FRIENDS OF THE GREAT COMMISSION

Financial Statements
With Independent Auditors' Report

December 31, 2023 and 2022 (Restated)

CAPINCROUSE LLP

FRIENDS OF THE GREAT COMMISSION

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Friends of the Great Commission
Colorado Springs, Colorado

Opinion

We have audited the accompanying financial statements of Friends of the Great Commission, which comprise the statements of financial position as of December 31, 2023 and 2022, the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Friends of the Great Commission, as of December 31, 2023 and 2022, and the changes in its net assets and 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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Friends of the Great Commission, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As described in Note 5, Friends of the Great Commission identified adjustments pertaining to the classification of contributions for the year ended December 31, 2022, and the classification of net assets as of December 31, 2022. The classification of ending net assets as of December 31, 2022, and the activity for the year ended December 31, 2022, have been adjusted to correct these errors.

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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the 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 Friends of the Great Commission's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Board of Directors
Friends of the Great Commission
Colorado Springs, Colorado

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 Friends of the Great Commission'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 Friends of the Great Commission'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 audits.

Capin Crouse LLP

Centennial, Colorado
June 13, 2024

FRIENDS OF THE GREAT COMMISSION

Statements of Financial Position

	December 31, 2023	December 31, 2022 Restated
ASSETS:		
Cash and cash equivalents	$ 1,268,865	$ 1,640,930
Investments	523,262	501,325
Operating lease–right-of-use asset	53,830	79,508
Other assets	8,084	5,309
Total Assets	$ 1,854,041	$ 2,227,072
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable	$ 38,796	$ 66,947
Accrued liabilities	2,286	-
Related party payable	85,000	801,710
Operating lease obligation	55,096	79,919
Total liabilities	181,178	948,576
Net assets:		
Without donor restrictions	(37,691)	(6,424)
With donor restrictions	1,710,554	1,284,920
Total net assets	1,672,863	1,278,496
Total Liabilities and Net Assets	$ 1,854,041	$ 2,227,072

See notes to financial statements

FRIENDS OF THE GREAT COMMISSION

Statements of Activities

	Year Ended December 31,					
	2023			2022 Restated		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Contributions	$ 91,063	$ 5,266,175	$ 5,357,238	$ 85,332	$ 3,667,480	$ 3,752,812
Administrative fees and other income	290,692	-	290,692	135,238	-	135,238
Total Revenue and Support	381,755	5,266,175	5,647,930	220,570	3,667,480	3,888,050
NET ASSETS RELEASED:						
From purpose restrictions	4,840,541	(4,840,541)	-	3,646,304	(3,646,304)	-
EXPENSES:						
Program services	4,403,469	-	4,403,469	3,394,608	-	3,394,608
Support activities:						
Management and general	715,490	-	715,490	439,864	-	439,864
Fundraising	134,604	-	134,604	51,924	-	51,924
	850,094	-	850,094	491,788	-	491,788
Total Expenses	5,253,563	-	5,253,563	3,886,396	-	3,886,396
Change in Net Assets	(31,267)	425,634	394,367	(19,522)	21,176	1,654
Net Assets, Beginning of Year	(6,424)	1,284,920	1,278,496	13,098	1,263,744	1,276,842
Net Assets, End of Year, as previously reported	(37,691)	1,710,554	1,672,863	(808,134)	2,086,630	1,278,496
Prior period restatement (Note 5)	-	-	-	801,710	(801,710)	-
Net Assets, End of Year, as restated	$ (37,691)	$ 1,710,554	$ 1,672,863	$ (6,424)	$ 1,284,920	$ 1,278,496

See notes to financial statements

FRIENDS OF THE GREAT COMMISSION

Statements of Functional Expenses

	Year Ended December 31, 2023			
		Supporting Activities:		
	Program Services	General and Administrative	Fundraising	Total
Grants and international expenses	$ 3,698,837	$ -	$ -	$ 3,698,837
Contracted services	612,973	279,959	72,118	965,050
Office supplies and other	-	356,610	-	356,610
Missions events, supplies, and travel	91,659	25,349	62,486	179,494
Occupancy	-	53,572	-	53,572
	$ 4,403,469	$ 715,490	$ 134,604	$ 5,253,563

