

**GLOBAL DISCIPLES**

**YEARS ENDED  
JUNE 30, 2025 AND 2024**



**Brown Plus**

ACCOUNTANTS + ADVISORS

# **GLOBAL DISCIPLES**

YEARS ENDED JUNE 30, 2025 AND 2024

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## Independent Auditor's Report

Board of Directors  
Global Disciples  
Lancaster, Pennsylvania

### **Opinion**

We have audited the accompanying financial statements of Global Disciples (a nonprofit Organization), which comprise the statements of financial position as of June 30, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization 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.

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Global Disciples 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 Financial Statements**

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Global Disciples' ability to continue as a going concern for one year after the date the financial statements are issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance; and therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Global Disciples' 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Global Disciples' 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.

*Brown Plus*

Lancaster, Pennsylvania  
January 21, 2026

## GLOBAL DISCIPLES

### STATEMENTS OF FINANCIAL POSITION JUNE 30, 2025 AND 2024

#### ASSETS

	<u>2025</u>	<u>2024</u>
<b>Current assets:</b>		
Cash	\$ 1,877,952	\$ 2,557,276
Receivables:		
Contributions	157,100	284,474
Other	32,300	18,620
Employee advances	38,630	47,630
Investments	1,335,576	1,239,977
Prepaid expenses	<u>8,484</u>	<u>22,683</u>
<b>Total current assets</b>	<b><u>3,450,042</u></b>	<b><u>4,170,660</u></b>
<b>Property and equipment:</b>		
Equipment	521,092	512,532
Leasehold improvements	<u>100,833</u>	<u>100,833</u>
	621,925	613,365
Less accumulated depreciation	<u>572,714</u>	<u>483,080</u>
<b>Property and equipment, net</b>	<b><u>49,211</u></b>	<b><u>130,285</u></b>
Cash restricted for retirement of international employees	5,024	5,015
Security deposit	799	799
Right-of-use asset, operating, net	<u>4,761</u>	<u>32,523</u>
	<u>10,584</u>	<u>38,337</u>
<b>Total assets</b>	<b><u>\$ 3,509,837</u></b>	<b><u>\$ 4,339,282</u></b>

See notes to financial statements.

## GLOBAL DISCIPLES

### STATEMENTS OF FINANCIAL POSITION JUNE 30, 2025 AND 2024

#### LIABILITIES AND NET ASSETS

	<u>2025</u>	<u>2024</u>
<b>Current liabilities:</b>		
Accounts payable	\$ 223,258	\$ 215,657
Accrued expenses	533,812	472,252
Current portion of operating lease liability	4,902	28,481
	<u>761,972</u>	<u>716,390</u>
<b>Total current liabilities</b>	<b>761,972</b>	<b>716,390</b>
Long-term portion of operating lease liability	-	4,902
	<u>761,972</u>	<u>721,292</u>
<b>Total liabilities</b>	<b>761,972</b>	<b>721,292</b>
<b>Net assets:</b>		
Without donor restrictions:		
Board designated	361,011	438,784
Undesignated	2,370,639	3,099,957
	<u>2,731,650</u>	<u>3,538,741</u>
With donor restrictions	16,215	79,249
	<u>2,747,865</u>	<u>3,617,990</u>
<b>Total net assets</b>	<b>2,747,865</b>	<b>3,617,990</b>
<b>Total liabilities and net assets</b>	<b><u>\$ 3,509,837</u></b>	<b><u>\$ 4,339,282</u></b>

See notes to financial statements.

## GLOBAL DISCIPLES

### STATEMENTS OF ACTIVITIES YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
<b>Changes in net assets without donor restrictions:</b>		
Revenue and other support:		
Contributions	\$ 7,757,681	\$ 8,001,121
Multiplication fund	60,610	56,006
Honorariums	5,717	5,211
Investment income	<u>157,962</u>	<u>119,734</u>
Total revenue and other support	7,981,970	8,182,072
Net assets released from restrictions	<u>478,560</u>	<u>426,300</u>
<b>Total unrestricted revenue and other support</b>	<b><u>8,460,530</u></b>	<b><u>8,608,372</u></b>
<b>Expenses:</b>		
Program services:		
Global disciple training	4,038,589	3,465,930
Leadership development	1,250,124	1,073,042
Small business development	1,443,120	1,136,560
Other	<u>998,100</u>	<u>863,489</u>
Total program services	<u>7,729,933</u>	<u>6,539,021</u>
Supporting services:		
Management and general	728,615	746,898
Fundraising	<u>809,073</u>	<u>624,039</u>
Total supporting services	<u>1,537,688</u>	<u>1,370,937</u>
<b>Total expenses</b>	<b><u>9,267,621</u></b>	<b><u>7,909,958</u></b>
<b>Change in net assets without donor restrictions</b>	<b><u>(807,091)</u></b>	<b><u>698,414</u></b>

