

EVERY GENERATION MINISTRIES AND AFFILIATE

COMBINED AUDITED FINANCIAL STATEMENTS

JUNE 30, 2024

(WITH SUMMARIZED COMPARATIVE TOTALS FOR JUNE 30, 2023)

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INDEPENDENT AUDITOR'S REPORT

Board of Directors of
Every Generation Ministries and Affiliate
Temecula, California

Opinion

We have audited the accompanying combined financial statements of Every Generation Ministries and Affiliate, which comprise the statement of financial position as of June 30, 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 accompanying combined financial statements present fairly, in all material respects, the financial position of Every Generation Ministries and Affiliate as of June 30, 2024, and the changes in their net assets and their 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Every Generation Ministries and Affiliate 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 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; 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 combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Every Generation Ministries and Affiliate's ability to continue as a going concern for one year after the date that the financial statements are 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 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 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 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 Every Generation Ministries and Affiliate'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 Every Generation Ministries and Affiliate'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.

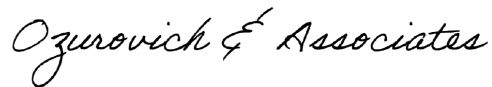
Report on Summarized Comparative Information

We have previously audited Every Generation Ministries and Affiliate's June 30, 2023 combined financial statements, and we expressed an unmodified audit opinion on those combined audited financial statements in our report dated October 21, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023 is consistent, in all material respects, with the combined audited financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The supplementary combining information is 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Ozurovich & Associates

A handwritten signature in cursive script that reads "Ozurovich & Associates".

Rancho Santa Margarita, California
October 19, 2024

**EVERY GENERATION MINISTRIES AND AFFILIATE
COMBINED STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024
(WITH SUMMARIZED COMPARATIVE TOTALS FOR 2023)**

	2024			2023
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	TOTAL
ASSETS				
<i>Current assets</i>				
Cash and cash equivalents	\$ 554,775	\$ 581,300	\$ 1,136,075	\$ 657,978
Other receivables	36	0	36	42
Prepaid expenses	20,482	0	20,482	38,917
<i>Total current assets</i>	<u>575,293</u>	<u>581,300</u>	<u>1,156,593</u>	<u>696,937</u>
Property and equipment - net (Note 3)	3,076	0	3,076	756
Operating lease right of use assets (Note 6)	170,108	0	170,108	207,085
Deposits	4,060	0	4,060	6,548
TOTAL ASSETS	<u><u>\$ 752,537</u></u>	<u><u>\$ 581,300</u></u>	<u><u>\$ 1,333,837</u></u>	<u><u>\$ 911,326</u></u>
LIABILITIES				
<i>Current liabilities</i>				
Accounts payable	\$ 8,810	\$0	\$ 8,810	\$ 20,968
Accrued expenses (Note 4)	17,941	0	17,941	12,516
Operating lease obligations - current (Note 6)	26,683	0	26,683	41,926
<i>Total current liabilities</i>	<u>53,434</u>	<u>0</u>	<u>53,434</u>	<u>75,410</u>
<i>Long-Term liabilities</i>				
Operating lease obligations (Note 6)	113,318	0	113,318	140,001
TOTAL LIABILITIES	<u>166,752</u>	<u>0</u>	<u>166,752</u>	<u>215,411</u>
NET ASSETS				
Net assets without donor restrictions	585,785	0	585,785	369,651
Net assets with donor restrictions (Note 8)	0	581,300	581,300	326,264
TOTAL NET ASSETS	<u>585,785</u>	<u>581,300</u>	<u>1,167,085</u>	<u>695,915</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 752,537</u></u>	<u><u>\$ 581,300</u></u>	<u><u>\$ 1,333,837</u></u>	<u><u>\$ 911,326</u></u>

See independent auditor's report and accompanying notes.

