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ACCOUNTANTS & CONSULTANTS

**FRISCO FIRST BAPTIST CHURCH
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT**

JUNE 30, 2025

Frisco First Baptist Church
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June 30, 2025

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INDEPENDENT AUDITORS' REPORT

To the Finance Committee
of Frisco First Baptist Church

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Frisco First Baptist Church, which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Frisco First Baptist Church as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Frisco First Baptist Church and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 Frisco First Baptist Church's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' 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 auditors' 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 there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the 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 the Frisco First Baptist 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Frisco First Baptist 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 audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

SST Accountants & Consultants

SST Accountants & Consultants PLLC

October 23, 2025

Frisco First Baptist Church
Statement of Financial Position
June 30, 2025

ASSETS

Current Assets

Cash and cash equivalents	\$	571,552
Certificates of deposit		2,295,489
Prepaid expenses		177,839
Inventory		4,045
Total Current Assets		3,048,925

Noncurrent Assets

Cash restricted for capital campaign		1,032,361
Construction in progress		2,842,267
Property and equipment, net		12,552,486
Operating lease right-of-use asset		15,113
Total Noncurrent Assets		16,442,227

TOTAL ASSETS	\$	19,491,152
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LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$	771,420
Accounts payable - construction retainage		102,704
Accrued expenses and other liabilities		58,401
Note payable, current portion		141,860
Deferred revenue		123,448
Operating lease liability, current portion		15,370
Total Current Liabilities		1,213,203

Noncurrent Liabilities

Note payable, net of current portion		4,054,968
Total Noncurrent Liabilities		4,054,968

TOTAL LIABILITIES		5,268,171
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Net Assets

Without Donor Restrictions		10,026,567
With Donor Restrictions		4,196,414
TOTAL NET ASSETS		14,222,981

TOTAL LIABILITIES AND NET ASSETS	\$	19,491,152
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The accompanying notes are an integral part of this financial statement.

Frisco First Baptist Church
Statement of Activities and Changes in Net Assets
For the Year Ended June 30, 2025

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and Support			
Contributions	\$ 5,037,891	\$ 2,296,470	\$ 7,334,361
Ministry activities	516,011	-	516,011
Tuition revenue	538,689	-	538,689
Interest income	145,931	-	145,931
Other income	3,781	-	3,781
	<u>6,242,303</u>	<u>2,296,470</u>	<u>8,538,773</u>
Net assets released from restrictions	324,635	(324,635)	-
Total Revenues and Support	<u>6,566,938</u>	<u>1,971,835</u>	<u>8,538,773</u>
Expenses			
Program Services	4,738,188	-	4,738,188
Supporting Services	1,847,972	-	1,847,972
Total Expenses	<u>6,586,160</u>	<u>-</u>	<u>6,586,160</u>
Other Expense			
Loss on disposal of property and equipment	<u>(247,768)</u>	<u>-</u>	<u>(247,768)</u>
Change in Net Assets	(266,990)	1,971,835	1,704,845
Net Assets, Beginning of Year - As Originally Presented	13,448,312	686,451	14,134,763
Prior period adjustment	(3,154,755)	1,538,128	(1,616,627)
Net Assets, Beginning of Year - Restated	<u>10,293,557</u>	<u>2,224,579</u>	<u>12,518,136</u>
Net Assets, End of Year	<u>\$ 10,026,567</u>	<u>\$ 4,196,414</u>	<u>\$ 14,222,981</u>

The accompanying notes are an integral part of this financial statement.

Frisco First Baptist Church
Statement of Functional Expenses
For the Year Ended June 30, 2025

