



**CENTRAL CHRISTIAN CHURCH  
AND AFFILIATES**

Consolidated Financial Statements  
With Independent Auditor's Report

June 30, 2025 and 2024

# **CENTRAL CHRISTIAN CHURCH AND AFFILIATES**

## **Table of Contents**

|                                                | <u>Page</u> |
|------------------------------------------------|-------------|
| Independent Auditor's Report                   | 1           |
| Consolidated Financial Statements              |             |
| Consolidated Statements of Financial Position  | 3           |
| Consolidated Statements of Activities          | 4           |
| Consolidated Statements of Functional Expenses | 6           |
| Consolidated Statements of Cash Flows          | 7           |
| Notes to Consolidated Financial Statements     | 8           |

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Central Christian Church  
and Affiliates  
Henderson, Nevada

### ***Opinion***

We have audited the accompanying consolidated financial statements of Central Christian Church and Affiliates which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, and the related consolidated statement of activities, functional expenses, and cash flows for the years 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 financial position of Central Christian Church and Affiliates as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note 3 to the financial statements, Central Christian Church and Affiliates has a deficit in net assets. Management's evaluation of the events and conditions along with their plans to mitigate these matters are also described in Note 3. Our opinion is not modified with respect to this matter.

### ***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 Consolidated Financial Statements* section of our report. We are required to be independent of Central Christian Church and Affiliates 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 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 Christian Church and Affiliates' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued. See Note 3.

Board of Directors  
Central Christian Church  
and Affiliates  
Henderson, Nevada

***Auditor's Responsibilities for the Audits 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 audits.
- 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 audits 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 Christian Church and Affiliates' 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 Christian Church and Affiliates' 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.



Colorado Springs, Colorado  
October 1, 2025

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Consolidated Statement of Financial Position

|                                                     | June 30,             |                      |
|-----------------------------------------------------|----------------------|----------------------|
|                                                     | 2025                 | 2024                 |
| ASSETS:                                             |                      |                      |
| Current assets:                                     |                      |                      |
| Cash and cash equivalents                           | \$ 2,127,914         | \$ 2,169,612         |
| Investments                                         | 1,199,012            | 2,187,296            |
| Assets held for deferred compensation               | 2,129,172            | 1,512,428            |
| Prepaid expenses and other assets                   | 439,588              | 568,236              |
|                                                     | <u>5,895,686</u>     | <u>6,437,572</u>     |
| Operating leases — right-of-use assets              | 426,128              | 769,383              |
| Financing leases — right-of-use assets              | 314,419              | 93,434               |
| Property and equipment—net                          | <u>15,953,012</u>    | <u>17,527,542</u>    |
| Total Assets                                        | <u>\$ 22,589,245</u> | <u>\$ 24,827,931</u> |
| LIABILITIES AND NET ASSETS:                         |                      |                      |
| LIABILITIES:                                        |                      |                      |
| Current liabilities:                                |                      |                      |
| Accounts payable                                    | \$ 781,944           | \$ 538,880           |
| Accrued expenses and other liabilities              | 600,174              | 504,076              |
| Deferred compensation liability                     | 2,129,172            | 1,512,428            |
| Operating lease obligations, current portion        | 261,000              | 301,682              |
| Financing lease obligations, current portion        | 168,240              | 71,995               |
| Current portion of notes payable                    | 807,614              | 967,654              |
|                                                     | <u>4,748,144</u>     | <u>3,896,715</u>     |
| Operating lease obligations, net of current portion | 190,391              | 496,373              |
| Financing lease obligations, net of current portion | 148,917              | 2,347                |
| Notes payable—net of current portion                | <u>21,681,761</u>    | <u>22,473,548</u>    |
| Total liabilities                                   | <u>26,769,213</u>    | <u>26,868,983</u>    |
| Net assets:                                         |                      |                      |
| Without donor restrictions                          | (4,557,040)          | (2,334,193)          |
| With donor restrictions                             | 377,072              | 293,141              |
| Total net assets                                    | <u>(4,179,968)</u>   | <u>(2,041,052)</u>   |
| Total Liabilities and Net Assets                    | <u>\$ 22,589,245</u> | <u>\$ 24,827,931</u> |

See notes to consolidated financial statements

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Consolidated Statements of Activities

Year Ended June 30, 2025

|                                                               | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total                 |
|---------------------------------------------------------------|-------------------------------|----------------------------|-----------------------|
| OPERATING:                                                    |                               |                            |                       |
| SUPPORT AND REVENUE:                                          |                               |                            |                       |
| Tithes and offerings                                          | \$ 16,540,978                 | \$ 2,552,699               | \$ 19,093,677         |
| Hope For The City contributions                               | 1,720,693                     | -                          | 1,720,693             |
| Contributions of non-financial assets                         | 5,065,388                     | -                          | 5,065,388             |
| Product sales                                                 | 793,921                       | -                          | 793,921               |
| Events and registration income                                | 577,550                       | -                          | 577,550               |
| Other income                                                  | 581,381                       | -                          | 581,381               |
| Total Support and Revenue                                     | <u>25,279,911</u>             | <u>2,552,699</u>           | <u>27,832,610</u>     |
| NET ASSETS RELEASED:                                          |                               |                            |                       |
| Purpose restrictions                                          | <u>2,468,768</u>              | <u>(2,468,768)</u>         | <u>-</u>              |
| EXPENSES:                                                     |                               |                            |                       |
| Salaries and benefits                                         | 10,427,439                    | -                          | 10,427,439            |
| Facilities, guest experience, supplies, and<br>infrastructure | 6,806,646                     | -                          | 6,806,646             |
| Contributed non-financial assets: food and supplies           | 5,209,190                     | -                          | 5,209,190             |
| Depreciation and amortization                                 | 2,392,451                     | -                          | 2,392,451             |
| Interest                                                      | 1,611,118                     | -                          | 1,611,118             |
| Camps and events                                              | 1,467,253                     | -                          | 1,467,253             |
| Office and information technology                             | 1,425,708                     | -                          | 1,425,708             |
| Other                                                         | 560,374                       | -                          | 560,374               |
| Total Expenses                                                | <u>29,900,179</u>             | <u>-</u>                   | <u>29,900,179</u>     |
| Change in Net Assets from Operations                          | <u>(2,151,500)</u>            | <u>83,931</u>              | <u>(2,067,569)</u>    |
| NON-OPERATING:                                                |                               |                            |                       |
| Gain (loss) on foreign currency translation                   | <u>(71,347)</u>               | <u>-</u>                   | <u>(71,347)</u>       |
|                                                               | <u>(71,347)</u>               | <u>-</u>                   | <u>(71,347)</u>       |
| Change in Net Assets                                          | (2,222,847)                   | 83,931                     | (2,138,916)           |
| Net Assets, Beginning of Year                                 | <u>(2,334,193)</u>            | <u>293,141</u>             | <u>(2,041,052)</u>    |
| Net Assets, End of Year                                       | <u>\$ (4,557,040)</u>         | <u>\$ 377,072</u>          | <u>\$ (4,179,968)</u> |