**EVERY GENERATION MINISTRIES AND AFFILIATE
COMBINED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024
(WITH SUMMARIZED COMPARATIVE TOTALS FOR 2023)**

	2024			2023
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	TOTAL
REVENUE AND SUPPORT				
Contributions	\$ 701,778	\$ 976,877	\$ 1,678,655	\$ 1,141,464
Fundraising events (Note 7)	288,821	0	288,821	265,497
Investment return	15,550	0	15,550	2,534
Private grants	130,100	0	130,100	205,000
Other	13,372	0	13,372	584
<i>Total Revenue and Support</i>	1,149,621	976,877	2,126,498	1,615,079
NET ASSETS RELEASED FROM RESTRICTIONS (NOTE 9)				
Satisfaction of program restrictions	721,841	(721,841)	0	0
<i>Total Revenue, Support, and Reclassifications</i>	1,871,462	255,036	2,126,498	1,615,079
EXPENSES				
Program services - Ministry	1,218,070	0	1,218,070	1,301,983
Management and general	136,390	0	136,390	167,265
Fundraising	300,868	0	300,868	260,544
<i>Total Expenses</i>	1,655,328	0	1,655,328	1,729,792
CHANGE IN NET ASSETS	216,134	255,036	471,170	(114,713)
NET ASSETS, Beginning of year	369,651	326,264	695,915	810,628
NET ASSETS, End of year	\$ 585,785	\$ 581,300	\$ 1,167,085	\$ 695,915

See independent auditor's report and accompanying notes.

**EVERY GENERATION MINISTRIES AND AFFILIATE
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2024
(WITH SUMMARIZED COMPARATIVE TOTALS FOR 2023)**

	2024				2023
	Program Services	Supporting Services			
	MINISTRY	MANAGEMENT AND GENERAL	FUNDRAISING	TOTAL	TOTAL
Salaries	\$ 302,453	\$ 44,785	\$ 86,809	\$ 434,047	\$ 482,522
Payroll taxes	8,497	1,359	2,465	12,321	17,571
Employee benefits	206,847	58,176	58,176	323,199	338,005
<i>Total salaries, payroll taxes, and employee benefits</i>	517,797	104,320	147,450	769,567	838,098
Advertising and promotion	5,002	1,609	3,393	10,004	17,830
Bank fees	14,564	4,855	0	19,419	20,654
Conferences, conventions and meetings	13,903	1,714	3,428	19,045	11,987
Depreciation	273	39	78	390	1,084
Dues and subscriptions	0	0	0	0	1,261
Event expenses	0	0	106,155	106,155	79,756
Grants to organizations, individuals	556,051	0	0	556,051	576,271
Insurance	7,158	1,023	2,045	10,226	10,029
Licenses and permits	0	604	0	604	1,923
Miscellaneous	207	30	59	296	(233)
Occupancy	39,108	5,587	11,174	55,869	40,520
Office expenses	3,021	646	917	4,584	8,044
Printing	7,606	1,087	2,173	10,866	5,623
Postage & delivery	383	127	128	638	1,335
Professional fees	7,931	14,193	19,613	41,737	35,133
Telephone	2,332	334	666	3,332	3,183
Travel	41,177	0	3,144	44,321	74,337
Utilities	1,557	222	445	2,224	2,957
TOTAL EXPENSES	\$ 1,218,070	\$ 136,390	\$ 300,868	\$ 1,655,328	\$ 1,729,792

See independent auditor's report and accompanying notes.

**EVERY GENERATION MINISTRIES AND AFFILIATE
COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2024
(WITH SUMMARIZED COMPARATIVE TOTALS FOR 2023)**

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 471,170	\$ (114,713)
Adjustments to reconcile change in net assets to net cash provided/(used) by operating activities		
Depreciation and amortization	390	1,084
(Increase) decrease in assets		
Other receivables	6	74
Prepaid expenses	18,435	(10,236)
Deposits	2,488	206
Increase (decrease) in liabilities		
Accounts payable	(12,158)	12,697
Accrued expenses	476	(31,602)
Net cash provided/(used) by operating activities	<u>480,807</u>	<u>(142,490)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures	<u>(2,710)</u>	<u>0</u>
Net cash (used) by investing activities	<u>(2,710)</u>	<u>0</u>
NET INCREASE/(DECREASE) IN CASH	478,097	(142,490)
CASH AND CASH EQUIVALENTS, beginning of year	657,978	800,468
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 1,136,075</u></u>	<u><u>\$ 657,978</u></u>

See independent auditor's report and accompanying notes.

