FOR THE CHILDREN AND FOR THE CHILDREN FOUNDATION

COMBINED FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2024

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CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT

Board of Directors
For The Children and For The Children Foundation
Santa Ana, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying combined financial statements of For The Children and For The Children Foundation (the Organization), which comprise the combined statement of financial position as of December 31, 2024, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of For The Children and For The Children Foundation as of December 31, 2024, and the results of its operations 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 (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of For The Children and For The Children Foundation 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.

Adjustment to the Prior Period Combined Financial Statements

As part of our audit of the December 31, 2024 combined financial statements, we also audited the adjustments described in Note 8 that were applied to restate the beginning balances related to deferred revenue and accrued payroll. In our opinion, such adjustments were appropriate and have been properly applied.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined 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 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 combined 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 combined 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 combined 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 For The Children and For The Children Foundation'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 combined financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about For The Children and For The Children Foundation'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.

Supplementary Information

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Irvine, California
September 8, 2025

FOR THE CHILDREN AND FOR THE CHILDREN FOUNDATION
COMBINED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024

	For The Children	For The Children Foundation	Total
ASSETS			
Cash and Cash Equivalents	$ 1,449,830	$ 36,498	$ 1,486,328
Investments	623,703	1,104,395	1,728,098
Inventory	143,788	-	143,788
Prepaid Expenses	5,750	-	5,750
Property and Equipment, Net	3,221	-	3,221
Intangible Asset	10,200	-	10,200
Operating Right-of-Use Assets	93,986	-	93,986
Beneficial Interest in Charitable Trust	1,020,000	-	1,020,000
Total Assets	$ 3,350,478	$ 1,140,893	$ 4,491,371
LIABILITIES AND NET ASSETS			
Accounts Payable	$ 45,306	$ -	$ 45,306
Accrued Expenses	99,677	-	99,677
Operating Lease Obligations	94,801	-	94,801
Deferred Revenue	58,487	-	58,487
Total Liabilities	298,271	-	298,271
NET ASSETS			
Without Donor Restrictions	1,762,464	1,140,893	2,903,357
With Donor Restrictions	1,289,743	-	1,289,743
Total Net Assets	3,052,207	1,140,893	4,193,100
Total Liabilities and Net Assets	$ 3,350,478	$ 1,140,893	$ 4,491,371

FOR THE CHILDREN AND FOR THE CHILDREN FOUNDATION
COMBINED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

	For The Children			For The Children Foundation				
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total	Eliminations	Combined Total
SUPPORT AND REVENUES								
Contributions	$ 1,165,935	$ 6,117	$ 1,172,052	$ -	$ -	$ -	$ -	$ 1,172,052
Merchandise Sales, Net	204,738	-	204,738	-	-	-	-	204,738
Grant Revenue	-	1,250,000	1,250,000	-	-	-	-	1,250,000
Events	257,969	-	257,969	-	-	-	-	257,969
Training and Other Programs	240,650	-	240,650	-	-	-	-	240,650
Annuity Interest	51,000	-	51,000	-	-	-	-	51,000
Investment Income (Loss), Net	43,043	-	43,043	101,601	-	101,601	-	144,644
Other Income	3,051	-	3,051	-	-	-	-	3,051
Net Assets Released from Restrictions	136,603	(136,603)	-	-	-	-	-	-
Total Support and Revenues	2,102,989	1,119,514	3,222,503	101,601	-	101,601	-	3,324,104
EXPENSES								
Program Activities	1,607,527	-	1,607,527	-	-	-	-	1,607,527
Supporting Activities:								
General and Administrative	200,421	-	200,421	348	-	348	-	200,769
Fundraising	280,040	-	280,040	-	-	-	-	280,040
Total Supporting Activities	480,461	-	480,461	348	-	348	-	480,809
Total Expenses	2,087,988	-	2,087,988	348	-	348	-	2,088,336
CHANGE IN NET ASSETS	15,001	1,119,514	1,134,515	101,253	-	101,253	-	1,235,768
Net Assets - Beginning of Year, As Adjusted	1,747,463	170,229	1,917,692	1,039,640	-	1,039,640	-	2,957,332
NET ASSETS - END OF YEAR	$ 1,762,464	$ 1,289,743	$ 3,052,207	$ 1,140,893	$ -	$ 1,140,893	$ -	$ 4,193,100

