Living Church of God (International), Inc. and Affiliates

Consolidated Financial Statements

December 31, 2025 and 2024

Living Church of God (International), Inc.
and Affiliates
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Independent Auditor's Report

The Board of Directors
Living Church of God (International) and Affiliates, Inc.
Charlotte, North Carolina

Opinion

We have audited the accompanying consolidated financial statements of Living Church of God (International), Inc. and Affiliates (collectively, the Church), which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Church as of December 31, 2025 and 2024, and the changes in 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audits of the Consolidated Financial Statements section of our report. We are required to be independent of the Church and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Church's ability to continue as a going concern within one year after the date the consolidated financial statements were available to be issued.

Auditor's Responsibility for the Audits of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the 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 the Church's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Church's 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 audits, significant audit findings, and certain internal control related matters that we identified during the audits.

Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The information contained in the consolidating statements of financial position and activities is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

McCannon, Rogers, Driscoll & Associates, L.L.P.

Gastonia, North Carolina
June 15, 2026

Living Church of God (International), Inc. and Affiliates

Consolidated Statements of Financial Position
December 31, 2025 and 2024

	2025	2024
Assets		
Cash and cash equivalents	$ 3,254,990	$ 3,711,676
Investments	4,910,661	5,961,026
Receivables, net	287,431	704,718
Contributions receivable for use of real estate	108,000	180,000
Inventory	11,947	11,947
Prepaid expenses	702,846	548,913
Property and equipment, net	1,764,335	2,162,221
Deposits	27,337	20,185
Total Assets	$ 11,067,547	$ 13,300,686
Liabilities and Net Assets		
Accounts payable	$ 592,824	$ 1,008,583
Accrued wages and other liabilities	590,972	549,243
Total Liabilities	1,183,796	1,557,826
Net Assets		
Without Donor Restrictions:		
Undesignated	9,494,921	11,283,473
Total Without Donor Restrictions	9,494,921	11,283,473
With Donor Restrictions:		
Subject to purpose restrictions	280,830	279,387
Subject to time restrictions	108,000	180,000
Total With Donor Restrictions	388,830	459,387
Total Net Assets	9,883,751	11,742,860
Total Liabilities and Net Assets	$ 11,067,547	$ 13,300,686

Living Church of God (International), Inc.
and Affiliates

Consolidated Statements of Activities
Years Ended December 31, 2025 and 2024

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Totals	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support						
Tithes and contributions	$ 18,494,334	$ -	$ 18,494,334	$ 18,664,097	$ -	$ 18,664,097
Holy Day offerings	4,629,726	-	4,629,726	4,498,972	-	4,498,972
Net investment return	473,991	-	473,991	402,108	-	402,108
Estate gifts	305,783	-	305,783	106,161	-	106,161
Contributed nonfinancial assets	-	-	-	-	216,000	216,000
Camp revenue	72,627	-	72,627	73,838	-	73,838
Other revenue	307,988	-	307,988	650,321	-	650,321
Special project contributions	-	48,551	48,551	-	74,909	74,909
	24,284,449	48,551	24,333,000	24,395,497	290,909	24,686,406
Net assets released from restrictions	119,108	(119,108)	-	145,609	(145,609)	-
Total Revenue and Support	24,403,557	(70,557)	24,333,000	24,541,106	145,300	24,686,406
Expenses						
Program Services						
Feeding the Flock	13,213,554	-	13,213,554	13,440,780	-	13,440,780
Preaching the Gospel	10,959,865	-	10,959,865	11,092,752	-	11,092,752
Supporting Services:						
Management and general	2,018,690	-	2,018,690	1,895,170	-	1,895,170
Total Expenses	26,192,109	-	26,192,109	26,428,702	-	26,428,702
Change in net assets	(1,788,552)	(70,557)	(1,859,109)	(1,887,596)	145,300	(1,742,296)
Net assets, beginning of year	11,283,473	459,387	11,742,860	13,171,069	314,087	13,485,156
Net assets, end of year	$ 9,494,921	$ 388,830	$ 9,883,751	$ 11,283,473	$ 459,387	$ 11,742,860

