

THE LIGHTHOUSE COVENANT CHURCH

**FINANCIAL STATEMENTS
DECEMBER 31, 2023**

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INDEPENDENT ACCOUNTANT'S REVIEW

To the Board of Directors
The Lighthouse Covenant Church
Glen Burnie, Maryland

We have reviewed the accompanying financial statements of The Lighthouse Covenant Church (the Church), which comprise the Statements of Financial Position as of December 31, 2023 and 2022 and the related Statements of Activities, and Cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Church's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Church and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Anderson, Davis & Associates, CPA

Glen Burnie, Maryland
March 19, 2024

THE LIGHTHOUSE COVENANT CHURCH
STATEMENTS OF FINANCIAL POSITION
December 31, 2023 and 2022

| | 2023 | 2022 |
|---|---------------|---------------|
| ASSETS | | |
| Current Assets | | |
| Cash | \$ 3,653,256 | \$ 3,462,969 |
| Accounts receivable | 1,843 | 23 |
| Contributions receivable, current, net of allowance for potential uncollectible | - | 125,809 |
| Prepaid expenses | 21,037 | 12,040 |
| Total current assets | 3,676,136 | 3,600,841 |
| Property and equipment, at cost, less accumulated depreciation | 12,146,352 | 12,590,570 |
| Total assets | \$ 15,822,488 | \$ 16,191,411 |
| LIABILITIES AND NET ASSETS | | |
| Current Liabilities | | |
| Accounts payable | \$ 9,493 | \$ 39,398 |
| Accrued expenses and other liabilities | 217,929 | 251,859 |
| Note payable, current portion | 195,776 | 188,852 |
| Total current liabilities | 423,198 | 480,109 |
| Long-term Liabilities | | |
| Note payable, non-current portion, net of debt issuance costs | 6,437,832 | 7,268,846 |
| Total long-term liabilities | 6,437,832 | 7,268,846 |
| Total liabilities | 6,861,030 | 7,748,955 |
| Net Assets | | |
| Without donor restrictions | 8,850,208 | 8,287,343 |
| With donor restrictions | 111,250 | 155,113 |
| Total net assets | 8,961,458 | 8,442,456 |
| Total liabilities and net assets | \$ 15,822,488 | \$ 16,191,411 |

See Independent Accountant's Review Report and Notes to the Financial Statements.

THE LIGHTHOUSE COVENANT CHURCH
STATEMENTS OF ACTIVITIES
For the Years Ended December 31, 2023 and 2022

| | 2023 | | |
|---|-------------------------------|----------------------------|---------------------|
| | Without Donor Restrictions | With Donor Restrictions | Total |
| REVENUES, GAINS AND OTHER SUPPORT: | | | |
| Tithes and offerings | \$ 5,150,689 | \$ - | \$ 5,150,689 |
| Heart and Soul revenue | - | 103,750 | 103,750 |
| Benevolence | 2,597 | 105,648 | 108,245 |
| Interest income | 75,251 | 35 | 75,286 |
| Other income | 133,279 | - | 133,279 |
| Release from net assets with donor restrictions | 253,296 | (253,296) | - |
| Total revenues, gains and other support | 5,615,112 | (43,863) | 5,571,249 |
| EXPENSES AND LOSSES: | | | |
| <u>Program:</u> | | | |
| Ministry: | | | |
| Campus and central operations | 1,477,624 | - | 1,477,624 |
| Weekend experience | 618,239 | - | 618,239 |
| Discipleship | 819,905 | - | 819,905 |
| Care and outreach | 403,268 | - | 403,268 |
| | <u>3,319,036</u> | <u>-</u> | <u>3,319,036</u> |
| Benevolence | 152,143 | - | 152,143 |
| Total program expenses | 3,471,179 | - | 3,471,179 |
| <u>Supporting services:</u> | | | |
| General and administrative: | | | |
| General and administrative | 210,512 | - | 210,512 |
| Information technology | 183,670 | - | 183,670 |
| | <u>394,182</u> | <u>-</u> | <u>394,182</u> |
| Facility | 356,001 | - | 356,001 |
| Potential uncollectible pledges | (169,107) | - | (169,107) |
| Total supporting services | 581,076 | - | 581,076 |
| Depreciation | 701,671 | - | 701,671 |
| Interest expense | 298,321 | - | 298,321 |
| Total expenses | 5,052,247 | - | 5,052,247 |
| Change in net assets | 562,865 | (43,863) | 519,002 |
| Net assets, beginning of year | 8,287,343 | 155,113 | 8,442,456 |
| Net assets, end of year | \$ 8,850,208 | \$ 111,250 | \$ 8,961,458 |