(continued)

## GLOBAL DISCIPLES

### STATEMENTS OF ACTIVITIES (CONTINUED) YEARS ENDED JUNE 30, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
<b>Changes in net assets with donor restrictions:</b>		
Contributions:		
GDT Alliance	\$ 44,511	\$ 92,827
Micro-Business development	73,753	14,921
Leadership development	28,709	28,660
Staff support	268,553	219,277
Net assets released from restrictions	<u>(478,560)</u>	<u>(426,300)</u>
<b>Change in net assets with donor restrictions</b>	<u><b>(63,034)</b></u>	<u><b>(70,615)</b></u>
<b>Change in net assets</b>	<b>(870,125)</b>	<b>627,799</b>
<b>Net assets:</b>		
Beginning of year	<u>3,617,990</u>	<u>2,990,191</u>
<b>End of year</b>	<u><b>\$ 2,747,865</b></u>	<u><b>\$ 3,617,990</b></u>

See notes to financial statements.

## **GLOBAL DISCIPLES**

### STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2025

	Program services				Supporting services			Total expenses
	Global disciple training program	Leadership development program	Small business development program	Other programs	Total programs	Management and general	Fundraising	
Salaries	\$ 1,411,785	\$ 580,939	\$ 584,864	\$ 454,869	\$ 3,032,457	\$ 343,407	\$ 426,820	\$ 3,802,684
Benefits and taxes	415,508	170,978	172,134	133,874	892,494	179,968	178,547	1,251,009
Professional fees	162,297	66,784	67,395	52,291	348,767	72,918	36,932	458,617
Supplies and operating expenses	276,449	109,592	117,196	84,808	588,045	96,054	103,989	788,088
Occupancy	30,232	12,440	12,524	9,741	64,937	13,573	14,001	92,511
Travel	402,184	146,920	170,084	104,854	824,042	3,153	17,074	844,269
Meetings	448,349	162,471	193,013	111,097	914,930	17,259	29,356	961,545
Program seed funds	891,785	-	125,910	537	1,018,232	-	-	1,018,232
Insurance	-	-	-	7,191	7,191	2,283	1,940	11,414
Miscellaneous	-	-	-	38,838	38,838	-	414	39,252
	<b>\$ 4,038,589</b>	<b>\$ 1,250,124</b>	<b>\$ 1,443,120</b>	<b>\$ 998,100</b>	<b>\$ 7,729,933</b>	<b>\$ 728,615</b>	<b>\$ 809,073</b>	<b>\$ 9,267,621</b>

See notes to financial statements.

## **GLOBAL DISCIPLES**

### STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED JUNE 30, 2024

	Program services				Total programs	Supporting services		Total expenses
	Global disciple training program	Leadership development program	Small business development program	Other programs		Management and general	Fundraising	
Salaries	\$ 1,317,233	\$ 514,811	\$ 495,111	\$ 410,674	\$ 2,737,829	\$ 406,919	\$ 313,172	\$ 3,457,920
Benefits and taxes	345,576	135,043	129,875	107,726	718,220	138,602	101,199	958,021
Professional fees	82,818	32,367	31,129	25,820	172,134	46,184	20,866	239,184
Supplies and operating expenses	292,045	112,398	112,963	87,624	605,030	137,928	112,934	855,892
Occupancy	22,010	8,602	8,273	6,862	45,747	8,389	7,732	61,868
Travel	317,801	132,259	130,747	80,294	661,101	832	18,415	680,348
Meetings	376,162	136,628	150,991	89,425	753,206	3,821	46,229	803,256
Program seed funds	712,285	934	77,471	1,633	792,323	-	-	792,323
Insurance	-	-	-	7,145	7,145	2,268	1,928	11,341
Miscellaneous	-	-	-	46,286	46,286	1,955	1,564	49,805
	<b>\$ 3,465,930</b>	<b>\$ 1,073,042</b>	<b>\$ 1,136,560</b>	<b>\$ 863,489</b>	<b>\$ 6,539,021</b>	<b>\$ 746,898</b>	<b>\$ 624,039</b>	<b>\$ 7,909,958</b>

See notes to financial statements.