	Program Services		Supporting Services			Total
	Ministry Activities	Sonshine School and Sonshine Academy	Management and General	Fundraising		
Salaries and benefits	\$ 2,257,030	\$ 490,090	\$ 412,281	\$ -	\$ -	\$ 3,159,401
Background checks	4,789	338	200	-	-	5,327
Bank fees	21,471	874	10,621	38,401	-	71,367
Benevolence	62,130	-	-	-	-	62,130
Catering	106,710	1,468	15,733	4,522	-	128,433
Communications	-	-	28,349	-	-	28,349
Contract labor	157,938	-	-	-	-	157,938
Copier expense	-	-	14,656	-	-	14,656
Curriculum	17,341	2,347	-	-	-	19,688
Depreciation and amortization	316,044	67,724	22,575	45,149	-	451,492
Entrance fees	52,117	-	678	-	-	52,795
Small equipment	75,382	5,973	11,487	-	-	92,842
Fees and permits	2,287	-	285	175	-	2,747
Small furniture and fixtures	10,076	-	2,461	-	-	12,537
Graphics and publications	8	-	-	-	-	8
Guest speakers/band	135,950	-	-	-	-	135,950
Insurance	-	-	106,338	-	-	106,338
Interest expense	-	-	151,112	-	-	151,112
Janitorial services	-	-	270,459	-	-	270,459
Late fees	-	-	39	-	-	39
Lawn care	9	-	46,509	-	-	46,518
Legal and professional	-	-	12,211	-	-	12,211
Meals	23,154	516	731	-	-	24,401
Mileage reimbursement	2,952	-	178	-	-	3,130
Mission support	403,925	-	-	-	-	403,925
Music/video	4,137	-	-	-	-	4,137
Subscriptions	8,984	-	-	-	-	8,984
Pest control	-	-	11,100	-	-	11,100
Postage	5,939	-	3,750	1,137	-	10,826
Printing	23,284	5,828	587	203	-	29,902
Repair and maintenance	6,946	-	224,748	-	-	231,694
Safety and security	-	-	97,634	-	-	97,634
Sales tax	2,517	126	260	-	-	2,903
Software and support	10,656	1,487	118,577	-	-	130,720
Staff development	8,812	4,531	9,169	-	-	22,512
Study materials	4,605	-	64	-	-	4,669
Supplies	172,389	27,243	13,907	773	-	214,312
T-shirts	26,097	3,548	-	-	-	29,645
Travel expense	200,148	-	3,892	-	-	204,040
Utilities	155	-	166,703	-	-	166,858
Vehicle expense	-	-	318	-	-	318
Website	2,113	-	-	-	-	2,113
	<u>\$ 4,126,095</u>	<u>\$ 612,093</u>	<u>\$ 1,757,612</u>	<u>\$ 90,360</u>	<u>\$ -</u>	<u>\$ 6,586,160</u>

The accompanying notes are an integral part of this financial statement.

Frisco First Baptist Church
Statement of Cash Flows
For the Year Ended June 30, 2025

Cash Flows From Operating Activities	
Change in Net Assets	\$ 1,704,845
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities:	
Depreciation and amortization	451,492
Reinvested interest income	(110,282)
Contributions restricted for capital campaign	(2,091,122)
Loss on disposal of property and equipment	247,768
Net operating lease right-of-use asset and lease liability	257
Changes in assets and liabilities:	
Inventory	(842)
Prepaid expenses	(7,563)
Accounts payable	624,897
Accrued expenses and other liabilities	43,943
Deferred revenue	10,361
Net Cash Provided by Operating Activities	<u>873,754</u>
Cash Flows From Investing Activities	
Purchase of property and equipment	<u>(2,342,430)</u>
Net Cash Used in Investing Activities	<u>(2,342,430)</u>
Cash Flows From Financing Activities	
Payments on note payable	(134,962)
Collections of contributions restricted for capital campaign	<u>2,091,122</u>
Net Cash Provided by Financing Activities	<u>1,956,160</u>
Net Change in Cash and Cash Equivalents	487,484
Cash and Cash Equivalents, Beginning of Year	<u>1,116,429</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 1,603,913</u></u>
Supplemental Cash Flow Information	
Cash paid for interest	<u>\$ 151,112</u>
Construction in progress in accounts payable	<u>\$ 554,142</u>
Construction in progress in retainage payable	<u>\$ 102,704</u>
Reconciliation of Cash, Cash Equivalents, and Restricted Cash Reported within the Statement of Financial Position to the Statement of Cash Flows:	
Cash and cash equivalents	\$ 571,552
Cash restricted for capital campaign	<u>1,032,361</u>
Total cash, cash equivalents, and restricted cash	<u><u>\$ 1,603,913</u></u>

The accompanying notes are an integral part of this financial statement.

