
THE CROSSING
FINANCIAL STATEMENTS
AUGUST 31, 2024



Contents

	Page
Independent Accountants' Review Report	1 - 2
 Financial Statements	
Statement Of Financial Position.....	3
Statement Of Activities	4
Statements Of Functional Expenses.....	5 - 6
Statement Of Cash Flows.....	7
Notes To Financial Statements.....	8 - 18

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, 2024 and 2023, 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.

Board of Directors
The Crossing

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 9, 2024

THE CROSSING
STATEMENT OF FINANCIAL POSITION

Assets

	August 31,	
	2024	2023
Current Assets		
Cash and cash equivalents (Note 1)	\$ 4,597,895	\$ 4,842,114
Prepaid expenses	39,833	30,998
Inventory	28,251	27,985
Cash equivalents restricted for donor designations (Note 1)	2,122,172	3,670,197
Total Current Assets	6,788,151	8,571,294
Finance Lease Right-Of-Use Assets, Net (Note 7)	227,699	275,393
Other Assets	559,612	516,162
Land, Buildings And Equipment, Net (Note 3)	33,896,886	33,663,860
	\$ 41,472,348	\$ 43,026,709

Liabilities And Net Assets

Current Liabilities		
Accounts payable and accrued expenses	\$ 466,392	\$ 229,216
Deferred revenue	6,313	6,510
Current portion of long-term debt (Note 5)	258,101	1,004,009
Current portion of finance lease liabilities (Note 7)	44,663	42,876
Total Current Liabilities	775,469	1,282,611
Long-Term Liabilities		
Long-term debt		
Principal amount (Note 5)	3,094,526	5,529,907
Less: Unamortized debt issuance costs (Note 1)	4,558	6,936
Long-term debt less unamortized debt issuance costs	3,089,968	5,522,971
Finance lease liabilities (Note 7)	191,622	236,285
Total Long-Term Liabilities	3,281,590	5,759,256
Net Assets		
Without Donor Restrictions:		
Investment in land, buildings and equipment	30,226,599	27,090,515
Operations	5,066,518	5,224,130
Total Without Donor Restrictions	35,293,117	32,314,645
With Donor Restrictions (Note 4)	2,122,172	3,670,197
Total Net Assets	37,415,289	35,984,842
Total Liabilities And Net Assets	\$ 41,472,348	\$ 43,026,709

THE CROSSING

STATEMENT OF ACTIVITIES For The Years Ended August 31, 2024 And 2023

	2024		2023	
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions
Support And Revenue				
Contributions	\$ 15,178,806	\$ 2,994,522	\$ 18,173,328	\$ 1,021,812
Program fees	293,526	—	293,526	225,077
Bookstores sales (net of cost of sales of \$44,182 and \$37,463 for 2024 and 2023, respectively)	18,907	—	18,907	16,151
Investment income	76,540	—	76,540	53,275
Net assets released from restrictions (Note 4)	4,542,547	(4,542,547)	—	(1,733,765)
Total Support And Revenue	20,110,326	(1,548,025)	18,562,301	(711,953)
Expenses				
Program Services:				
Ministry	10,427,599	—	10,427,599	9,677,397
Community Inreach & Outreach	1,923,158	—	1,923,158	2,692,658
Total Program Services	12,350,757	—	12,350,757	12,370,055
Supporting Services:				
Management and general	4,835,602	—	4,835,602	4,857,860
Fundraising and development	74,856	—	74,856	73,459
Total Supporting Services	4,910,458	—	4,910,458	4,931,319
Total Expenses	17,261,215	—	17,261,215	17,301,374
Excess (Deficit) Of Support And Revenue Over Expenses Before Nonoperating Activity	2,849,111	(1,548,025)	1,301,086	(711,953)
Nonoperating Income				
Other income	129,361	—	129,361	144,352
Increase (Decrease) In Net Assets	2,978,472	(1,548,025)	1,430,447	(711,953)
Net Assets - Beginning Of Year	32,314,645	3,670,197	35,984,842	4,382,150
Net Assets - End Of Year	\$ 35,293,117	\$ 2,122,172	\$ 37,415,289	\$ 3,670,197

See the independent accountants' review report and notes to financial statements.