## GLOBAL DISCIPLES

### STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
<b>Cash flows from operating activities:</b>		
Change in net assets	<u>\$ (870,125)</u>	<u>\$ 627,799</u>
Adjustments:		
Depreciation	89,634	143,788
Unrealized (gain) on investments	(75,659)	(106,769)
Realized (gain) loss on investments	(6,569)	42,460
Change in:		
Receivables:		
Contributions	127,374	85,580
Other	(13,680)	6,830
Employee advances	9,000	1,870
Prepaid expenses	14,199	(5,181)
Right-of-use asset, operating, net	27,762	26,460
Accounts payable	7,601	38,898
Accrued expenses	61,560	83,535
Operating lease liability	<u>(28,481)</u>	<u>(26,405)</u>
Total adjustments	<u>212,741</u>	<u>291,066</u>
<b>Net cash provided by (used in) operating activities</b>	<b><u>(657,384)</u></b>	<b><u>918,865</u></b>
<b>Cash flows from investing activities:</b>		
Purchase of equipment	(8,560)	-
Proceeds from sale of investments	202,578	530,748
Purchase of investments	<u>(215,949)</u>	<u>(549,674)</u>
<b>Net cash used in investing activities</b>	<b><u>(21,931)</u></b>	<b><u>(18,926)</u></b>
<b>Net increase (decrease) in cash</b>	<b><u>(679,315)</u></b>	<b><u>899,939</u></b>
<b>Cash:</b>		
Beginning	<u>2,562,291</u>	<u>1,662,352</u>
Ending	<b><u>\$ 1,882,976</u></b>	<b><u>\$ 2,562,291</u></b>
<b>Reconciliation to financial statements:</b>		
Cash	\$ 1,877,952	\$ 2,557,276
Cash restricted for retirement of international employees	<u>5,024</u>	<u>5,015</u>
<b>Total cash</b>	<b><u>\$ 1,882,976</u></b>	<b><u>\$ 2,562,291</u></b>
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	\$ 35,842	\$ 35,626

See notes to financial statements.

# **GLOBAL DISCIPLES**

## **NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2025 AND 2024**

### **1. Nature of activities and summary of significant accounting policies:**

#### *Description of the Organization:*

Global Disciples (the Organization) is incorporated under the Pennsylvania Nonprofit Corporation Law. The Organization receives support primarily from individuals and other not-for-profit organizations with a similar focus (the Alliance).

The board approved merging the operations of Global Disciples Foundation (the Foundation), a related entity, with the Organization effective January 1, 2017. The Foundation remains a separate organization with its own governing body, but the Foundation's operations are inactive as a result of the merger, and all employees of the Foundation are now considered employees of the Organization.

#### *Activities:*

Training and education – The Organization links with other like-minded organizations to provide various formal and non-formal training and educational options, which equip individuals and groups with the understanding and skills necessary to relate and communicate cross-culturally, to study or work internationally or to live responsibly as global citizens.

Leadership development – The Organization provides local church officials with practical governance skills. Grants are given to churches to begin their own leadership development training programs.

Small business development – The Organization equips leaders in basic business principles and assists them to form sustainable business plans. Grants are provided to churches to begin their local small business training programs.

The 10% Funds of Global Disciples (the 10% Funds) – The Organization has made a commitment, through these funds, to give at least 10% of all unrestricted general contributions received by the Organization to other organizations that have a similar focus to one of the three areas that the Organization has identified as priority globally: cross-cultural training, micro-business development in least advantaged areas and leadership development. The two funds discussed below receive a percentage of the 10% Funds:

The Alliance Fund is the vehicle for receiving and dispersing the 10% Funds from general contributions applied toward the cross-cultural training activities of the Organization. Through June 30, 2025, substantially all recipients of these Grant Funds related to the GDT Alliance. All member programs of the GDT Alliance contribute 2% or more of their program budget to this fund as well. The balance of the funding of this program comes from the general fund of the Organization and donor-restricted contributions. The funds are used as seed funds to help launch new cross-cultural training programs, for micro-business development and for program leadership development, travel and mentoring.