FOR THE CHILDREN AND FOR THE CHILDREN FOUNDATION
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024

	Program Activities	Supporting Activities		
	Camps and Mentoring Clubs	General and Administrative	Fundraising	Total
Bank and Merchant Fees	$ -	$ 33,238	$ -	$ 33,238
Communication and Technology	55,417	3,599	12,955	71,970
Conferences	80,493	-	813	81,306
Depreciation	997	125	125	1,246
Dues and Subscriptions	15,998	2,000	2,000	19,997
Employee Benefits	76,201	10,610	9,646	96,457
Events and Activities	43,920	-	102,480	146,400
Facilities	63,809	7,878	7,090	78,776
Hospitality	18,279	571	190	19,041
Insurance	8,866	1,108	1,108	11,083
Other Expenses	23,664	2,720	816	27,200
Outside Services	169,686	3,857	19,283	192,825
Payroll Taxes	54,673	7,613	6,921	69,206
Printing	4,832	362	846	6,040
Salaries and Wages	907,215	126,321	114,837	1,148,374
Shipping and Postage	6,888	218	145	7,250
Support	36,000	-	-	36,000
Supplies	17,263	551	551	18,365
Travel	23,326	-	236	23,562
Total Expenses by Function	$ 1,607,527	$ 200,769	$ 280,040	$ 2,088,336

FOR THE CHILDREN AND FOR THE CHILDREN FOUNDATION
COMBINED STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in Net Assets	$ 1,235,768
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:	
Depreciation	1,246
Realized and Unrealized (Gain) Loss on Investments	(77,790)
Noncash Lease Expense	67,124
Changes in Operating Assets and Liabilities:	
Inventory	(15,593)
Accounts Payable	7,755
Accrued Expenses	8,509
Operating Lease Obligations	(66,819)
Deferred Revenue	11,157
Net Cash Provided (Used) by Operating Activities	1,171,357
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from Sale of Investments	60,000
Purchase of Investments	(54,688)
Acquisition of Property and Equipment	(3,221)
Net Cash Provided by Investing Activities	2,091
CHANGE IN CASH AND CASH EQUIVALENTS	1,173,448
Total Cash and Cash Equivalents - Beginning of Year	312,880
TOTAL CASH AND CASH EQUIVALENTS - END OF YEAR	$ 1,486,328

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION	
Cash Paid During the Year for:	
Interest	$ -
Unrelated Business Income Taxes	-
Total	$ -

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES

Organization

For The Children (the Organization, we, us, our) was created in 1989 under the name Royal Family Kids' Camps, Inc. to be an international Christian nonprofit corporation under Section 501(c)(3) of the Internal Revenue Code. In 2020, the Organization was renamed and rebranded as For The Children (FTC) to continue in the original mission: to recruit, train, support and monitor camp and mentoring programs that are operated for abused and neglected children. The Organization works in conjunction with local social services agencies and other nonprofit organizations in providing a safe environment to fellowship and mentor at-risk foster children. The Organization's programs are provided at no cost to the children's families and social services agencies that participate.

The Organization's affiliate, For The Children Foundation (the Foundation), was incorporated on May 25, 2005 in the state of California as a nonprofit public benefit Internal Revenue Code Section 501(c)(3) organization. The Foundation was organized exclusively to seek grants, contributions, bequests, and other sources of income in order to provide funding for the operations of For The Children's program activities.

Mentoring

Our Royal Family KIDS Camp program is to recruit, train, support and monitor camp and mentoring programs that are operated for abused and neglected children. Our Camp fosters resiliency, self-esteem, hope and positive memories. To mentor the kids, we offer various certifications, trainings, and conferences to train and equip the leaders.

Events

We host various events and banquets for fundraising purposes to support the various programs including the Mentoring and Camps.

Merchandise

We sell various merchandise products for the Camp programs.

Basis of Presentation

The accompanying combined financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

Principles of Combination

The combined financial statements include the accounts of For the Children and For the Children Foundation. These affiliates are under common control as defined by U.S. GAAP and are reported separately in the combined financial statements. All significant intercompany accounts and transactions have been eliminated in combination. Unless otherwise noted, these combined entities are hereinafter referred to as "For the Children."

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash, Cash Equivalents, and Restricted Cash

We consider 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. Cash and highly liquid financial instruments restricted to building projects, endowments that are perpetual in nature, or other long-term purposes are excluded from this definition.

