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***THE CROSSING***  
***FINANCIAL STATEMENTS***  
***AUGUST 31, 2025***

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## **Independent Accountants' Review Report**

Board of Directors  
The Crossing  
Chesterfield, Missouri

We have reviewed the accompanying financial statements of The Crossing (the Church), a not-for-profit organization, which comprise the statement of financial position as of August 31, 2025 and 2024, and the related statements of activities, functional expenses 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.

### ***Accountants' Responsibility***

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. 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 other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

***Accountants' Conclusion***

Based on our reviews, 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.

*RubinBrown LLP*

December 19, 2025

# THE CROSSING

## STATEMENT OF FINANCIAL POSITION

### Assets

	August 31,	
	2025	2024
<b>Current Assets</b>		
Cash and cash equivalents (Note 1)	\$ 4,157,309	\$ 4,597,895
Prepaid expenses	40,017	39,833
Inventory	34,218	28,251
Cash equivalents restricted for donor designations (Note 1)	573,439	2,122,172
<b>Total Current Assets</b>	<b>4,804,983</b>	<b>6,788,151</b>
<b>Finance Lease Right-Of-Use Assets, Net (Note 7)</b>	<b>180,005</b>	<b>227,699</b>
<b>Other Assets</b>	<b>604,421</b>	<b>559,612</b>
<b>Land, Buildings And Equipment, Net (Note 3)</b>	<b>32,085,567</b>	<b>33,896,886</b>
	<b>\$ 37,674,976</b>	<b>\$ 41,472,348</b>

### Liabilities And Net Assets

<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 171,196	\$ 466,392
Deferred revenue	10,412	6,313
Current portion of long-term debt (Note 5)	—	258,101
Current portion of finance lease liabilities (Note 7)	45,049	44,663
<b>Total Current Liabilities</b>	<b>226,657</b>	<b>775,469</b>
<b>Long-Term Liabilities</b>		
Long-term debt		
Principal amount (Note 5)	—	3,094,526
Less: Unamortized debt issuance costs (Note 1)	—	4,558
Long-term debt less unamortized debt issuance costs	—	3,089,968
Finance lease liabilities (Note 7)	146,575	191,622
<b>Total Long-Term Liabilities</b>	<b>146,575</b>	<b>3,281,590</b>
<b>Net Assets</b>		
Without Donor Restrictions:		
Investment in land, buildings and equipment	32,085,567	30,226,599
Operations	4,642,739	5,066,518
Total Without Donor Restrictions	36,728,306	35,293,117
With Donor Restrictions (Note 4)	573,438	2,122,172
<b>Total Net Assets</b>	<b>37,301,744</b>	<b>37,415,289</b>
<b>Total Liabilities And Net Assets</b>	<b>\$ 37,674,976</b>	<b>\$ 41,472,348</b>

# THE CROSSING

## STATEMENT OF ACTIVITIES For The Years Ended August 31, 2025 And 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support And Revenue</b>						
Contributions	\$ 15,234,353	\$ 2,410,759	\$ 17,645,112	\$ 15,178,806	\$ 2,994,522	\$ 18,173,328
Program fees	364,616	—	364,616	293,526	—	293,526
Bookstores sales (net of cost of sales of \$48,341 and \$44,182 for 2025 and 2024, respectively)	15,542	—	15,542	18,907	—	18,907
Investment income	81,207	—	81,207	76,540	—	76,540
Net assets released from restrictions (Note 4)	3,959,493	(3,959,493)	—	4,542,547	(4,542,547)	—
<b>Total Support And Revenue</b>	<b>19,655,211</b>	<b>(1,548,734)</b>	<b>18,106,477</b>	<b>20,110,326</b>	<b>(1,548,025)</b>	<b>18,562,301</b>
<b>Expenses</b>						
Program Services:						
Ministry	11,115,542	—	11,115,542	10,427,599	—	10,427,599
Community Inreach & Outreach	2,123,178	—	2,123,178	1,923,158	—	1,923,158
<b>Total Program Services</b>	<b>13,238,720</b>	<b>—</b>	<b>13,238,720</b>	<b>12,350,757</b>	<b>—</b>	<b>12,350,757</b>
Supporting Services:						
Management and general	5,044,540	—	5,044,540	4,835,602	—	4,835,602
Fundraising and development	75,403	—	75,403	74,856	—	74,856
<b>Total Supporting Services</b>	<b>5,119,943</b>	<b>—</b>	<b>5,119,943</b>	<b>4,910,458</b>	<b>—</b>	<b>4,910,458</b>
<b>Total Expenses</b>	<b>18,358,663</b>	<b>—</b>	<b>18,358,663</b>	<b>17,261,215</b>	<b>—</b>	<b>17,261,215</b>
<b>Excess (Deficit) Of Support And Revenue Over Expenses Before Nonoperating Activity</b>	<b>1,296,548</b>	<b>(1,548,734)</b>	<b>(252,186)</b>	<b>2,849,111</b>	<b>(1,548,025)</b>	<b>1,301,086</b>
<b>Nonoperating Income</b>						
Other income	138,641	—	138,641	129,361	—	129,361
<b>Increase (Decrease) In Net Assets</b>	<b>1,435,189</b>	<b>(1,548,734)</b>	<b>(113,545)</b>	<b>2,978,472</b>	<b>(1,548,025)</b>	<b>1,430,447</b>
<b>Net Assets - Beginning Of Year</b>	<b>35,293,117</b>	<b>2,122,172</b>	<b>37,415,289</b>	<b>32,314,645</b>	<b>3,670,197</b>	<b>35,984,842</b>
<b>Net Assets - End Of Year</b>	<b>\$ 36,728,306</b>	<b>\$ 573,438</b>	<b>\$ 37,301,744</b>	<b>\$ 35,293,117</b>	<b>\$ 2,122,172</b>	<b>\$ 37,415,289</b>