(continued)

See notes to consolidated financial statements

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Consolidated Statements of Activities

Year Ended June 30, 2024  
(continued)

|                                                            | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total                        |
|------------------------------------------------------------|-------------------------------|----------------------------|------------------------------|
| OPERATING:                                                 |                               |                            |                              |
| SUPPORT AND REVENUE:                                       |                               |                            |                              |
| Tithes and offerings                                       | \$ 16,026,420                 | \$ 2,664,050               | \$ 18,690,470                |
| Hope For The City contributions                            | 859,702                       | -                          | 859,702                      |
| Contributions of non-financial assets                      | 4,340,167                     | -                          | 4,340,167                    |
| Product sales                                              | 790,214                       | -                          | 790,214                      |
| Events and registration income                             | 420,487                       | -                          | 420,487                      |
| Other income                                               | 677,764                       | -                          | 677,764                      |
| Gain on sale of property and equipment                     | 993,746                       | -                          | 993,746                      |
| Total Support and Revenue                                  | <u>24,108,500</u>             | <u>2,664,050</u>           | <u>26,772,550</u>            |
| NET ASSETS RELEASED:                                       |                               |                            |                              |
| Purpose restrictions                                       | <u>2,677,786</u>              | <u>(2,677,786)</u>         | <u>-</u>                     |
| EXPENSES:                                                  |                               |                            |                              |
| Salaries and benefits                                      | 9,973,583                     | -                          | 9,973,583                    |
| Facilities, guest experience, supplies, and infrastructure | 7,186,916                     | -                          | 7,186,916                    |
| Contributed non-financial assets: food and supplies        | 4,196,365                     | -                          | 4,196,365                    |
| Depreciation and amortization                              | 2,501,885                     | -                          | 2,501,885                    |
| Interest                                                   | 1,519,764                     | -                          | 1,519,764                    |
| Camps and events                                           | 1,386,542                     | -                          | 1,386,542                    |
| Office and information technology                          | 1,385,605                     | -                          | 1,385,605                    |
| Other                                                      | 516,201                       | -                          | 516,201                      |
| Total Expenses                                             | <u>28,666,861</u>             | <u>-</u>                   | <u>28,666,861</u>            |
| Change in Net Assets from Operations                       | <u>(1,880,575)</u>            | <u>(13,736)</u>            | <u>(1,894,311)</u>           |
| NON-OPERATING:                                             |                               |                            |                              |
| Gain (loss) on foreign currency translation                | 12,613                        | -                          | 12,613                       |
|                                                            | <u>12,613</u>                 | <u>-</u>                   | <u>12,613</u>                |
| Change in Net Assets                                       | (1,867,962)                   | (13,736)                   | (1,881,698)                  |
| Net Assets, Beginning of Year                              | <u>(466,231)</u>              | <u>306,877</u>             | <u>(159,354)</u>             |
| Net Assets, End of Year                                    | <u><u>\$ (2,334,193)</u></u>  | <u><u>\$ 293,141</u></u>   | <u><u>\$ (2,041,052)</u></u> |

See notes to consolidated financial statements

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Consolidated Statements of Functional Expenses

|                                                               | Year Ended June 30, 2025 |                                                          |                      |
|---------------------------------------------------------------|--------------------------|----------------------------------------------------------|----------------------|
|                                                               | Program<br>Services      | Supporting<br>Activity:<br>General and<br>Administrative | Total                |
| Salaries and benefits                                         | \$ 9,555,173             | \$ 872,266                                               | \$ 10,427,439        |
| Facilities, guest experience, supplies, and<br>infrastructure | 6,351,359                | 455,287                                                  | 6,806,646            |
| Contributed non-financial assets: food and supplies           | 5,209,190                | -                                                        | 5,209,190            |
| Depreciation and amortization                                 | 2,392,451                | -                                                        | 2,392,451            |
| Interest                                                      | 1,610,350                | 768                                                      | 1,611,118            |
| Camps and events                                              | 1,458,421                | 8,832                                                    | 1,467,253            |
| Office and information technology                             | 1,147,356                | 278,352                                                  | 1,425,708            |
| Other                                                         | 461,625                  | 98,749                                                   | 560,374              |
| Total Expenses                                                | <u>\$ 28,185,925</u>     | <u>\$ 1,714,254</u>                                      | <u>\$ 29,900,179</u> |

|                                                              | Year Ended June 30, 2024 |                                                          |                      |
|--------------------------------------------------------------|--------------------------|----------------------------------------------------------|----------------------|
|                                                              | Program<br>Services      | Supporting<br>Activity:<br>General and<br>Administrative | Total                |
| Salaries and benefits                                        | \$ 9,206,218             | \$ 767,365                                               | \$ 9,973,583         |
| Facilities, guest experience supplies, and<br>infrastructure | 6,878,818                | 308,098                                                  | 7,186,916            |
| Contributed non-financial assets: food and supplies          | 4,196,365                | -                                                        | 4,196,365            |
| Depreciation and amortization                                | 2,501,885                | -                                                        | 2,501,885            |
| Interest                                                     | 1,517,701                | 2,063                                                    | 1,519,764            |
| Camps and events                                             | 1,385,100                | 1,442                                                    | 1,386,542            |
| Office and information technology                            | 1,175,046                | 210,559                                                  | 1,385,605            |
| Other                                                        | 357,437                  | 158,764                                                  | 516,201              |
| Total Expenses                                               | <u>\$ 27,218,570</u>     | <u>\$ 1,448,291</u>                                      | <u>\$ 28,666,861</u> |