Accounts Receivable and Allowance for Credit Losses

The Organization hosts virtual courses and in-person workshops for individuals looking for certification in a specialized area of study. Students register in advance and are billed in arrears. The Organization records tuition receivable and contract liabilities for its students upon the start of the term or program. An allowance for credit losses related to tuition receivable from students is established based upon historical collection rates by age of receivable and adjustment for reasonable expectations of future collection performance, net of estimated recoveries. The Organization periodically assesses its methodologies for estimating credit losses in consideration of actual experience, trends, and changes in the overall economic environment.

Merchandise Inventory

Inventory comprises program-related supplies and merchandise held for sale during the camp and mentoring club and is stated at the lower of cost or net realizable value. We do not provide an allowance for inventory obsolescence at December 31, 2024, because the amount has been determined to be immaterial.

Property and Equipment

We record property and equipment additions over $2,000 at cost, or if donated, at fair value on the date of donation. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging up to 5 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any resulting gain or loss is included in the combined statements of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

We review the carrying values of property and equipment for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended December 31, 2024.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible Asset

Intangible asset consists of an internet domain name. The asset was initially recorded at cost at the date of purchase and capitalized as an indefinite-lived intangible asset on the combined statements of financial position. Intangible assets of this nature are not subject to amortization but are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. During 2024, there were no events or changes in circumstances indicating that the carrying amount of the intangible asset may not be recoverable.

Investments

We record investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the combined statements of financial position. Net investment return/(loss) is reported in the combined statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Leases

The Organization leases office space and equipment. The Organization determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities on the combined balance sheets. Finance leases are included in property and equipment, other current liabilities, and other long-term liabilities on our combined balance sheets.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of leases do not provide an implicit rate, the Organization uses its incremental borrowing based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the statements of financial position.

In evaluating contracts to determine if they qualify as a lease, the Organization considers factors such as if the Organization has obtained substantially all of the rights to the underlying asset through exclusivity, if the Organization can direct the use of the asset by making decisions about how and for what purpose the asset will be used and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

In allocating consideration in the contract to the separate lease components and the nonlease components, the Organization uses the standalone prices of the lease and nonlease components. Observable standalone prices are used, if available. If the standalone price for a component has a high level of variability or uncertainty, this allocation may require significant judgment.

The individual lease contracts do not provide information about the discount rate implicit in the lease. Therefore, the Company has elected to use a risk-free discount rate determined using a period comparable with that of the lease term for computing the present value of lease liabilities.

Net Assets

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for an operating reserve and board-designated endowment.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The Organization reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expired, that is, when a stipulated time restriction ends, or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statements of activities as net assets released from restrictions.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and Revenue Recognition

We recognize contributions when cash, securities or other assets, an unconditional promise to give, or a 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.

We recognize revenue from merchandise sales at the time of purchase.

Special events revenue is comprised of an exchange element based upon the direct benefits donors receive and a contribution element for the difference. We recognize special events revenue equal to the fair value of direct benefits to donors when the special event takes place. We recognize the contribution element of special event revenue immediately, unless there is a right of return if the special event does not take place.

Donated Services and In-Kind Contributions

Contributed nonfinancial assets include donated professional services, donated equipment, and other in-kind contributions which are recorded at the respective fair values of the goods or services received. We do not sell donated gifts-in-kind. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the combined 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 December 31, 2024, respectively.

Advertising Costs

Advertising costs are expensed as incurred. There were no advertising expenses for the year ended December 31, 2024.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The combined statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The combined financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation, and amortization, which are allocated on a square footage basis, as well as salaries and wages, benefits, payroll taxes, professional services, office expenses, information technology, interest, insurance and other, which are allocated on the basis of estimates of time and effort.

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

For the Children and For the Children Foundation are organized as California nonprofit corporations and have been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under IRC Section 501(a) as organizations described in Internal Revenue Code (IRC) Section 501(c)(3), qualify for the charitable contribution deduction under IRC Sections 170(b)(1)(A)(vi) and (viii), and have been determined not to be private foundations under IRC Sections 509(a)(1) and (3), respectively. Each entity is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. We have determined that each entity is not subject to unrelated business income tax and have not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.)