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### STATEMENT OF FUNCTIONAL EXPENSES For The Year Ended August 31, 2025

	Program Services			Supporting Services			Total
	Ministry	Community Inreach & Outreach	Total Program Services	Management And General	Fundraising And Development	Total Supporting Services	
<b>Salaries And Benefits</b>	\$ 4,209,500	\$ 225,273	\$ 4,434,773	\$ 3,473,930	\$ 75,403	\$ 3,549,333	\$ 7,984,106
<b>Other Expenses</b>							
Communications	24,072	—	24,072	28,343	—	28,343	52,415
Conferences and conventions	276,032	103,304	379,336	36,636	—	36,636	415,972
Drives and events	78,809	468,717	547,526	2,962	—	2,962	550,488
Equipment rentals	203,790	—	203,790	—	—	—	203,790
Grants, benevolence and donations	—	1,320,341	1,320,341	207,284	—	207,284	1,527,625
Insurance	—	—	—	152,229	—	152,229	152,229
Interest	55,568	—	55,568	16,334	—	16,334	71,902
Occupancy	1,405,250	—	1,405,250	110,913	—	110,913	1,516,163
Office administration	60,663	1,887	62,550	150,344	—	150,344	212,894
Other expenses	—	—	—	8,011	—	8,011	8,011
Outsourced services	514,947	—	514,947	292,691	—	292,691	807,638
Processing fees	3,268	—	3,268	204,747	—	204,747	208,015
Professional fees	10,803	—	10,803	52,625	—	52,625	63,428
Rent	—	—	—	18,975	—	18,975	18,975
Services/events/classes	1,460,290	1,188	1,461,478	28,484	—	28,484	1,489,962
Subscriptions and memberships	77,107	2,226	79,333	206,342	—	206,342	285,675
Supplies and repairs	126,973	—	126,973	12,743	—	12,743	139,716
Training and development	99,979	242	100,221	40,947	—	40,947	141,168
<b>Total Other Expenses</b>	<b>4,397,551</b>	<b>1,897,905</b>	<b>6,295,456</b>	<b>1,570,610</b>	<b>—</b>	<b>1,570,610</b>	<b>7,866,066</b>
<b>Depreciation And Amortization</b>	<b>2,508,491</b>	<b>—</b>	<b>2,508,491</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2,508,491</b>
	\$ 11,115,542	\$ 2,123,178	\$ 13,238,720	\$ 5,044,540	\$ 75,403	\$ 5,119,943	\$ 18,358,663

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### STATEMENT OF FUNCTIONAL EXPENSES For The Year Ended August 31, 2024

