ALPHA USA

Carol Stream, Illinois

FINANCIAL STATEMENTS

DECEMBER 31, 2025

(See independent auditors' report)

ALPHA USA

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FINANCIAL STATEMENTS

December 31, 2025

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INDEPENDENT AUDITORS' REPORT

The Board of Directors
Alpha USA
Carol Stream, Illinois

Opinion

We have audited the accompanying financial statements of Alpha USA ("the Organization"), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year 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 Alpha USA as of December 31, 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. 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 the Organization 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.

Emphasis of Matter – Prior Period Adjustment

As disclosed in Note 14 to the financial statements, management discovered that paid time off was not properly being accrued for. This resulted in an overstatement of previously recorded net assets without donor restrictions. Accordingly, an adjustment of $268,746 was recorded to decrease beginning net assets without donor restrictions as of January 1, 2025 in the accompanying financial statements. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; 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 the Organization's ability to continue as a going concern within one year after the date that the financial statements are available to be 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 generally accepted auditing standards 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 generally accepted auditing standards, 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 Organization'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 Organization'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.

Mowery & Schoenfeld, LLC

Lincolnshire, Illinois
October 19, 2026

ALPHA USA

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2025

ASSETS

CURRENT ASSETS		
Cash and cash equivalents	$	3,571,612
Accounts receivable		54,848
Current portion of unconditional promises to give (Note 4)		6,738,065
Prepaid expenses and other current assets		289,374
Total current assets		10,653,899
PROPERTY AND EQUIPMENT, net (Note 5)		38,748
OTHER ASSETS		
Long-term unconditional promises to give (Note 4)		6,458,862
Security deposits		31,438
Operating lease right-of-use asset, net (Note 6)		21,160
Total other assets		6,511,460
	$	17,204,107

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable	$	32,161
Current portion of operating lease liability (Note 6)		21,205
Accrued wages and related expenses		528,118
Accrued expenses		55,040
Due to related parties (Note 10)		707,823
Deferred revenue		18,213
Total current liabilities		1,362,560
NET ASSETS		
Without donor restrictions		3,074,352
With donor restrictions (Note 11)		12,767,195
Total net assets		15,841,547
	$	17,204,107

See accompanying notes to financial statements.

ALPHA USA

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2025

CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	
Unrestricted revenue and public support	
Sale of publications and royalties	$ 113,394
Less cost of publications sold (Note 10)	22,644
Gross profit from the sale of publications	90,750
Conference registrations	279,431
Contributions and fundraising	20,242,060
Pass-through to international affiliates (Note 10)	235,000
Total revenues and public support, prior to net assets released from restrictions	20,847,241
Net assets released from restrictions	3,833,333
Total revenues and public support	24,680,574
EXPENSES	
Program service expenses	
Conferences	637,052
Equip	2,593,327
Envision	2,161,105
Global Vision campaign (Note 10)	14,290,547
Total program service expenses	19,682,031
Leadership & central operations	3,204,487
Fund development	1,411,138
Subtotal functional expenses	24,297,656
Pass-through contributions to international affiliates (Note 10)	235,000
Total expenses	24,532,656
Change in net assets without donor restrictions	147,918
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	
Grants restricted to specific projects	202,793
Grants with implied time restrictions in support of future operations	9,277,914
Net assets released from restrictions	(3,833,333)
Change in net assets with donor restrictions	5,647,374
Change in net assets	5,795,292
NET ASSETS, BEGINNING OF YEAR, AS PREVIOUSLY STATED	10,315,001
Prior period adjustment to net assets without donor restrictions (Note 14)	(268,746)
NET ASSETS, BEGINNING OF YEAR, RESTATED	10,046,255
NET ASSETS, END OF YEAR	$ 15,841,547

See accompanying notes to financial statements.