See notes to consolidated financial statements

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Consolidated Statements of Cash Flows

|                                                                                                       | Year Ended June 30, |                     |
|-------------------------------------------------------------------------------------------------------|---------------------|---------------------|
|                                                                                                       | 2025                | 2024                |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>                                                          |                     |                     |
| Change in net assets                                                                                  | \$ (2,138,916)      | \$ (1,881,698)      |
| Adjustments to reconcile change in net assets to<br>net cash provided (used) by operating activities: |                     |                     |
| Donated property and equipment                                                                        | -                   | (50,000)            |
| Depreciation and amortization of right-of-use assets                                                  | 2,392,451           | 2,501,885           |
| Amortization of loan fees                                                                             | 15,828              | 15,829              |
| Non-cash lease expense                                                                                | -                   | 4,821               |
| Realized and unrealized gain on investments                                                           | (59,656)            | (31,449)            |
| Gain on sale of property                                                                              | -                   | (993,746)           |
| Gain (loss) on foreign currency translation                                                           | 71,347              | (12,613)            |
| Change in operating assets and liabilities:                                                           |                     |                     |
| Prepaid expenses and other assets                                                                     | 128,648             | (54,568)            |
| Accounts payable                                                                                      | (6,936)             | 121,871             |
| Accrued expenses and other liabilities                                                                | 96,098              | 87,655              |
| Net Cash Provided (Used) by Operating Activities                                                      | <u>498,864</u>      | <u>(292,013)</u>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>                                                          |                     |                     |
| Purchases of property and equipment                                                                   | (506,982)           | (369,988)           |
| Purchases of investments                                                                              | -                   | (1,021,107)         |
| Proceeds from sale of investments                                                                     | 1,047,940           | -                   |
| Proceeds from sale of property                                                                        | -                   | 1,378,000           |
| Net Cash Provided (Used) by Investing Activities                                                      | <u>540,958</u>      | <u>(13,095)</u>     |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>                                                          |                     |                     |
| Principal payments on financing leases                                                                | (113,865)           | (79,827)            |
| Principal payments on notes payable                                                                   | (967,655)           | (957,181)           |
| Net Cash Used by Financing Activities                                                                 | <u>(1,081,520)</u>  | <u>(1,037,008)</u>  |
| Net Change in Cash and Cash Equivalents                                                               | (41,698)            | (1,342,116)         |
| Cash and Cash Equivalents, Beginning of Year                                                          | 2,169,612           | 3,511,728           |
| Cash and Cash Equivalents, End of Year                                                                | <u>\$ 2,127,914</u> | <u>\$ 2,169,612</u> |
| <b>SUPPLEMENTAL DISCLOSURE:</b>                                                                       |                     |                     |
| Cash paid for interest                                                                                | <u>\$ 1,598,994</u> | <u>\$ 1,471,180</u> |
| Right-of-use assets obtained in exchange for financing leases                                         | <u>\$ 353,271</u>   | <u>\$ -</u>         |
| Property and equipment acquired through accounts payable                                              | <u>\$ 250,000</u>   | <u>\$ -</u>         |

See notes to consolidated financial statements

# **CENTRAL CHRISTIAN CHURCH AND AFFILIATES**

## **Notes to Consolidated Financial Statements**

June 30, 2025 and 2024

### **1. NATURE OF ORGANIZATION, MISSION, VISION, MINISTRY, STRATEGY, AND BELIEFS:**

#### **CENTRAL CHRISTIAN CHURCH AND AFFILIATES RECOGNITION AS A 501(c)(3)**

Central Christian Church (Central Church) is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code (the Code) and comparable state law. However, Central Church is subject to federal income tax on any unrelated business income. Central Church and Hope For The City (HFTC) are classified as public charities by the Internal Revenue Service and contributions to both Central Church and HFTC are tax deductible under section 170 of the Code. In addition, Central Church and HFTC are not private foundations under section 509(a) of the Code.

Central Australasia is an Australian Church movement exempt from income tax under registration from the Australian Charities and Not for Profits Commission.

During the year ended June 30, 2020, in response to a worldwide pandemic, Central Church formed a wholly-owned subsidiary, HFTC. HFTC gives hope to the hungry with dignity and exists to provide care, relief, and meet critical food needs of people living in the greater Las Vegas area and beyond. During fiscal year (FY) 2025, HFTC provided 55,213 households, 197,974 individuals, including 44,544 kids, with over 2.8 million pounds of food through 201 pop-up food pantries in Southern Nevada. In addition, during FY 2025, HFTC delivered food to 5,335 senior and immunocompromised households. Since March 2020, HFTC provided 471,205 households, 1,856,614 individuals, including 417,543 kids, with over 24.4 million pounds of food through 1,701 pop-up food pantries in Southern Nevada. In addition, since March 2020, HFTC delivered food to 30,779 senior and immunocompromised households. During FY 2025, HFTC participated in and supported events which included Hope For Kids: Holiday Edition, Hope For Kids: Summer Edition and Backpack Drive. HFTC's activity is consolidated within these financial statements.

During FY 2024, HFTC provided 53,475 households, 198,489 individuals, including 44,660 kids, with over 2.7 million pounds of food through 217 pop-up food pantries in Southern Nevada. In addition, during FY 2024, HFTC delivered food to 4,988 senior and immunocompromised households.

