

Cornerstone Global Methodist Church of Marysville, Ohio

Financial Statements

As of and for the Years Ended
December 31, 2024 and 2023



TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor's Report	1 - 2
Statements of Financial Position	3
Statements of Activities and Changes in Net Assets	4 - 5
Statements of Functional Expenses	6 - 7
Statements of Cash Flows.....	8
Notes to the Financial Statements	9 - 16

INDEPENDENT AUDITOR'S REPORT

To the Leadership Team
Cornerstone Global Methodist Church of Marysville, Ohio

Opinion

We have audited the financial statements of Cornerstone Global Methodist Church of Marysville, Ohio (the "Church"), which comprise the statements of financial position as of December 31, 2024 and 2023 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years 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 the Church as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

Emphasis of Matter

As discussed in Note 8 to the financial statements, the 2023 financial statements have been restated to correct a misstatement. 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 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 the Church's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Misstatements are considered material if 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 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 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.

Rea & Associates, Inc.

Rea & Associates, Inc.
Millersburg, Ohio
July 18, 2025

CORNERSTONE GLOBAL METHODIST CHURCH OF MARYSVILLE, OHIO

STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2024 AND 2023

	<u>ASSETS</u>	
	2024	Restated 2023
CURRENT ASSETS:		
Cash and cash equivalents	\$ 499,592	\$ 498,434
Cash - agency funds	170,463	191,360
Investments - agency funds	9,561	8,953
Prepaid expense	619	-
Total current assets	680,235	698,747
INVESTMENTS	374,094	336,672
PROPERTY AND EQUIPMENT:		
Building and improvements	7,190,841	7,144,194
Furniture and fixtures	451,876	429,466
Technology and software	3,187	-
	7,645,904	7,573,660
Less: accumulated amortization	(5,493,393)	(5,354,634)
	2,152,511	2,219,026
Construction in progress	51,516	-
Land	169,100	169,100
Property and equipment, net	2,373,127	2,388,126
TOTAL ASSETS	\$ 3,427,456	\$ 3,423,545

LIABILITIES AND NET ASSETS

	<u>2024</u>	<u>Restated 2023</u>
CURRENT LIABILITIES:		
Accounts payable	\$ 64,968	\$ 33,319
Accrued expenses	68,626	59,104
Agency funds	180,024	200,313
Total liabilities	<u>313,618</u>	<u>292,736</u>
NET ASSETS:		
Without donor restrictions:		
Designated	533,100	510,676
Undesignated	2,451,451	2,443,987
Total net assets without donor restrictions	<u>2,984,551</u>	<u>2,954,663</u>
With donor restrictions	<u>129,287</u>	<u>176,146</u>
Total net assets	<u>3,113,838</u>	<u>3,130,809</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 3,427,456</u></u>	<u><u>\$ 3,423,545</u></u>

The accompanying notes are an integral part of these financial statements.

CORNERSTONE GLOBAL METHODIST CHURCH OF MARYSVILLE, OHIO

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024

	Without donor restrictions	With donor restrictions	Total
REVENUE, GAINS, AND SUPPORT:			
Contributions and pledges	\$ 1,430,748	\$ 149,254	\$ 1,580,002
Interest income	836	-	836
Investment income, net fees	39,955	1,558	41,513
Net assets released from restriction	197,671	(197,671)	-
Total revenue, gains, and support	1,669,210	(46,859)	1,622,351
EXPENSES:			
Program	1,196,027	-	1,196,027
General and administrative	443,295	-	443,295
Total expenses	1,639,322	-	1,639,322
Changes in net assets	29,888	(46,859)	(16,971)
NET ASSETS, as restated, beginning of the year (see Note 8)	2,954,663	176,146	3,130,809
NET ASSETS, end of the year	\$ 2,984,551	\$ 129,287	\$ 3,113,838

The accompanying notes are an integral part of these financial statements.

