

CORNERSTONE FELLOWSHIP OF LIVERMORE CALIFORNIA

Financial Statements
With Independent Auditors' Report

August 31, 2024 and 2023

CORNERSTONE FELLOWSHIP OF LIVERMORE CALIFORNIA

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4
Statements of Cash Flows	5
Notes to Financial Statements	7

INDEPENDENT AUDITORS' REPORT

Board of Directors
Cornerstone Fellowship of Livermore California
Livermore, California

Opinion

We have audited the accompanying financial statements of Cornerstone Fellowship of Livermore California, which comprise the statements of financial position as of August 31, 2024 and 2023, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cornerstone Fellowship of Livermore California as of August 31, 2024 and 2023, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Cornerstone Fellowship of Livermore California's ability to continue as a going concern within one year after the date the 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 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 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 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 risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Cornerstone Fellowship of Livermore California's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Cornerstone Fellowship of Livermore California'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.

Capin Crouse LLP

Ontario, California
December 19, 2024

CORNERSTONE FELLOWSHIP OF LIVERMORE CALIFORNIA

Statements of Financial Position

	August 31,	
	2024	2023
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 1,762,005	\$ 2,970,270
Investments	4,000,000	-
Prepaid expenses and other assets	85,297	80,298
Financing lease–right of use assets, current portion	53,007	64,675
	<u>5,900,309</u>	<u>3,115,243</u>
Financing lease–right of use assets, net of current portion	16,902	26,825
Interest rate swap agreement	502,709	733,298
Land held for sale	2,501,880	2,501,880
Property and equipment-net	22,792,995	23,428,442
	<u>25,814,486</u>	<u>26,690,445</u>
 Total Assets	 <u><u>\$ 31,714,795</u></u>	 <u><u>\$ 29,805,688</u></u>
 LIABILITIES AND NET ASSETS:		
Current liabilities:		
Accounts payable	\$ 34,384	\$ 153,603
Accrued expenses	458,766	461,071
Deposits payable	3,984,600	-
Financing lease–right of use obligations, current portion	53,007	68,416
Long-term debt, current portion	726,673	698,106
	<u>5,257,430</u>	<u>1,381,196</u>
Financing lease–right of use obligations, net of current portion	18,356	26,149
Long-term debt, net of current portion	16,357,298	17,081,405
	<u>16,375,654</u>	<u>17,107,554</u>
Total liabilities	<u>21,633,084</u>	<u>18,488,750</u>
 Net assets:		
Without donor restrictions	9,941,238	11,190,582
With donor restrictions	140,473	126,356
Total net assets	<u>10,081,711</u>	<u>11,316,938</u>
 Total Liabilities and Net Assets	 <u><u>\$ 31,714,795</u></u>	 <u><u>\$ 29,805,688</u></u>

See notes to financial statements

CORNERSTONE FELLOWSHIP OF LIVERMORE CALIFORNIA

Statements of Activities

	Year Ended August 31,					
	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING ACTIVITIES:						
SUPPORT, REVENUE, AND RECLASSIFICATIONS:						
Tithes and offerings	\$ 4,555,796	\$ 172,808	\$ 4,728,604	\$ 5,127,280	\$ 197,036	\$ 5,324,316
Rental income	379,239	-	379,239	55,300	-	55,300
Registration fees and other income	132,506	-	132,506	338,693	-	338,693
Net assets released from restrictions	158,691	(158,691)	-	227,535	(227,535)	-
Total Support, Revenue, and Reclassifications	<u>5,226,232</u>	<u>14,117</u>	<u>5,240,349</u>	<u>5,748,808</u>	<u>(30,499)</u>	<u>5,718,309</u>
EXPENSES:						
Salaries and benefits	2,924,613	-	2,924,613	3,181,813	-	3,181,813
Facilities	922,470	-	922,470	920,692	-	920,692
Depreciation and amortization	807,312	-	807,312	830,471	-	830,471
Office and supplies	560,837	-	560,837	637,021	-	637,021
Interest	617,307	-	617,307	708,242	-	708,242
Financial assistance	221,480	-	221,480	396,448	-	396,448
Food and travel	127,013	-	127,013	288,432	-	288,432
Miscellaneous	63,955	-	63,955	69,607	-	69,607
Total Expenses	<u>6,244,987</u>	<u>-</u>	<u>6,244,987</u>	<u>7,032,726</u>	<u>-</u>	<u>7,032,726</u>
Change in Net Assets from Operations	<u>(1,018,755)</u>	<u>14,117</u>	<u>(1,004,638)</u>	<u>(1,283,918)</u>	<u>(30,499)</u>	<u>(1,314,417)</u>
NON-OPERATING ACTIVITIES:						
Unrealized gain (loss) on interest rate swap	<u>(230,589)</u>	<u>-</u>	<u>(230,589)</u>	<u>186,952</u>	<u>-</u>	<u>186,952</u>
Change in Net Assets	<u>(1,249,344)</u>	<u>14,117</u>	<u>(1,235,227)</u>	<u>(1,096,966)</u>	<u>(30,499)</u>	<u>(1,127,465)</u>
Net Assets, Beginning of Year	<u>11,190,582</u>	<u>126,356</u>	<u>11,316,938</u>	<u>12,287,548</u>	<u>156,855</u>	<u>12,444,403</u>
Net Assets, End of Year	<u>\$ 9,941,238</u>	<u>\$ 140,473</u>	<u>\$ 10,081,711</u>	<u>\$ 11,190,582</u>	<u>\$ 126,356</u>	<u>\$ 11,316,938</u>