See notes to consolidated financial statements

Living Church of God (International), Inc. and Affiliates

Consolidated Statement of Functional Expenses
Year Ended December 31, 2025

	Program Services			Supporting Services	
	Feeding the Flock	Preaching the Gospel	Total Program Expense	Management and General	Totals
Salaries, wages, taxes, and benefits	$ 6,344,041	$ 2,801,390	$ 9,145,431	$ 1,109,320	$ 10,254,751
Television broadcasting	-	2,394,659	2,394,659	-	2,394,659
Magazines, periodicals, and booklets	92,081	1,245,461	1,337,542	3,844	1,341,386
Internet advertising and services	-	703,509	703,509	-	703,509
Postage and freight	187,465	2,035,092	2,222,557	22,098	2,244,655
Assistance to others	1,588,247	-	1,588,247	72,000	1,660,247
Facility expense	129,510	103,016	232,526	22,026	254,552
Hall and equipment rental	1,739,316	47,467	1,786,783	579	1,787,362
Insurance	1,769,836	784,240	2,554,076	251,963	2,806,039
Miscellaneous	246,730	284,920	531,650	38,567	570,217
Office expense	106,723	112,797	219,520	268,074	487,594
Professional, legal, and contract services	190,253	220,474	410,727	195,293	606,020
Travel, meals, and professional development	536,726	63,928	600,654	8,001	608,655
Depreciation and amortization	282,626	162,912	445,538	26,925	472,463
Total expenses	$ 13,213,554	$ 10,959,865	$ 24,173,419	$ 2,018,690	$ 26,192,109

See notes to consolidated financial statements

Living Church of God (International), Inc. and Affiliates

Consolidated Statement of Functional Expenses
Year Ended December 31, 2024

	Program Services			Supporting Services	
	Feeding the Flock	Preaching the Gospel	Total Program Expense	Management and General	Totals
Salaries, wages, taxes, and benefits	$ 5,972,719	$ 2,831,619	$ 8,804,338	$ 1,048,938	$ 9,853,276
Television broadcasting	-	2,375,545	2,375,545	-	2,375,545
Magazines, periodicals, and booklets	106,470	1,236,820	1,343,290	3,070	1,346,360
Internet advertising and services	-	877,381	877,381	-	877,381
Postage and freight	186,018	2,007,751	2,193,769	21,771	2,215,540
Assistance to others	2,230,190	-	2,230,190	66,500	2,296,690
Facility expense	131,889	94,925	226,814	21,725	248,539
Hall and equipment rental	1,650,502	51,124	1,701,626	475	1,702,101
Insurance	1,719,598	785,386	2,504,984	228,325	2,733,309
Miscellaneous	221,655	227,264	448,919	23,279	472,198
Office expense	111,205	107,594	218,799	299,297	518,096
Professional, legal, and contract services	179,569	240,408	419,977	145,310	565,287
Travel, meals, and professional development	563,611	62,585	626,196	8,904	635,100
Depreciation and amortization	367,354	194,350	561,704	27,576	589,280
Total Expenses	$ 13,440,780	$ 11,092,752	$ 24,533,532	$ 1,895,170	$ 26,428,702

See notes to consolidated financial statements

Living Church of God (International), Inc. and Affiliates

Consolidated Statements of Cash Flows
Years Ended December 31, 2025 and 2024

	2025	2024
Cash Flows From Operating Expenses		
Change in net assets	$ (1,859,109)	$ (1,742,296)
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation and amortization	472,463	589,280
Contribution of use of property	-	(216,000)
Noncash lease contribution and change in receivables	72,000	66,500
Net unrealized loss (gain) on investments	226,333	44,748
Loss on disposal of property and equipment	91,251	108
Donated investments	27,430	-
Change in operating assets and liabilities:		
Receivables	417,287	608,546
Inventory	-	8,886
Prepaid expenses	(153,933)	(22,144)
Deposits	(7,152)	(1,595)
Accounts payable	(415,759)	251,630
Accrued wages and other liabilities	41,729	23,166
Net cash flows from operating activities	(1,087,460)	(389,171)
Cash Flows From Investing Activities		
Purchases of property and equipment	(165,828)	(69,845)
Proceeds from property held for sale	-	379,821
Proceeds from sale of investments	1,324,436	1,447,000
Purchases of investments	(527,834)	(866,788)
Net cash flows from investing activities	630,774	890,188
Change in cash and cash equivalents	(456,686)	501,017
Cash and cash equivalents, beginning of year	3,711,676	3,210,659
Cash and cash equivalents, end of year	$ 3,254,990	$ 3,711,676