CORNERSTONE GLOBAL METHODIST CHURCH OF MARYSVILLE, OHIO

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Restated Without donor restrictions	Restated With donor restrictions	Restated Total
REVENUE, GAINS, AND SUPPORT:			
Contributions and pledges	\$ 1,409,774	\$ 94,431	\$ 1,504,205
Interest income	601	-	601
Investment income, net fees	42,109	(687)	41,422
Net assets released from restriction	160,430	(160,430)	-
Total revenue, gains, and support	1,612,914	(66,686)	1,546,228
EXPENSES:			
Program	1,123,831	-	1,123,831
General and administrative	379,346	-	379,346
Total expenses	1,503,177	-	1,503,177
Changes in net assets	109,737	(66,686)	43,051
NET ASSETS, beginning of the year, as previously reported	2,916,621	325,331	3,241,952
Retroactive application of a prior period adjustment (see Note 8)	(71,695)	(82,499)	(154,194)
NET ASSETS, as restated, beginning of the year	2,844,926	242,832	3,087,758
NET ASSETS, as restated, end of the year	\$ 2,954,663	\$ 176,146	\$ 3,130,809

The accompanying notes are an integral part of these financial statements.

CORNERSTONE GLOBAL METHODIST CHURCH OF MARYSVILLE, OHIO

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024

	Programs	General and Administrative	Total Expenses
Salaries, wages, taxes, and benefits	\$ 581,563	\$ 191,826	\$ 773,389
Missions	163,936	-	163,936
Depreciation	111,006	27,752	138,758
Repairs and maintenance	93,015	23,254	116,269
Utilities	69,556	17,389	86,945
Children and youth ministry	77,396	-	77,396
Professional fees	-	63,880	63,880
Materials and supplies	27,907	27,906	55,813
Conference apportionment	-	48,542	48,542
Worship	35,327	-	35,327
Insurance	-	29,256	29,256
Communications	15,515	-	15,515
Rental	-	13,491	13,491
Congregational	12,738	-	12,738
Affiliated ministries	8,067	-	8,067
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Total expenses	\$ 1,196,027	\$ 443,295	\$ 1,639,322
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The accompanying notes are an integral part of these financial statements.

CORNERSTONE GLOBAL METHODIST CHURCH OF MARYSVILLE, OHIO

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Restated Programs	Restated General and Administrative	Restated Total Expenses
Salaries, wages, taxes, and benefits	\$ 544,615	\$ 177,524	\$ 722,139
Missions	136,695	-	136,695
Depreciation	109,008	27,252	136,260
Repairs and maintenance	102,022	25,505	127,527
Utilities	66,004	16,501	82,505
Children and youth ministry	78,902	-	78,902
Professional fees	-	35,027	35,027
Materials and supplies	23,811	23,812	47,623
Conference apportionment	-	44,057	44,057
Worship	26,319	-	26,319
Insurance	-	17,691	17,691
Communications	25,054	-	25,054
Rental	-	11,977	11,977
Congregational	11,401	-	11,401
Total expenses	<u>\$ 1,123,831</u>	<u>\$ 379,346</u>	<u>\$ 1,503,177</u>

The accompanying notes are an integral part of these financial statements.

CORNERSTONE GLOBAL METHODIST CHURCH OF MARYSVILLE, OHIO

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	Restated 2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	\$ (16,971)	\$ 43,051
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation expense	138,758	136,260
Net unrealized/realized gain on investments	(36,240)	(23,552)
(Increase) decrease in assets:		
Prepaid expense	(619)	3,660
Increase (decrease) in liabilities:		
Accounts payable	31,649	(26,351)
Accrued expenses	9,522	27,095
Unearned revenue	-	(19,182)
Agency funds	(20,289)	46,119
Cash provided by operating activities	105,810	187,100
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payments for the purchase of property and equipment	(123,759)	(52,480)
Payments for the purchase of investments	(409,865)	(65,065)
Proceeds from sale of investments	408,075	4,970
Cash used in investing activities	(125,549)	(112,575)
Net change in cash	(19,739)	74,525
CASH AND CASH EQUIVALENTS, beginning of the year	689,794	615,269
CASH AND CASH EQUIVALENTS, end of the year	\$ 670,055	\$ 689,794

The accompanying notes are an integral part of these financial statements.

CORNERSTONE GLOBAL METHODIST CHURCH OF MARYSVILLE, OHIO

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Cornerstone Global Methodist Church of Marysville, Ohio (the “Church”) exists to make disciples of Jesus Christ who love God, love People, serve both. The Church is a not-for-profit organization formed under the General Corporation Act of Ohio. The purpose or purposes for which the Church is formed are: providing a place of worship for its members, promoting the cause of the Christian religion and the interests of the Church; receiving, holding and disbursing gifts, bequests and funds arising from other sources; and doing any and all things necessary or incidental for the organization.