| 2022 | | |
|-------------------------------|----------------------------|---------------------|
| Without Donor Restrictions | With Donor Restrictions | Total |
| \$ 4,929,850 | \$ - | \$ 4,929,850 |
| - | 242,583 | 242,583 |
| - | 135,972 | 135,972 |
| 6,259 | 8 | 6,267 |
| 52,347 | - | 52,347 |
| 348,443 | (348,443) | - |
| <u>5,336,899</u> | <u>30,120</u> | <u>5,367,019</u> |
| 1,444,944 | - | 1,444,944 |
| 727,248 | - | 727,248 |
| 774,391 | - | 774,391 |
| 385,580 | - | 385,580 |
| <u>3,332,163</u> | <u>-</u> | <u>3,332,163</u> |
| 103,273 | - | 103,273 |
| <u>3,435,436</u> | <u>-</u> | <u>3,435,436</u> |
| 287,075 | - | 287,075 |
| <u>176,152</u> | <u>-</u> | <u>176,152</u> |
| 463,227 | - | 463,227 |
| 438,070 | - | 438,070 |
| 110,684 | - | 110,684 |
| <u>1,011,981</u> | <u>-</u> | <u>1,011,981</u> |
| 693,592 | - | 693,592 |
| <u>321,129</u> | <u>-</u> | <u>321,129</u> |
| 5,462,138 | - | 5,462,138 |
| (125,239) | 30,120 | (95,119) |
| <u>8,412,582</u> | <u>124,993</u> | <u>8,537,575</u> |
| <u>\$ 8,287,343</u> | <u>\$ 155,113</u> | <u>\$ 8,442,456</u> |

See Independent Accountant's Review Report and Notes to the Financial Statements.

THE LIGHTHOUSE COVENANT CHURCH
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2023 and 2022

| | 2023 | 2022 |
|--|--------------|------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Change in net assets | \$ 519,002 | (95,119) |
| Adjustment to reconcile change in net assets to net cash provided by operating activities: | | |
| Depreciation | 701,671 | 693,592 |
| Allowance for potential uncollectible | (613,099) | 110,684 |
| Amortization of loan costs | 9,132 | 9,132 |
| Changes in assets and liabilities: | | |
| (Increase) decrease in: | | |
| Accounts receivable | (1,820) | 289 |
| Contributions receivable | 738,908 | 719,635 |
| Prepaid expenses | (8,997) | 51,469 |
| Increase (decrease) in: | | |
| Accounts payable | (29,905) | 19,002 |
| Accrued expenses and other liabilities | (33,930) | (91,320) |
| | | |
| Net cash provided by operating activities | 1,280,962 | 1,417,364 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Purchases of property and equipment | (257,453) | (301,132) |
| Proceeds from note payable | - | 320,000 |
| Net cash (used in) provided by investing activities | (257,453) | 18,868 |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Repayment of note payable | (833,222) | (292,684) |
| Net cash used in financing activities | (833,222) | (292,684) |
| Net increase in cash and cash equivalents | 190,287 | 1,143,548 |
| Cash and cash equivalents, beginning of year | 3,462,969 | 2,319,421 |
| Cash and cash equivalents, end of year | \$ 3,653,256 | 3,462,969 |
| SUPPLEMENTARY CASH FLOW INFORMATION: | | |
| Interest paid | \$ 289,189 | \$ 311,997 |
| Income taxes paid | \$ - | \$ - |

See Independent Accountant's Review Report and Notes to the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

Note 1. ORGANIZATION AND PURPOSE

The Lighthouse Covenant Church, (the Church) operates as a non-stock, not-for-profit religious corporation organized in the State of Maryland. The Church operates as Simple Church Simply Jesus with the primary mission of following the Great Commission of Jesus Christ by reaching the lost and making disciples. The Church is supported through contributions from the congregation which is concentrated in Central Maryland.