THE CROSSING

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	Supporting Services	
Salaries And Benefits	\$ 4,079,078	\$ 268,335	\$ 4,347,413	\$ 3,406,434	\$ 74,856	\$ 3,481,290	\$ 7,828,703
Other Expenses							
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
Total Other Expenses	3,987,466	1,654,823	5,642,289	1,429,168	—	1,429,168	7,071,457
Depreciation And Amortization	2,361,055	—	2,361,055	—	—	—	2,361,055
	\$ 10,427,599	\$ 1,923,158	\$ 12,350,757	\$ 4,835,602	\$ 74,856	\$ 4,910,458	\$ 17,261,215

See the independent accountants' review report and notes to financial statements.

THE CROSSING

STATEMENT OF FUNCTIONAL EXPENSES For The Year Ended August 31, 2023

	Program Services			Supporting Services			Total
	Ministry	Community Inreach & Outreach	Total Program Services	Management And General	Fundraising And Development	Supporting Services	
Salaries And Benefits	\$ 3,802,757	\$ 267,637	\$ 4,070,394	\$ 3,410,773	\$ 73,459	\$ 3,484,232	\$ 7,554,626
Other Expenses							
Communications	10,403	—	10,403	15,262	—	15,262	25,665
Conferences and conventions	80,203	25,496	105,699	4,744	—	4,744	110,443
Drives and events	34,985	349,597	384,582	2,160	—	2,160	386,742
Equipment rentals	214,905	—	214,905	—	—	—	214,905
Grants, benevolence and donations	—	2,042,411	2,042,411	397,672	—	397,672	2,440,083
Insurance	—	—	—	104,325	—	104,325	104,325
Interest	260,419	—	260,419	27,549	—	27,549	287,968
Occupancy	1,155,065	—	1,155,065	102,178	—	102,178	1,257,243
Office administration	26,068	127	26,195	113,304	—	113,304	139,499
Other expenses	2,123	374	2,497	28,228	—	28,228	30,725
Outsourced services	396,191	1,359	397,550	76,531	—	76,531	474,081
Processing fees	249	—	249	201,137	—	201,137	201,386
Professional fees	5,999	—	5,999	76,401	—	76,401	82,400
Rent	—	—	—	18,800	—	18,800	18,800
Services/events/classes	1,279,292	811	1,280,103	7,765	—	7,765	1,287,868
Subscriptions and memberships	65,149	4,106	69,255	130,113	—	130,113	199,368
Supplies and repairs	77,300	—	77,300	100,073	—	100,073	177,373
Training and development	117,877	740	118,617	40,845	—	40,845	159,462
Total Other Expenses	3,726,228	2,425,021	6,151,249	1,447,087	—	1,447,087	7,598,336
Depreciation And Amortization	2,148,412	—	2,148,412	—	—	—	2,148,412
	\$ 9,677,397	\$ 2,692,658	\$ 12,370,055	\$ 4,857,860	\$ 73,459	\$ 4,931,319	\$ 17,301,374

See the independent accountants' review report and notes to financial statements.