See notes to financial statements

CORNERSTONE FELLOWSHIP OF LIVERMORE CALIFORNIA

Statements of Cash Flows

	Year Ended August 31,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (1,235,227)	\$ (1,127,465)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	807,312	830,471
Non-cash effect of change in accounting principle	-	7,348
Government grant receivable	-	256,210
Loss on disposal of property and equipment	2,364	1,364
Unrealized (gains) losses on interest rate swap	230,589	(186,952)
Net change in:		
Prepaid expenses and other assets	(4,999)	134,198
Accounts payable	(119,219)	62,187
Deposits Payable	3,984,600	-
Accrued expenses	(2,305)	(128,270)
Net Cash Provided (Used) by Operating Activities	<u>3,663,115</u>	<u>(150,909)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(4,000,000)	-
Purchases of property and equipment	(81,440)	(125,390)
Net Cash Used by Investing Activities	<u>(4,081,440)</u>	<u>(125,390)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments on long-term debt	(709,529)	(685,370)
Principal payments on financing lease	(80,411)	(79,264)
Net Cash Used by Financing Activities	<u>(789,940)</u>	<u>(764,634)</u>
Change in Cash and Cash Equivalents	(1,208,265)	(1,040,933)
Cash and Cash Equivalents, Beginning of Year	<u>2,970,270</u>	<u>4,011,203</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 1,762,005</u></u>	<u><u>\$ 2,970,270</u></u>

(continued)

See notes to financial statements

CORNERSTONE FELLOWSHIP OF LIVERMORE CALIFORNIA

Statements of Cash Flows (continued)

	Year Ended August 31,	
	2024	2023
SUPPLEMENTAL INFORMATION AND NON-CASH ITEMS:		
Cash paid for interest	\$ 639,517	\$ 674,410
Right-of-use assets obtained in exchange for financing lease obligations	\$ 57,209	\$ 120,818
Interest paid related to financing leases	\$ 2,981	\$ 3,615
Write-off of fully depreciated assets	\$ -	\$ 1,041,915

See notes to financial statements

CORNERSTONE FELLOWSHIP OF LIVERMORE CALIFORNIA

Notes to Financial Statements

August 31, 2024 and 2023

1. NATURE OF ORGANIZATION:

Cornerstone Fellowship of Livermore California (the Church) was organized on May 23, 1993, in California as a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and comparable state laws. However, the Church is subject to federal income tax on any unrelated business taxable income. In addition, the Church is not classified as a private foundation within the meaning of Section 509(a) of the IRC.

The Church's main campus is located in Livermore, California, and it has additional California campuses in Brentwood, Walnut Creek, Hayward, and Danville. The Church's primary source of support and revenue consists of tax-deductible contributions from members and regular attendees.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of the Church have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. A summary of the significant accounting policies is described below to enhance the usefulness of the financial statements to the reader.

CASH AND CASH EQUIVALENTS

For statements of financial position and cash flow purposes, cash and cash equivalents include cash on hand, cash on deposit, and money market accounts. These accounts may, at times, exceed federally insured limits. As of August 31, 2024 and 2023, the Church's cash balances exceeded federally insured limits by approximately \$1,447,000 and \$2,707,000, respectively. The Church has not experienced any losses in such accounts.