Note 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements are prepared on the accrual basis of accounting, whereby revenue is recognized when earned and expenses are recognized when incurred.

Use of Estimates

The preparation of financial statements in conformity with U.S generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from these estimates.

Basis of Presentation

The Church follows the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2016-14 – *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. This update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return between not-for-profit entities. A key change required by ASU 2016-14 are the net asset classes used in these financial statements. Amounts previously reported as unrestricted net assets are now reported as net assets without donor restrictions and amounts previously reported as temporarily restricted net assets and permanently restricted net assets, if applicable, are now reported as net assets with donor restrictions.

Net assets without donor restriction – Net assets that are not subject to donor-imposed stipulations and may be expended for any purpose in performing the primary objectives of the Church. These net assets may be used at the discretion of the Church's management and Governance Board.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Church or by passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds to be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Cash and Cash Equivalents and Credit Risk

For purposes of reporting cash flows, the Church considers all highly liquid investments, with maturities of three months or less when purchased, to be cash equivalents. The Church maintains cash balances at financial institutions located in Maryland. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. The following summarizes the Church's cash, as of December 31, 2023, which is not federally insured or is in excess of federally insured limits, none of which is specifically collateralized.

Cash, in excess, in federally chartered bank: \$3,285,655

See the Independent Accountant's Review Report.

NOTES TO THE FINANCIAL STATEMENTS

Note 2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Cash and Cash Equivalents and Credit Risk (continued)

The Church has not experienced any losses in such accounts and believes it is not exposed to any other significant credit risk to its cash and cash equivalents.

Revenue Recognition

Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The update outlines a new, single, comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. The new model requires revenue recognition to depict the transfer of promised goods or services to customers in an amount that reflects the consideration a company expects to receive in exchange for those goods or services.

ASU 2014-09 is effective for fiscal years beginning after December 15, 2018. Additionally, in June 2018, FASB issued Accounting Standards Update (ASU) 2018-08, *Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, with the stated purpose of providing guidance in evaluating whether transactions should be accounted for as contributions or exchanges. In addition, the update introduces the concept of barriers in providing additional guidance on identifying conditions that would preclude the recognition of a contribution as revenue. Analysis of various provisions of these standards resulted in no significant changes in the way the Church recognizes revenue, and therefore no changes to the previously issued financial statements were required on a retrospective basis. The presentation and disclosures of revenue have been enhanced in accordance with the standard.

The Church recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give—that is, those with a measurable performance or other barrier and a right of return—are not recognized until the conditions on which they depend have been met.

Tithes and Offerings

Tithes and offerings received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed assets other than cash are recorded at estimated fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Contributions of cash restricted for the acquisition of long-lived assets are reported as restricted support that increases net assets with donor restrictions. The restrictions are released when the long-lived assets are acquired or placed in service by the Church.

Donated Services

For the years ended December 31, 2023 and 2022, no donated services were recorded. Numerous unpaid volunteers have made significant contributions of their time to assist the Church in achieving its mission. The value of this contributed time is not reflected in these financial statements since it does not meet recognition criteria.

NOTES TO THE FINANCIAL STATEMENTS

Note 2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Contributions Receivables

Contributions receivables are reported in the Statement of Financial Position at the outstanding contribution balance adjusted for any write-offs and an allowance for potentially uncollectible contributions.

Income Taxes

The Church is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. The Church has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Church has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements and has determined there is no taxable unrelated business income.

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program and supporting services benefited. Such allocations are determined by management on an equitable basis and most expense categories are recorded directly, without significant allocation.

Subsequent Events

In preparing these financial statements, the Church has evaluated events and transactions for potential or disclosure through March 19, 2024, the date that the financial statements were available to be issued.