ALPHA USA

STATEMENT OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2025

	Program Services				Support Services			
	Conferences	Equip	Envision	Global Vision	Leadership & Central Operations	Fund Development	Pass Through Contributions	Total
Payroll	$ 248,646	$ 1,898,552	$ 1,582,127	$ 503,940	$ 2,345,775	$ 1,001,883	$ -	$ 7,580,923
Occupancy	1,192	20,674	17,228	-	41	5,513	-	44,648
Telephone	1,480	10,496	8,747	1,003	12,946	5,518	-	40,190
Office	2,566	23,333	19,444	290	30,555	7,629	-	83,817
Insurance	-	2,327	1,939	23	2,870	621	-	7,780
Postage	2,282	7,141	5,951	-	8,808	2,263	-	26,445
Professional fees	-	13,650	11,375	-	16,835	3,640	-	45,500
Bank charges	-	2,158	1,799	-	2,662	576	-	7,195
Credit card fees	-	12,867	10,722	16,750	15,869	3,431	-	59,639
Travel and entertainment	116,662	171,792	143,160	20,626	211,877	85,943	-	750,060
Cost of publications sold	-	-	22,644	-	-	-	-	22,644
Training	-	19,104	15,920	271	23,562	5,094	-	63,951
Outside services	135,663	177,797	148,164	348,934	219,284	225,713	-	1,255,555
Printings	27,510	14,567	12,139	1,055	17,965	3,884	-	77,120
Advertising and marketing	5,040	65,730	54,775	-	81,068	17,528	-	224,141
Events	90,500	96,529	80,441	1,082	119,051	26,807	-	414,410
Website	2,822	47,836	39,864	21	58,998	12,756	-	162,297
Promotion	2,689	2,404	2,003	-	2,965	641	-	10,702
Lease expense	-	-	-	-	25,502	-	-	25,502
Depreciation and amortization	-	970	807	-	1,194	258	-	3,229
Donations (Program)	-	5,400	4,500	-	6,660	1,440	-	18,000
Donations (Global Campaign)	-	-	-	13,396,552	-	-	-	13,396,552
Total Program and Support Services	637,052	2,593,327	2,183,749	14,290,547	3,204,487	1,411,138	-	24,320,300
Donations (Pass Through)	-	-	-	-	-	-	235,000	235,000
Total expenses by function	637,052	2,593,327	2,183,749	14,290,547	3,204,487	1,411,138	235,000	24,555,300
Less expenses included with revenues on the statement of activities								
Cost of publications sold	-	-	(22,644)	-	-	-	-	(22,644)
Total expenses - 2025	$ 637,052	$ 2,593,327	$ 2,161,105	$ 14,290,547	$ 3,204,487	$ 1,411,138	$ 235,000	$ 24,532,656

See accompanying notes to financial statements.

ALPHA USA

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$	5,795,292
Adjustments to reconcile changes in net assets		
to net cash provided by operating activities:		
Depreciation and amortization		3,229
Non-cash operating lease expense		24,634
Amortization of discount on unconditional promises to give		(433,271)
Changes in operating assets and liabilities:		
Accounts receivable		(29,790)
Unconditional promises to give		(5,524,827)
Prepaid expenses		(72,634)
Security deposit		(13,065)
Payments on operating lease liabilities		(24,589)
Accounts payable		15,814
Accrued expenses		74,624
Related party payables		625,447
Deferred revenue		(17,902)
Net cash provided by operating activities		422,962
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment		(34,742)
Net cash used in investing activities		(34,742)
INCREASE IN CASH AND CASH EQUIVALENTS		388,220
Cash and cash equivalents, beginning of year		3,183,392
Cash and cash equivalents, end of year	$	3,571,612

SUPPLEMENTAL DISCLOSURES OF NON-CASH INVESTING AND FINANCING ACTIVITIES

Contract modifications and addition to operating lease right-of-use assets and operating lease liabilities	$	37,590

See accompanying notes to financial statements.

NOTE 1 – ORGANIZATION AND PURPOSE

Alpha USA is a nonprofit corporation instituted under the laws of the State of New York. The Organization has established regional branches in various locations throughout the United States, with its management, general, and administrative operations centralized in Chicago. Alpha International is the international licensor to the Organization.