Estimates

The preparation of combined financial statements in conformity with accounting principles generally accepted in the United States of America requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Financial Instruments and Credit Risk

We manage deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by us to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per depositor, per insured bank, for each account ownership category. As of December 31, 2024, the Organization had approximately $1,333,440, in excess of FDIC insurance limits. To date, we have not experienced losses in any of these accounts. Credit risk associated with accounts receivable and promises to give is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from board members, governmental agencies, and foundations supportive of our mission. Investments are made by diversified investment managers whose performance is monitored by us and the investment committee of the board of directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, we and the investment committee believe that the investment policies and guidelines are prudent for the long-term welfare of the organizations.

Subsequent Events

We have evaluated subsequent events through September 8, 2025, the date the combined financial statements were available to be issued.

NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following for the year ended December 31, 2024:

Total Cash and Cash Equivalents	$ 1,486,328
Investments	1,728,098
Total Financial Assets	3,214,426
Less: Donor Contributions With Purpose Restrictions	(1,289,743)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	$ 1,924,683

NOTE 3 FAIR VALUE MEASUREMENTS AND DISCLOSURES

We report certain assets at fair value in the combined financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability 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 or liability, 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 or liability 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 or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that we can access at the measurement date.

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

Level 3 – Unobservable inputs for the asset or liability. In these situations, we develop inputs using the best information available in the circumstances.

Assets measured at fair value are comprised of the following at December 31, 2024:

	Total	Level 1	Level 2	Level 3
Operating Investments:				
Equity Securities	$ 580,834	$ 580,834	$ -	$ -
Cash Equivalents	74,327	-	-	-
Mutual Funds	373,508	373,508	-	-
Fixed Income	699,429	699,429	-	-
Total	$ 1,728,098	$ 1,653,771	$ -	$ -

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31, 2024:

Office Equipment	$	25,673
Less: Accumulated Depreciation		(22,452)
Property and Equipment, Net	$	3,221

Depreciation expense totaled $1,246 for the year ended December 31, 2024.

NOTE 5 BENEFICIAL INTEREST IN CHARITABLE TURST

The Organization holds a promissory note receivable that is funded by a charitable remainder trust. The total amount of the Organization's interest in the promissory note receivable is $1,020,000. Monthly interest-only annuity payments are received at an interest rate of 5%. Total interest income related to the note for the year ended December 31, 2024, was $51,000. The note matures and the principal is payable to the Organization on November 18, 2040.

NOTE 6 LEASES

The Organization leases equipment as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2028 and provide for renewal options ranging from three months to six years. In the normal course of business, it is expected that these leases will be renewed or replaced by similar leases. Certain facility leases provide for increases in future minimum annual rental payments based on defined increases in the Consumer Price Index, subject to certain minimum increases. Additionally, the agreements generally require the Organization to pay real estate taxes, insurance, and repairs.

The following table provides quantitative information concerning the Organization's leases.

Operating Lease Cost	$	69,830
Cash Paid for Amounts Included in the Measurement of Lease Liabilities:		
Operating Cash Flows from Operating Leases	$	94,801
Weighted-Average Lease Term:		
Operating Leases		1.3 Years
Weighted-Average Discount Rate:		
Operating Leases		2.16 %

NOTE 6 LEASE (CONTINUED)

The Organization classifies the total undiscounted lease payments that are due in the next 12 months as current. A maturity analysis of annual undiscounted cash flows for lease liabilities is as follows:

Year Ending December 31,		
2025	$	70,340
2026		24,236
2027		980
2028		735
2029		-
Total Lease Payments		96,291
Less: Interest		(1,490)
Present Value of Lease Liabilities	$	94,801

NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes for the year ended December 31, 2024:

Subject to Expenditure for Specified Purpose:		
Church Relation	$	76,550
International Grants		5,000
Lilly Grant		1,150,000
New Camps		57,893
Samatha's Story		300
Total Net Assets with Donor Restrictions	$	1,289,743

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the year ended December 31, 2024:

Satisfaction of Purpose Restrictions:		
Church Relation	$	14,450
Lilly Grant		100,000
Trust-Based Relational Intervention		22,153
Total Net Assets Released from Donor Restrictions	$	136,603

NOTE 8 ADJUSTMENT TO THE PRIOR PERIOD STATEMENTS

During the year ended December 31, 2024, the Organization determined that deferred revenue was understated as of December 31, 2023, by $47,330 and recognized an equal adjustment to beginning net assets. Additionally, the Organization determined that salaries and wages expense had been understated in a prior period by $43,159 and recorded an equal adjustment to beginning net assets. The net impact was to decrease beginning net assets by $90,489 when recording these deferred revenues and accrued payroll expenses.