



CENTRAL WESLEYAN CHURCH

Consolidated Financial Statements  
With Independent Auditor's Report

May 31, 2025



# CENTRAL WESLEYAN CHURCH

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## INDEPENDENT AUDITOR'S REPORT

Elder Board  
Central Wesleyan Church  
Holland, Michigan

### ***Opinion***

We have audited the accompanying consolidated financial statements of Central Wesleyan Church, which comprise the consolidated statement of financial position as of May 31, 2025, 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 consolidated financial position of Central Wesleyan Church as of May 31, 2025, and the changes in its net assets 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. 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 Central Wesleyan Church 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 these 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 Central Wesleyan Church's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Elder Board  
Central Wesleyan Church  
Holland, Michigan

***Auditor's 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 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 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 Central Wesleyan Church'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 Central Wesleyan Church'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 LLC*

Grand Rapids, Michigan  
September 11, 2025

# CENTRAL WESLEYAN CHURCH

## Consolidated Statement of Financial Position

May 31, 2025

### ASSETS:

Cash and cash equivalents	\$ 1,348,885
Cash restricted for long-term purposes	338,883
Pledges receivable-net	142,081
Other assets	290,626
Investments	4,317,015
Operating lease right-of-use asset-net	1,751,156
Property, plant, and equipment-net	<u>37,980,344</u>

Total Assets \$ 46,168,990

### LIABILITIES AND NET ASSETS:

#### Liabilities:

Accounts payable	\$ 159,827
Accrued expenses	411,754
Performance obligation liabilities	153,980
Operating lease liability	1,772,665
Debt	<u>9,001,532</u>

Total liabilities 11,499,758

#### Net assets:

Without donor restrictions	33,068,595
With donor restrictions	<u>1,600,637</u>

Total net assets 34,669,232

Total Liabilities and Net Assets \$ 46,168,990

See notes to consolidated financial statements

# CENTRAL WESLEYAN CHURCH

## Consolidated Statement of Activities

Year Ended May 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE:			
Contributions	\$ 14,171,412	\$ 1,985,129	\$ 16,156,541
Tuition and fees–net	1,013,316	-	1,013,316
Merchandise sales	365,997	-	365,997
Contributed nonfinancial assets	350,000	-	350,000
Net investment income	183,451	-	183,451
Rental income	140,484	-	140,484
Other revenue	291,385	-	291,385
	<u>16,516,045</u>	<u>1,985,129</u>	<u>18,501,174</u>
NET ASSETS RELEASED FROM RESTRICTIONS AND RECLASSIFICATIONS:			
Satisfaction of purpose and time restrictions and reclassifications	2,665,357	(2,665,357)	-
	<u>19,181,402</u>	<u>(680,228)</u>	<u>18,501,174</u>
Total Revenue, and Net Assets Released from Restrictions and Reclassifications	<u>19,181,402</u>	<u>(680,228)</u>	<u>18,501,174</u>
EXPENSES:			
Program	12,722,082	-	12,722,082
Management and general	4,388,416	-	4,388,416
	<u>17,110,498</u>	<u>-</u>	<u>17,110,498</u>
Total Expenses	<u>17,110,498</u>	<u>-</u>	<u>17,110,498</u>
Change in Net Assets	2,070,904	(680,228)	1,390,676
Net Assets, Beginning of Year	30,997,691	2,280,865	33,278,556
Net Assets, End of Year	<u>\$ 33,068,595</u>	<u>\$ 1,600,637</u>	<u>\$ 34,669,232</u>

See notes to consolidated financial statements

# CENTRAL WESLEYAN CHURCH

## Consolidated Statement of Functional Expenses

Year Ended May 31, 2025

	Program	Management and General	Total Expenses
Salaries and benefits	\$ 5,991,881	\$ 2,800,100	\$ 8,791,981
Depreciation and amortization	1,995,521	396,910	2,392,431
Other	832,920	423,940	1,256,860
Ministry production	1,213,041	-	1,213,041
Missions and outreach grants	1,147,851	-	1,147,851
Utilities	16,306	391,334	407,640
Meetings and events	293,742	1,225	294,967
Church supplies	268,248	25,149	293,397
Bank service fees and taxes	234,243	28,539	262,782
Interest	4,251	228,163	232,414
Trainings, curriculum and leadership development	190,534	-	190,534
Meals	155,636	5,426	161,062
District membership	149,630	-	149,630
Travel	134,555	5,863	140,418
Repairs and maintenance	91,665	1,308	92,973
Rental	2,058	80,459	82,517
Total	<u>\$ 12,722,082</u>	<u>\$ 4,388,416</u>	<u>\$ 17,110,498</u>