**EVERY GENERATION MINISTRIES AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024
WITH SUMMARIZED COMPARATIVE TOTALS FOR JUNE 30, 2023**

NOTE 1 – ORGANIZATION

Every Generation Ministries and Affiliate (the “Organization”) is a Colorado nonprofit organization, established on October 6, 1993. It was founded in response to God’s great love for children and for His Church. We partner with churches in Asia, Africa, Europe, Latin America, North America and the Middle East to EMPOWER and MULTIPLY their ministry to children youth and families. EGM provides innovative children’s worker development programs and culturally relevant Bible teaching resources. Where EGM’s global outreach takes root and flourishes, we come alongside local nationals to establish national ministry that is self-governing, self-replicating, and self-funded.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Organization is presented to assist in understanding the Organization’s combined financial statements. The combined financial statements and notes are representations of the management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the combined financial statements.

Basis of Accounting

The combined financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Combination

FASB ASC 810-10-50 requires that a company that holds variable interests in an entity combine the entity if the company’s interest in the variable interest entity (VIE) is such that the company will absorb a majority of the VIE’s expected losses and/or receive a majority of the VIE’s expected residual returns if they occur. In such cases, the company is the *primary beneficiary* of the VIE. FASB ASC 810-10-50 also requires additional disclosures by primary beneficiary and other significant variable interest holders.

Effective October 1, 2020, the combined financial statements include the financial statements of Every Generation Ministries and a VIE, Gospel Literature International, of which Every Generation Ministries is the primary beneficiary. All transactions and balances between Every Generation Ministries and Gospel Literature International since October 1, 2020, have been eliminated upon combination.

(Note 2 continued on the following page)

**EVERY GENERATION MINISTRIES AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024
WITH SUMMARIZED COMPARATIVE TOTALS FOR JUNE 30, 2023**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions – Include contributions, fundraising, fees and other forms of unrestricted revenue and expenditures related to the general operations and fundraising efforts of the Organization.

Net Assets With Donor Restrictions – Include gifts and grants received that are restricted with respect to time or use by the donor or grantor. When the restrictions expire, the net assets of this fund are reclassified to net assets without donor restrictions. Restricted gifts and grants received are reported as unrestricted revenue if the restriction is met in the same reporting period.

Comparative Financial Information

The combined financial statements include certain prior-year summarized comparative information in total but not by net assets class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's combined financial statement for the year ended June 30, 2023, from which the summarized information was derived.

Risks and Uncertainties

Overall economic conditions such as high rates of inflation could contribute to potential reductions in private donations as the disposable incomes of potential donors are affected by these economic factors. The Organization's Board of Directors has discussed these risks and uncertainties and has formulated alternative strategic plans to mitigate the effects of these concerns.

Estimates

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

(Note 2 continued on the following page)

**EVERY GENERATION MINISTRIES AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024
WITH SUMMARIZED COMPARATIVE TOTALS FOR JUNE 30, 2023**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tax Status

The Organization is a nonprofit benefit organization organized under the laws of California and, as such, is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code, and corresponding state provisions. However, the Organization is subject to income taxes on any net income that is derived from a trade or business, regularly carried on, and not in furtherance of the purposes for which it was granted exemption.

The Organization's federal income tax and informational returns for tax years ending June 30, 2021 and subsequent remain subject to examination by the Internal Revenue Service. The returns for California, the Organization's most significant jurisdiction, remain subject to examination by the California Franchise Tax Board for tax years ending June 30, 2020 and subsequent.

The Organization has adopted the provisions of Accounting Standards Codification ("ASC") 740-10-05 relating to accounting and reporting for uncertainty in income taxes. For the Organization, these provisions could be applicable to the incurrence of any unrelated business income attributable to the Organization. Because of the Organization's general tax-exempt status, the provisions of ASC 740-10-05 are not anticipated to have a material impact on the Organization's combined financial statements.

Restricted and Unrestricted Revenue and Support

Contributions that are restricted by the donor are reported as increases in net assets with donor restrictions even if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reported period in which the revenue is recognized. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statement of activities as net assets released from restrictions.

Contributed Services and Gifts In-Kind

Contributed services are recognized if the services (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Only those amounts that meet the criteria above are recorded in the accompanying combined financial statements. The Organization recognized no in-kind donations as income during the years ended June 30, 2024 and 2023, respectively.