Note A – Organization and Summary of Significant Accounting Policies

Organization and Nature of Activities

Living Church of God (International), Inc. and Affiliates (collectively, the Church), a North Carolina nonprofit religious corporation, is involved in preaching the Gospel of the Kingdom of God and providing for the spiritual and material needs of its members. The Church is primarily funded by tithes and offerings without donor restrictions. It is headquartered in Charlotte, North Carolina.

Consideration of Reporting Entity

The Living Church of God is comprised of various legal entities in the United States. Entities affiliated with the Living Church of God have been included in the consolidated financial statements. These entities include Living Church of God, Inc.; El Mundo De Mañana, LLC; Heads Up, LLC; Le Monde de Demain, LLC; Tomorrow's World, Inc.; and Tomorrow's World, LLC. Pursuant to an analysis regarding indirect control and economic dependence, Living Youth Programs, LLC is consolidated with the Living Church of God's financial statements.

Living Youth Programs LLC (LYP) is a youth-serving ministry to organize, promote, and manage activities and events that are primarily, but not exclusively, youth-oriented and built on a religious foundation, in compliance with the not-for-profit religious aims of the Principal Sponsor, the Church, which is the sole and managing member of LYP. The Church's Board of Directors appoints the officers and managers of LYP and all LYP activities and operations are subject to its approval. As a unique legal entity, LYP has its own bank accounts and vendor relationships. Each year, LYP organizes, promotes, and manages teen, pre-teen, and adventure youth summer camps at various locations in the United States of America, provides online camp registration and payment services, as well as live and archived youth-focused bible studies over the internet.

The operations of foreign affiliates are not included in the accompanying consolidated financial statements as they are independent entities in which the Church does not hold a controlling interest.

All significant intercompany balances and transactions have been eliminated in consolidation.

Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The Financial Accounting Standards Board (FASB) has established the Accounting Standards Codification as the source of authoritative accounting principles to be applied in the preparation of consolidated financial statements in accordance with GAAP. Resources are classified into two net asset categories based on the existence or absence of donor-imposed restrictions.

Note A – Organization and Summary of Significant Accounting Policies – Continued

Basis of Presentation – Continued
The net assets of the Church and changes therein are classified and reported as follows:

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 objective of the Church. These net assets may be used at the discretion of the Church's management and Board of Directors. The Church has chosen to provide further classification information about net assets without donor restrictions. The sub classifications are as follows:

Board Designated – Comprised of funds set aside by the Board of Directors to be used for specific activities within general guidelines established by the Church. There were no board designated amounts for the years ended December 31, 2025 or 2024.

Undesignated – Represents the cumulative net assets without donor restrictions excluding those net assets that are board designated.

Net Assets With Donor Restrictions

Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Church or by the passage of time. Contributions whose restrictions are satisfied in the same reporting period in which the contribution was received are reported as without donor restrictions. Other donor restrictions are perpetual in nature whereby the donor has stipulated the funds be maintained in perpetuity. There were no funds held in perpetuity for the years ended December 31, 2025 or 2024.

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

Contribution Revenue
Tithes and offerings are recorded as revenue in the year the contribution is paid. Members of the Church practice tithing, the donation of 10% of one's income, for the Church's undesignated use. These tithes (known as first tithe), plus undesignated offerings given at each of seven annual Holy Days, comprise the majority of Church support and revenue.

In addition to first tithe and offerings, members save a second tithe for personal use to be able to attend the annual Holy Days. Those who are able, give 10% of this personal second tithe and/or excess second tithe to the Church. The Church uses these funds to help pay for expenses incurred by the Church to conduct the Holy Days and assist the needy members to be able to attend the Church festivals.

Note A – Organization and Summary of Significant Accounting Policies – Continued

Contribution Revenue – Continued
Members, who are financially able, also contribute an additional tithe in the third and sixth years of every seven-year cycle. These contributions are used first to assist widows, orphans, and the poor; and secondly, for retirees and missionary support.