See notes to consolidated financial statements

# CENTRAL WESLEYAN CHURCH

## Consolidated Statement of Cash Flows

Year Ended May 31, 2025

### CASH FLOWS FROM OPERATING ACTIVITIES:

Change in net assets	\$ 1,390,676
Adjustments to reconcile change in net assets to cash provided (used) by operating activities:	
Depreciation and amortization	2,392,431
Credit losses	109,533
Contributions restricted for long-term purposes	(642,730)
Gain on sale of assets	3,226
Reduction of lease liability	(400,281)
Contributed nonfinancial assets	(350,000)
Changes in:	
Pledges receivable-net	166,611
Other assets	478,213
Accounts payable	128,998
Accrued expenses	(360,095)
Deferred revenue	54,077
Net Cash Provided by Operating Activities	<u>2,970,659</u>

### CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sale of investments	1,397,520
Purchase of investments	(3,989,965)
Purchase of property, plant, and equipment	(5,223,068)
Net Cash Used by Investing Activities	<u>(7,815,513)</u>

### CASH FLOWS FROM FINANCING ACTIVITIES:

Payments on line of credit	(168,468)
Draws on line of credit	4,900,000
Cash received for long-term purposes	1,187,637
Net Cash Provided by Financing Activities	<u>5,919,169</u>

Change in Cash and Cash Equivalents 1,074,315

Cash and Cash Equivalents, Beginning of Year 627,453

Cash and Cash Equivalents, End of Year \$ 1,701,768

### SUPPLEMENTAL DISCLOSURES:

Cash paid for interest (includes capitalized interest of \$192,730)	<u>\$ 486,127</u>
Noncash additions to property, plant, and equipment	<u><u>\$ 350,000</u></u>

See notes to consolidated financial statements

# CENTRAL WESLEYAN CHURCH

## Notes to Consolidated Financial Statements

May 31, 2025

### 1. NATURE OF ORGANIZATION:

Central Wesleyan Church (the Church) is a local body of believers and is part of the world-wide Wesleyan Church denomination. The primary ministries of the Church are public worship services, graded Christian education classes, after school programs for under-privileged children, missions in Holland and around the world, and a wide range of programs for special needs such as financial counseling and divorce recovery.

The Church's main campus is in Holland, Michigan with satellite campuses around the country including the La Roca Church in the Holland, Michigan area, The Local Church in the Grand Rapids, Michigan area, Overflow Church in the Benton Harbor, Michigan area, LifeBridge Church in the South Haven, Michigan area, The Well in the Columbia, Tennessee area, Captivate Church in the San Diego, California area, and Redeemer City Church in Tampa, Florida.

The Church's mission is to amplify the hope and life of Jesus to all people. They pursue this mission through partnering with Jesus as He builds His church and with the Holy Spirit as Christ is formed in His church.

The Church is a not-for-profit corporation and has been recognized as tax-exempt pursuant to Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been reflected in the Church's consolidated financial statements. The Church is supported primarily by contributions from members.

### 2. SIGNIFICANT ACCOUNTING POLICIES:

#### BASIS OF ACCOUNTING

The consolidated 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 (GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASU).

#### USE OF ESTIMATES

The preparation of U.S. GAAP consolidated financial statements 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 revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to allocation of functional expenses.

#### PRINCIPLES OF CONSOLIDATION

The accompanying consolidated financial statements include the consolidated financial statements of Central Wesleyan Church and its subsidiary, Water's Edge West (doing business as Captivate Church), collectively referred to as the Church. All intercompany balances and transactions have been eliminated in the consolidation. Water's Edge Family is also a subsidiary of Central Wesleyan Church, however, it has no financial activity.