The Leadership Team is tasked with making guiding decisions for the Church following the vision and mission; and helps empower the administrative and ministry work that pastors, staff, and lay people are called to do, which is make disciples of Jesus Christ for the transformation of the world. The Leadership Team is a 14-member governance body responsible for administrative and visioning decisions for the Church. There are four lay members elected each year by the congregation to serve three-year terms. Lay members may serve two consecutive terms and then must be off the team for at least one year before re-applying. The Senior Pastor and the Business Administrator also serve as non-voting members. Responsibilities of the Leadership Team include, but are not limited to:

1. Church Trustees
2. Human Resources (Staff Parish Relations)
3. Finance
4. Facilities Management
5. Nominations
6. Security and Safety

All ministry activities should intentionally employ one or more of the following strategies:

Actively Engage – The Church does not wait for people to come to them. They engage with neighbors, coworkers, friends, family, and strangers to let them know they are love, valued, and worth their time.

Connect – The Church does not walk alone as they experience Jesus. They connect people to help them grow, do life, and do ministry together. When someone sets foot in the Church they will be warmly welcomed and received. The Church is a place for friendship and belonging, not judgement. It is a place where people encounter the Savior and Lord exactly where they are.

Equip – The Church wants all people to expand their knowledge of who God is and how he wants to use them in everyday life. Through Bible study, training, mentoring, classes, and experiences they prepare people to be joyful lifelong disciples that reproduce other disciples.

Send – The world needs to hear the good news of Jesus and He has given the joy and responsibility to go and make disciples. The Church members are sent out to their own spheres of influence: homes, schools, offices, neighborhoods, and to the ends of the earth.

The programs of the Church are extensive, deep, and far-reaching. The programs include Sunday morning worship; worship activities throughout the week; mission activity and support; Christian education programs for children, youth and adults; and music worship activities and programs.

CORNERSTONE GLOBAL METHODIST CHURCH OF MARYSVILLE, OHIO

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting and Financial Statement Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting, in accordance with principles generally accepted in the United States of America (GAAP). Under these principles, the Church is required to report the changes in, and totals of each net asset class based on the existence of donor restrictions. Net assets, revenues, expenses, gains, and losses are classified based on the existence of donor-imposed restrictions, where applicable. Accordingly, net assets and changes therein are reported as follows:

Net Assets Without Donor Restrictions – Net assets without donor restrictions are available for use at the discretion of the Leadership Team and/or management for general operating purposes. From time to time, the Leadership Team may designate a portion of these net assets for specific purposes.

Net Assets With Donor Restrictions – Net assets with donor restrictions consist of assets whose use is limited by donor-imposed or purpose restrictions. The Church reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statements of activities as net assets released from restrictions. The Church currently has net assets with donor restrictions for various events, missions, special offerings, committees, scholarships, and capital projects. The Church currently has Board designated net assets for capital improvements, memorials, development, vehicle fleet, scholarships, and various endowment funds.

Cash and Cash Equivalents

For the purposes of the statements of cash flows, the Church considers all short-term, highly liquid investments that are readily convertible to a known amount of cash and short-term debt securities purchased with an original maturity of three months or less to be cash equivalents.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 4 for discussion of fair value measurements.

The net gain or loss on the investment portfolio is determined by calculating the differences between the market value of investment assets held at the end of the year and their market value as of the beginning of the year. Investment expenses are netted in the investment income account on the statement of activities.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Investment income includes the gains and losses on investments bought and sold as well as held during the year.

CORNERSTONE GLOBAL METHODIST CHURCH OF MARYSVILLE, OHIO

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Major improvements and betterments are capitalized and depreciated; maintenance and repairs, which do not improve or extend the life of the respective assets, are charged to expense as incurred. Upon disposal of assets, the cost and related accumulated depreciation are removed from the accounts, and any gain or loss is included in revenue, gains, and support. Property and equipment are depreciated on a straight-line basis over estimated useful lives ranging from three to 40 years.