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return or right of release, are not recognized until the conditions on which they depend have been substantially met. Contributions of assets other than cash are recorded at their estimated fair value.

Donor-restricted contributions are received primarily for disaster relief and assistance to foreign affiliates in need and are recorded as contributions with donor restrictions in the accompanying consolidated statements of activities.

Contributed Nonfinancial Assets:

Donated Services – No amounts have been reflected in the consolidated financial statements for donated services. The Church pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that include assisting the Church with specific programs and service on various assigned crews. Such donated services have not been quantified and do not meet the criteria for recognition in the consolidated financial statements.

Property Gifts – Property gifts are contributed nonfinancial assets that consist of land and houses gifted to the Church. The Church recognizes contributed nonfinancial assets within revenue and support. It is the Church's policy to sell all contributed property immediately upon receipt of an acceptable offer based on comparable real estate sales prices. The contributed assets were valued at list price less commission based on third party real estate agents' best determination of real estate value. There were no property gifts received during the years ended December 31, 2025 and 2024.

Contributions Receivable for Use of Real Estate – Contributions for the use of real estate are below fair value operating leases with a Church congregation member. The operating leases are for two houses that are being used for student housing. The term of the leases is 36 months at an annual cost of $2,541 each, expiring June 2027. The Church estimated the fair value of the leases at approximately $216,000, or $72,000 per year, based on comparable market rates. In accordance with GAAP, the Church recorded the use of the real estate as an unconditional promise to give and as donor-restricted support at its fair value. In the initial and future years, the receivable will be reduced and lease expense will be recorded in an amount equal to the estimated annual lease value of the property. At December 31, 2025 and 2024, contributions receivable for the use of real estate is $108,000 and $180,000, respectively.

Note A – Organization and Summary of Significant Accounting Policies – Continued

Other Revenue
Other revenues are mostly made up of contingent gains that consist mostly of litigated broadcast royalties that are recognized when royalty amounts are settled.

Cash and Cash Equivalents
The Church considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents, except for those short-term investments managed as part of investment management strategies.

Investments
Investments consisted of certificates of deposits, fixed income securities, U.S. mutual funds, and precious metal coins. Realized and unrealized gains and losses are reported as net investment return in the consolidated statements of activities.

Receivables
Receivables consist primarily of contributions receivable, estate gifts receivable, amounts due from affiliated entities, and a note receivable. Management's determination of the allowance for doubtful accounts is based on an evaluation of the receivable, past experience, current economic conditions, and other risks. Receivables are written off when, in the opinion of management, such receivables are deemed to be uncollectible.

Inventories
Inventories consist of various books and publications and are stated at the lower of cost (first-in, first-out method) or net realizable value. A physical inventory of the publications is taken semi-annually (mid-year and year-end).

Prepaid Expenses and Deposits
Prepaid expenses consist of television time, publications, Church meeting hall rentals, insurance, and other, which includes postage paid in advance. Deposits include funds to secure hall rentals, youth camps, and festival sites.

Programming costs of television time are paid in advance of the scheduled air date. The expense is recognized in the month the program is aired.

Prepaid church meeting hall rentals are expensed in the month the meeting is held. The majority of the church hall rentals are on a month-to-month basis.

Property and Equipment
Property and equipment is stated at cost. Depreciation of property is computed on the straight-line method over the estimated useful lives of 30 years for buildings, 10 years for building improvements, and 3 to 5 years for office furniture and equipment. The costs of major improvements are capitalized, while the costs of maintenance and repairs, which do not improve or extend the life of the respective properties, are expensed when incurred. The cost and accumulated depreciation of property are eliminated from the accounts upon disposal, and any resulting gain or loss is included in the consolidated statements of activities.

Note A – Organization and Summary of Significant Accounting Policies – Continued

Accrued Wages and Other Liabilities
Accrued liabilities primarily pertain to amounts accrued for compensated absences, salaries, and wages.

Income Taxes
The Church is exempt from income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code (IRC) and applicable state statutes. The Church's controlled entities are non-profit organizations with no taxable activity. The Church is liable for federal and state taxes on any unrelated business income, as defined in the IRC. The Church's policy is to record a liability for any tax position taken that is beneficial to the Church, including any related interest and penalties, when it is more likely than not the position taken by management with respect to a transaction or class of transactions will be overturned by a taxing authority upon examination.