# CENTRAL WESLEYAN CHURCH

## Notes to Consolidated Financial Statements

May 31, 2025

### 2. SIGNIFICANT ACCOUNTING POLICIES, continued:

#### CASH AND CASH EQUIVALENTS

Cash consists mainly of checking accounts and cash on hand. Cash and cash equivalents include all highly liquid investments with an original maturity of three months or less when purchased. The Church maintains cash and cash equivalents in financial institutions which may, at times, exceed federally insured limits. At May 31, 2025, cash and cash equivalents exceeded federally insured limits in the amount of approximately \$1,464,000.

#### PLEDGES RECEIVABLE—NET

Unconditional promises to give are included in the consolidated financial statements as pledges receivable and revenue in the appropriate net asset category and are recorded at net realizable value. Pledges receivable—net are stated at the amount management expects to collect from balances outstanding. The allowance for doubtful accounts of \$16,183 has been recorded as of May 31, 2025. All pledges receivable are expected to be collected in the next year, therefore, no discount is recorded as of May 31, 2025.

#### OTHER ASSETS

Other assets consist of prepaid expenses and accounts receivables.

#### INVESTMENTS

The Church reports investments in money market funds with readily determinable fair values at their fair value in the consolidated statement of financial position. The Church reports investments in certificates of deposit held at Wesleyan Investment Foundation at cost in the consolidated statement of financial position. Unrealized gains and losses, interest and dividends, and realized gains and losses are included in net investment income in the accompanying consolidated statement of activities.

#### LEASES

The Church leases office space under five lease agreements. The Church determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets and operating lease liabilities in 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. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, the Church uses a risk-free rate 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 Church will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. Lease agreements do not contain any material residual value guarantees or material restrictive covenants.

# CENTRAL WESLEYAN CHURCH

## Notes to Consolidated Financial Statements

May 31, 2025

### 2. SIGNIFICANT ACCOUNTING POLICIES, continued:

#### PROPERTY, PLANT, AND EQUIPMENT—NET

All acquisitions of property and equipment in excess of \$10,000 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation expense is computed using the straight-line method over the estimated useful lives of the assets. The carrying values of property and equipment are reviewed 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 May 31, 2025.

#### CLASSES OF NET ASSETS

The consolidated financial statements report amounts separately by class of net assets:

*Net assets without donor restrictions* are resources over which the Church has discretionary control.

*Net assets with donor restrictions* represent resources subject to donor-imposed stipulations for specific purposes, programs, or with timing restrictions.

#### REVENUE RECOGNITION

##### *Contributions and Contributed Nonfinancial Assets*

Contributions are recorded when received or unconditionally promised to give. Contributions received are reported as without donor restrictions or with donor restrictions support, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Gifts of property and equipment are reported at fair market value on the date received as contributed nonfinancial assets without donor restrictions, unless there are specific donor restrictions imposed on the use of those assets.

# CENTRAL WESLEYAN CHURCH

## Notes to Consolidated Financial Statements

May 31, 2025

### 2. SIGNIFICANT ACCOUNTING POLICIES, continued:

#### REVENUE RECOGNITION, continued

##### *Tuition and fees—net*

Revenue from tuition and fees is recognized as the performance obligations are satisfied over time during the period in which the student attends class and educational services are provided. Tuition and fees for these classes are reported at the amount that reflects the consideration to which the Church expects to be entitled in exchange for providing educational services. This includes student aid in the form of scholarships and discounts. As such, this aid is referred to as scholarships and represents the difference between the stated charge for tuition and fees and the amount billed to the student.

Net tuition and fees for the year ended May 31, 2025 are as follows:

Tuition	\$ 1,022,893
Other fees	<u>56,371</u>
	1,079,264
Tuition discounts and scholarships	<u>(65,948)</u>
Total net tuition and fees	<u><u>\$ 1,013,316</u></u>

Performance obligation liabilities are recorded when tuition payments are made in advance of when the educational services take place. Contract assets are recorded when educational services take place in advance of when tuition payments are made. Contract assets related to tuition at May 31, 2025 and 2024, were approximately \$4,000 and \$3,000, respectively and are reported as other assets in the consolidated statement of financial position.