	Year Ended December 31, 2022 (Restated)			
		Supporting Activities:		
	Program Services	General and Administrative	Fundraising	Total
Grants and international expenses	$ 2,942,461	$ -	$ -	$ 2,942,461
Contracted services	391,174	142,067	46,020	579,261
Office supplies and other	-	242,823	-	242,823
Missions events, supplies, and travel	60,973	19,351	5,904	86,228
Occupancy	-	35,623	-	35,623
	$ 3,394,608	$ 439,864	$ 51,924	$ 3,886,396

See notes to financial statements

FRIENDS OF THE GREAT COMMISSION

Statements of Cash Flows

	Year Ended December 31, 2023	Year Ended December 31, 2022 Restated
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 394,367	$ 1,654
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Non-cash lease expense	855	411
Net realized and unrealized gain on investments	(22,294)	(1,325)
Change in operating assets and liabilities:		
Other assets	(2,775)	44
Accounts payable	(742,575)	830,285
Net Cash Provided (Used) by Operating Activities	(372,422)	831,069
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(711,643)	(500,000)
Proceeds from sale of investments	712,000	-
Net Cash Provided (Used) by Investing Activities	357	(500,000)
Net Change in Cash and Cash Equivalents	(372,065)	331,069
Cash and Cash Equivalents Beginning of Year	1,640,930	1,309,861
Cash and Cash Equivalents, End of Year	$ 1,268,865	$ 1,640,930
SUPPLEMENTAL DISCLOSURE AND NON-CASH TRANSACTIONS:		
Right-of-use assets obtained in exchange for operating lease obligations	$ -	$ 92,053

See notes to financial statements

FRIENDS OF THE GREAT COMMISSION

Notes to Financial Statements

December 31, 2023 and 2022

1. NATURE OF ORGANIZATION:

   Friends of the Great Commission (FGC) was incorporated in 2014 for the purpose of fulfilling the Great Commission by simplifying ministry and mission. FGC does this by providing donor, administrative, and compliance expertise. FGC also provides essential administrative and accounting expertise exclusively with Christian ministries and projects in a dynamic and cooperative relationship.

   FGC is operated as a nonprofit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and comparable state laws. However, FGC is subject to federal income tax on any unrelated business taxable income. FGC is not a private foundation under Section 509(a) of the IRC. FGC's primary source of support and revenue is from contributions.

   FGC shares a president and board of directors with The Great Commission Foundation (GCF), a Public Foundation organized under the laws of the Dominion of Canada and recognized as tax-exempt by the Canadian government. In November 2023, GCF obtained control over FGC in that GCF became the sole voting member of FGC. These financial statements reflect only the operations and financial position of FGC under control of GCF, and are not those of the primary reporting entity.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

   FGC maintains its accounts and prepares its financial statements on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. 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 affect the reported amounts of assets and liabilities, disclosures of any contingent assets and liabilities at the date of the financial statements, and the reported revenues and expenses during the reporting period. Actual results could differ from the estimates. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

   CASH AND CASH EQUIVALENTS

   Cash and cash equivalents contain checking accounts and savings accounts. As of December 31, 2023 and 2022, the amount exceeding the federally insured limits was approximately $798,000 and $1,138,000, respectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

OPERATING LEASE–RIGHT-OF-USE ASSET AND OBLIGATION
Some of FGC's contracts contain the right to control the use of property or assets and are therefore considered leases. FGC records right-of-use assets and lease obligations on the statements of financial position for the rights and obligations created by leases with initial terms of more than twelve months. FGC has elected not to separate lease and non-lease components. The additional lease disclosures can be found in Note 4.

CLASSES OF NET ASSETS
The financial statements report amounts separately by class of net assets as follows:

Net assets without donor restrictions are those currently available at the discretion of management for use in FGC's operations.

Net assets with donor restrictions are restricted by donors for various FGC agents. Actual ministry completed by agents varies in specific function, but all agents act to serve missions' purpose of furthering the Gospel. All restricted funds are granted to external organizations or to reimburse individuals in line with the restriction set in place by the original donor.

SUPPORT AND REVENUE
Contributions are recorded when made, which may be when cash or other assets are received or unconditionally promised. Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated amounts. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Administrative fees and other income consists of revenues received from charges for administrative services to ministries. Other income is recorded when earned.

FUNCTIONAL ALLOCATION OF EXPENSES
The statements of activities and functional expenses report certain categories of expenses that are attributable to program services or support activities of FGC. Salaries and benefits are allocated based on time and effort, and costs of other categories are allocated based on the purpose of the expense. FGC's main program service is partnering with ministries by sending grants and assisting in providing essential expertise in different areas.