The Organization's mission is to provide a practical introduction to the Christian faith. The Organization offers courses at churches, schools, and prisons as a means of reaching out to individuals and helping them explore the relevance of the Christian faith in their daily lives.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America.

Contributions and Financial Statement Preparation

The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

> Net Assets Without Donor Restrictions—Net assets that are not subject to or are no longer subject to donor-imposed stipulations.
>
> Net Assets With Donor Restrictions—Net assets whose use is limited by donor-imposed time and/or purpose restrictions.

Contributions are recorded as revenue when an unconditional promise to give has been made. Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. All other donor-restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires, restricted net assets are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as contributions without donor restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that may affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and Cash Equivalents

The Organization presents its cash flows using the indirect method. The Organization considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Receivables and Credit Policies

Accounts receivable are uncollateralized customer obligations due under normal trade terms typically requiring payment within 30 days from the invoice date and are stated at the amount billed to the customer. Payments of accounts receivable are allocated to the specific invoices identified on the customer's remittance advice or, if unspecified, are applied to the earliest unpaid invoices. Customer account balances with invoices dated past normal term are considered delinquent. The Organization does not assess interest or finance charges on accounts which become past due.

The amortized cost of accounts receivable is reduced by management's best estimate of an allowance for credit losses that results in the financial statements reflecting the net amount expected to be collected. The allowance for credit losses represents the estimated portion, if any, of the amortized cost basis that management does not expect to collect due to credit over the receivable's contractual life, taking into consideration past historical loss experience, current conditions, and forecasts of future economic conditions. With respect to estimating expected credit losses for current accounts receivable arising from transactions from contracts with customers, the Company has elected a practical expedient in developing its forecasts that assumes that current conditions as of the balance sheet date do not change for the remaining life of the assets. As of December 31, 2025, no allowance for credit losses was deemed necessary.

Unconditional Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. Management determines the allowance for uncollectable promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Promises to give are written off when deemed uncollectable. At December 31, 2025, no allowance for uncollectable promises to give was deemed necessary.

Fair Value of Financial Instruments

The carrying amount of financial instruments, including cash and cash equivalents, receivables, and accounts payable, approximated fair values as of December 31, 2025, due to their short-term nature or because interest rates are consistent with current market rates.

Property and Equipment

Property and equipment are recorded at cost, and contributed property and equipment are recorded at their estimated fair market value on the date of donation. Property and equipment are depreciated or amortized for financial reporting purposes using the straight-line method over estimated useful lives of five to seven years.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and Equipment (continued)

Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for normal maintenance and repairs are charged to expense as incurred.

Leases

The Organization accounts for leases in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 842, *Leases*, which generally requires the recognition of right-of-use ("ROU") assets and lease liabilities on the statement of financial position. The Organization determines if an arrangement contains a lease in whole or in part at the inception of the contract. In evaluating contracts to determine if they qualify as a lease, the Organization considers factors such as if there is an identified underlying asset, if the Organization has obtained substantially all of the rights to the asset throughout the period of use, if the Organization can direct the use of the asset by making decisions about how and for what purpose the asset will be used, and if the lessor has substantive substitution rights. This evaluation may require significant judgment.

ROU assets represent the right to use an underlying asset for the lease term while lease liabilities represent the obligation to make lease payments arising from the lease. All leases with an expected term greater than twelve months result in the recognition of a ROU asset and a liability at the lease commencement date based on the present value of the lease payments over the lease term. The Organization used a risk-free rate based on the U.S. Treasury's daily yield curve rate that has a similar timeframe to the commencement terms of the lease for those leases which did not include an implicit rate. The risk-free rate was taken from the date of commencement. The operating lease ROU asset also includes any lease prepayments made and excludes lease incentives.

The lease term includes all non-cancellable periods and may include options to extend (or to not terminate) the lease when it is reasonably certain that the Organization will exercise the option. Leases that have a term of twelve months or less at the commencement date are expensed on a straight-line basis over the lease term and do not result in the recognition of a ROU asset or lease liability.

The Organization's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Lease expense for operating leases is recognized on a straight-line basis over the lease term. Variable lease payments are expensed in the period in which the obligation for those payments is incurred.