	Program Services			Supporting Services			Total
	Ministry	Community Inreach & Outreach	Total Program Services	Management And General	Fundraising And Development	Total Supporting Services	
<b>Salaries And Benefits</b>	\$ 4,079,078	\$ 268,335	\$ 4,347,413	\$ 3,406,434	\$ 74,856	\$ 3,481,290	\$ 7,828,703
<b>Other Expenses</b>							
Communications	16,759	—	16,759	19,732	—	19,732	36,491
Conferences and conventions	94,642	35,419	130,061	12,561	—	12,561	142,622
Drives and events	56,110	333,716	389,826	2,109	—	2,109	391,935
Equipment rentals	160,058	—	160,058	—	—	—	160,058
Grants, benevolence and donations	—	1,280,614	1,280,614	201,047	—	201,047	1,481,661
Insurance	—	—	—	152,548	—	152,548	152,548
Interest	137,756	—	137,756	20,567	—	20,567	158,323
Occupancy	1,265,241	—	1,265,241	113,147	—	113,147	1,378,388
Office administration	45,964	1,430	47,394	112,913	—	112,913	160,307
Other expenses	—	—	—	11,884	—	11,884	11,884
Outsourced services	394,978	—	394,978	224,502	—	224,502	619,480
Processing fees	3,365	—	3,365	210,794	—	210,794	214,159
Professional fees	6,592	—	6,592	32,112	—	32,112	38,704
Rent	—	—	—	21,414	—	21,414	21,414
Services/events/classes	1,459,187	1,187	1,460,374	28,463	—	28,463	1,488,837
Subscriptions and memberships	74,914	2,163	77,077	200,473	—	200,473	277,550
Supplies and repairs	150,243	—	150,243	15,077	—	15,077	165,320
Training and development	121,657	294	121,951	49,825	—	49,825	171,776
<b>Total Other Expenses</b>	<b>3,987,466</b>	<b>1,654,823</b>	<b>5,642,289</b>	<b>1,429,168</b>	<b>—</b>	<b>1,429,168</b>	<b>7,071,457</b>
<b>Depreciation And Amortization</b>	<b>2,361,055</b>	<b>—</b>	<b>2,361,055</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2,361,055</b>
	\$ 10,427,599	\$ 1,923,158	\$ 12,350,757	\$ 4,835,602	\$ 74,856	\$ 4,910,458	\$ 17,261,215



# THE CROSSING

## STATEMENT OF CASH FLOWS

	For The Years Ended August 31,	
	2025	2024
<b>Cash Flows From Operating Activities</b>		
Change in net assets	\$ (113,545)	\$ 1,430,447
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation and amortization	2,508,491	2,361,055
Amortization of debt issuance costs reported as interest expense	4,558	2,378
Gain on sale of equipment	—	(29,995)
Amounts received to be used for capital projects	(84,788)	(274,402)
Changes in assets and liabilities:		
Prepaid expenses	(184)	(8,835)
Inventory	(5,967)	(266)
Other assets	(44,809)	(43,450)
Accounts payable and accrued expenses	27,022	(38,677)
Deferred revenue	4,099	(197)
<b>Net Cash Provided By Operating Activities</b>	<b>2,294,877</b>	<b>3,398,058</b>
<b>Cash Flows From Investing Activities</b>		
Purchases of land, buildings and equipment	(971,696)	(2,284,962)
Proceeds from sale of property	—	44,423
<b>Net Cash Used In Investing Activities</b>	<b>(971,696)</b>	<b>(2,240,539)</b>
<b>Cash Flows From Financing Activities</b>		
Principal payments on long-term debt	(3,352,627)	(3,181,289)
Contributions received for capital projects	84,788	274,402
Payments on finance lease liabilities	(44,661)	(42,876)
<b>Net Cash Used In Financing Activities</b>	<b>(3,312,500)</b>	<b>(2,949,763)</b>
<b>Net Decrease In Cash And Cash Equivalents</b>	<b>(1,989,319)</b>	<b>(1,792,244)</b>
<b>Cash And Cash Equivalents - Beginning Of Year</b>	<b>6,720,067</b>	<b>8,512,311</b>
<b>Cash And Cash Equivalents - End Of Year</b>	<b>\$ 4,730,748</b>	<b>\$ 6,720,067</b>
<b>Supplemental Disclosure Of Cash Flow Information</b>		
Interest paid	\$ 67,344	\$ 155,945
Noncash transactions:		
Fixed assets in accounts payable	—	322,218
<b>Cash And Cash Equivalents - End Of Year Consist Of</b>		
Cash and cash equivalents	4,157,309	4,597,895
Cash equivalents restricted for capital projects	573,439	2,122,172
	<b>\$ 4,730,748</b>	<b>\$ 6,720,067</b>

# THE CROSSING

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## NOTES TO FINANCIAL STATEMENTS

August 31, 2025 And 2024

### 1. Summary Of Significant Accounting Policies

#### **Accounting Basis**

The Crossing (the Church)'s financial statements have been prepared using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

#### **Basis Of Presentation**

Financial statement presentation follows the requirements of the Financial Accounting Standards Board for not-for-profit organizations by presenting assets and liabilities within similar groups and classifying them in a way that provides relevant information about the interrelationships, liquidity, and financial flexibility. As a result, the Church is required to report information regarding its financial position and activities according to the following classes of net assets:

*Net assets without donor restrictions* - Net assets that are not subject to donor-imposed restrictions 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 management and the Board of Directors.