Management believes that the Church has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the consolidated financial statements.

Functional Expenses
The costs of providing programs and other activities have been summarized on a functional basis in the consolidated statements of activities. The consolidated statement of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Such allocations are determined by management on an equitable basis. The primary expenses that are allocated include salaries, wages, taxes and benefits, depreciation and amortization, facility expense, insurance, office expense, postage and freight, which are allocated on a square-footage basis and estimates of time and effort.

Advertising Expense
Advertising costs are expensed as incurred. Total advertising expense for the years ended December 31, 2025 and 2024, was $703,509 and $877,381, respectively.

Use of Estimates
The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Programs and Support Services
The Church sponsors a number of programs and support services. Those programs and services consist of the following:

Support of Local Congregations – Represents the cost incurred and paid by the Church at the local congregation level to provide for the spiritual needs of its members. Included are pastoral expenses such as salaries, healthcare, vehicles, and other travel related costs; as well as weekly meeting hall rentals, mailing of DVD sermons, expenses to conduct the annual Holy Days, youth programs, the direct support of foreign affiliates, and other support.

Note A – Organization and Summary of Significant Accounting Policies – Continued

Programs and Support Services – Continued

Assistance to the Needy – Provides for the material needs of Church members primarily as assistance for widows, orphans, and the poor; including assistance to enable some members to attend the annual Holy Days. Assistance to foreign affiliates in need is also included.

Living Youth Programs, LLC – Includes direct financial support, allocated facility costs, and Church employee personnel costs associated with operating Living Youth Programs, LLC.

Television and Radio – Primarily represents the cost of purchasing air time for the Church's weekly television program, *Tomorrow's World*. Also included are the production costs associated with creating the program and costs for video tape and answering service.

Publishing and Editorial – Includes editorial and publishing costs of the Church's bi-monthly magazine, *Tomorrow's World*, and an array of booklets, primarily intended for non-members. Also included are costs of printing all other Church materials.

Mail Processing and Distribution – Represents the costs of fulfilling literature, audiotape, and compact disk requests generated by preaching the Gospel of the Kingdom of God through television, radio, and publishing. Computer support of mailing lists is also included.

Support Services and Other – Includes administrative expenses not directly attributable to specific programs. This includes the full cost of all finance, accounting, purchasing, human resources, and legal support. It also includes general insurance and other miscellaneous expenses.

Note B – Liquidity and Availability

The table below represents financial assets available for general expenditures within one year at December 31:

	2025	2024
Financial assets at year-end:		
Cash and cash equivalents	$ 3,254,990	$ 3,711,676
Investments	4,910,661	5,961,026
Receivables, net	287,431	704,718
Total financial assets	8,453,082	10,377,420
Less amounts not available to be used for general expenditures within one year:		
Net assets subject to purpose restriction	280,830	279,387
Financial assets not available to meet general expenditures within one year	280,830	279,387
Financial assets available to meet general expenditures within one year	$ 8,172,252	$ 10,098,033

Note B – Liquidity and Availability - Continued

As part of the Church's liquidity management plan, it structures its financial assets to be available as its obligations come due. The Church considers general expenditures to include program expenses, supporting services, and any commitments or liabilities to be paid in the subsequent year.

The Church has donor-restricted assets limited to use which are not available for general expenditure within one year in the normal course of operations. Accordingly, these assets have been included in the quantitative information above for financial assets not available to meet general expenditures within one year.

Note C – Investments

The fair value of investments at December 31 is summarized below:

	2025	2024
Money market	$ 501,252	$ 390
Fixed income securities	1,032,720	1,011,581
Precious metal coins	496,856	465,342
U.S. Treasury/Agency Securities	2,879,833	4,483,713
	$ 4,910,661	$ 5,961,026

Note D – Receivables

Receivables at December 31 are as follows:

	2025	2024
Gross estate receivables	$ 12,455	$ 405,396
Contributions receivable	196,490	208,991
Due from affiliated entities	1,710	1,789
Note receivables	38,680	48,478
Other receivables	52,096	54,064
	301,431	718,718
Less allowance for uncollectable receivables	(14,000)	(14,000)
Total receivables	$ 287,431	$ 704,718

