\$ 2,833,075	\$ 595,029	\$ 456,690	\$ 3,884,794	\$ 22,564,785

The Accompanying Notes are an Integral
Part of These Consolidated Financial Statements

MESA GLOBAL
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

NOTE A – NATURE OF ACTIVITIES

Mesa Global (“the Organization”) is an Ohio not-for-profit corporation. The Organization’s mission is to equip servant leaders with the church for God’s mission. The end goal of this mission is to see a flourishing church in every place, embodying Jesus’ love for every person. The Organization is a faith mission, dependent on God as He moves the hearts of interested individuals, local churches, and other organizations to meet financial needs. Missionaries raise support for their ministries from interested churches and individuals. Support figures are established according to cost-of-living factors and include an amount for mission administration, major medical and life insurance, retirement, allowances for the education of children, and ministry expenses. Contributions made by donors for the support of a missionary’s ministry are controlled by the Organization, and disbursed in compliance with an approved support schedule and policies. The Organization is also involved in raising organizational, strategic, and ministry funds. The Organization’s headquarters is in Charlotte, North Carolina.

In conformity with accounting principles generally accepted in the United States of America (“GAAP”), the consolidated financial statements of the Organization include the accounts of a certain limited liability company (“the LLC”). This separate legal entity is utilized to carry out specific work in various countries where the use of a separate entity provides practical or legal advantages. The Organization is the sole member of the LLC. For security purposes, the name of the LLC is not disclosed in these notes. All significant inter-organization transactions and balances have been eliminated in consolidation.

The Organization’s primary program activities are as follows:

- Training ministry – The Organization’s missionaries and staff are involved in Christian education in several distinct ways. Missionaries provide non-formal ministry training within local churches and denominations, especially church planter, pastoral, and lay leader training. Missionaries serve as faculty and staff at Bible schools and seminaries and at Christian international schools for children. Missionaries also serve in formal training as faculty and staff at the Center for Intercultural Training in Union Mills, North Carolina which provides pre-field, residential, and cross-cultural missionary training. Appointees and missionaries on home ministry assignments dedicate significant time to Christian education regarding world missions to local churches and related groups. The Organization provides leadership development, faculty development, training events, consulting, student scholarships, library enhancement, and financial assistance to theological schools overseas.
- Evangelism and church planting – The Organization’s missionaries and staff serve alongside local churches, denominations, and other indigenous ministry organizations around the world to serve the purposes of Christ, especially by facilitating the ministry, growth, and expansion of churches. Missionaries serve through formal, non-formal, and informal training, conferences and seminars, research projects, business development and micro-finance in support of church development, as well as through direct involvement in ministries that strengthen and assist the missional outreach of local churches, particularly through new church planting. In some countries, missionaries concentrate on pioneer church planting, while in most contexts focus on facilitating national believers as they engage evangelistic and church planting ministries in their nations.
- Community development and compassion – The Organization’s missionaries and staff serve with indigenous Christian ministries in ministries of mercy and justice, seeking to equip and form local leaders while doing the ministry with them. These ministries include serving victims of human trafficking, caring for children at risk, small business formation, medical work, appropriate technology, agricultural development, and other ministries that benefit communities, and especially the poor and needy, in the name of Christ.

MESA GLOBAL
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

NOTE A – NATURE OF ACTIVITIES (Continued)

- Leadership development – The Organization’s missionaries and staff are involved in leadership development to form Christ-like leaders around the world. The Organization provides leadership development through formal programs, non-formal mentoring, spiritual formation retreats, coaching, etc. The Organization believes that equipping and strengthening national leaders will significantly increase long-term sustainability and impact of the church and Christian ministries worldwide.
- Church mobilization – The Organization seeks to serve churches in North America and around the globe through mission mobilization, strategy development, global partnerships, and other forms of collaboration. In addition, appointees and missionaries on home ministry assignment dedicate significant time to mobilizing churches and individuals for participation in global, cross-cultural ministry.
- Home ministry – The Organization’s missionaries serve periodically on home ministry assignments during which they provide ministry reports to sending churches and other donors, provide Christian education regarding world missions, recruit new missionaries for Christ’s mission, and engage in fundraising for their ministries and partners. In addition, missionaries dedicate time and effort during home ministry assignments to continuing education and other forms of renewal that prepare them for increased effectiveness when they return to field ministry.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition and change in accounting policy