Frisco First Baptist Church
Notes to Financial Statements
June 30, 2025

Note 1: Organization and Summary of Significant Accounting Policies

The summary of significant accounting policies of First Baptist Church of Frisco *dba* Frisco First Baptist Church (Church) is presented to assist in understanding the financial statements. The financial statements and notes are representations of the Church's management, who is responsible for the fairness and objectivity embodied in the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America (GAAP) and have been consistently applied in the preparation of the financial statements.

Organization

The Church is a Texas nonprofit religious organization established in 1902. Since its founding, the Church has experienced significant growth and has played a central role in the spiritual and community life of Frisco for more than 120 years. The Church is dedicated to spreading the Gospel by establishing, developing, and promoting all aspects of church ministry within Frisco, Texas, and the surrounding communities. The Church is supported primarily through contributions from its local congregation.

The Church also fulfills its mission through Sonshine School and Sonshine Academy, a weekday preschool and academy ministry that helps children grow in love and understanding of themselves, their world, and their relationship with Jesus. The Sonshine School and Sonshine Academy operates as a ministry of the Church and is not a separate legal entity.

Financial Statement Presentation

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the Finance Committee (Board Designated).

Net Assets With Donor Restrictions - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Church and/or the passage of time.

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Church to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a Finance Committee approved spending policy. No such net assets existed as of June 30, 2025.

Revenues are reported as increases in net assets without donor restrictions unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses are reported as increases or decreases in net assets without donor restrictions, unless their use is restricted by explicit donor stipulation or by law. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Frisco First Baptist Church
Notes to Financial Statements
June 30, 2025

Note 1: Organization and Summary of Significant Accounting Policies

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. It is at least reasonably possible that the significant estimates used will change within the next year. Actual results could vary from estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Church considers all investments with original maturity dates of ninety days or less to be cash equivalents. Cash equivalents were \$343,628 as of June 30, 2025. The Church places its cash, which, at times, may exceed federally insured limits, with high-credit quality financial institutions. The Church has not experienced any losses on such amounts.

Amounts included in cash restricted for capital campaign represent monies restricted for the capital campaign, Finishing Rooted to Grow. See Note 6. These funds are not available for current operations and are a long-term asset.

Certificates of Deposit

Certificates of deposit (CD) have maturity dates of three months or more when purchased and are valued at amortized cost-plus accrued interest. At June 30, 2025, the Church had three CDs with interest rates ranging from 4.31% to 4.50%. Subsequent to year end, one of the CDs matured on October 2, 2025 and was renewed at a comparable rate.

Property and Equipment

Property and equipment are stated at cost when purchased, or at fair market value, if donated, at the donation date, less accumulated depreciation and amortization. Major expenditures which substantially increase useful lives of the assets are capitalized. Maintenance and repairs which do not improve or extend the lives of the respective assets, are charged to expenses when incurred. When property and equipment are sold or otherwise disposed of, the asset and related accumulated depreciation and amortization are removed, and any gain or loss is included in the statement of activities and changes in net assets.

Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets as follows:

Vehicles	5 years
Equipment, furniture and fixtures	5 - 10 years
Buildings and improvements	5 - 40 years

Impairment of Long-Lived Assets

The Church regularly evaluates its long-lived assets for indicators of possible impairment. Should impairment exist, the impairment loss would be measured based on the excess carrying value of the asset over the asset's fair value. No impairment losses were recognized for the year ended June 30, 2025.

Frisco First Baptist Church
Notes to Financial Statements
June 30, 2025

Note 1: Organization and Summary of Significant Accounting Policies (Continued)
Construction in Progress

Construction in progress is stated at cost, which includes the cost of construction and other direct costs attributable to construction. No provision for depreciation is made on construction in progress until such time as the relevant assets are completed and placed in service. At June 30, 2025, construction in progress consisted of expansion and renovation projects to the Church's facilities, with an estimated total project cost of approximately \$7,200,000. The total cost incurred as of June 30, 2025, was approximately \$1,800,000, and the estimated cost to complete the project is about \$5,400,000. The Church anticipates that construction will be substantially completed in April 2026.