# **CENTRAL CHRISTIAN CHURCH AND AFFILIATES**

## **Notes to Consolidated Financial Statements**

June 30, 2025 and 2024

1. NATURE OF ORGANIZATION, MISSION, VISION, MINISTRY, STRATEGY, AND BELIEFS, continued:

### **CENTRAL IS AN INDEPENDENT, NON-DENOMINATIONAL CHURCH**

Central Church's primary source of income consists of tithes and offerings from regular attendees. Central Church receives no financial support from any religious or denominational body. The ministries of Central Church are supported by people who believe in the mission, vision, and ministry of Central Church.

Due to board control, Central Australasia and HFTC are controlled entities of Central Church for the purposes of these consolidated statements. These consolidated financial statements therefore include the financial resources and activities of these entities. All significant intercompany balances and transactions have been eliminated. Central Church, Hope For The City, and Central Australasia are collectively referred to as Central Christian Church and Affiliates (Central) in these consolidated financial statements.

Central Global Australasia has board control of Central Newcastle Church. This company is a trustee to three other Australian companies or trusts: Central Global Australia Ltd, Central Church Australia, and Hope For The City Ltd. These four companies and trusts are all registered as charities with the Australian Charities and Not-for-profit Commission and are collectively referred to as Central Australasia in these financial statements.

### **FOREIGN OPERATIONS**

Central maintains projects in Australia through its control over Central Australasia. As of June 30, 2025 and 2024, assets in other countries totaled \$3,531,820 and \$3,775,889, respectively, and liabilities totaled \$0 and \$7,461, respectively. Total support and revenue received from foreign sources totaled approximately \$98,613 and \$40,023 for the years ended June 30, 2025 and 2024, respectively. The account balances relating to foreign operations are reflected in the consolidated financial statements of Central in United States Dollars and are translated using the statement of financial position date for all assets, liabilities, and net assets, and are translated using a weighted average exchange rate for all amounts in the consolidated statements of activities. As such, a gain (loss) on foreign currency translation of (\$71,347) and \$12,613 was recorded in the statements of activities for the years ended June 30, 2025 and 2024, respectively.

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Notes to Consolidated Financial Statements

June 30, 2025 and 2024

1. NATURE OF ORGANIZATION, MISSION, VISION, MINISTRY, STRATEGY, AND BELIEFS, continued:

### MISSION AND VISION

Central's mission is to help people grow in faith and meet them in their place of need. Our guiding value is "People matter to God." This belief is, and always has been, Central's core reason for existence. Central is a place for new beginnings—a place to hear the good news of God's grace in a way that is relevant to each new generation. One statement communicated frequently at Central is "It's okay to not be okay," recognizing we are all sinners in need of God's grace, mercy, and forgiveness. The follow-up to this statement, "but you don't have to stay that way," lets people know that through Christ's love and Central's discipleship process, anyone can experience life change.

Jesus gave us a mission. His last charge to his followers was, "Therefore, go and make disciples of all the nations, baptizing them in the name of the Father and the Son and the Holy Spirit" (Matthew 28:19, NLT). Central has rephrased those words into a simple mission statement: "We exist to introduce people to Jesus and help them follow Him."

Central's vision is to facilitate a movement of God's grace through reproducible environments where the good news of Jesus is shared, life change is experienced, and God's light shines brightly across the Las Vegas valley and beyond.

Central's simple four-part strategy is attend the weekend to experience God, invite a friend to share hope, take a next step to follow Jesus, and give generously to rescue others.

Central reproduces its strategy, vision, purpose, teaching, and community all over the Las Vegas valley and across the world without limiting its influence by the four walls of any existing campus. Central is one church in many locations. Our catalyst church is in Henderson, Nevada. Our other Las Vegas valley church locations include Aliante, Summerlin, Sunrise Mountain, and Central Español. Also, in the United States, outside of Nevada, we have churches in Kingman, Arizona, Orange Beach, Alabama, and in Pensacola, Florida. Internationally, we have churches in Newcastle, Australia (Central Australasia) and Morelia, Mexico (Central Morelia). We also have our Online church at [www.centralchurch.online](http://www.centralchurch.online).

Through Central's partnership with God Behind Bars, Central has the opportunity to be part of a national movement, while also thriving with local impact. In FY 2025, Central impacted 38,873 inmates "in-person" at multiple church prison campuses in 3 states, an 8.4% increase over prior year. In addition, with Central's presence on God Behind Bars' proprietary faith-based app for inmates and families, The PandoApp, Central enjoys access to over 2.8 million current users on over 500,000 prison tablets nationwide (with an additional 700,000 tablets expected to come online in the year 2026). The PandoApp has seen over 1 million salvations since its inception in 2021 and has had over 600 million views, making The PandoApp one of the most engaged faith-based apps in the world. Central has recorded more than 7 million all time views with more than 7,000 salvations. In FY 2025, Central experienced a 134% increase in unique prison salvations over prior year, totaling 2,215 men and women, making Jesus the leader and forgiver of their life!

# **CENTRAL CHRISTIAN CHURCH AND AFFILIATES**

## **Notes to Consolidated Financial Statements**

June 30, 2025 and 2024

1. NATURE OF ORGANIZATION, MISSION, VISION, MINISTRY, STRATEGY, AND BELIEFS, continued:

### **GENEROSITY ROCKSTAR INITIATIVE**

The Generosity Rockstar initiative provides an entry point for those who consider Central their church home to participate in financial generosity through Central. A Generosity Rockstar is anyone who joins the Central Online Giving Team by giving at least \$25 per week through an online recurring donation. We created the Generosity Rockstar initiative to provide a first step to those who are called to invest their financial resources in God's Kingdom through Central. We believe God's Word calls believers to live out a life of generosity, and we believe that the Generosity Rockstar initiative facilitates a first step for many towards giving generously to rescue others. The Generosity Rockstar initiative is not a substitute for the biblical tithe, which we believe God calls those of us who embrace the faith to participate in, but instead is considered an on ramp toward biblical generosity.