The Generosity Fund receives a small portion of the 10% Funds which are made available for new initiatives, special projects or immediate urgent needs of organizations and individuals closely affiliated with the Alliance.

#### *Basis of accounting:*

The financial statements have been prepared on the accrual basis of accounting. Under this method, revenues are recognized when earned and expenses are recognized in the account period in which the liability is incurred.

## **GLOBAL DISCIPLES**

### NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2025 AND 2024

#### **1. Nature of activities and summary of significant accounting policies (continued):**

##### *Financial statement presentation:*

Financial statement presentation follows the requirements of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*. Under FASB ASC 958, the Organization is required to report information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restrictions - Net assets available for use in general operations and not subject to donor restrictions. This classification includes net assets designated by the board or management for a specified purpose.

Net assets with donor restrictions - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates resources be maintained in perpetuity. The Organization has no net assets to be held in perpetuity at June 30, 2025 and 2024.

##### *Cash and cash equivalents:*

The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

##### *Investments:*

Investments are carried at fair value. Investments in mutual funds with readily determinable fair values are valued at their quoted market price. Unrealized gains and losses are included in the change in net assets without donor restrictions.

##### *Accounts receivable:*

The Organization carries accounts receivable at the outstanding balance reduced by estimated credit losses. The Organization periodically reviews the accounts receivable and charges off balances that are deemed to be uncollectible. Utilizing the loss-rate method, the allowance for doubtful accounts is calculated based on historical experience and management's evaluation of outstanding accounts receivable at the end of each year. Any amounts charged off are first applied to the reserve, and then any additional, if applicable, expense is recorded. Management has determined that no allowance for doubtful accounts was deemed necessary as of June 30, 2025 and 2024.

##### *Equipment, leasehold improvements and depreciation:*

These assets are stated at cost, or fair value at date of donation, and depreciated using straight-line and accelerated methods over the estimated useful lives of the assets, which for leasehold improvements includes the optional renewal periods. The Organization capitalizes equipment and leasehold improvement acquisitions in excess of \$5,000.

# GLOBAL DISCIPLES

## NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2025 AND 2024

### 1. Nature of activities and summary of significant accounting policies (continued):

#### *Revenue recognition:*

The Organization generates revenue from contributions.

#### Contributions:

The Organization receives contributions from various entities and individuals. Contributions are considered non-exchange transactions and are recognized as revenue when received or pledged, barring any conditions placed on the contributions. Contributions are recorded as net assets with donor restrictions or net assets without donor restrictions, depending on the existence of donor restrictions. Support that is restricted by the donor is reported as an increase in donor restricted net assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purposes restriction is accomplished, donor restricted net assets are reclassified to without donor restriction net assets and reported in the statements of activities as net assets released from restriction.

#### *Functional allocation of expenses:*

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses presents the natural classifications of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Personnel related costs were allocated using estimates of staff time spent on program and supporting services. Program costs were allocated based upon the anticipated program activity for each specific program.

#### *Leases:*

The Organization combines and accounts for lease and nonlease components as a single lease component for leases of office space. The discount rate related to the Organization's lease liability for office space is based on the Organization's incremental borrowing rate. The Organization has elected the short-term lease exception to not recognize leases with a lease term of 12 months or less on the statements of financial position.

#### *Use of estimates:*

The preparation of financial statements in accordance with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### *Income tax status:*

The Organization has been recognized as exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state statutes and files Form 990, *Return of Organization Exempt from Income Tax*, on an annual basis.

#### *Reclassifications:*

Certain amounts in the 2024 financial statements have been reclassified to conform with the current year presentation. Total net assets remain unchanged as a result of these reclassifications.

## GLOBAL DISCIPLES

### NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2025 AND 2024

#### 2. Financial assets and liquidity resources:

As of June 30, 2025 and 2024, financial assets and liquidity resources available within one year for general expenditures, such as operating expenses, payments of liabilities and purchases of property and equipment, were as follows:

	<u>2025</u>	<u>2024</u>
Financial assets:		
Cash	\$ 1,877,952	\$ 2,557,276
Receivables:		
Contributions	157,100	284,474
Other	32,300	18,620
Investments	<u>1,335,576</u>	<u>1,239,977</u>
Total financial assets	3,402,928	4,100,347
Net assets with donor restrictions, time restricted for legacy fund	(16,215)	(79,249)
Net assets without donor restrictions, board designated	<u>(361,011)</u>	<u>(438,784)</u>
Total financial assets available within one year	<u>\$ 3,025,702</u>	<u>\$ 3,582,314</u>

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due. To manage unanticipated liquidity needs, the Organization has a \$150,000 line of credit. At June 30, 2025 and 2024, the full balance of the line of credit was available for use.