THE CROSSING
STATEMENT OF CASH FLOWS

	For The Years Ended August 31,	
	2024	2023
Cash Flows From Operating Activities		
Change in net assets	\$ 1,430,447	\$ (1,161,987)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation and amortization	2,361,055	2,148,412
Amortization of debt issuance costs reported as interest expense	2,378	2,377
Gain on sale of equipment	(29,995)	(47,850)
Amounts received to be used for capital projects	(274,402)	(758,272)
Changes in assets and liabilities:		
Prepaid expenses	(8,835)	533
Inventory	(266)	4,635
Other assets	(43,450)	(274,726)
Accounts payable and accrued expenses	(38,677)	65,558
Deferred revenue	(197)	1,526
Net Cash Provided By (Used In) Operating Activities	3,398,058	(19,794)
Cash Flows From Investing Activities		
Purchases of land, buildings and equipment	(2,284,962)	(1,807,062)
Proceeds from sale of property	44,423	47,850
Net Cash Used In Investing Activities	(2,240,539)	(1,759,212)
Cash Flows From Financing Activities		
Principal payments on long-term debt	(3,181,289)	(979,901)
Contributions received for capital projects	274,402	758,272
Payments on finance lease liabilities	(42,876)	(28,329)
Net Cash Used In Financing Activities	(2,949,763)	(249,958)
Net Decrease In Cash And Cash Equivalents	(1,792,244)	(2,028,964)
Cash And Cash Equivalents - Beginning Of Year	8,512,311	10,541,275
Cash And Cash Equivalents - End Of Year	\$ 6,720,067	\$ 8,512,311
Supplemental Disclosure Of Cash Flow Information		
Interest paid	\$ 155,945	\$ 285,591
Noncash transactions:		
Fixed assets in accounts payable	322,218	46,365
Cash And Cash Equivalents - End Of Year Consist Of		
Cash and cash equivalents	\$ 4,597,895	\$ 4,842,114
Cash equivalents restricted for capital projects	2,122,172	3,670,197
	\$ 6,720,067	\$ 8,512,311

THE CROSSING

NOTES TO FINANCIAL STATEMENTS

August 31, 2024 And 2023

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.

THE CROSSING

Notes To Financial Statements (*Continued*)

New Accounting Pronouncement

As of September 1, 2023, the Church adopted Accounting Standards Codification (ASC) Topic 326, *Financial Instruments – Credit Losses*, using the modified-retrospective approach. The standard replaces the previous incurred loss model and requires entities to record an estimate of expected losses on financial assets for the remaining estimated life of the asset. The standard applies to the Church's uninsured cash balances. This estimate must include consideration of historical experience, current conditions and reasonable and supportable forecasts. The adoption did not have an impact on these financial statements.

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, 2024 totaled approximately \$6,262,000. Total cash held represents the amount of cash physically deposited in the banks at August 31, 2024 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).

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.

THE CROSSING

Notes To Financial Statements (*Continued*)

Debt Issuance Costs

During 2019, the Church incurred costs of \$16,645 in connection with obtaining a loan, which are classified as a direct deduction from the carrying amount of the related long-term debt. The costs incurred in 2019 will be 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 and \$2,377 for the years ended August 31, 2024 and 2023, respectively.

	<u>2024</u>	<u>2023</u>
Debt issuance costs	\$ 16,645	\$ 16,645
Less: Accumulated amortization	<u>12,087</u>	<u>9,709</u>
	<u>\$ 4,558</u>	<u>\$ 6,936</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.

THE CROSSING

Notes To Financial Statements (*Continued*)

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.

If the Church receives contributions, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses, amounts received would be recognized as contribution revenue when the Church has met the performance requirements and/or incurred expenditures in compliance with specific contract or grant provisions. Any amounts received prior to meeting these conditions would be reported as refundable advances in the statement of financial position. The Church did not have any conditional contributions as of August 31, 2024 or 2023.

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 2024 and 2023, the Church's advertising costs were expensed as incurred and totaled \$9,259 and \$3,541, respectively.

THE CROSSING

Notes To Financial Statements (*Continued*)

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.

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

THE CROSSING

Notes To Financial Statements *(Continued)*

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.

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 6,200 across all locations.

3. Land, Buildings And Equipment

Land, buildings and equipment consists of the following:

	<u>2024</u>	<u>2023</u>
Land	\$ 4,029,281	\$ 4,029,281
Buildings and improvements	47,521,540	45,789,892
Office equipment, furniture and fixtures	5,920,063	5,130,190
	<u>57,470,884</u>	<u>54,949,363</u>
Less: Accumulated depreciation and amortization	<u>23,573,998</u>	<u>21,285,503</u>
	<u>\$ 33,896,886</u>	<u>\$ 33,663,860</u>

Depreciation and amortization charged to expense amounted to \$2,361,055 and \$2,148,412 in 2024 and 2023, respectively.

THE CROSSING

Notes To Financial Statements (Continued)

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, 2024 or 2023.