When necessary to allocate consideration in a contract to separate lease and non-lease components, the Organization uses the standalone prices of the lease and non-lease components. Observable standalone prices are used, if available. If the standalone price for a component has a high level of variability or uncertainty, this allocation may require significant judgment. The Organization has not elected to combine lease and non-lease components, such as fixed maintenance costs, as a single lease component in calculating ROU assets and lease liabilities for all classes of leased assets.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition

The Organization recognizes revenue when, or as, performance obligations under the terms of the contract with each customer are satisfied. Please refer to Note 3 for a more detailed description of revenue policies and procedures.

The Organization has made the following elections regarding practical expedients in connection with revenue recognition:

Assessed Taxes

Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, and that are collected by the Organization from a customer, are excluded from revenue.

Portfolios of Contracts

The Organization applies the ASC 606 model to portfolios of contracts with similar characteristics when it reasonably expects that the effect(s) on the financial statements will not differ materially from the application of the model to individual contracts within the portfolios.

Contributions Received and Contributions Made

The Organization recognizes contributions under the FASB Accounting Standards Update ("ASU") No. 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The standard requires an entity to determine whether a transaction is a contribution or exchange transaction. In addition, once a transaction is deemed to be a contribution, the entity must determine if the contribution is conditional, which affects the timing of the revenue recognized.

Impairment of Long-Lived Assets

The Organization reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell. There were no impairment losses recognized for the year ended December 31, 2025.

Advertising Costs

Non-direct response advertising costs are expensed as incurred and totaled $224,141 for the year ended December 31, 2025.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional Expenses

The costs of providing programs have been summarized on a functional basis in the statement of activities. Expenses are charged to programs or supporting services based upon specific identification and allocation estimates. Indirect payroll and operational expenses have been allocated based on direct salary expenditures to various programs. Fund development expenses on the accompanying statement of activities for the year ended December 31, 2025 include $719,585 of fundraising expenses for the Global Vision Campaign.

Income Taxes

The Organization received notification that it qualifies as a tax-exempt organization under section 501(c)(3) of the U.S. Internal Revenue Code and corresponding provisions of state law and, accordingly, is not subject to federal or state income tax. There was no unrelated business income for the year ended December 31, 2025. Accordingly, no provision for income tax has been included in the accompanying financial statements.

Subsequent Events

Management has evaluated subsequent events through October 19, 2026, the date on which the financial statements were available to be issued. There were no subsequent events requiring recognition or disclosure in these financial statements.

NOTE 3 – REVENUE RECOGNITION – EXCHANGE TRANSACTIONS

In accordance with the revenue recognition requirements issued by the FASB, revenue from exchange transactions is measured based on consideration specified in a contract with a customer and excludes any sales incentives and amounts collected on behalf of third parties. The Organization recognizes revenue from exchange transactions when, or as, it satisfies a performance obligation by transferring control over a product or service to a customer.

Overview of Economic Factors and Their Effects

Various economic factors may affect the nature, amount, timing, and uncertainty of revenues and cash flows. Changes in regulations, recent events, or general market conditions may adversely affect the Organization’s financial statements.

Performance Obligations

Publication Sales

For performance obligations related to the sales of publications, control transfers to the customer at a point in time. The Organization receives publication revenue, net of any costs, directly from a third-party, upon sale of the publications.

NOTE 3 – REVENUE RECOGNITION – EXCHANGE TRANSACTIONS (continued)

Royalty Revenue

For performance obligations related to royalties, control transfers to the customer at a point in time. The Organization receives royalties on proprietary products sold by a third party. Royalties are considered earned when these products are sold and shipped. Royalty payments are received two months after each quarter end.

Conference Revenue

For performance obligations related to conferences, control transfers to the customer over time. The Organization receives registration fees prior to their annual conference and recognizes the revenue over the period of time the conferences are held.

Disaggregation of Revenue

Revenue from performance obligations satisfied at a point in time consists of sales of publications and royalty revenue. Sales of publications are sold directly to consumers via third parties. Royalties are collected through a third-party based on a percentage of sold publications. Revenue from performance obligations satisfied over time consists of conference registrations.