#### 3. Investments:

The Legacy Fund was opened during the fiscal year ended June 30, 2017. Global Disciples will withdraw 20% of the original year's contributions of \$155,936 plus any accrued interest, per year, for the next five years for the purpose of providing seed funds for the Organization to launch new training programs. Additional contributions to the funds will also be withdrawn at a rate of 20% per year plus any accrued interest. The fair value of the Legacy Fund at June 30, 2025 and 2024 was \$295,143 and \$328,567, respectively. During the year ended June 30, 2024, there were no contributions to the Legacy Fund and withdrawals were \$68,532. During the year ended June 30, 2025, there were no contributions to the Legacy Fund and withdrawals were \$63,034.

## GLOBAL DISCIPLES

### NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2025 AND 2024

#### 3. Investments (continued):

The following table represents the total investments held at June 30:

	2025		
	Cost	Fair value	Unrealized appreciation (depreciation)
Fixed income mutual funds	\$ 578,343	\$ 562,339	\$ (16,004)
Equity mutual funds	547,597	647,099	99,502
Other	119,727	126,137	6,410
Total investments	\$ 1,245,667	\$ 1,335,575	\$ 89,908
	2024		
	Cost	Fair value	Unrealized appreciation (depreciation)
Fixed income mutual funds	\$ 543,568	\$ 507,683	\$ (35,885)
Equity mutual funds	559,710	611,671	51,961
Other	122,451	120,624	(1,827)
Total investments	\$ 1,225,729	\$ 1,239,978	\$ 14,249

The following schedule summarizes the investment income in the accompanying statements of activities for the years ended June 30, 2025 and 2024:

	2025	2024
Interest and dividends, net of fees	\$ 75,734	\$ 55,425
Realized gain (loss)	6,569	(42,460)
Unrealized gain	75,659	106,769
Investment income	\$ 157,962	\$ 119,734

The Organization records its investments at fair value. As such, unrealized gains and losses referred to above are recognized in the accompanying statements of activities.

## GLOBAL DISCIPLES

### NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2025 AND 2024

#### 4. Fair value measurements:

The Organization follows FASB ASC 820, *Fair Value Measurement*, which defines fair value, establishes a framework for measuring fair value in GAAP and requires expanded disclosures about fair value measurements. FASB ASC 820 establishes a hierarchy that ranks the quality and reliability of inputs, or assumptions, used in the determination of fair value and requires financial assets carried at fair value to be classified and disclosed in one of the following three categories:

Level 1 – Quoted prices in active markets for identical assets.

Level 2 – Other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.). The Organization does not hold any Level 2 investments.

Level 3 – Significant unobservable inputs (including the Organization's own assumptions in determining the fair value of investments). The Organization does not hold any Level 3 investments.

All Organization investments are classified as Level 1 investments for the years ended June 30, 2025 and 2024.

See Note 1 for a description of the valuation methodologies used for assets carried at fair value.

#### 5. Leases:

The Organization leases office space. The resulting obligation arising from these contracts is generated by the office space lease, which is classified as an operating lease. The Organization recognizes lease expense on a straight-line basis over the term of the lease, taking into account, when applicable, lessor incentives for tenant improvements, periods where no rent payment is required and escalations in rent payments over the term of the lease. The remaining term for the office space lease is two months. The Organization's lease agreement does not contain any material residual value guarantees, material restrictive covenants or renewal options. As of June 30, 2025, the lease liability and corresponding right-of-use asset, net of amortization, reflected on the statement of financial position were \$4,902 and \$4,761, respectively.

The weighted-average discount rate and lease term assumptions used in determining the liability are 4.75% and 0.09 years, respectively. The primary assumption used to determine the discount rate was the Organization's incremental borrowing rate at January 1, 2022, when the Organization adopted Accounting Standards Update 2016-02.