4. Net Assets With Donor Restrictions

At August 31, 2024 and 2023, net assets with donor restrictions consist of:

	<u>2024</u>	<u>2023</u>
Big Picture Campaign	\$ 406,018	\$ 3,666,194
2024 Giving Initiative	1,715,643	—
Outreach	—	3,755
Bibles	511	248
	<u>\$ 2,122,172</u>	<u>\$ 3,670,197</u>

During fiscal years 2024 and 2023, net assets were released from restrictions as follows:

	<u>2024</u>	<u>2023</u>
Big Picture Campaign	\$ 3,534,578	\$ 1,133,198
2024 Giving Initiative	775,129	—
Outreach	231,978	543,681
Bibles	862	236
Red Tail Cadets	—	56,650
	<u>\$ 4,542,547</u>	<u>\$ 1,733,765</u>

THE CROSSING

Notes To Financial Statements (Continued)

5. Long-Term Debt

Long-term debt consists of the following:

	<u>2024</u>	<u>2023</u>
Mortgage payable with monthly principal and interest payments of \$73,259. Unpaid principal and interest is due in February 2027. The mortgage is secured by real property in Chesterfield, Missouri.	\$ —	\$ 2,406,095
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.	1,514,195	2,176,288
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.	1,838,432	1,951,533
	<u>3,352,627</u>	<u>6,533,916</u>
Less: Current portion of long-term debt	<u>258,101</u>	<u>1,004,009</u>
	<u>\$ 3,094,526</u>	<u>\$ 5,529,907</u>

Long-term debt matures as follows:

<u>Year</u>	<u>Amount</u>
2025	\$ 258,101
2026	1,498,568
2027	1,595,958
	<u>\$ 3,352,627</u>

Interest expense totaled \$145,502 and \$277,849 and for the years ended August 31, 2024 and 2023, respectively.

Long-term debt agreements contain certain administrative covenants. The Church was in compliance with all covenants as of the date of this report. In October 2024, the Church repaid the mortgage payable of \$1,514,195 to the bank.

THE CROSSING

Notes To Financial Statements (Continued)

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 year ended August 31, 2024. The line of credit is secured by a Deed of Trust and expires on May 31, 2025.

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 three 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, 2024 and 2023 are as follows:

		<u>2024</u>	<u>2023</u>
Finance Lease Costs	Classification		
Amortization of ROU assets:	Office administration	\$ 40,191	\$ 24,594
	Rent	7,503	7,503
Interest	Interest	<u>10,442</u>	<u>7,742</u>
		<u>\$ 58,136</u>	<u>\$ 39,839</u>

Cash flow and other information related to these leases for the years ended August 31, 2024 and 2023 are:

	<u>2024</u>	<u>2023</u>
Cash Flow Information:		
Cash paid for finance leases included in operating activities	\$ 10,442	\$ 7,742
Cash paid for finance leases included in financing activities	42,876	28,329
ROU assets obtained in exchange for new finance lease obligations	—	187,172
Other Information:		
Weighted-average remaining term - finance leases	7.35 years	7.9 years
Weighted-average discount rate - finance leases	4.02%	4.03%

THE CROSSING

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:

Year	Finance Leases
2025	\$ 53,318
2026	51,856
2027	50,618
2028	27,149
2029	9,900
Thereafter	81,225
Total minimum obligations	274,066
Less: Amount representing interest	37,781
Present value of minimum lease payments	236,285
Less: Current portion	44,663
	<u>\$ 191,622</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 \$312,701 and \$314,784 for the years ended August 31, 2024 and 2023, 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.

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Notes To Financial Statements (Continued)

10. Liquidity And Available Resources

As of August 31, 2024 and 2023, assets available within one year of the statement of financial position date for general expenditures are as follows:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 4,597,895	\$ 4,842,114
Cash equivalents restricted for capital projects	2,122,172	3,670,197
Other assets	559,612	516,162
Total financial assets	7,279,679	9,028,473
Less amounts not intended to be used within one year or with restrictions:		
Net assets with donor restrictions	2,122,172	3,670,197
Other assets	559,612	516,162
Total financial assets not intended to be used within one year	2,681,784	4,186,359
Financial assets available to meet cash needs for general expenditures within one year	\$ 4,597,895	\$ 4,842,114

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.