

Financial Statements
Calvary Road Ministries
Year Ended December 31, 2024

Financial Statements

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Independent Accountant's Compilation Report

To the Board of Directors
Calvary Road Ministries
Houston, Texas

Management is responsible for the accompanying financial statements of Calvary Road Ministries (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

Romeo, Wiggins & Company, L.L.P.

Raleigh, North Carolina
July 31, 2025

Statement of Financial Position

Calvary Road Ministries

December 31, 2024

CURRENT ASSETS

Cash	\$ 91,069
TOTAL CURRENT ASSETS	<u>91,069</u>

Website development costs, net:	
Website development costs	5,638
Less: Accumulated amortization	<u>(282)</u>
	<u>5,356</u>

TOTAL ASSETS	\$ <u><u>96,425</u></u>
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NET ASSETS

Without donor restrictions	\$ <u>96,425</u>
TOTAL NET ASSETS	<u>96,425</u>

TOTAL LIABILITIES AND NET ASSETS	\$ <u><u>96,425</u></u>
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See accompanying independent accountant's compilation report and notes to financial statements.

Statement of Activities

Calvary Road Ministries

Year Ended December 31, 2024

SUPPORT, REVENUES, AND OTHER INCOME

Contributions, gifts, and grants	\$	586,555
In-kind services		27,125
In-kind goods		10,983
Interest income		1,219
Miscellaneous income		750
TOTAL SUPPORT, REVENUES, AND OTHER INCOME		<u>626,632</u>

EXPENSES

Program services		565,455
Support services:		
Management and general		29,829
Fundraising		24,424
Total support services		<u>54,253</u>
TOTAL EXPENSES		<u>619,708</u>

CHANGE IN NET ASSETS 6,924

Net assets, beginning of year 89,501

NET ASSETS, END OF YEAR \$ 96,425

See accompanying independent accountant's compilation report and notes to financial statements.

Statement of Functional Expenses

Calvary Road Ministries

Year Ended December 31, 2024

	Program Services	Support Services		Total
		Management and General	Fundraising	
EXPENSES:				
Mission field expenses:	\$	\$	\$	\$
Ministry resources and humanitarian aid	403,605			403,605
Bibles	41,400			41,400
Education and training	28,487			28,487
Travel	28,058			28,058
Construction of churches and orphanages	16,728			16,728
In-kind goods (In Touch Messengers)	7,000			7,000
Wire transfer fees	4,132			4,132
Printing, publications and postage	3,542			3,542
Officer compensation	18,270	2,610	5,220	26,100
In-kind services	5,425	16,275	5,425	27,125
Website and newsletter expense		310	6,910	7,220
Legal and professional		5,192	702	5,894
Insurance	2,340	2,339		4,679
In-kind goods (mailing lists)			3,983	3,983
Conferences and meetings	1,534	163	1,534	3,231
Taxes and permits	103	490		593
Amortization		141	141	282
Miscellaneous	4,831	2,309	509	7,649
TOTAL EXPENSES	\$ 565,455	\$ 29,829	\$ 24,424	\$ 619,708

See accompanying independent accountant's compilation report and notes to financial statements.

Statement of Cash Flows

Calvary Road Ministries

Year Ended December 31, 2024

CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets		\$ 6,924
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Amortization		282
Other		<u>3,823</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		<u>11,029</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases for website development (capitalized)		<u>(5,638)</u>
NET CASH USED IN INVESTING ACTIVITIES		<u>(5,638)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		<u>-</u>
	NET CHANGE IN CASH	5,391
CASH - BEGINNING OF YEAR		<u>85,678</u>
	CASH - END OF YEAR	<u>\$ 91,069</u>
SUPPLEMENTAL CASH FLOW INFORMATION:		
Interest paid		<u>\$ -</u>

See accompanying independent accountant's compilation report and notes to financial statements.