The following table shows the right-of-use assets and lease liabilities, and the associated financial statement line items, as of June 30, 2025:

<u>Lease-related assets and liabilities</u>	<u>Financial statement line items</u>	<u>2025</u>
Right-of-use assets, operating leases	Right-of-use asset, operating, net of accumulated amortization	<u>\$ 4,761</u>
Lease liabilities, operating leases	Operating lease liability, current portion	<u>\$ 4,902</u>

Lease expense totaled \$28,619 during the year ended June 30, 2025.

## GLOBAL DISCIPLES

### NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2025 AND 2024

#### 5. Leases (continued):

Future minimum payments under the operating lease are as follows:

<u>Year ended June 30,</u>	<u>Amount</u>
2026	<u>\$ 4,911</u>
Total future undiscounted lease payments	4,911
Present value discount	<u>(9)</u>
Lease liability	<u><u>\$ 4,902</u></u>

#### 6. Line of credit:

The Organization has a \$150,000 line of credit which is renewable annually. It accrues interest at 7.5% and is secured by the assets of the Organization. There was no outstanding balance at June 30, 2025 and 2024.

#### 7. Retirement plan:

The Organization has a retirement plan which covers all employees (U.S.-based and international) meeting certain service requirements. Contributions to the plan are based on 8% of eligible compensation. Contributions totaled \$279,596 and \$220,088 for the years ended June 30, 2025 and 2024, respectively.

Retirement contributions for U.S.-based employees are funded currently to a qualified defined contribution retirement plan. Retirement contributions for international employees are held as restricted cash. Interest earned on these restricted funds accrue for the benefit of the international employees until the staff member terminates employment with the Organization. At that time, the employee's allocated share will be forwarded to the staff member.

#### 8. Board designated net assets:

As of June 30, 2025 and 2024, the board of the Organization has designated portions of net assets without donor restrictions for the following purposes:

	<u>2025</u>	<u>2024</u>
Generosity Fund	\$ 82,083	\$ 51,972
GDT Alliance Fund	-	137,494
Legacy Fund	<u>278,928</u>	<u>249,318</u>
Total board designated net assets	<u><u>\$ 361,011</u></u>	<u><u>\$ 438,784</u></u>

## GLOBAL DISCIPLES

### NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2025 AND 2024

#### 9. Net assets with donor restrictions:

Net assets with donor restrictions as of June 30, 2025 and 2024 are restricted for the following purposes:

	<u>2025</u>	<u>2024</u>
Net assets with donor restrictions, time restriction for Legacy Fund	<u>\$ 16,215</u>	<u>\$ 79,249</u>

#### 10. Net assets released from restrictions:

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or as a result of the expiration of time restrictions.

	<u>2025</u>	<u>2024</u>
Staff support	\$ 268,553	\$ 219,277
Time restriction expired for Legacy Funds	63,034	70,615
Micro-Business development	73,753	14,921
Leadership development	28,709	28,660
GDT Alliance	<u>44,511</u>	<u>92,827</u>
	<u>\$ 478,560</u>	<u>\$ 426,300</u>

#### 11. Related party transactions and balances:

At times, the Organization holds banquets at a facility that is owned by a board member. The total paid to the facility during the years ended June 30, 2025 and 2024 was \$7,838 and \$14,911, respectively.

In October 2020, the Organization made an advance to an employee for \$30,000 for the purpose of building an office. The Organization made an additional advance to the same employee for \$36,000 for rent. The repayments started in January 2021 and are being made by salary deduction over a ten-year period at the monthly rate of \$250 and \$300, respectively.

#### 12. Concentrations:

As of June 30, 2025 and 2024, one and four contributors accounted for 38% and 46% of the Organization's total contributions receivable, respectively. For 2024, one contributor was a foundation that released donor-advised funds on behalf of multiple individual contributors.

For the year ended June 30, 2025 and 2024, one contributor accounted for 11% and 10%, respectively, of the Organization's total revenues. In 2025, the contributor was a foundation that released donor-advised funds representing multiple individual contributors. In 2024, the contributor was an individual.

The Organization maintains cash balances at three financial institutions where the balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2025 and 2024, cash balances exceeded the FDIC limit by \$1,374,780 and \$2,347,545, respectively.

## ***GLOBAL DISCIPLES***

### NOTES TO FINANCIAL STATEMENTS YEARS ENDED JUNE 30, 2025 AND 2024

#### **13. Subsequent events:**

The Organization has evaluated its June 30, 2025 financial statements for subsequent events through January 21, 2026, the date which the financial statements were available to be issued.