FRIENDS OF THE GREAT COMMISSION

Notes to Financial Statements

December 31, 2023 and 2022

3. LIQUIDITY AND FUNDS AVAILABLE:

The following table reflects FGC's financial assets, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year.

	December 31,	
	2023	2022
Financial assets:		
Cash and cash equivalents	$ 1,268,865	$ 1,640,930
Investments	523,262	501,325
Financial assets, at year-end	1,792,127.00	2,142,255.00
Financial assets not available to be used for general expenditures in one year:		
Net assets with donor restrictions to be expended greater than one year	(689,981)	(513,968)
Financial assets available to meet cash needs for general expenditures within one year	$ 1,102,146	$ 1,628,287

FGC has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Management monitors cash flow closely through regular board reporting and detailed financial analysis.

FRIENDS OF THE GREAT COMMISSION

Notes to Financial Statements

December 31, 2023 and 2022

4. OPERATING LEASE–RIGHT-OF-USE ASSETS AND OBLIGATIONS:

FGC leases office space under operating leases expiring in 2025. The discount rate represents the risk-free discount rate using a period comparable with that of the individual lease term on the inception date of the lease. The lease requires monthly payments of $2,250. The discount rate on the leases is 3.14%.

	December 31, 2023	December 31, 2022
Operating lease–right-of-use assets	$ 53,830	$ 79,508
Operating lease obligations	$ 55,096	$ 79,919
Operating lease costs	$ 27,855	$ 13,911
Weighted-average discount rate	3.14%	3.14%
Weighted-average remaining lease term in years	1.94 years	2.86 years

Future minimum lease payments required under operating lease that have an initial or remaining non-cancelable lease term in excess of one year are as follows:

Year Ending December 31,	
2024	$ 28,350
2025	28,626
	56,976
Less imputed interest	(1,880)
	$ 55,096

FRIENDS OF THE GREAT COMMISSION

Notes to Financial Statements

December 31, 2023 and 2022

5. PRIOR PERIOD RESTATEMENT–CORRECTION OF AN ERROR:

During the year ended December 31, 2023, management identified an error in the classification of releases from restriction and net asset in the financial statements for the year ended December 31, 2022. Accordingly, certain amounts in the financial statements as of and for the year ended December 31, 2022 have been restated to reflect this correction.

As of December 31, 2022, the statement of financial position was restated as follows:

	As Previously Stated	Prior Period Restatement	As Restated
Net assets without donor restrictions	$ (808,134)	$ 801,710	$ (6,424)
Net assets with donor restrictions	$ 2,086,630	$ (801,710)	$ 1,284,920

The following items in the statement of activities for the year ended December 31, 2022, were changed as noted:

	As Previously Stated	Prior Period Restatement	As Restated
Net assets released from purpose restrictions	$ 2,844,594	$ 801,710	$ 3,646,304
Change in net assets with donor restrictions	$ 822,886	$ (801,710)	$ 21,176
Change in net assets without donor restrictions	$ (821,232)	$ 801,710	$ (19,522)
Net assets without donor restrictions, end of year	$ (808,134)	$ 801,710	$ (6,424)
Net assets with donor restrictions, end of year	$ 2,086,630	$ (801,710)	$ 1,284,920

FRIENDS OF THE GREAT COMMISSION

Notes to Financial Statements

December 31, 2023 and 2022

6. RELATED PARTY TRANSACTIONS:

GCF provides administrative and accounting services to FGC. FGC recognized expenses of $15,000 and $10,000 related to these services for the years ended December 31, 2023 and 2022, respectively. The administrative and accounting service fees are in accounts payable as of December 31, 2023 and 2022, respectively.

GCF gives unrestricted contributions to FGC. During the years ended December 31, 2023 and 2022, FGC received $90,250 and $90,000 in unrestricted contributions from GCF, respectively.

FGC grants funds given to FGC that are restricted for GCF programs. During the year ended December 31, 2023 and 2022, FGC granted a total of $559,062 and $1,023,104, respectively, to GCF, which includes $0 and $801,710 in payables to GCF as of December 31, 2023 and 2022, respectively.

GCF loaned $60,000 to FGC during the year ended December 31, 2023 to fund operational expenses. No such amount was loaned to FGC during the year ended December 31, 2022.

7. SUBSEQUENT EVENTS:

Subsequent events were evaluated through June 13, 2024, which is the date the financial statements were available to be issued.