### **THE LEGACY MINISTRY**

Central's Legacy Ministry, based upon Romans 12:6-8, provides serving opportunities for those in the Central Family who have the spiritual gift of generosity. The ministry is built on prayer. We have teams committed to pray specifically for those in the ministry and we ask those in the ministry to pray for the church and specifically what we call the Legacy Prayer. This prayer is based upon the prayer of Jabez found in 1 Chronicles 4:10, asking God to expand their territory and to protect them, and that they in turn would use God's abundant blessings to be generous to His kingdom work through Central. We communicate the various avenues of kingdom work to expand the mission and vision of Central through specific initiatives. At Central, we move at the speed of the generosity of the Legacy Team and the Central Family. The Legacy Ministry provides community building through Legacy Groups, periodic gatherings, and ministry connection events.

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Notes to Consolidated Financial Statements

June 30, 2025 and 2024

1. NATURE OF ORGANIZATION, MISSION, VISION, MINISTRY, STRATEGY, AND BELIEFS, continued:

### **OUR BELIEFS**

#### **God Is...**

the Creator and Ruler of the universe. He exists eternally in three personalities: The Father, the Son, and the Holy Spirit. There is one God in three persons. (Genesis 1:1, 26, 27; 3:22; Psalm 90:2; 1 Peter 1:2; 2 Corinthians 13:14.)

#### **Jesus Christ Is...**

the son of God who lived a sinless human life and offered Himself as the perfect sacrifice for the sins of all people by dying on a cross. He arose from the dead after three days to demonstrate His power over sin and death. He ascended to heaven's glory and will return to earth again to reign as King of Kings and Lord of Lords. (Matthew 1:22-23; Isaiah 9:6; John 1:1-5; 14:10-30; Hebrews 4:14-15; 1 Corinthians 15:3-4; Romans 1:3-4; Acts 1:9-11; 1 Timothy 6:14-15; Titus 2:13.)

#### **The Holy Spirit Is...**

equal with the Father and the Son as God. He is present in the world to make us aware of our need for Jesus Christ. He lives in every Christian from the moment of salvation and provides Christians with power for living, understanding of spiritual truth, and guidance in doing what is right. We seek to live under His control daily. (2 Corinthians 3:17; John 16:7-13, 14:16-17; Acts 1:8; 1 Corinthians 2:12, 3:16; Ephesians 1:13-14; Galatians 5:25; Ephesians 5:18.)

#### **The Bible Is...**

God's Word to all people, written by human authors under the supernatural guidance of the Holy Spirit. It is the supreme source of truth for Christian beliefs and living. (2 Timothy 3:16; 2 Peter 1:20-21; 2 Timothy 1:13; Psalm 119:105, 160, 12:6; Proverbs 30:5.)

#### **Mankind Is...**

made in the spiritual image of God to be like him in character. People are the supreme object of God's creation. Although people have tremendous potential for good, they are marred by an attitude of disobedience toward God called sin. This attitude separates people from God. (Genesis 1:27; Psalm 8:3-6; Isaiah 53:6; Romans 3:23; Isaiah 59:1-2.)

#### **Salvation Is...**

by grace, through faith. It is a gift from God to all people. We can never make up for our sins by self-improvement or good works. We are saved from sin's penalty by trusting in Jesus Christ and His sacrifice as God's offer of forgiveness. We show our faith publicly through baptism. (Romans 6:23; Ephesians 2:8-9; John 14:6, 1:12; Titus 3:5; Galatians 3:26; Romans 5:1.)

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Notes to Consolidated Financial Statements

June 30, 2025 and 2024

1. NATURE OF ORGANIZATION, MISSION, VISION, MINISTRY, STRATEGY, AND BELIEFS, continued:

**OUR BELIEFS, continued:**

**Eternity Is...**

how long we were created to exist with God. We will either exist eternally separated from God by sin or in union with God through forgiveness and salvation. To be eternally separated from God is hell. To be eternally in union with Him is heaven. Heaven and hell are places of eternal existence. (John 3:16; 1 John 2:25, 5:11-13; Romans 6:23; Revelation 20:15.)

**The Church Is...**

the body of Christ on earth. It exists to communicate the good news of new life in Jesus Christ to the world, to teach his followers to obey his teachings, and to equip his followers for ministry. The church is made up of those who have placed their faith in Christ. (1 Corinthians 12:27; Matthew 28:19-20; John 10:10; Ephesians 4:11-14; Acts 2:38.)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The consolidated financial statements (see Note 1) have been prepared on the accrual basis of accounting. Central uses estimates and assumptions in preparing consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. Estimates include depreciation and estimated useful lives, allocation of expenses on a functional basis, and elections for right-of-use assets and liabilities. These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of any contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the consolidated financial statements. The significant accounting policies followed are described below to enhance the usefulness of the consolidated financial statements to the reader.

**CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less. Central has cash and cash equivalents on deposit with financial institutions that exceed the federally insured balance by approximately \$2,478,000 and \$3,700,000 as of June 30, 2025 and 2024, respectively. Central has not experienced any losses in such accounts.

**INVESTMENTS**

Investments consist of certificates of deposit with an original maturity of more than three months that are held at amortized cost, which is not subject to the fair value hierarchy. Original maturities on these certificates of deposit were twelve months with interest rates ranging from 2.68% to 5.46%.

**ASSETS HELD FOR DEFERRED COMPENSATION**

Assets held for deferred compensation consist of mutual funds and money market funds with readily determinable fair values. Unrealized gains or losses in fair value, along with interest and dividends, are included in the change in net assets in the accompanying statements of activities.

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Notes to Consolidated Financial Statements

June 30, 2025 and 2024

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### OPERATING AND FINANCING LEASES—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. Central records right-of-use assets and obligations on the statements of financial position for the rights and obligations created by leases with initial terms of more than twelve months. The additional lease disclosures can be found in Notes 7 and 8.