The following table shows revenue disaggregated by the timing of the satisfaction of performance obligations for the year ended December 31, 2025:

Performance obligations satisfied at a point in time	$ 113,394
Performance obligations satisfied over time	279,431
	$ 392,825

Significant Management Judgments

In determining the amounts and timing of revenue to be recognized in the financial statements, management makes certain initial judgments when either party to a contract commences performance of its contractual obligations. These initial estimates are subject to reevaluation whenever management issues financial statements for subsequent interim and annual periods.

Contract Balances

Contract balances include accounts receivables and deferred revenue. Amounts are invoiced as control transfers to the customer and in accordance with agreed-upon contractual terms.

Contract balances were as follows at:

	December 31, 2025	January 1, 2025
Receivables	$ 54,848	$ 25,058
Deferred revenue	18,213	36,115

NOTE 3 – REVENUE RECOGNITION – EXCHANGE TRANSACTIONS (continued)

Contract Balances (continued)

No impairment losses were incurred from contracts with customers for the year ended December 31, 2025.

NOTE 4 – UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give represent remaining commitments made by donors in support of the general mission or specific projects of the Organization. Unconditional promises to give totaled the following as of December 31, 2025:

In one year or less	$ 6,738,065
Between one year and five years	6,920,000
	13,658,065
Less - discount *	(461,138)
	$ 13,196,927

* The long-term unconditional promises to give were discounted at rates ranging from 3.56% to 4.27%.

NOTE 5 – PROPERTY AND EQUIPMENT

Property and equipment is stated at cost and comprised of the following at December 31, 2025:

Computer equipment	$ 73,733
Computer software	26,000
Furniture and fixtures	641
	100,374
Less - accumulated depreciation	(61,626)
	$ 38,748

Depreciation expense totaled $3,229 for the year ended December 31, 2025.

NOTE 6 – LEASES

The Organization entered into an operating lease for office space with an unrelated party, with the lease period expiring in October 2026. The lease agreement provides for base monthly rental payments ranging from $2,064 to $2,150. The lease agreement did not include an option for renewal.

For the year ended December 31, 2025, the Organization recorded operating lease expense of $25,502 within leadership & central operations expenses on the statement of activities.

Short term lease expense for the year ended December 31, 2025, was $44,648.

NOTE 6 – LEASES (continued)

The following table presents supplemental cash flow information related to leases for the year ended December 31, 2025:

Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows paid for operating lease	$	25,456

As of December 31, 2025, the average remaining lease term for the operating lease was 0.83 years, and the discount rate associated with the operating lease was 3.70%.

ROU assets, net are presented in a separate line under non-current assets for operating leases on the statement of financial position. Current and non-current lease liabilities are presented in separate lines for the operating lease on the statement of financial position.

Future maturities of the operating lease liability is as follows at December 31, 2025:

2026	$	21,500
Total undiscounted lease payments		21,500
Less - imputed interest		(295)
Total lease liabilities	$	21,205

As of December 31, 2025, the Organization did not have any operating or finance leases that had not yet commenced.

NOTE 7 – LINE OF CREDIT

The Organization has a $500,000 line of credit facility with International Bank that matures on January 10, 2027. No borrowings were outstanding at December 31, 2025. Interest is charged at the prime rate (6.75% at December 31, 2025) plus 1% and is payable monthly. The line of credit is secured by substantially all assets of the Organization.

NOTE 8 – EMPLOYEE BENEFIT PLANS

The Organization sponsors a 401(k) plan with an employer matching option, not to exceed 5% of gross compensation. This plan is qualified under Section 401(a) of the Internal Revenue Code and covers all employees who have met the plan participation requirements. Contributions to the plan totaled $204,245 for the year ended December 31, 2025.