INVESTMENTS

Investments consist of a certificate of deposit, which is stated at cost plus accrued interest. The Church's policy is to sell donated securities to convert them to cash as soon as they are transferred. Therefore, donated securities are recorded as contributions at the fair value on the date of conversion to cash. The Church had no securities held as of August 31, 2024 and 2023.

PREPAID EXPENSES AND OTHER ASSETS

Prepaid expenses and other assets consist primarily of prepaid insurance and accounts receivable related to rental income.

FINANCING LEASE—RIGHT OF USE ASSETS AND OBLIGATIONS

Some of the Church's contracts contain the right to control the use of property or assets and are therefore considered leases. The Church records right-of-use assets and lease obligations on the statements of financial position for the rights and obligations created by leases with initial terms of more than twelve months. All of the Church's leases were financing leases as of September 1, 2024 and 2023 (see Note 4).

CORNERSTONE FELLOWSHIP OF LIVERMORE CALIFORNIA

Notes to Financial Statements

August 31, 2024 and 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

PROPERTY AND EQUIPMENT

Expenditures for property and equipment are capitalized at cost for expenditures over \$2,500. Donated items are recorded at the fair value on the date of the gift. Depreciation is computed using the straight line method over the following estimated useful lives of the related assets:

Land and improvements	15-40 years
Buildings and improvements	15-40 years
Furniture and equipment	3-7 years
Vehicles	5 years

DEPOSITS PAYABLE

The Church received a deposit payable of approximately \$3,980,000 in connection with the assets held for sale. The sale is expected to close within the next 12 months.

NET ASSETS

The financial statements report amounts by class of net assets as follows:

Net assets without donor restrictions are those currently available at the discretion of the board of directors for use in the Church's operations.

Net assets with donor restrictions are those that are stipulated by donors for buildings and specific operating purposes.

SUPPORT, REVENUE, AND EXPENSES

Contributions are recorded when cash or unconditional promises-to-give have been received, or ownership of donated assets is transferred to the Church. Conditional promises-to-give are recognized when the conditions on which they depend are substantially met. The Church records contributions as net assets with donor restrictions if they are received with donor stipulations that limit their use through purpose and/or time restrictions. Net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions when donor restrictions expire. Donor restrictions expire when the purpose restriction is fulfilled or the time restrictions are met. For contributions restricted by donors for the acquisition of property or other long-lived assets, the restriction is considered to be met when the property or other long-lived asset is placed into service. All contributions are considered available for unrestricted use, unless specifically restricted by the donor.

Registration fees are recorded when earned and consist of fees for camps, retreats, and other ministry related activities. Rental income and other income is recorded when earned. Expenses are recorded when incurred in accordance with the accrual basis of accounting.

CORNERSTONE FELLOWSHIP OF LIVERMORE CALIFORNIA

Notes to Financial Statements

August 31, 2024 and 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various program services and supporting activities have been summarized on a functional basis in Note 10. Accordingly, certain costs, such as depreciation and payroll, have been allocated among the program services and supporting activities. These costs are allocated based on an estimate of time spent, benefits derived, and square footage.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

3. LIQUIDITY AND FUNDS AVAILABLE:

The Church has approximately \$5,762,000 and \$2,970,000, of financial assets available within one year of the statements of financial position date as of August 31, 2024 and 2023, respectively. This amount consists of cash and cash equivalents and investments. None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statements of financial position.

4. FINANCING LEASE—RIGHT OF USE ASSETS AND OBLIGATIONS:

The Church leases equipment under noncancelable operating leases expiring at various times through September 2027. The discount rate represents the risk-free discount rate using a period comparable with that of the individual lease term on the inception date of the lease. The leases require monthly payments ranging from \$341 to \$2,400.