#### PROPERTY AND EQUIPMENT—NET

Property and equipment is capitalized at cost, or if donated, at fair value at the date of the gift. Purchases of property and equipment in excess of \$1,000, and a useful life of at least two years are capitalized, with lesser amounts expensed in the year acquired. Foreign purchases of property and equipment in excess of \$100,000, and a useful life over at least two years are capitalized, with lesser amounts expensed in the year of purchase. Depreciation is computed by the straight-line method over estimated useful lives. Land and construction in progress are not depreciated. Repairs and maintenance are expensed as incurred.

|                            |              |
|----------------------------|--------------|
| Land improvements          | 5 - 39 years |
| Buildings and improvements | 2 - 30 years |
| Furniture and equipment    | 2 - 15 years |

#### NET ASSETS

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

*Net assets without donor restrictions* consist of resources used to support Central's operations and equity in property and equipment—net.

*Net assets with donor restrictions* consist of donor restricted contributions for the support of specific Central programs.

#### SUPPORT AND REVENUE

Tithes and offerings, as well as Hope For The City contributions, are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires by a stipulated time restriction lapsing or by the purpose of the restriction having been accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. Noncash contributions are recorded at the estimated fair value on the date of donation.

Non-financial asset contributions consists of food and other goods and are recorded at estimated fair value.

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Notes to Consolidated Financial Statements

June 30, 2025 and 2024

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### SUPPORT AND REVENUE, continued:

Events and registration income is recorded at the point in time when performance obligations have been satisfied and relates to activities such as camps, conferences, and retreats. Product sales and other income is recorded at the point in time when earned and relates to sale of ministry supplies and related merchandise, as well as Coffee Shop sales. Gain on sale of property and equipment is recorded when earned and relates to the sale of a portion of Central's land.

#### FUNCTIONAL ALLOCATION OF EXPENSES

The consolidated statements of functional expenses report certain categories of expenses that are attributable to program services or support activities of Central. Accordingly, certain costs relating to more than one function, such as salaries and benefits, facilities, guest experience supplies, and infrastructure, and interest have been allocated among the program services and supporting activities. Depreciation and interest are allocated based on square footage. All other expenses, such as salaries and benefits, are allocated based on estimates of time and effort. The major program services of Central consist of weekly services, family and children's ministries, and Church outreach activities. Expenses are recorded when incurred.

#### RECLASSIFICATION

Certain amounts presented as of June 30, 2024 were reclassified to conform to current year presentation. Cash and cash equivalents of \$2,187,296 were reclassified to investments, and contributed non-financial asset inventory of \$143,802 was reclassified to prepaid and other assets. The reclassification had no impact on the change in net assets or net assets in total.

### 3. FINANCIAL CONDITION:

For the year ended June 30, 2025, Central experienced a negative change in net assets of approximately \$2,100,000 and at June 30, 2025 had a total negative net assets balance of approximately \$4,200,000. The primary reason for this financial situation is due to a large depreciable asset base generating substantial annual depreciation expense (non-cash) of approximately \$2,300,000. However, Central has a positive working capital of approximately \$1,150,000 and has a line of credit of approximately \$1,000,000 available for future expenditures.

Management has recognized the significance of the financial condition of Central and is working to increase support and revenue. Management has developed a plan to address the financial condition and anticipates future budgets and cash flow to result in a positive change in net assets with donor restrictions and in total net assets.

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Notes to Consolidated Financial Statements

June 30, 2025 and 2024

4. LIQUIDITY AND FUNDS AVAILABLE:

Central maintains its financial assets primarily in cash and cash equivalents and investments to provide liquidity to ensure funds are available as Central's expenditures come due. The following reflects Central's financial assets as of the statements of financial position date, reduced by amounts not available for general expenditure use within one year of the statement of financial position date due to contractual restrictions. Financial assets are considered unavailable when illiquid or not convertible to cash within one year.

|                                                                                        | June 30,            |                     |
|----------------------------------------------------------------------------------------|---------------------|---------------------|
|                                                                                        | 2025                | 2024                |
| Financial assets:                                                                      |                     |                     |
| Cash and cash equivalents                                                              | \$ 2,127,914        | \$ 2,169,612        |
| Investments                                                                            | 1,199,012           | 2,187,296           |
| Assets held for deferred compensation                                                  | 2,129,172           | 1,512,428           |
| Total financial assets                                                                 | <u>5,456,098</u>    | <u>5,869,336</u>    |
| Less those unavailable for general expenditure within one year                         |                     |                     |
| Assets held for deferred compensation                                                  | <u>(2,129,172)</u>  | <u>(1,512,428)</u>  |
| Financial assets available to meet cash needs for general expenditures within one year | <u>\$ 3,326,926</u> | <u>\$ 4,356,908</u> |

Central's donor-restricted amounts are limited to use for programs and specific purposes which are ongoing, major, and central to its annual operations; therefore, net assets with donor restrictions are considered available for general expenditure within one year. Central structures its financial assets to be available as its general expenditures, liabilities, and other obligations become due. Management monitors cash flows closely through board meetings and detailed financial analysis. In the event of unanticipated liquidity needs, Central has a line of credit with available borrowings of \$1,000,000.

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Notes to Consolidated Financial Statements

June 30, 2025 and 2024

### 5. FAIR VALUE MEASUREMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

*Level 1:* Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

*Level 2:* Significant other observable inputs other than Level 1 prices, such as:

- ☐ Quoted prices for similar assets or liabilities in active markets;
- ☐ Quoted prices for identical or similar assets or liabilities in inactive markets;
- ☐ Inputs, other than quoted prices, that are:
  - ☐ observable; or
  - ☐ can be corroborated by observable market data.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3:* Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025 and 2024.

*Mutual funds and money market funds:* Valued at the daily closing price as reported by the fund. Mutual funds and money market funds held by Central are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily Net Asset Value and to transact at that price. The mutual funds and money market funds held by Central are deemed to be actively traded.

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Notes to Consolidated Financial Statements

June 30, 2025 and 2024

5. FAIR VALUE MEASUREMENTS, continued:

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although Central believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements at the reporting date.