Note E – Prepaid Expenses

Prepaid expenses at December 31 are as follows:

	2025	2024
Television	$ 204,287	$ 220,202
Church hall rent	126,552	111,560
Postage	24,321	16,950
Insurance	225,405	106,913
Other	122,281	93,288
Total prepaid expenses	$ 702,846	$ 548,913

Note F – Property and Equipment

The following is a summary of property and equipment at December 31:

	2025	2024
Land	$ 517,100	$ 517,100
Land improvements	66,978	66,978
Building and improvements	3,581,478	3,555,490
Leasehold improvements	140,761	140,761
Equipment, furniture, and software	3,014,567	3,526,941
Vehicles	1,683,766	1,761,831
	9,004,650	9,569,101
Less accumulated depreciation	(7,240,315)	(7,406,880)
Property and equipment net	$ 1,764,335	$ 2,162,221

Depreciation expense was $472,463 and $589,280 for the years ended December 31, 2025 and 2024, respectively.

Note G – Net Assets with Donor Restrictions

Donor-restricted net assets are available for the following purposes as of December 31:

	2025	2024
Subject to expenditure for specific purpose:		
Disaster relief	$ 194,821	$ 194,821
Other	86,009	84,566
	280,830	279,387
Subject to the passage of time:		
Contributions receivable for the use of real estate	108,000	180,000
	$ 388,830	$ 459,387

Note H – Net Assets Released From Restrictions

Net assets were released from restrictions during the year by incurring expenses satisfying the restricted purpose or by the expiration of time as follows:

	2025	2024
Disaster relief	$ -	$ 22,978
Contribution receivable for the use of real estate	72,000	66,500
Other	47,108	56,131
	$ 119,108	$ 145,609

Note I – Benefit Plan

The Church has a 403(b) tax deferred annuity plan for all eligible employees. Eligible employees may elect to defer up to the maximum contribution permitted by the IRC. The Church can elect to match a discretionary amount each year. For the year ended December 31, 2025 and 2024, the Church matched 2% of eligible employee's contributions and expensed $120,537 and $118,580, respectively.

The Church provides discretionary postemployment retirement payments and healthcare benefits to select ministers' widows and retired employees that meet certain objective and subjective criteria. Although one of the criteria includes an employee's years of service (with the Church and its predecessors), an accrual for these future benefits has not been recorded due to the Church's ability to deny payments at its sole discretion. For the years ended December 31, 2025 and 2024, the Church expensed payments for this purpose totaling $395,005 and $314,729, respectively.

Note J – Concentration of Credit Risk

The Church places its cash and cash equivalents on deposit with financial institutions in the United States. The Federal Deposit Insurance Corporation covers $250,000 for substantially all depository accounts. The Church from time to time may have amounts on deposit in excess of the insured limits.

Note K – Related Party

The Church has affiliated entities throughout the world that are related by some common board members but are not included in the consolidated financial statements. For the years ended December 31, 2025 and 2024, the Church expended $1,010,738 and $1,619,355, respectively, related to these affiliates. The Church also had accounts receivables of $1,710 and $1,789 due from affiliated entities at December 31, 2025 and 2024, respectively, as well as accounts payable due to affiliated entities of $218,174 and $662,883 at December 31, 2025 and 2024, respectively, included in the accompanying consolidated statements of financial position.

In addition, the Church is leasing two houses from a congregation member (see Note A).

Note L – Fair Value Measurements of Assets and Liabilities

The Church utilizes fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. Under the fair value guidance, the Church groups assets and liabilities at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1 – Financial instruments with unadjusted, quoted prices listed on active market exchanges. The Church has money market funds, fixed income securities, and U.S. Treasury/Agency securities shown in Note C that are considered Level 1 assets at December 31, 2025 and 2024.

Level 2 – Financial instruments valued using inputs that include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. The precious metal coins owned by the Church and shown in Note C are considered Level 2 assets at December 31, 2025 and 2024.

Level 3 – Financial instruments that are not actively traded on a market exchange and require using significant unobservable inputs in determining fair value. The Church has no assets or liabilities subject to Level 3 valuations at December 31, 2025 or 2024.

Note M – Subsequent Events

The Church has evaluated subsequent events through June 15, 2026, in connection with the preparation of these consolidated financial statements which is the date the consolidated financial statements were available to be issued.