(Note 2 continued on the following page)

**EVERY GENERATION MINISTRIES AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024
WITH SUMMARIZED COMPARATIVE TOTALS FOR JUNE 30, 2023**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

For the purpose of the combined financial statements, the Organization considers all investments purchased with a maturity date of three months or less to be cash equivalents. Commercial banks have FDIC coverage up to \$250,000 per depositor per bank. At June 30, 2024 and 2023 the uninsured amounts were \$203,118 and none, respectively.

Property and Equipment

Property and equipment are recorded at cost if purchased and at fair value at the date of donation if donated. Repairs and maintenance are expensed as incurred and improvements of property and equipment items in excess of \$2,000 are capitalized. Depreciation and amortization are provided by use of the straight-line method over the estimated useful lives of the assets.

Grant Revenue

The Organization receives funding through public and private grants. Grant revenue includes conditional contributions under which revenue is recognized when earned and expenses are recognized when incurred. Grant receipts from conditional contributions not earned are reported as deferred income, if any.

Vacation and Sick Leave Benefits

Employees are credited during the current year for future vacation benefits. The expense and corresponding liability are accrued when vacations are earned rather than when vacations are paid.

Advertising

The Organization uses advertising to promote its programs among the communities it serves. The production costs of advertising are expensed as incurred. During the years ended June 30, 2024 and 2023, advertising costs totaled \$9,464 and \$17,830, respectively.

Leases as Lessee

The Organization categorizes leases with contractual terms longer than twelve months as with operating or finance. Finance leases are generally those leases that allow the Organization to substantially utilize or pay for the entire asset of its estimated life. All other leases are categorized as operating leases. Leases with contractual terms of 12 months or less are not recorded on the statement of financial position.

(Note 2 continued on the following page)

**EVERY GENERATION MINISTRIES AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024
WITH SUMMARIZED COMPARATIVE TOTALS FOR JUNE 30, 2023**

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases as Lessee (Continued)

Certain lease contracts include obligations to pay for other services, such as operations, property taxes, and maintenance. For lease of property, the Organization accounts for these other services as a component of the lease.

Lease liabilities are recognized at the present value of the fixed lease payments, using a discount rate based on the risk-free rate. Right-of-use (“ROU”) assets are recognized based on the initial present value of the fixed lease payments plus any costs from executing the lease. Lease assets are tested for impairment in the same manner as long-lived assets used in operations.

Options to extend lease terms, terminate leases before the contractual expiration date, or purchase of the leased assets are evaluated for their likelihood of exercise. If it is reasonably certain that the option will be exercised, the option is considered in determining the classification and measurement of the lease. Costs associated with operating lease assets are recognized on a straight-line basis within operating expenses over the term of the lease.

Expense Allocation

The combined financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, payroll taxes and employee benefits which are allocated on the basis of estimates of time and effort for the Organization’s personnel. The following expenses are allocated using the same percentages as the personnel costs described above because they are incurred in support of the day-to-day job functions of the Organization’s employees: depreciation, miscellaneous, occupancy, office expenses, printing, telephone, and utilities.

EVERY GENERATION MINISTRIES AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024
WITH SUMMARIZED COMPARATIVE TOTALS FOR JUNE 30, 2023

NOTE 3 – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at June 30:

	Method	Estimated Useful Lives (Years)	2024	2023
Furniture and fixtures	Straight-line	7	\$ 43,247	\$ 43,247
Equipment software	Straight-line	5	2,710	0
Computers & software	Straight-line	5	27,393	27,393
Vehicles	Straight-line	5	25,989	25,989
			<u>99,339</u>	<u>96,629</u>
Less: accumulated depreciation			(96,263)	(95,873)
			<u>\$ 3,076</u>	<u>\$ 756</u>

Depreciation expense for the years ended June 30, 2024 and 2023 was \$390 and \$1,084, respectively.