	August 31,	
	2024	2023
Financing lease—right-of-use assets	\$ 69,909	\$ 91,500
Financing lease—right-of-use obligations	\$ 71,363	\$ 94,565
Financing lease costs:		
Amortization of right-of-use assets	\$ 79,162	\$ 78,105
Interest on lease liabilities	\$ 2,981	\$ 3,615
Weighted-average discount rate	3.82%	2.81%
Weighted-average remaining lease term	1.13 years	0.84 years

CORNERSTONE FELLOWSHIP OF LIVERMORE CALIFORNIA

Notes to Financial Statements

August 31, 2024 and 2023

4. FINANCING LEASE—RIGHT OF USE ASSETS AND OBLIGATIONS, continued:

Future minimum lease payments required under the financing leases that have an initial or remaining non-cancelable lease term in excess of one year are as follows:

<u>Year Ending August 31,</u>	
2025	\$ 53,007
2026	14,700
2027	4,092
2028	1,948
	<hr/> 73,747
Less imputed interest	<hr/> (2,384)
	<hr/> \$ 71,363

5. LAND HELD FOR SALE:

During the year ended August 31, 2022 the Church classified approximately \$2,502,000 of land as land held for sale. The Church is actively marketing the land and it is expected to sell during the year ending August 31, 2024. The Church plans to sell the land at fair value which is in excess of its carrying value. Accordingly, no gain or loss has been recorded during the years ended August 31, 2024 or 2023.

6. PROPERTY AND EQUIPMENT-NET:

Property and equipment-net consists of:

	<u>August 31,</u>	
	<u>2024</u>	<u>2023</u>
Land and improvements	\$ 12,400,801	\$ 12,400,801
Buildings and improvements	27,781,937	27,782,951
Furniture and equipment	5,701,361	5,638,976
Vehicles	155,298	158,848
	<hr/> 46,039,397	<hr/> 45,981,576
Less accumulated depreciation and amortization	<hr/> (23,246,402)	<hr/> (22,553,134)
	<hr/> \$ 22,792,995	<hr/> \$ 23,428,442

CORNERSTONE FELLOWSHIP OF LIVERMORE CALIFORNIA

Notes to Financial Statements

August 31, 2024 and 2023

7. LONG-TERM DEBT:

Long-term debt consists of:

	August 31,	
	2024	2023
Note payable to a financial institution, collateralized by all of the Church's assets, including real property, approximate monthly principal payments starting at \$28,000 and increasing to \$40,000 over the 10-year life of the loan. Interest rate is one-month Secured Overnight Financing Rate (SOFR) plus 1.78%, fixed at 4.06% with an interest rate swap agreement. A balloon payment is due on September 1, 2025, in the amount of approximately \$10,341,000.	\$ 10,954,774	\$ 11,417,322
Note payable to a financial institution, collateralized by all of the Church's assets, including real property, approximate monthly payments of \$6,000. Interest rate is one-month SOFR plus 1.78%, fixed at 3.45% with an interest rate swap agreement. The note is due February 1, 2028.	2,481,927	2,574,063
Note payable to a financial institution, collateralized by all of the Church's assets, including real property, approximate monthly payments of \$10,000. Interest rate is 2.53%. The note is due August 1, 2026.	3,668,592	3,823,438
	17,105,293	17,814,823
Less prepaid loan costs	(21,322)	(35,312)
	<u>\$ 17,083,971</u>	<u>\$ 17,779,511</u>

Annual maturities are as follows:

<u>Year Ending August 31,</u>	
2025	\$ 726,673
2026	14,091,181
2027	102,600
2028	2,184,839
	<u>\$ 17,105,293</u>

CORNERSTONE FELLOWSHIP OF LIVERMORE CALIFORNIA

Notes to Financial Statements

August 31, 2024 and 2023

7. LONG-TERM DEBT, continued:

The Church paid loan costs of approximately \$139,000, between June 2015 and June 2017, related to long-term debt. The prepaid loan costs are amortized on a straight-line basis over the terms of the notes. Amortization expense was approximately \$14,000 for each of the years ended August 31, 2024 and 2023.

In conjunction with its bank loans, the Church is required to comply with certain reporting covenants. The Church was in compliance with all of the covenants as of August 31, 2024 and 2023.

8. INTEREST RATE SWAP:

The Church has entered into fixed-rate interest swap agreements related to two of its notes payable. The swap agreements manage the economic effect of the variable interest obligation associated with the notes payable described in Note 7, so that the interest payable effectively becomes a fixed rate, thereby reducing the impact of future interest rate changes on future interest expense. The agreements are accounted for as fair value hedges. Contractual terms are as follows:

	August 31,	
	2024	2023
2015 Swap:		
Fixed rate	4.06%	4.06%
Variable rate - SOFR plus 1.75%	7.13%	7.10%
Remaining term of contract in years	1	2
Original note payable balance covered by agreement (notional amount)	\$ 14,350,000	\$ 14,350,000
Notional amount outstanding at August 31	\$ 10,954,774	\$ 11,417,322
2017 Swap:		
Fixed rate	3.45%	3.45%
Variable rate - SOFR plus 1.75%	7.13%	7.10%
Remaining term of contract in years	4	5
Original note payable balance covered by agreement (notional amount)	\$ 3,000,000	\$ 3,000,000
Notional amount outstanding at August 31	\$ 2,481,927	\$ 2,574,063