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

Contributions to the Organization (donations) for which donors express a preference that they be used to support the ministry activities of specific missionaries are accepted by the Organization with the understanding (communicated to donors) that the Organization has full discretion and control of such gifts. The Board of Directors of the Organization has, by resolution, designated all such gifts for the purpose of general missionary support. The Organization accounts for such gifts as board-designated until they are expended for appropriate ministry purposes. Prior to July 1, 2024, the Organization accounted for such donations as contributions with donor restrictions.

Tuition and seminar revenue is reported at the amount that reflects the consideration to which the Organization expects to be entitled for providing academic services. Such amounts are generally due from enrolled students. The Organization bills students through the academic year as academic services are provided. Revenue is recognized ratably throughout the academic year. Performance obligations are determined based on the nature of the services provided by the Organization. The Organization measures the performance obligation from when a student is enrolled, or the commencement of a period in which academic services are provided, to the point where it is no longer required to provide academic services, which is generally at the completion of the academic year. The Organization determines the transaction price based on its tuition and fees schedule.

MESA GLOBAL
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assessments

The Board of Directors has established a policy to utilize up to 14% of contributions restricted for the support of certain ministries to help offset general operational expenses, including the cost of operating the United States headquarters office. The amounts so utilized are reflected within “net assets released from restrictions” in the accompanying consolidated statement of activities.

Cash and cash equivalents

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

Cash restricted for long-term purposes

Cash restricted for long-term purposes is restricted pursuant to an endowment agreement.

Investments

Investments are carried at estimated fair value.

Property and equipment

Property and equipment are stated at cost, if purchased, or estimated fair value on the date of donation, if donated. Depreciation is provided using the straight line method over the estimated useful lives of the assets.

Net assets

Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes. From time to time, the Board may designate a portion of these net assets for specific purposes which makes them unavailable for use at management’s discretion. The Board has designated a portion of net assets without donor restrictions for health insurance reserves and missionary support. Net assets with donor restrictions consist of amounts with uses limited by donor-imposed time and/or purpose restrictions (See Note G).

Functional allocation of expenses

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

Income taxes

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

Use of estimates

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

MESA GLOBAL
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent events

The Organization has evaluated for possible financial reporting and disclosure subsequent events through the date of the report of independent auditor, the date as of which the consolidated financial statements were available to be issued.

NOTE C – LIQUIDITY AND AVAILABILITY OF RESOURCES

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

Financial assets available:	
Cash and cash equivalents	\$ 1,166,691
Cash restricted for long-term purposes	154,402
Investments	<u>11,218,883</u>
 Total financial assets available within one year	 12,539,976
 Less:	
Amounts held for other as agent	(180,592)
Amounts unavailable due to Board designations for health insurance	(169,107)
Amounts unavailable due to donor restrictions	<u>(3,181,685)</u>
 Net financial assets available within one year	 <u>\$ 9,008,592</u>

The Organization is primarily supported by contributions. As part of the Organization's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Board of Directors has designated certain amounts for health insurance reserves. Because of the designations, those amounts are not available for general expenditure within the next year; however, the Board of Directors could make them available, if necessary. The Organization's board designated net assets for missionary support are available for general expenditure within the next year.

The Organization has certain assets limited to use for donor-restricted purposes. Because a donor's restriction requires resources to be used in a specific manner or in a future period, the Organization must maintain sufficient resources to meet its responsibilities to its donors. Thus, those financial assets may not be available for general expenditure within one year, and are excluded from net financial assets available to meet general expenditures within one year.