Assets held for deferred compensation measured at fair value on a recurring basis consist of the following as of June 30, 2025:

|                         | Level 1             | Level 2     | Level 3     | Total               |
|-------------------------|---------------------|-------------|-------------|---------------------|
| Mutual funds            | \$ 1,724,529        | \$ -        | \$ -        | \$ 1,724,529        |
| Money market funds      | 404,643             | -           | -           | 404,643             |
| Total fair value assets | <u>\$ 2,129,172</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,129,172</u> |

Assets measured at fair value on a recurring basis consist of the following as of June 30, 2024:

|                         | Level 1             | Level 2     | Level 3     | Total               |
|-------------------------|---------------------|-------------|-------------|---------------------|
| Mutual funds            | \$ 1,190,624        | \$ -        | \$ -        | \$ 1,190,624        |
| Money market funds      | 321,804             | -           | -           | 321,804             |
| Total fair value assets | <u>\$ 1,512,428</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,512,428</u> |

*Changes in Fair Value Levels*

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfer between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. For the years ended June 30, 2025 and 2024, there were no significant transfers in or out of Levels 1, 2, or 3.

6. ASSETS HELD FOR DEFERRED COMPENSATION:

Assets held for deferred compensation consist of:

|                    | June 30,            |                     |
|--------------------|---------------------|---------------------|
|                    | 2025                | 2024                |
| Mutual funds       | \$ 1,724,529        | \$ 1,190,624        |
| Money market funds | 404,643             | 321,804             |
|                    | <u>\$ 2,129,172</u> | <u>\$ 1,512,428</u> |

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Notes to Consolidated Financial Statements

June 30, 2025 and 2024

### 7. OPERATING LEASES—RIGHT-OF-USE ASSETS AND OBLIGATIONS:

The Church leases various rental space under noncancellable operating leases with expiration dates through 2027. The discount rate represents the risk-free discount rate using a period comparable with that of an individual lease term as of the inception date of the lease. The lease payments range from \$1,500 to \$21,750 monthly. The discount rates on the leases range from 2.82% to 2.88%.

|                                       | June 30,   |            |
|---------------------------------------|------------|------------|
|                                       | 2025       | 2024       |
| Operating lease right-of-use assets   | \$ 426,128 | \$ 769,383 |
| Operating lease obligations           | \$ 451,391 | \$ 798,055 |
| Operating lease costs                 | \$ 361,273 | \$ 406,114 |
| Cash paid for leases                  | \$ 373,682 | \$ 404,517 |
| Weighted-average discount rate        | 2.88%      | 2.87%      |
| Weighted-average remaining lease term | 1.75 Years | 2.47 Years |

Future minimum lease payments required under operating leases that have an initial or remaining noncancellable lease term in excess of one year are:

| <u>Year Ending June 30,</u> |                          |
|-----------------------------|--------------------------|
| 2026                        | \$ 261,000               |
| 2027                        | 202,500                  |
|                             | <u>463,500</u>           |
| Less: imputed interest      | <u>(12,109)</u>          |
|                             | <u><u>\$ 451,391</u></u> |

### 8. FINANCING LEASES—RIGHT-OF-USE ASSETS AND OBLIGATIONS:

The Church leases various copiers and other equipment under noncancellable financing leases expiring between 2026 and 2029. The discount rate represents the risk-free discount rate using a period comparable with that of an individual lease term as of the inception date of the lease. The leases require monthly payments between \$126 and \$8,675. The discount rates on the leases range from 2.70% to 4.35%.

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Notes to Consolidated Financial Statements

June 30, 2025 and 2024

8. FINANCING LEASES—RIGHT-OF-USE ASSETS AND OBLIGATIONS, continued:

|                                       | June 30,   |           |
|---------------------------------------|------------|-----------|
|                                       | 2025       | 2024      |
| Financing lease right-of-use assets   | \$ 314,419 | \$ 93,434 |
| Financing lease obligations           | \$ 317,157 | \$ 74,342 |
| Financing lease costs:                |            |           |
| Amortization of right-of-use assets   | \$ 132,286 | \$ 70,839 |
| Interest on lease obligation          | \$ 6,258   | \$ 3,324  |
| Weighted-average discount rate        | 3.88%      | 2.82%     |
| Weighted-average remaining lease term | 2.81 Years | .97 Years |

Future minimum lease payments required under operating leases that have an initial or remaining noncancellable lease term in excess of one year are:

| <u>Year Ending June 30,</u> |                          |
|-----------------------------|--------------------------|
| 2026                        | \$ 168,240               |
| 2027                        | 120,203                  |
| 2028                        | 76,826                   |
| 2029                        | 14,757                   |
|                             | <u>380,026</u>           |
| Less: imputed interest      | <u>(62,869)</u>          |
|                             | <u><u>\$ 317,157</u></u> |

9. PROPERTY AND EQUIPMENT—NET:

Property and equipment—net consist of:

|                                           | June 30,                    |                             |
|-------------------------------------------|-----------------------------|-----------------------------|
|                                           | 2025                        | 2024                        |
| Land and improvements                     | \$ 7,368,035                | \$ 7,397,131                |
| Building and improvements                 | 40,107,606                  | 40,130,881                  |
| Furniture and equipment                   | 8,371,988                   | 8,161,492                   |
|                                           | 55,847,629                  | 55,689,504                  |
| Accumulated depreciation and amortization | (40,419,617)                | (38,161,962)                |
|                                           | 15,428,012                  | 17,527,542                  |
| Construction in progress - lighting       | 525,000                     | -                           |
|                                           | <u><u>\$ 15,953,012</u></u> | <u><u>\$ 17,527,542</u></u> |

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Notes to Consolidated Financial Statements