Notes to Financial Statements

Calvary Road Ministries

Year Ended December 31, 2024

NOTE A -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Organization: Calvary Road Ministries (CRM) is dedicated to empowering self-sustaining gospel movements among the least-reached people groups of North and East Africa. CRM focuses on equipping indigenous believers, particularly those in refugee camps and conflict zones, with the necessary tools and training to evangelize, disciple, and plant churches within their communities. This mission is carried out through various means, including the use of chronological Bible storying, provision of scriptural resources tailored for functionally illiterate believers, support for economic opportunities, and care for holistic needs such as those arising from persecution, famine, and natural disasters.

Program Services: The Organization derives its support and revenue largely from contributions and grants. Programs supported by the Organization include the following:

Evangelism: Since 2005, CRM affiliated short-term mission teams have engaged in chronological Bible storying using the Story Cloths to overcome illiteracy and worldview barriers. The Story Cloths are inexpensive to produce, easily distributed, portable, can be hung from a tree or bush, and depict culturally relevant Bible stories as the gateway to presenting the gospel. CRM also provides its national partners with God's word in the form of hard copy Bibles and solar-powered portable audio devices containing the Bible.

Leader Development: CRM affiliated short-term mission teams and national partners lead workshops to train national church leaders on how to utilize the Chronological Bible Storying method in their evangelism, Bible teaching, and church planting strategies. As movements are started among a least-reached people group, CRM assists their leaders with establishing local Bible schools.

Humanitarian Assistance: Providing holistic ministry and collaborating with like-minded organizations. When CRM's national partners face times of famine, war, or threat of injury or death due to religious persecution, we respond to their requests for assistance. CRM also has provided wells for regions and specific ministries, such as orphanages, who lack access to water. When believers lack access to critical medical care, CRM provides the funds required for the treatment they need.

The war in Sudan, for example, has presented CRM's Sudanese partners with many critical humanitarian needs. CRM has responded by funding the evacuation of over 450 families from war zones, principally within Darfur in western Sudan. Some of the evacuees reached Uganda where CRM provides for medical care, housing, food, and children's school fees until they are settled and back on their feet. For those evacuated to safer places within Darfur, CRM has provided funds for food.

Training School Teachers: God has opened the opportunity for CRM to train public school teachers in North and East Africa on how to use the Creation to Christ Story Cloth when teaching religious education. The teachers are also taught how to incorporate Bible stories when teaching vocabulary, math, and science.

Construction: CRM construction teams have framed church buildings and constructed church roofs for new church plants (the church members are responsible for funding and building the walls) all over East Africa, built training facilities, and constructed facilities for an orphanage deep in the Kenyan bush. This ministry offers American male believers an opportunity to utilize their construction skills for a purpose that furthers gospel movements among least-reached people groups. CRM has also funded construction equipment, such as brick-making machines, to equip local believers with construction skills.

Basis of Accounting: The Organization uses the accrual basis of accounting; therefore, revenues are recognized when earned and expenses are recognized when incurred. This basis of accounting conforms to accounting principles generally accepted in the United States of America.

Notes to Financial Statements--Continued

Calvary Road Ministries

NOTE A -- THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Net Assets Without Donor Restrictions: Net assets available for use in general operations and not subject to donor restrictions. This net asset class may also include grants or contributions that are restricted by the donor if the restrictions are satisfied in the reporting period in which the support is recognized. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the purposes specified in the Organization's formation documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors. Donor-restricted contributions are reported as increases in net assets with donor restrictions, unless the restrictions are satisfied in the reporting period in which the support is recognized. When a restriction is satisfied or expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities. The Organization has no net assets with donor restrictions at December 31, 2024.

Recognition of Support (Nonreciprocal Transactions): Promises to give, including contributions, gifts, and grants to CRM are generally considered nonreciprocal transactions and are recognized as support when conditions, if any, have been met. A condition exists if the agreement with the donor includes a barrier that must be overcome and either a right of return of assets transferred or a right of release from the donor's obligation to transfer assets. Contributions, gifts, and grants requiring a match are considered conditional until the match is satisfied, wholly or in part, as defined by agreement. Cost-reimbursement grants are considered conditional until qualifying expenditures are incurred. Amounts received in advance of conditions being met, if any, are held as deferred support in the statement of financial position.