Supplementary Schedules

Living Church of God (International), Inc. and Affiliates

Consolidating Statement of Financial Position
December 31, 2025

	Living Church of God	Living Youth Program	Eliminations	Consolidated
Assets				
Current Assets				
Cash and cash equivalents	$ 3,205,754	$ 49,236	$ -	$ 3,254,990
Investments	4,993,647	-	(82,986)	4,910,661
Receivables, net	285,507	1,924	-	287,431
Contributions receivable for use of real estate	108,000	-	-	108,000
Inventory	11,947	-	-	11,947
Prepaid expenses	702,796	50	-	702,846
Deposits	27,337	-	-	27,337
Total Current Assets	9,334,988	51,210	(82,986)	9,303,212
Property and equipment, net	1,732,340	31,995	-	1,764,335
Total Assets	$ 11,067,328	$ 83,205	$ (82,986)	$ 11,067,547
Liabilities and Net Assets				
Current Liabilities				
Accounts payable	$ 592,605	$ 219	$ -	$ 592,824
Accrued wages and other liabilities	590,972	-	-	590,972
Total Current Liabilities	1,183,577	219	-	1,183,796
Net Assets				
Without Donor Restrictions:				
Undesignated	9,494,921	82,986	(82,986)	9,494,921
Total Without Donor Restrictions	9,494,921	82,986	(82,986)	9,494,921
With Donor Restrictions:				
Subject to purpose restrictions	280,830	-	-	280,830
Subject to time restrictions	108,000	-	-	108,000
Total With Donor Restrictions	388,830	-	-	388,830
Total Net Assets	9,883,751	82,986	(82,986)	9,883,751
Total Liabilities and Net Assets	$ 11,067,328	$ 83,205	$ (82,986)	$ 11,067,547

Living Church of God (International), Inc. and Affiliates

Consolidating Statement of Activities
Year Ended December 31, 2025

	Living Church of God			Living Youth Program		Consolidated		
	Without Donor Restrictions	With Donor Restrictions	Totals	Without Donor Restrictions	Eliminations	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support:								
Tithes and contributions	$ 18,494,228	$ -	$ 18,494,228	$ 106	$ -	$ 18,494,334	$ -	$ 18,494,334
Holy Day offerings	4,629,726	-	4,629,726	-	-	4,629,726	-	4,629,726
LCG subsidy	-	-	-	119,893	(119,893)	-	-	-
Net investment return	429,251	-	429,251	-	44,740	473,991	-	473,991
Estate gifts	305,783	-	305,783	-	-	305,783	-	305,783
Contributed nonfinancial assets	-	-	-	-	-	-	-	-
Camp revenue	-	-	-	72,627	-	72,627	-	72,627
Other revenue	306,715	-	306,715	1,273	-	307,988	-	307,988
Special project contributions	-	48,551	48,551	-	-	-	48,551	48,551
	24,165,703	48,551	24,214,254	193,899	(75,153)	24,284,449	48,551	24,333,000
Net assets released from restrictions	119,108	(119,108)	-	-	-	119,108	(119,108)	-
Total revenue and support	24,284,811	(70,557)	24,214,254	193,899	(75,153)	24,403,557	(70,557)	24,333,000
Expenses								
Program Services:								
Feeding the Flock	13,094,808	-	13,094,808	213,638	(94,892)	13,213,554	-	13,213,554
Preaching the Gospel	10,959,865	-	10,959,865	-	-	10,959,865	-	10,959,865
Supporting Services:								
Management and general	2,018,690	-	2,018,690	-	-	2,018,690	-	2,018,690
Total expenses	26,073,363	-	26,073,363	213,638	(94,892)	26,192,109	-	26,192,109
Change in net assets	(1,788,552)	(70,557)	(1,859,109)	(19,739)	19,739	(1,788,552)	(70,557)	(1,859,109)
Net assets, beginning of year	11,283,473	459,387	11,742,860	102,725	(102,725)	11,283,473	459,387	11,742,860
Net assets, end of year	$ 9,494,921	$ 388,830	$ 9,883,751	$ 82,986	$ (82,986)	$ 9,494,921	$ 388,830	$ 9,883,751