NOTE 4 – ACCRUED EXPENSES

The Organization's accrued expense balance consists of the following categories at June 30:

	2024	2023
Payroll	\$ 3,311	\$ 5,006
Vacation	4,910	4,067
Other	9,720	3,443
	<u>\$ 17,941</u>	<u>\$ 12,516</u>

NOTE 5 – RETIREMENT PLAN

The Organization has established a SIMPLE IRA retirement plan ("the Plan"), whereby all eligible employees may contribute to a SIMPLE IRA plan of their choice under a salary reduction agreement. The Organization has provided for matching contributions up to 3% of gross compensation of participating employees. Retirement plan expense for the years ended June 30, 2024 and 2023 were \$13,836 and \$14,426, respectively.

**EVERY GENERATION MINISTRIES AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024
WITH SUMMARIZED COMPARATIVE TOTALS FOR JUNE 30, 2023**

NOTE 6 – OPERATING LEASES

The Organization is committed under noncancelable operating leases for facilities used in day-to-day operations. The current lease is currently scheduled to expire on August 2028. The monthly lease payments range from \$2,888 to \$8,748.

Supplemental cash flow information for the year ended June 30, 2024 was as follows:

	<u>2024</u>	<u>2023</u>
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ <u>49,434</u>	\$ <u>69,643</u>
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	\$ <u>0</u>	\$ <u>241,376</u>
	<u>2024</u>	<u>2023</u>
Weighted Average Remaining Lease Term		
Operating leases	4.2 years	5.2 years
Weighted Average Discount Rate		
Operating leases	4.75%	4.75%

The discount rate for calculating operating leases was the US Prime Rate upon the execution of the lease or the adoption of ASC 842 on July 1, 2022, if the lease was executed before July 1, 2022, and still had more than one year left in the agreement from that date.

Future minimum lease payments under noncancelable operating leases as of June 30, 2024 are as follows:

Years ending June 30:	
2025	\$ 32,803
2026	37,196
2027	38,578
2028	39,968
2029	6,700
	<u>\$ 155,245</u>

Rent expense for the years ended June 30, 2024 and 2023 was \$55,869 and \$40,520, respectively.

**EVERY GENERATION MINISTRIES AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024
WITH SUMMARIZED COMPARATIVE TOTALS FOR JUNE 30, 2023**

NOTE 7 – FUNDRAISING EVENTS

The fundraising events activity consisted of the following for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Revenues		
Cash	\$ 240,451	\$ 235,429
Donated gifts	48,370	30,068
	<u>288,821</u>	<u>265,497</u>
Expenses		
Cash	(57,785)	(49,688)
Donated gifts	(48,370)	(30,068)
	<u>(106,155)</u>	<u>(79,756)</u>
Net	<u>\$ 182,666</u>	<u>\$ 185,741</u>

NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods at June 30:

	<u>2024</u>	<u>2023</u>
<i>Subject to expenditure for a specified purpose:</i>		
Missionaries	\$ 5,866	\$ 27,636
Africa		
Region	170	0
Congo	298	297
Uganda	27,235	0
Kenya	(18,471)	(2,982)
Asia		
India	25,731	41,058
Europe		
Belarus	0	102
Ukraine	7,835	10,304
Latin America		
Region	875	0
Peru	0	95
Mexico	102	0
US Hispanic	16,575	16,575

(Note 8 continued on the following page)

**EVERY GENERATION MINISTRIES AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024
WITH SUMMARIZED COMPARATIVE TOTALS FOR JUNE 30, 2023**

NOTE 8 – NET ASSETS WITH DONOR RESTRICTIONS (Continued)

	<u>2024</u>	<u>2023</u>
Middle East		
Region	78,322	87,019
Projects		
Trauma	0	23,262
Website Buildout	15,056	17,195
EGM Institute	39,851	64,468
Special Needs	26,445	15,518
Short Term Ministry		
Staff Development	1,127	15,000
Egypt 2023	0	10,502
Uganda 2023	0	215
US Ministry	<u>354,283</u>	<u>0</u>
	<u>\$ 581,300</u>	<u>\$ 326,264</u>

NOTE 9 – NET ASSETS RELEASED FROM DONOR RESTRICTIONS

Net assets released from donor restrictions during the years ended June 30, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
<i>Expenditure for a specified purpose:</i>		
Missionaries	\$ 156,245	\$ 204,044
Africa		
Region	930	300
Congo	2,099	2,126
Uganda	14,386	5,879
Kenya	43,665	48,189
Asia		
India	46,031	61,291