Recently Adopted Accounting Pronouncements

On January 1, 2023, the Church adopted FASB Accounting Standards Update (ASU) No. 2016-02, ASC 842, *Leases*, which requires the recognition of a right-to-use ("ROU") asset and a lease liability based on the present value of the remaining lease payments. The Church adopted the standard by applying the new transition alternative (ASU 2018-11) where an entity initially applies the new standard to all existing leases at the adoption date without restatement to prior periods. The Church elected the package of practical expedients which permits a lessee to not reassess under the new standard its prior conclusions regarding lease identification, lease classification and initial direct costs. The Church elected to apply the risk-free rate, for all asset classes, to discount lease payments as permitted under ASU 2021-09. As permitted by the standard, the Church elected, for all asset classes, the short-term lease exemption in which leases with a term of 12 months or less are not recognized on the Statement of Financial Position.

The Church adopted FASB Accounting Standards Update (ASU) No. 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The new guidance requires nonprofit entities to present contributed nonfinancial assets as a separate line item in the Statement of Activities, apart from contributions of cash or other financial assets. The standard also increases the disclosure requirements around contributed nonfinancial assets, including disaggregating by category the types of contributed nonfinancial assets a nonprofit entity has received.

These financial statements have not been affected by the implementation of these FASB standards.

NOTES TO THE FINANCIAL STATEMENTS

Note 3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Church's financial assets as of the statement of financial position at December 31, 2023 and 2022, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

| | 2023 | 2022 |
|---|--------------|--------------|
| Financial assets available at year end: | | |
| Cash and cash equivalents | \$ 3,653,255 | \$ 3,462,969 |
| Total financial assets | 3,653,255 | 3,462,969 |
| Contractual or donor-imposed restrictions: | | |
| Restricted by donor-imposed restrictions | (111,250) | (155,113) |
| Total financial assets not available to be used within one year | (111,250) | (155,113) |
| Financial assets available to meet general expenditures within one year | \$ 3,542,005 | \$ 3,307,856 |

The Church's goal is generally to maintain financial assets to meet 120 days of operating expenses, approximately \$1,670,000.

Note 4. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31,:

| <u>Description</u> | <u>Estimated Life</u> | <u>2023</u> | <u>2022</u> |
|--------------------------------|-----------------------|---------------|---------------|
| Buildings | 39 yrs. | \$ 10,282,291 | \$ 10,282,291 |
| Building improvements | 15 yrs. | 3,402,669 | 3,208,515 |
| Furniture and fixtures | 5 yrs. | 22,720 | 22,720 |
| Equipment | 5 yrs. | 1,281,341 | 1,281,341 |
| Construction in progress | | 253,900 | 190,600 |
| | | 15,242,921 | 14,985,467 |
| Less: accumulated depreciation | | (3,096,569) | (2,394,897) |
| | | \$ 12,146,352 | \$ 12,590,570 |

Property and equipment are stated at cost. Donated assets are recorded at their fair value on the date of the gift, and other assets are recorded at cost. Depreciation is computed using straight-line method over the estimated useful life of the asset. The Church capitalizes all property and equipment with a cost of \$5,000 or more. Total depreciation expense for the years ended December 31, 2023 and 2022 was \$701,671 and \$693,592, respectively.

The Church completed construction to a new space for its Student Ministry. The total cost of this new addition was approximately \$250,000 and was completed during 2023.

NOTES TO THE FINANCIAL STATEMENTS

Note 5. NOTE PAYABLE

During 2021, the Church obtained a mortgage from a bank that consisted of two notes. The first note, totaling \$1,500,000, was payable in monthly installments over three years at a fixed interest rate of 3.5%. During 2021, that note was paid in full. The second note was for \$7,828,000, with \$320,000 being obtained in January 2022. The first year of the note requires interest only payments. In June 2022, the Church was required to make a principal payment of \$250,000. However, the bank waived this requirement.

Beginning in July 2022, the Church began making principal and interest payments based upon a 25-year amortization period. The note matures on June 10, 2031. The note is payable in monthly installments of principal and interest of \$41,529 at a fixed rate of 3.99% per annum. The balance of this note payable as of December 31, 2023 and 2022 was \$6,702,095 and \$7,535,317, respectively. Interest expense for the years ended December 31, 2023 and 2022 was \$289,189 and \$311,997, respectively.