Management believes the Organization has sufficient liquid assets available for general operations that may be drawn upon in the event of an unanticipated financial distress or an immediate liquidity need.

NOTE D – CONCENTRATIONS

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

MESA GLOBAL
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

NOTE E – INVESTMENTS AND FAIR VALUE MEASUREMENTS

Investments consisted of the following:

Treasury securities	\$ 10,540,908
Equity securities	375,014
Certificates of deposit	250,431
Other investments	<u>52,530</u>
 Total investments	 <u>\$ 11,218,883</u>

GAAP defines fair value for an investment generally as the price an organization would receive upon selling the investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. The information available to measure fair value varies depending on the nature of each investment and its market or markets. Accordingly, GAAP recognizes a hierarchy of “inputs” an organization may use in determining or estimating fair value. The inputs are categorized into “levels” that relate to the extent to which an input is objectively observable and the extent to which markets exist for identical or comparable investments. In determining or estimating fair value, an organization is required to maximize the use of observable market data (to the extent available) and minimize the use of unobservable inputs.

The hierarchy assigns the highest priority to unadjusted quoted prices in active markets for identical items (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). A financial instrument’s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Following is a description of each of the three levels of input within the fair value hierarchy:

Level 1 – unadjusted quoted market prices in active markets for identical items

Level 2 – other significant observable inputs (such as quoted prices for similar items)

Level 3 – significant unobservable inputs

The estimated fair value of assets measured on a recurring basis at June 30, 2025, is as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Treasury securities	\$ 10,540,908	\$ 10,540,908	\$ —	\$ —
Equity securities	375,014	375,014	—	—
Certificates of deposit	250,431	—	250,431	—
Other investments	<u>52,530</u>	<u>—</u>	<u>52,530</u>	<u>—</u>
 Total assets	 <u>\$ 11,218,883</u>	 <u>\$ 10,915,922</u>	 <u>\$ 302,961</u>	 <u>\$ —</u>

The Organization’s treasury securities mature through May 2043 and include interest rates of up to 4.63% per annum.

The estimated fair value of the certificates of deposit and other investments (valued using Level 2 inputs) are based on the amounts provided by certain financial institutions. The Organization’s certificates of deposit mature through December 2025 and include interest rates of up to 4.60% per annum.

MESA GLOBAL
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
June 30, 2025

NOTE F - PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

<u>Category</u>	
Land	\$ 28,133
Buildings and improvements	1,148,083
Furniture and equipment	173,297
Software	111,951
Vehicles	<u>20,820</u>
Total property and equipment	1,482,284
Less: Accumulated depreciation and amortization	<u>(1,143,515)</u>
Property and equipment, net	<u>\$ 338,769</u>

Depreciation and amortization expense amounted to approximately \$95,000 for the year ended June 30, 2025.

NOTE G - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were for the following purposes:

Projects	\$ 3,047,614
Endowment corpus	<u>134,071</u>
Total net assets with donor restrictions	<u>\$ 3,181,685</u>

The Organization holds an endowment wherein the corpus is required to be invested in perpetuity. Distributions from earnings on the endowment are restricted for Overseas Council ministries.

As a result of the change in accounting policy for missionary support, as further described in Note B, approximately \$5,724,000 of amounts previously classified as net assets with donor restrictions were reclassified to net assets without donor restrictions as of July 1, 2024, with no impact on total net assets.

NOTE H - RETIREMENT PLANS

The Organization maintains a retirement plan ("the Plan") as prescribed by Section 401(k) of the Internal Revenue Code. The Plan covers all employees who elect to participate. No employer contributions were made to the Plan during the year ended June 30, 2025.

The Organization sponsors a non-qualified defined benefit retirement plan for certain retired missionaries. The related liability is calculated by an actuary and was approximately \$33,000 as of June 30, 2025, and is included within "other liabilities" in the consolidated statement of financial position.