Leases

The Church determines if a contract is classified as a lease at the contract's inception. Lease agreements are evaluated to determine whether the lease is a finance or operating lease. Right-of-use (ROU) assets and lease liabilities are recognized at the commencement date based on the net present value of lease payments over the lease term. The Church's leases do not provide an implicit rate; therefore, the Church has elected to use a risk-free rate as its incremental borrowing rate, based on the information available at the commencement date to determine the present value of the lease payments over the lease term. Leases with an initial term of 12 months or less are not recorded on the accompanying statement of financial position and are recognized as lease expense on a straight-line basis over the lease term.

Revenue Recognition

The Church receives revenue for services that is recognized when the control of the promised service is transferred to customers in an amount that reflects the consideration the Church expects to be entitled to receive in exchange for those services under Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*.

The Church's service revenue consists of fees for ministry activities and tuition earned from the Sonshine School and Sonshine Academy. Tuition is earned monthly as the Church provides education services prorata throughout the school year. When tuition is paid in advance of a school year, prepaid tuition is recorded and then reclassified to tuition revenue on a monthly basis throughout the applicable school year.

Ministry activities are primarily paid in the period of service and are recognized at that time. Cash receipts for ministry activities in future periods are recorded as deferred revenue.

The Church recognizes contributions when cash, securities, other assets or an unconditional promise to give is received. All contributions are considered available for unrestricted use unless specifically restricted by the donor or grantor. Conditional promises to give, those with a measurable performance or other barrier and a right to return, are not recognized until the conditions on which they depend have been substantially met. Amounts received in advance of conditions being met are reported as refundable advances.

Frisco First Baptist Church
Notes to Financial Statements
June 30, 2025

Note 1: Organization and Summary of Significant Accounting Policies (Continued)
Contributions of Nonfinancial Assets

Contribution of nonfinancial assets are recorded at their estimated values on the dates of receipt. Contributed services are reflected as contributions of nonfinancial assets in the accompanying financial statements at the fair value of the services received if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. For the year ended June 30, 2025, there were no contributions of nonfinancial assets.

Many volunteers have contributed significant amounts of their time to activities of the Church. However, since those contributed services neither create or enhance nonfinancial assets nor require specialized skills, the value of the contributed services is not recorded in the accompanying financial statements. Management has not quantified the amount or value of these contributed services.

Functional Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Allocations are based on estimated time and effort spent in each area. The expenses that are allocated include salaries and benefits, repair and maintenance, software and support, and depreciation and amortization. All other natural expense categories using the key concept of direct conduct or direct supervision are charged to the benefiting program or support service.

Income Taxes

The Church is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) of 1986, as amended, as an organization described in Section 501(c)(3) of the IRC. The Church has been classified as an organization that is not a private foundation under IRC Section 509(a)(2), and as such, contributions to the Church qualify for deductions as charitable contributions. However, income generated from activities unrelated to the Church's exempt purpose is subject to tax under IRC Section 511.

Accounting for Uncertainty in Income Taxes

Management has concluded that any tax positions that would not meet the more-likely-than-not criterion of FASB Accounting Standards Codification (ASC) Topic 740-10, *Accounting for Income Taxes*, would be immaterial to the financial statements taken as a whole. Accordingly, the accompanying financial statements do not include any provision for uncertain tax positions, and no related interest or penalties have been recorded in the statement of activities and changes in net assets or accrued in the statement of financial position.

Date of Management's Review

The Church has evaluated subsequent events through October 23, 2025, which is the date the financial statements were available to be issued.

Frisco First Baptist Church
Notes to Financial Statements
June 30, 2025

Note 2: Property and Equipment

Property and equipment consisted of the following as of June 30, 2025:

Land	\$	6,035,580
Buildings and improvements		11,475,836
Equipment, furniture and fixtures		1,537,860
Vehicles		58,300
		19,107,576
Less: accumulated depreciation and amortization		(6,555,090)
Property and equipment, net	\$	12,552,486

Note 3: Note Payable

On November 18, 2021, the Church refinanced a construction loan previously held at Bank OZK, now with Point Bank. The loan is secured by certain real property. Commencing on December 18, 2021, and continuing on the same date of each successive calendar month thereafter, principal and interest payments of \$23,840 shall be due and payable until the entire indebtedness evidenced by this note is fully paid, except that any remaining indebtedness, principal and interest if not sooner paid, shall be due and payable in full on or before November 18, 2031. Interest will be calculated on the unpaid principal to the day of each installment payment. Each payment will be credited first to the accrued interest and then to reduction of principal. The fixed interest rate is 3.49%.