##### *Merchandise sales, rental income, and other revenue*

Merchandise sales are recognized at point of sale. Rental income and other revenue is recognized as earned.

#### FUNCTIONAL CLASSES OF EXPENSES

The costs of providing the program services and supporting activities have been summarized on a functional basis in the consolidated statements of activities and functional expenses. Certain costs not directly attributable to specific program services or functions have been allocated to program services and supporting activities. Employee salaries, wages, and benefits have been allocated across program services and supporting activities based on employee time. Depreciation, building operations and maintenance expenses are allocated on a square footage of facilities basis. Interest expense is allocated to the functional categories which have benefited from the associated debt. The Church incurred no joint costs for the year ended May 31, 2025.

# CENTRAL WESLEYAN CHURCH

## Notes to Consolidated Financial Statements

May 31, 2025

### 2. SIGNIFICANT ACCOUNTING POLICIES, continued:

#### FAIR VALUE MEASUREMENTS

The Church follows the provisions of the *Fair Value Measurements and Disclosure* topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). These standards establish a fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs or other quoted prices for identical assets, and Level 3 inputs have the lowest priority. Following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis and recognized in the accompanying consolidated statement of financial position, as well as, the general classification of such instruments pursuant to the valuation hierarchy. The Church had no Level 2 investments for the year ended May 31, 2025.

#### Level 1

*Money market mutual funds* - The fair value of these financial instruments is based on quoted market prices.

#### Level 3

*Beneficial interest in charitable remainder annuity trusts*- The fair value of these assets are determined by calculating the present value of the respective annuity trusts.

The fair value of investments and beneficial interest in charitable remainder annuity trusts for the fiscal year ended May 31, 2025, consists of:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Money market funds	\$ 511,601	\$ 511,601	\$ -	\$ -
Beneficial interest in charitable remainder annuity trust	<u>14,000</u>	<u>-</u>	<u>-</u>	<u>14,000</u>
Total assets at fair market value	<u>\$ 525,601</u>	<u>\$ 511,601</u>	<u>\$ -</u>	<u>\$ 14,000</u>
Investments held at cost:				
Certificate of Deposit	<u>\$ 3,791,414</u>			
	<u>\$ 4,317,015</u>			

# CENTRAL WESLEYAN CHURCH

## Notes to Consolidated Financial Statements

May 31, 2025

### 3. LIQUIDITY AND AVAILABILITY OF RESOURCES:

The following reflects the Church's financial assets reduced by amounts not available for general use within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year. The following table represents liquidity at May 31, 2025:

Financial assets:	
Cash and cash equivalents	\$ 1,348,885
Pledges receivable-net	142,081
Accounts receivable (included in other assets)	71,714
Investments	<u>4,317,015</u>
Financial assets, at year end	<u>5,879,695</u>
Less those unavailable for general expenditures within one year due to:	
Restricted by donors with purpose or time restrictions	<u>(1,600,637)</u>
	<u>(1,600,637)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 4,279,058</u>

The Church is principally supported by contributions and tuition and fees. The goal of the Church is to maintain available financial assets to meet its next 90 days of operating expenses. In the event of unanticipated liquidity needs, the Church had \$999,000 available to draw from on their line of credit at May 31, 2025, if needed.

### 4. INVESTMENTS:

Investments are as follows at May 31, 2025:

Money market funds	\$ 511,601
Beneficial interest in charitable remainder trust	14,000
Certificate of deposit	<u>3,791,414</u>
Total investments	<u>\$ 4,317,015</u>

# CENTRAL WESLEYAN CHURCH

## Notes to Consolidated Financial Statements

May 31, 2025

5. PROPERTY, PLANT, AND EQUIPMENT—NET:

Property, plant, and equipment—net are as follows at May 31, 2025:

Land	\$ 3,489,481
Building and improvements	62,562,607
Vehicles	281,293
Furniture and equipment	1,551,765
Construction in progress	1,053,468
	68,938,614
Less accumulated depreciation	(30,958,270)
	\$ 37,980,344

6. PERFORMANCE OBLIGATION LIABILITIES:

Performance obligation liabilities are as follows at May 31, 2025:

Beginning balance	\$ 99,903
Revenue recognized	(99,903)
Payments received for future performance obligations	153,980
	\$ 153,980

7. DEBT:

At May 31, 2025, the Church has a revolving line of credit agreement provided by a bank which provides borrowings up to \$10,000,000. The maturity date of the revolving line of credit is August 2027. The original draw on the revolving line of credit was \$4,270,000, which included the total payoff of a prior existing loan for \$2,000,000 and the outstanding balance of an existing loan of \$2,270,000 to be reserved against the revolving line of credit availability. There were approximately \$4,900,000 in additional draws on the revolving line of credit during the year ended May 31, 2025. There was an outstanding balance of \$9,001,532 at May 31, 2025. The Church was in compliance with all debt covenants at May 31, 2025. The loans require monthly payments of principal and interest ranging from \$4,152 to \$25,255. The loan is collateralized by real property with a carry value of \$10,000,000. The maturity dates and interest rates for each draw are as follows:

	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Original Draw</u>	<u>May 31, 2025 Balance</u>
Draw 1	August 25, 2026	3.49%	\$ 2,270,000	\$ 2,212,392
Draw 2	August 16, 2025	6.37%	2,000,000	1,889,140
Draw 3	August 20, 2025	6.37%	4,100,000	4,100,000
Draw 4	April 28, 2026	6.37%	800,000	800,000
				\$ 9,001,532
			Total long-term debt	\$ 9,001,532

# CENTRAL WESLEYAN CHURCH

## Notes to Consolidated Financial Statements

May 31, 2025

7. DEBT, continued:

The scheduled maturities of debt are as follows:

<u>Year Ending May 31,</u>	
2026	\$ 6,789,140
2027	<u>2,212,392</u>
	<u>\$ 9,001,532</u>

8. OPERATING LEASES:

The Church leases building space under five noncancelable operating leases expiring at various dates between 2025 and 2031. The discount rate represents the risk-free discount rate using a period comparable with that of the individual lease terms on the inception date of the leases. Discount rates on these leases range from 2.84%-4.27%. The leases require monthly payments ranging from \$2,000 to \$23,500.

Operating lease costs	\$ 469,513
Weighted-average discount rate	3.11%
Weighted-average remaining lease term (years)	5.24

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

<u>Year Ending May 31,</u>	
2026	\$ 441,553
2027	360,838
2028	302,240
2029	294,000
2030	294,000
Thereafter	<u>225,069</u>
	1,917,700
Less imputed interest	<u>(145,035)</u>
	<u>\$ 1,772,665</u>

# CENTRAL WESLEYAN CHURCH

## Notes to Consolidated Financial Statements

May 31, 2025

9. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions for the year ended May 31, 2025, consists of:

Restricted by purpose:

Missions	\$ 588,572
The Local Church Capital Campaign	249,234
WE Champions	245,276
End Spiritual Loneliness	210,810
Benevolence	131,829
Overflow Capital Campaign	64,730
Other	54,877
Building	24,919
Youth	16,390
	<hr/>
	1,586,637

Restricted by time:

Beneficial interest in charitable annuity trust	<hr/>
	14,000

Total net assets with donor restrictions \$ 1,600,637

10. RELATED PARTY TRANSACTIONS:

During the year ended May 31, 2025, the Church received approximately \$182,000 in contributions from members of the Elder Board.

11. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through September 11, 2025, which represents the date the consolidated financial statements were available to be issued. Subsequent events after that date have not been evaluated.

Subsequent to year end, the Church acquired a new loan. This new loan was used to payoff existing debt (Note 7) and fund future expansion. This new loan, dated July 1, 2025, has a total loan balance of \$3,297,000 with a variable interest rate. Monthly principal and interest payments are due for 10 years when the loan matures (July 2035). The loan is collateralized by real property.