(Note 9 continued on the following page)

**EVERY GENERATION MINISTRIES AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024
WITH SUMMARIZED COMPARATIVE TOTALS FOR JUNE 30, 2023**

NOTE 9 – NET ASSETS RELEASED FROM DONOR RESTRICTIONS (Continued)

	<u>2024</u>	<u>2023</u>
Europe		
Region	25	0
Poland	1,800	1,000
Ukraine	12,769	26,942
Belarus	342	826
Eastern Europe	0	80,056
Latin America		
Region	14,425	5,774
Peru	2,715	4,304
Mexico	378	0
US Hispanic	0	480
Middle East		
Region	138,797	47,481
Projects		
Trauma	23,262	15,593
Website Buildout	2,139	47,805
EGM Institute	125,922	121,934
Special Needs	9,873	13,258
Short Term Ministry		
Staff Development	13,973	0
Egypt 2023	11,212	19,078
Egypt 2024	23,100	0
India 2023	0	3,065
Uganda 2023	217	7,333
Romania	0	2,828
Ukraine	0	8,513
US Ministry	77,536	0
	<u>\$ 721,841</u>	<u>\$ 728,099</u>

**EVERY GENERATION MINISTRIES AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024
WITH SUMMARIZED COMPARATIVE TOTALS FOR JUNE 30, 2023**

NOTE 10 – AVAILABILITY OF FINANCIAL ASSETS

The following reflects The Organization's financial assets as of June 30, 2024 and 2023, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. Amounts not available include amounts set aside for long-term investing in board designated funds that could be drawn upon if the governing board approves that action. However, amounts already appropriated from a board designated fund for general expenditure within one year of June 30, 2024 have not been subtracted as unavailable. There were no such board designated funds as of June 30, 2024 and 2023.

The Organization's financial assets available within one year of June 30, 2024 and 2023 for general expenditure are as follows:

<i>Financial assets, at year end</i>	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 1,136,075	\$ 657,978
Other receivables	36	42
<i>Less those unavailable for general expenditures within one year due to:</i>		
<i>Contractual or donor-imposed restrictions:</i>		
Restricted by donor with purpose restrictions	<u>(581,300)</u>	<u>(326,264)</u>
 Total	 <u>\$ 554,811</u>	 <u>\$ 331,756</u>

As part of The Organization's liquidity management practices, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

**EVERY GENERATION MINISTRIES AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024
WITH SUMMARIZED COMPARATIVE TOTALS FOR JUNE 30, 2023**

NOTE 11 – RELATED PARTY TRANSACTIONS

The Organization is affiliated with organizations in other countries to provide ministry services. In addition to the support provided to the preceding affiliated organizations, an employee of the Organization is a member of the board of directors of each affiliated organization. The Organization made donations to each of the organizations listed below during the years ended June 30:

Country/ Region	Affiliate Name	2024	2023
	Ministerio Para Cada Generacion –		
Argentina	Argentina	\$ 16,997	\$ 17,035
DR Congo	Vizazi Congo	35,000	35,214
Uganda	Vizazi Uganda	31,090	28,054
Egypt	Voice of Generations	46,000	59,500
Jordan	Generation for Christ	18,773	16,729
Lebanon	Generation to Generation Ministry	22,112	29,108
	Ministerio Para Cada Generacion –		
Mexico	Mexico	14,442	14,360
Romania	Echipare Pentru Generatia	9,950	12,500
Ukraine	Sluzhenie Pokolenijam Ukraine	31,500	34,346
	Ministerio Para Cada Generacion –		
Peru	Peru	18,839	20,300
Poland	Misja Pokolen	23,000	25,000
Hungary	Rema Alapitvany	5,000	11,200
Belarus	Sluzhenie Pokolenijam Belarus	24,880	18,368
India	Jeevan Disha	22,667	30,701
Kenya	EGM Kenya	26,775	24,000
Africa	Regional	23,643	22,700
Asia	Regional	21,223	20,772
Europe	Regional	44,850	45,341
Latin America	Regional	37,642	45,318
Middle East	Regional	40,119	34,492
US	Ministries	11,524	0
		<u>\$ 526,026</u>	<u>\$ 545,038</u>

**EVERY GENERATION MINISTRIES AND AFFILIATE
NOTES TO COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024
WITH SUMMARIZED COMPARATIVE TOTALS FOR JUNE 30, 2023**

NOTE 12 – LITIGATION

The Organization may be subject to certain outside claims and litigation arising in the ordinary course of business. In the opinion of the Organization's management and its counsel, there are no matters which could have a material effect on the accompanying financial statements.