Scheduled future minimum maturities of the note payable for the years ending June 30 are as follows:

2026	\$	141,860
2027		146,891
2028		152,101
2029		157,495
2030		163,080
2031 and thereafter		3,435,401
	\$	4,196,828

Note 4: Leases

The Church has an obligation under a noncancelable operating lease agreement for office equipment expiring in May 2026.

The following represents lease costs and required information for the year ended June 30, 2025:

Operating lease costs	\$	16,520
Cash paid for amounts included in measurement of lease liability		16,800
Weighted-average remaining lease term in years		0.92
Weighted-average discount rate		0.47%

Frisco First Baptist Church
Notes to Financial Statements
June 30, 2025

Note 4: Leases (Continued)

Future minimum lease payments required under this agreement are as follows:

For the years ending June 30,			
2026	\$	15,400	
2027 and thereafter		-	
Total lease payments		15,400	
Less interest		(30)	
Present value of lease liability	\$	15,370	

Note 5: Retirement Plan

The Church offers a 403(b) retirement plan (the Plan) that allows eligible employees to contribute through payroll deductions. Regular full-time employees are eligible to participate in and eligible for a contribution match of the Church. Part-time employees working at least 30 hours per week may participate but are not eligible for the match. Ministerial and professional employees are eligible for up to 5% of contribution match with no waiting period when hired. Supporting employees are eligible for the same contribution match after one year service. For the year ended June 30, 2025, the Church's contributions were \$65,214.

Note 6: Net Assets

Net Assets With Donor Restrictions

During 2025, the Church launched the Finishing Rooted to Grow capital campaign to raise funds for the expansion and renovation projects to the Church's facilities. Contributions received under this campaign are donor-restricted to the expansion and renovation projects to the Church's facilities and will be released from restriction when the related assets are placed in service. Through June 30, 2025, the Church had received approximately \$4,000,000 in contributions designated for this purpose.

At June 30, 2025, the purposes and corresponding balances remaining in net assets with donor restrictions were as follows:

Texas Baptist Men	\$	200	
Benevolence		48,762	
Missions		92,823	
Capital campaign		4,054,629	
	\$	4,196,414	

Net assets with donor restrictions released from restrictions during 2025 were as follows:

Benevolence	\$	64,024	
Missions		111,865	
Capital campaign		148,746	
	\$	324,635	

Frisco First Baptist Church
Notes to Financial Statements
June 30, 2025

Note 7: Prior Period Restatement

During the preparation of the June 30, 2025 financial statements, it was discovered that the donor restricted contributions for the capital campaign purpose were incorrectly released on the construction in progress for the year ended June 30, 2023. This resulted in an understatement of net assets with donor restrictions for the years ended June 30, 2024 and 2023. Had the adjustment been made as of June 30, 2023, the net assets with donor restrictions would have increased by \$1,538,128 without any effect on total net assets.

It was also discovered that an impairment loss of construction in progress in fiscal year 2018 through 2021 should have been recorded in fiscal year 2021, since the construction was halted due to COVID and started over in fiscal year 2022. Had the adjustment been made as of June 30, 2021, the construction in progress and net assets without donor restrictions would have decreased by \$1,616,627.

The total net assets as of June 30, 2024 decreased by \$1,616,627 due to the restatements above.

Note 8: Liquidity

The Church is partially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Church must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Church's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations become due.

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

Financial assets available at June 30, 2025	\$	2,867,041
Less those unavailable for general expenditures with one year due to donor-imposed restrictions:		
Texas Baptist Men		(200)
Benevolence		(48,762)
Missions		(92,823)
		(92,823)
Total financial assets available to meet cash needs for general expenditures within one year	\$	2,725,256