*Net assets with donor restrictions* - Net assets subject to stipulations imposed by donors and grantors. Donor restrictions will be met by actions of the Church or by the passage of time.

#### **Estimates And Assumptions**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

#### **Nonoperating Activity**

Nonoperating income and nonoperating expenses include other income and expenses that are not typically recurring items.

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### Notes To Financial Statements *(Continued)*

#### **Cash And Cash Equivalents**

Cash and cash equivalents and cash equivalents restricted for capital projects include all monies in banks and highly liquid investments with maturity dates of less than three months. From time to time, these accounts may exceed Federal Deposit Insurance Corporation (FDIC) insurance limits. Funds held in excess of the FDIC limit at August 31, 2025 totaled approximately \$4,162,000. Total cash held represents the amount of cash physically deposited in the banks at August 31, 2025 without regard to deposits in transit or outstanding checks. The Church has not experienced any losses on these accounts and does not feel it is subject to significant credit risk related to these accounts.

#### **Cash Equivalents Restricted For Donor Designations**

Contributions received that are restricted by donors have been segregated from cash and cash equivalents and shown in this category.

#### **Inventories**

Inventories represent primarily items held for resale by the bookstore and café. Inventory is stated at the lower of cost or net realizable value, with cost determined on the first-in, first-out method (FIFO).

#### **Other Assets**

Other assets consist of variable annuity accounts which are reported at fair value. Fair value is determined by using the net asset value of the underlying investment options as a practical expedient.

#### **Land, Buildings And Equipment**

Land, buildings and equipment in excess of \$5,000 are capitalized at cost, or if donated, at the fair market value on the date of the gift. Buildings and improvements, equipment and furniture and fixtures are depreciated using the straight-line method over the estimated useful lives of the assets ranging from 5 to 30 years. Leasehold improvements are amortized over 15 years.

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### Notes To Financial Statements *(Continued)*

#### Debt Issuance Costs

During 2019, the Church incurred costs of \$16,645 in connection with obtaining a loan, which were classified as a direct deduction from the carrying amount of the related long-term debt. The costs incurred in 2019 were amortized on a straight-line basis over the related loan period. Amortization expense of debt issuance costs included in interest expense amounted to \$2,378 for the year ended August 31, 2024. The loan has been fully paid off as of August 31, 2025 and the debt issuance costs have been since fully amortized.

	2025	2024
Debt issuance costs	\$ —	\$ 16,645
Less: Accumulated amortization	—	12,087
	<u>\$ —</u>	<u>\$ 4,558</u>

#### Leases

The Church accounts for its lease arrangements in accordance with ASC Topic 842, *Leases*. The Church maintains leases of office equipment and parking lot space. Lease right-of-use (ROU) assets and lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. The ROU assets represent the lease liability, plus any lease payments made at or before the commencement date, less any lease incentives received. The Church's leases generally have terms of five years. The Church does not record ROU assets or lease liabilities for leases with an initial expected lease term of 12 months or less.

The lease terms utilized in determining ROU assets and lease liabilities include the noncancellable portion of the underlying leases along with renewal periods, only if it is reasonably certain that the option will be exercised. When determining if a renewal option is reasonably certain of being exercised, the factors considered, include but are not limited to, the cost of moving to another location, the cost of disruption of operations, the purpose or location of the leased asset and the terms associated with extending the lease.

As most leases do not provide an implicit discount rate, the Church has made an election available to private companies that allows the use of the risk-free rate at the lease commencement date to determine the present value of the lease payments.

The Church does not separate non-lease components of a contract from the lease components to which they relate for all classes of lease assets.

#### **Support With And Without Donor Restrictions**

Disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from revenue streams that are not within the scope of *Revenue from Contracts with Customers (Topic 606)* are as follows:

Contributions, including unconditional promises to give, are classified as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor 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 statement of activities as net assets released from restrictions.