June 30, 2025 and 2024

### 10. NOTES PAYABLE AND LINE OF CREDIT:

Notes payable consist of:

|                                                                                                                                                                                                                                                                                                                                                                     | June 30,             |                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
|                                                                                                                                                                                                                                                                                                                                                                     | 2025                 | 2024                 |
| Note payable to Church Development Fund. Principal and interest payments of \$184,902 are due monthly, with interest charged at a fixed rate of 6.95%. The note is secured by property with net book value of approximately \$11,252,000 at June 30, 2025, and is located at New Beginnings Drive and at Tree Line Drive in Nevada. The note matures November 2027. | \$ 22,376,439        | \$ 23,015,772        |
| Note payable to Happy State Bank for \$1,470,000. Principal and interest payments of \$27,109 are due monthly, with interest charged at a fixed rate of 4.06%. The note is secured by equipment that was purchased with the proceeds and matures in October 2025.                                                                                                   | 107,527              | 421,537              |
| Note payable to a financial institution with monthly payments of \$1,355 with interest charged at a fixed rate of 3.88%. The note is secured by software and subscriptions that were purchased with the proceeds and matures in January 2028.                                                                                                                       | 42,343               | 56,655               |
|                                                                                                                                                                                                                                                                                                                                                                     | 22,526,309           | 23,493,964           |
| Less current portion                                                                                                                                                                                                                                                                                                                                                | (807,614)            | (967,654)            |
| Less loan origination fees – net                                                                                                                                                                                                                                                                                                                                    | (36,934)             | (52,762)             |
| Long-term portion                                                                                                                                                                                                                                                                                                                                                   | <u>\$ 21,681,761</u> | <u>\$ 22,473,548</u> |

Future minimum payments for notes payable are:

| <u>Year Ending June 30,</u> |                      |
|-----------------------------|----------------------|
| 2025                        | \$ 807,614           |
| 2026                        | 749,844              |
| 2027                        | 799,074              |
| 2028                        | 843,553              |
| 2029                        | 904,084              |
| Thereafter                  | 18,422,140           |
|                             | <u>\$ 22,526,309</u> |

Central was in compliance with, or obtained waivers for, all covenants as of June 30, 2025 and 2024. These covenants include insurance policies, banking relationships, and timely submission of the audit (obtained a short extension on audit submission for the years ended June 30, 2025 and 2024).

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Notes to Consolidated Financial Statements

June 30, 2025 and 2024

10. NOTES PAYABLE AND LINE OF CREDIT, continued:

Central holds a \$1,000,000 revolving line of credit with Church Development Fund, with an initial interest rate of 5.75%. The line of credit is secured by property located at New Beginnings Drive and at Tree Line Drive in Nevada. The line of credit matures in November 2027. Central did not draw on the line of credit during the years ended June 30, 2025 and 2024.

11. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions consist of:

|                           | June 30,          |                   |
|---------------------------|-------------------|-------------------|
|                           | 2025              | 2024              |
| Care and adult ministries | \$ 223,428        | \$ 130,299        |
| Building improvements     | 102,354           | 107,470           |
| Church expansion          | 51,290            | 55,372            |
|                           | <u>\$ 377,072</u> | <u>\$ 293,141</u> |

# CENTRAL CHRISTIAN CHURCH AND AFFILIATES

## Notes to Consolidated Financial Statements

June 30, 2025 and 2024

### 12. CONTRIBUTIONS OF NON-FINANCIAL ASSETS:

The Church's non-financial assets activity is summarized below:

| Year Ended June 30, 2025 |                        |                     |                     |                     |
|--------------------------|------------------------|---------------------|---------------------|---------------------|
|                          | Beginning<br>Inventory | Contributions       | Distributions       | Ending<br>Inventory |
| Food                     | \$ 29,052              | \$ 4,243,544        | \$ 4,272,596        | \$ -                |
| Clothing                 | 114,750                | 61,856              | 176,606             | -                   |
| Toys and other           | -                      | 759,988             | 759,988             | -                   |
|                          | <u>\$ 143,802</u>      | <u>\$ 5,065,388</u> | <u>\$ 5,209,190</u> | <u>\$ -</u>         |
| Year Ended June 30, 2024 |                        |                     |                     |                     |
|                          | Beginning<br>Inventory | Contributions       | Distributions       | Ending<br>Inventory |
| Food                     | \$ -                   | \$ 4,143,450        | \$ 4,114,398        | \$ 29,052           |
| Clothing                 | -                      | 114,750             | -                   | 114,750             |
| Toys and other           | -                      | 81,967              | 81,967              | -                   |
|                          | <u>\$ -</u>            | <u>\$ 4,340,167</u> | <u>\$ 4,196,365</u> | <u>\$ 143,802</u>   |

Reclassified ending inventory balance as of June 30, 2024 to prepaid and other assets (see Note 2).

Central receives various forms of non-financial asset contributions. These contributions are not donor restricted and are utilized in HFTC's programs, as described in Note 2.

Contributed items received by Central are recorded as contributions of non-financial assets with a corresponding increase to contributed non-financial asset inventory (inventory). Inventory is included in prepaid and other assets on the consolidated statements of financial position. Expenses are recognized when the items are distributed. For food valuations, Central valued the donations at a price per pound comparable to national levels and amounts used and published by other similar organizations.

### 13. EMPLOYEE BENEFITS:

Central has established a self-initiated 403(b) retirement plan. Central provides a 4% basic contribution and an additional 1% match of the employees' eligible salary for participating full-time employees over 21 years of age. Central has also established a 409(a) plan for certain qualified employees. Central's employer contributions to the 403(b) and 409(a) plans totaled approximately \$623,000 and \$569,000 for the years ended June 30, 2025 and 2024, respectively.

# **CENTRAL CHRISTIAN CHURCH AND AFFILIATES**

## **Notes to Consolidated Financial Statements**

June 30, 2025 and 2024

14. RELATED PARTY TRANSACTIONS:

The senior leader's son is the president of God Behind Bars, Inc. that received contributions from Central totaling \$150,000 during each of the years ended June 30, 2025 and 2024, respectively.

15. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through the date that the financial statements were available to be issued, October 1, 2025, and determined there were no events that occurred that required disclosure.