NOTE 9 – RISKS AND UNCERTAINTIES

The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

NOTE 9 – RISKS AND UNCERTAINTIES (continued)

The Organization is subject to risks associated with changing government regulation and with unforeseen or catastrophic events, including terrorist attacks, natural disasters, virus outbreaks, or the emergence of a pandemic, any of which could create economic, financial, and business disruptions.

NOTE 10 – RELATED-PARTY TRANSACTIONS

The Organization has a joint ministry agreement with Alpha Canada whereby the two entities pool resources to more effectively and economically carry on their common activities. The agreement allows Alpha Canada to appoint an *ex officio* member on the Organization's Board of Directors to represent its interest. This representative is also a member of the Joint Committee, created by the joint agreement to manage the joint activity of the Organization and Alpha Canada. The agreement requires that an audit report of the Organization, performed by an independent certified public accountant, be submitted to the Joint Committee annually.

The Organization has a royalty agreement with Alpha International for Alpha publications created and copyrighted by Alpha International. The Organization pays a royalty fee to Alpha International on all publication sales that are copyrighted by Alpha International. Royalty expense totaled $22,644 as a result of this agreement for the year ended December 31, 2025, and is included in cost of publications sold. There were royalty fees owed to Alpha International totaling $10,105 at December 31, 2025.

In addition to the licensing agreements described above, the Organization collected $235,000 in contributions for Alpha International and affiliated organizations in 2025. These contributions were accounted for as pass-through revenue and expense items. There were no pass-through contributions payable as of December 31, 2025.

The Organization developed a global ministry plan with Alpha International to collaborate for the purpose of the Alpha Global Vision Campaign in which the Organization will raise funds to be used for its own ministry needs supporting the global campaign internationally. The Organization received contributions for the Alpha Global Vision Campaign and allocated $15,010,132 to other organizations participating in the global campaign for the year ended December 31, 2025. Pledges received during 2025 are to be used for the Alpha Global Vision Campaign which may include funds being remitted to Alpha International or kept by Alpha USA for ministry needs at the discretion of Alpha USA. The balance due to Alpha International was $697,718 at December 31, 2025 for contributions received to be remitted to Alpha International.

NOTE 11 – DONOR-RESTRICTED NET ASSETS

The Organization has net assets with donor restrictions totaling $12,767,195 as of December 31, 2025. Net assets restricted for use in support of specific projects totaled $558,081, net assets with an implied time restriction that will be received in future periods totaled $12,209,114, and net assets released from restrictions total $3,833,333.

NOTE 12 – MAJOR DONORS

The Organization is dependent upon continued contributions from various board members and other significant donors. Contributions from board members totaled $1,813,345 for the year ended December 31, 2025 and are included in the statement of activities as contributions and fundraising.

NOTE 12 – MAJOR DONORS (continued)

Contributions from two donors totaled $13,500,000 for the year ended December 31, 2025. This represents approximately 45% of the total contributions for the year ended December 31, 2025.

NOTE 13 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets as of December 31, 2025, reduced by amounts not available for general use within one year of December 31, 2025 because of contractual or donor-imposed restrictions.

Cash and cash equivalents	$ 3,571,612
Accounts receivable	54,848
Unconditional promises to give	6,738,065
Total financial assets	10,364,525
Net assets with donor restrictions, other than implied time restrictions	(558,081)
Financial assets available to meet cash needs for general expenditures within one year	$ 9,806,444

As part of the Organization's liquidity management, it prepares annual budgets and meets periodically with the Board of Directors to review financial statements to compare to budgeted amounts, and it invests cash in excess of daily requirements in short-term, interest-bearing investments. In addition, a line of credit of $500,000 with International Bank (Note 7) is maintained, which can be drawn upon as needed during the year to manage cash flow needs.

NOTE 14 – PRIOR PERIOD ADJUSTMENT

During 2025, management of the Organization became aware that paid time off was not properly being accrued for, even though the Organization offers a paid time off carryover. This resulted in an overstatement of net assets without donor restrictions and an understatement of accrued wages and related expenses at December 31, 2024 of $268,746. Accordingly, beginning net assets without donor restrictions has been restated in the accompanying financial statements to correct for the error. Previously issued financial statements have not been restated.