#### **Deferred Revenue**

Payments received in the current year for an event to be held in the following year are recorded as deferred revenue in the current year and are recognized as revenue in the following year.

#### **Contributed Services**

The Church receives a substantial amount of services donated by its members in carrying out the Church's ministry. No amounts have been reflected in the financial statements for those services since they do not meet the criteria for recognition.

#### **Advertising Costs**

During 2025 and 2024, the Church's advertising costs were expensed as incurred and totaled \$86 and \$9,259, respectively.

#### **Description Of Program Services And Supporting Activities**

The following program services and supporting activities are included in the accompanying financial statements:

##### **Program Services**

Includes adult and youth ministry; membership and community inreach and outreach; communication and music/worship expenses of the Church; and overall building operations.

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### Notes To Financial Statements *(Continued)*

#### **Management And General Activities**

Includes the functions necessary to maintain an equitable employment program; ensure an adequate working environment; provide coordination and articulation of the Church's program strategy; secure proper administrative functioning of the Board; and manage the financial and budgetary responsibility of the Church.

#### **Fundraising And Development**

Provides the structure necessary to encourage and secure financial support from individuals, organizations, corporations, and public agencies.

#### **Functional Expense Allocation**

The statement of functional expenses presents expenses by function and natural classification. Expenses directly attributable to a specific functional area of the Church are reported as specific to that functional area. Expenses that benefit multiple functional or program areas have been allocated across programs and other supporting services based on time studies and square footage. The expenses that are allocated include the following:

<u>Natural Category</u>	<u>Method</u>
Salaries and benefits	Time study
Interest	Direct and square footage
Occupancy	Direct and square footage
Rent	Square footage
Supplies & repairs	Direct and square footage
Depreciation	Square footage

#### **Tax Status**

The United States Treasury Department has advised that the Church constitutes a qualified not-for-profit organization and is, therefore, exempt from federal income taxes on related, exempt income under Section 501(c)(3) of the Internal Revenue Code.

#### **Subsequent Events**

Management has evaluated subsequent events through the date of the accompanying review report, which is the date the financial statements were available for issue.

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### Notes To Financial Statements *(Continued)*

## 2. Nature Of Organization

The Church was organized on September 7, 1990. The Church is a not-for-profit organization with locations in Chesterfield, Fenton, Mehlville and O'Fallon, Missouri, and is dedicated to spreading the Gospel through establishing, developing and promoting all aspects of church ministry within the St. Louis metropolitan area. The Church is supported primarily through contributions from the church attendees. Weekly attendance approximates 6,600 across all locations.

## 3. Land, Buildings And Equipment

Land, buildings and equipment consists of the following:

	<u>2025</u>	<u>2024</u>
Land	\$ 4,029,281	\$ 4,029,281
Buildings and improvements	47,925,710	47,521,540
Office equipment, furniture and fixtures	<u>6,213,065</u>	<u>5,920,063</u>
	58,168,056	57,470,884
Less: Accumulated depreciation and amortization	<u>26,082,489</u>	<u>23,573,998</u>
	<u><u>\$ 32,085,567</u></u>	<u><u>\$ 33,896,886</u></u>

Depreciation and amortization charged to expense amounted to \$2,508,491 and \$2,361,055 in 2025 and 2024, respectively.

The Church reviews its investment in property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of such property and equipment may not be recoverable. If the property and equipment are considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount exceeds the fair value of such property and equipment. There was no impairment loss recognized for the years ended August 31, 2025 or 2024.

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### Notes To Financial Statements *(Continued)*

#### 4. Net Assets With Donor Restrictions

At August 31, 2025 and 2024, net assets with donor restrictions consist of:

	2025	2024
Big Picture Campaign	\$ 200,098	\$ 406,018
2024 Giving Initiative	289,106	1,715,643
Bibles	349	511
Disaster Fund	83,885	—
	<u>\$ 573,438</u>	<u>\$ 2,122,172</u>

During fiscal years 2025 and 2024, net assets were released from restrictions as follows:

	2025	2024
Big Picture Campaign	\$ 290,708	\$ 3,534,578
2024 Giving Initiative	3,282,205	775,129
Outreach	242,098	231,978
Bibles	365	862
Disaster Fund	144,117	—
	<u>\$ 3,959,493</u>	<u>\$ 4,542,547</u>

#### 5. Long-Term Debt

Long-term debt consists of the following:

	2025	2024
Mortgage payable with monthly principal and interest payments of \$15,219. Unpaid principal and interest is due on July 31, 2026. The loan is secured by real property in Chesterfield and Fenton, Missouri. The loan was paid in full in October 2024.	\$ —	\$ 1,514,195
Mortgage payable with monthly principal and interest payments of \$14,972. Unpaid principal and interest is due April 22, 2027. The loan is secured by real property in St. Charles County, Missouri. The loan was paid in full in August 2025.	—	1,838,432
	—	3,352,627
Less: Current portion of long-term debt	—	258,101
	<u>\$ —</u>	<u>\$ 3,094,526</u>



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### Notes To Financial Statements *(Continued)*

Interest expense totaled \$58,687 and \$145,502 and for the years ended August 31, 2025 and 2024, respectively.

## 6. Line Of Credit

At August 31, 2024, the Church had a \$5,000,000 revolving line of credit available with a bank. There were no borrowings or repayments on the line of credit during the years ended August 31, 2025 or 2024. The line of credit is secured by a Deed of Trust and expired on May 31, 2025. The line of credit was not renewed after expiration.

## 7. Leases

The Church has a financing lease for parking lot space in Fenton, Missouri that expires in May 2027. The lease includes an option to renew for two additional five-year terms or terminate the lease that can be exercised at the Church's discretion. The Church believes it is reasonably certain to exercise the options and the entire option period is included in the lease term. The Church also has two finance leases for copiers that expire in February 2026 and January 2028.

The components of lease expense for the years ended August 31, 2025 and 2024 are as follows:

		2025	2024
<b>Finance Lease Costs</b>	<b>Classification</b>		
Amortization of ROU assets:	Office administration	\$ 40,191	\$ 40,191
	Rent	7,503	7,503
Interest	Interest	8,657	10,442
		<u>\$ 56,351</u>	<u>\$ 58,136</u>

Cash flow and other information related to these leases for the years ended August 31, 2025 and 2024 are:

	2025	2024
<b>Cash Flow Information:</b>		
Cash paid for finance leases included in operating activities	\$ 8,657	\$ 10,442
Cash paid for finance leases included in financing activities	44,661	42,876
<b>Other Information:</b>		
Weighted-average remaining term - finance leases	7.0 years	7.35 years
Weighted-average discount rate - finance leases	4.00%	4.02%

## THE CROSSING

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### Notes To Financial Statements *(Continued)*

The reconciliation of the undiscounted cash flows for each of the next five years and total remaining years of the lease liabilities recorded on the balance sheet is as follows:

<b>Year</b>	<b>Finance Leases</b>
2026	\$ 51,856
2027	50,618
2028	27,149
2029	9,900
2030	9,900
Thereafter	71,326
Total minimum obligations	220,749
Less: Amount representing interest	29,125
Present value of minimum lease payments	191,624
Less: Current portion	45,049
	<u>\$ 146,575</u>

## 8. Retirement Plan

The Church maintains a retirement plan in accordance with Internal Revenue Code Section 401(k). The plan covers eligible employees and provides for tax deferred contributions. Employee contributions are discretionary and are subject to the maximum amounts allowed by law. Employer contributions are made from time to time in such amounts as determined by the Church. The Church made contributions to the plan totaling \$308,685 and \$312,701 for the years ended August 31, 2025 and 2024, respectively.

## 9. Commitments And Contingencies

The Church is involved in various legal matters that, in the opinion of management, will not have a material effect on the Church's financial position or changes in net assets.

**10. Liquidity And Available Resources**

As of August 31, 2025 and 2024, assets available within one year of the statement of financial position date for general expenditures are as follows:

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 4,157,309	\$ 4,597,895
Cash equivalents restricted for capital projects	573,439	2,122,172
Other assets	604,421	559,612
<b>Total financial assets</b>	<b>5,335,169</b>	<b>7,279,679</b>
Less amounts not intended to be used within one year or with restrictions:		
Net assets with donor restrictions	573,438	2,122,172
Other assets	604,421	559,612
<b>Total financial assets not intended to be used within one year</b>	<b>1,177,859</b>	<b>2,681,784</b>
<b>Financial assets available to meet cash needs for general expenditures within one year</b>	<b>\$ 4,157,310</b>	<b>\$ 4,597,895</b>

The Church regularly monitors liquidity required to meet its operating needs. The Church's sources of liquidity at its disposal include cash and cash equivalents.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Church considers all expenditures related to its ongoing programs as well as the conduct of services undertaken to support those programs to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, the Church anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.