The note is secured by a First Deed of Trust on the property and is subject to a debt service coverage ratio beginning in 2022. In 2023 and 2022, the Church represented it met the debt service covenant ratio requirement.

As part of securing the note, the Church was required to pay \$91,317 in loan issuance costs. These loan issuance costs have been recorded as a reduction of the related debt balance on the Statement of Financial Position and are amortized over a ten-year life period. Loan amortization costs for the years ended December 31, 2023 and 2022 were \$9,132 and \$9,132, respectively and recorded as interest expense in the Statement of Activities. Accumulated amortization for the years ended December 2023 and 2022 was \$22,830 and \$13,698, respectively.

Note payable consists of the following at December 31,:

| | 2023 | 2022 |
|--|--------------|--------------|
| Note payable | \$ 6,702,095 | \$ 7,535,317 |
| Less debt issuance costs, net of accumulated amortization | (68,487) | (77,619) |
| | \$ 6,633,608 | \$ 7,457,698 |

Future maturities required of this total note payable are as follows for the years ending December 31,:

| | | |
|---------------------|----|-----------|
| 2024 | \$ | 195,776 |
| 2025 | | 204,703 |
| 2026 | | 213,140 |
| 2027 | | 221,924 |
| 2028 | | 230,307 |
| 2029 and thereafter | | 5,636,245 |
| | \$ | 6,702,095 |

See the Independent Accountant's Review Report.

NOTES TO THE FINANCIAL STATEMENTS

Note 6. **NET ASSETS**

Net assets with donor restrictions were as follows for the years ended December 31:

| | 2023 | 2022 |
|---------------------|------------|------------|
| Specific Purpose: | | |
| Benevolence | \$ 97,071 | \$ 140,969 |
| Designated/missions | 14,179 | 14,144 |
| | \$ 111,250 | \$ 155,113 |

Net assets without donor restrictions were as follows for the years ended December 31,:

| | 2023 | 2022 |
|---------------------------------|--------------|--------------|
| Net Investments in Fixed Assets | \$ 5,512,744 | \$ 5,132,872 |
| Operations | 3,337,464 | 3,154,471 |
| | \$ 8,850,208 | \$ 8,287,343 |

Note 7. **CONTRIBUTIONS RECEIVABLE, NET**

During the year ended December 31, 2021, the Church established the Heart and Soul campaign which obtained approximately \$2.4 million in pledges from the congregation to help purchase the newly acquired building. The Heart and Soul campaign asked those that pledged to fulfill their commitment over a 24-month period. At December 31, 2023 and 2022, the Church had approximately \$0 and \$739,000 in pledges receivable, respectively. The Church established a reserve of approximately \$0 and \$613,000 for the years ended December 31, 2023 and 2022, respectively for potential uncollectible pledges and has recorded this to potential uncollectible pledges expense in the Statement of Activities. This pledge ended December 31, 2023.

Included in contributions receivable are the following unconditional promises to give at December 31,:

| | 2023 | 2022 |
|---|------|------------|
| Receivable in less than one year | \$ - | \$ 738,908 |
| Less current allowance for uncollectible promises to give | - | (613,099) |
| Current unconditional promises to give | - | 125,809 |
| Receivable in more than one year | - | - |
| Less non-current allowance for uncollectible promises to give | - | - |
| Unconditional promises to give | - | - |
| Less unamortized discount | - | - |
| Net unconditional promises to give | \$ - | \$ 125,809 |

Note 8. **RETIREMENT PLAN AND EXPENSES**

The Church participates in a 403(b)(9) Retirement Plan. The plan is maintained, administered and controlled by an independent third-party administrator. Participation in the plan is optional and full-time employees are eligible to participate in the plan after 90-days of employment. Eligible employees may make elective deferrals to the plan up to the maximum amount allowed by the Internal Revenue Code. The Church makes discretionary matching contributions of up to 3% of the employee's total compensation which are immediately vested to the employee. For the years ended December 31, 2023 and 2022, the Church contributed approximately \$32,900 and \$32,900, respectively.

See the Independent Accountant's Review Report.