CORNERSTONE FELLOWSHIP OF LIVERMORE CALIFORNIA

Notes to Financial Statements

August 31, 2024 and 2023

8. INTEREST RATE SWAP, continued:

The effect of the derivative instruments on the financial statements were as follows:

Fair Value of Derivative Instruments as Reported in the Statements of Financial Position

		August 31,	
		2024	2023
	<u>Statement Location</u>		
Interest rate swap agreement	Assets	\$ 502,709	\$ 733,298

Effects of Derivative Instruments on Income as Reported in the Statements of Activities

		Year Ended August 31,	
		2024	2023
	<u>Statement Location</u>		
Unrealized gain (loss) on interest rate swap	Nonoperating activities	\$ (230,589)	\$ 186,952

9. NET ASSETS:

Net assets consist of the following:

		August 31,	
		2024	2023
Net assets without donor restrictions:			
Undesignated		\$ 9,941,238	\$ 11,190,582
Net assets with donor restrictions:			
Missions and outreach		140,473	126,356
		<u>\$ 10,081,711</u>	<u>\$ 11,316,938</u>

CORNERSTONE FELLOWSHIP OF LIVERMORE CALIFORNIA

Notes to Financial Statements

August 31, 2024 and 2023

10. LEASES-RENTAL INCOME:

The church leases office space to tenants under non-cancelable operating leases with terms from one to five years. Several of the leases contain renewal options as well as annual rent increases at fixed amounts or a percentage of the consumer price index. Total rental income was \$379,239 and \$55,300 for the years ending August 30, 2024 and 2023, respectively.

The aggregate future minimum annual rental revenue under non-cancelable operating leases as of August 31, 2024, is as follows:

<u>Year Ending August 31,</u>	
2025	\$ 382,400
2026	248,400
2027	248,400
2028	193,200
2029	115,000
	<u>\$ 1,187,400</u>

11. FUNCTIONAL EXPENSE ALLOCATION:

The following table presents expenses by both their nature and function for the year ended August 31, 2024:

	<u>Supporting Activities:</u>			
	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Salaries and benefits	\$ 1,599,467	\$ 1,325,146	\$ -	\$ 2,924,613
Facilities	627,150	295,320	-	922,470
Depreciation and amortization	807,312	-	-	807,312
Office and supplies	155,087	405,750	-	560,837
Interest	614,802	2,505	-	617,307
Financial assistance	220,745	735	-	221,480
Food and travel	117,094	9,919	-	127,013
Miscellaneous	5,198	58,757	-	63,955
	<u>\$ 4,146,855</u>	<u>\$ 2,098,132</u>	<u>\$ -</u>	<u>\$ 6,244,987</u>

CORNERSTONE FELLOWSHIP OF LIVERMORE CALIFORNIA

Notes to Financial Statements

August 31, 2024 and 2023

11. FUNCTIONAL EXPENSE ALLOCATION, continued:

The following table presents expenses by both their nature and function for the year ended August 31, 2023:

	Program Services	Supporting Activities:		Total
		General and Administrative	Fundraising	
Salaries and benefits	\$ 2,139,175	\$ 1,042,638	\$ -	\$ 3,181,813
Facilities	608,391	312,301	-	920,692
Depreciation and amortization	752,366	78,105	-	830,471
Office and supplies	271,899	364,521	601	637,021
Interest	679,912	28,330	-	708,242
Financial assistance	396,448	-	-	396,448
Food and travel	286,107	2,293	32	288,432
Miscellaneous	15,546	54,061	-	69,607
	<u>\$ 5,149,844</u>	<u>\$ 1,882,249</u>	<u>\$ 633</u>	<u>\$ 7,032,726</u>

12. PENSION EXPENSE:

The Church provides retirement benefits to its eligible full-time employees through a salary deferral plan under IRS Code section 403(b), with matching employer contributions. The expenses for the years ended August 31, 2024 and 2023, totaled approximately \$82,000 and \$84,000, respectively.

13. SUBSEQUENT EVENTS:

Subsequent events were evaluated through December 19, 2024, which is the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.