NOTE 13 – SUBSEQUENT EVENTS

Events subsequent to June 30, 2024 have been evaluated through October 19, 2024, the date at which the Organization's audited financial statements were available to be issued. No events requiring disclosures have occurred through this date.

EVERY GENERATION MINISTRIES AND AFFILIATE
COMBINING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2024

	EGM	GLINT	Precombined Total	Eliminations	Combined Total
ASSETS					
<i>Current assets</i>					
Cash and cash equivalents	\$ 1,124,162	\$ 11,913	\$ 1,136,075	\$0	\$ 1,136,075
Other receivables	36	0	36	0	36
Prepaid expenses	20,482	0	20,482	0	20,482
<i>Total current assets</i>	<u>1,144,680</u>	<u>11,913</u>	<u>1,156,593</u>	<u>0</u>	<u>1,156,593</u>
Property and equipment - net (Note 3)	3,076	0	3,076	0	3,076
Operating lease right of use assets (Note 6)	170,108	0	170,108	0	170,108
Deposits	4,060	0	4,060	0	4,060
TOTAL ASSETS	<u>\$ 1,321,924</u>	<u>\$ 11,913</u>	<u>\$ 1,333,837</u>	<u>\$0</u>	<u>\$ 1,333,837</u>
LIABILITIES					
<i>Current liabilities</i>					
Accounts payable	\$ 8,781	\$ 29	\$ 8,810	\$0	\$ 8,810
Accrued expenses (Note 4)	16,956	985	17,941	0	17,941
Operating lease obligations - current (Note 6)	26,683	0	26,683	0	26,683
<i>Total current liabilities</i>	<u>52,420</u>	<u>1,014</u>	<u>53,434</u>	<u>0</u>	<u>53,434</u>
<i>Long-term liabilities</i>					
Operating lease obligations (Note 6)	113,318	0	113,318	0	113,318
TOTAL LIABILITIES	<u>165,738</u>	<u>1,014</u>	<u>166,752</u>	<u>0</u>	<u>166,752</u>
NET ASSETS					
Net assets without donor restrictions	574,886	10,899	585,785	0	585,785
Net assets with donor restrictions (Note 8)	581,300	0	581,300	0	581,300
TOTAL NET ASSETS	<u>1,156,186</u>	<u>10,899</u>	<u>1,167,085</u>	<u>0</u>	<u>1,167,085</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,321,924</u>	<u>\$ 11,913</u>	<u>\$ 1,333,837</u>	<u>\$0</u>	<u>\$ 1,333,837</u>

**EVERY GENERATION MINISTRIES AND AFFILIATE
COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024**

	EGM	GLINT	Precombined Total	Eliminations	Combined Total
REVENUE AND SUPPORT					
Contributions	\$ 1,678,117	\$ 25,538	\$ 1,703,655	\$ 25,000	\$ 1,678,655
Fundraising events (Note 7)	288,821	0	288,821	0	288,821
Investment return	15,550	0	15,550	0	15,550
Private grants	130,100	0	130,100	0	130,100
Other	13,372	0	13,372	0	13,372
Total Revenue and Support	2,125,960	25,538	2,151,498	25,000	2,126,498
EXPENSES					
Program services - Ministry	1,206,040	37,030	1,243,070	25,000	1,218,070
Management and general	132,469	3,921	136,390	0	136,390
Fundraising	297,049	3,819	300,868	0	300,868
Total Expenses	1,635,558	44,770	1,680,328	25,000	1,655,328
CHANGE IN NET ASSETS	490,402	(19,232)	471,170	0	471,170
NET ASSETS, Beginning of year	665,784	30,131	695,915	0	695,915
NET ASSETS, End of year	\$ 1,156,186	\$ 10,899	\$ 1,167,085	\$0	\$ 1,167,085