Support from unconditional contributions, gifts, and grants is recognized as an increase in either net assets without donor restrictions or net assets with donor restrictions. If donor restrictions are satisfied in the reporting period in which the support is recognized, contributions, gifts, and grants are reported as increases in net assets without donor restrictions. Otherwise, donor-restricted contributions, gifts, and grants are reported as increases in net assets with donor restrictions. When a restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Donated Goods and Services: Donated goods are recognized at their estimated fair value at the date of donation, with an offsetting charge to expense or assets, as appropriate. The Organization recognized support from *in-kind goods* of \$10,983 in 2024, based on the fair value of donated In Touch Messengers and mailing lists. Fair value was determined using the actual cost provided by the donor.

Donated services are recognized at fair value at the date of gift only if (1) the services enhance or create nonfinancial assets or require specialized skills, (2) are provided by individuals possessing those skills, and (3) would typically need to be purchased if not provided by donation. The Organization recognized support from *in-kind services* (and in-kind expenses) of \$27,125 in 2024, related to development and fundraising activities and treasurer/accounting services. These services were provided by individuals possessing specialized skills and would have otherwise been purchased by the Organization. The fair value of these services was estimated based on discounted billing rates for comparable services to nonprofit organizations.

Many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as donated services.

Recognition of Revenue (Exchange Transactions): A transaction is considered an exchange transaction if a resource provider is receiving commensurate value in return for the resources transferred. The Organization recognizes revenue from exchange transactions when performance obligations are satisfied (per ASC Topic 606).

Notes to Financial Statements--Continued

Calvary Road Ministries

NOTE A -- THE ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES--Continued

Cash Equivalents: The Organization considers all highly liquid investments with an initial or remaining maturity of three months or less to be cash equivalents. The Organization held no cash equivalents at December 31, 2024.

Website Development Costs: Website development costs are carried at cost or, if donated, at the estimated fair value at the date of donation. Amortization is computed using the straight-line method over the estimated useful life of the asset (5 years).

Fixed Assets: Fixed assets are carried at cost or, if donated, at the estimated fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. All acquisitions of fixed assets in excess of \$2,500 and expenditures for repairs, maintenance, renewals and betterments that materially prolong the useful lives of assets are capitalized. The Organization held no fixed assets requiring capitalization at December 31, 2024.

Right-of-Use Assets/Lease Liabilities: The Organization determines if an arrangement contains a lease at inception based on whether the Organization (as lessee) has the right to control the asset during the contract period and other facts and circumstances. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The Organization made an accounting policy election not to record leases with an initial term of 12 months or less on the statement of financial position. Related lease payments will instead be recognized in the statement of activities on a straight-line basis over the lease term. The Organization had no leases in effect in 2024.

Advertising: The Organization recognizes advertising expense as costs are incurred. Advertising expenses for 2024 approximated \$1,998.

Tax-Exempt Status: The Organization is exempt from income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code (the Code) and applicable state tax statutes, except on net income, if any, derived from unrelated business activities. The Organization had no income subject to taxation as unrelated business income in 2024.

The Organization has been classified as an organization that is not a private foundation under Section 509(a) of the Code. Contributions to the Organization qualify for the charitable contributions deduction to the extent provided by Section 170 of the Code.

The Organization reviews its tax positions annually and has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Functional Expenses: The Organization allocates certain expenses on a functional basis between program and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expense classification. Certain indirect expenses are allocated to program and support services based on estimated usage and/or benefit.

Use of Estimates: The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Notes to Financial Statements--Continued

Calvary Road Ministries

NOTE B -- AVAILABILITY AND LIQUIDITY OF ASSETS

The following reflects the Organization's financial assets available to meet cash needs for general expenditures within one year as of December 31, 2024:

Financial assets at year-end (cash)	\$ <u>91,069</u>
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NOTE C -- SIGNIFICANT CONCENTRATION

Approximately 21% of the Organization's support from contributions, gifts, and grants in 2024 was provided by a nonprofit organization. Support from this donor is expected to be significant in 2025 also.

NOTE D -- SUBSEQUENT EVENTS

Management has evaluated subsequent events through July 31, 2025, the date on which the financial statements were available to be issued. No further adjustments to or disclosures in the financial statements are considered necessary.