Agency Funds

The Church holds funds as an agent for multiple organizations in accordance with agreements established. These funds are primarily composed of cash and investments and are held solely for the benefit of the Beneficiary. Under the terms of the agency agreements, the Church is responsible for holding and disbursing the funds as directed by the Beneficiary. The Church does not have discretion over the use of these funds and is not considered the owner of the funds. The assets are recorded as restricted on the statement of net assets and corresponding agency fund as a liability. The statement of activities does not include transactions related to agency funds, as these are not considered contributions or expenses of the Church.

Revenue Recognition

Contributions and Pledges

The Church receives contributions primarily from individuals and families. Contributions and gifts are recognized as revenues at fair value at the date received. These contributions and gifts are considered to be available for unrestricted use, unless specifically restricted by the donor. Conditional promises to give, specifically those with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met.

Impairment of Assets

The carrying value of long-lived assets is reviewed for impairment whenever events or changes in circumstances indicate the amount of the assets may not be recoverable. When an indication of impairment is present and the undiscounted cash flows estimated to be generated by the related assets are less than the assets' carrying amount, an impairment loss will be recorded based on the difference between the carrying amount of the assets and their estimated fair value. Management determined that no impairment existed as of December 31, 2024 and 2023.

Income Taxes

The Church is exempt from federal income tax, pursuant to Internal Revenue Code Section 501(c)(3). Therefore, the Church has no liability for federal income taxes on exempt activities. However, the Church may be subjected to tax on unrelated business income. For the years ended December 31, 2024 and 2023, the Church earned no unrelated business income.

GAAP requires the Church to evaluate the level of uncertainty related to whether tax positions taken will be sustained upon examination. Any positions taken that do not meet the more-likely-than-not threshold must be quantified and recorded as a liability for unrecognized tax benefits in the accompanying statements of financial position along with interest and penalties that would be payable to the taxing authorities upon examination. The Church believes that none of the tax positions taken would materially impact the financial statements, and no such liabilities have been recorded.

CORNERSTONE GLOBAL METHODIST CHURCH OF MARYSVILLE, OHIO

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Allocation of Functional Expenses

The costs of providing the various program services and supporting activities have been summarized on a functional basis in the Statement of Functional Expenses. Certain costs have been allocated between the program services and supporting activities according to the activities benefited, based upon time involved and use of facilities. Fundraising expenses are estimated to be less than \$10,000 in any given year as the Church does not actively fundraise.

Related Parties

The Church is a member of the Allegheny West Conference of the Global Methodist Church and pays monthly fees for its membership. Other expenses incurred by the Church with the Allegheny West Conference of the Global Methodist Church include fees associated with attending the annual conference hosted by the Allegheny West Conference of the Global Methodist Church. Some members of the Church's leadership serve in a leadership role for the conference. Total payments to the Allegheny West Provisional Conference of the Global Methodist Church were \$23,557 and \$32,613 for the years ended December 31, 2024 and 2023, respectively.

Subsequent Events

The Church has evaluated subsequent events through July 18, 2025, the date on which the financial statements were available to be issued.

NOTE 2: RISKS AND UNCERTAINTIES

Uninsured Risk – Cash Deposits

The Church maintains its cash and cash equivalents balances in multiple financial institutions. Deposits are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a coverage limit of \$250,000 per institution. The Church maintains a sweep account and balances do not exceed the insured limit at any of the financial institutions maintained in.

Market Risk – Investments

The underlying investments include investments in mutual funds. The underlying investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the inherent level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the financial statements.

CORNERSTONE GLOBAL METHODIST CHURCH OF MARYSVILLE, OHIO

NOTES TO THE FINANCIAL STATEMENTS

NOTE 3: RETIREMENT OBLIGATIONS

The Church has a 403(b) retirement plan (the “403(b) Plan”) for all eligible lay (non-clergy) employees. Eligible employees may elect to contribute a portion of their pretax annual compensation subject to certain limitations under the Internal Revenue Code as defined in the 403(b) Plan. The Church contributes 4% of a participant’s eligible wages, provided the participant contributes a minimum of 2%.

The Church has an additional retirement plan (the “Clergy Plan”) for all eligible clergy employees. Eligible employees may elect to contribute a portion of their pretax annual compensation subject to certain limitations under the Internal Revenue Code as defined in the Clergy Plan.

The Church contributed \$34,192 and \$33,530 to the 403(b) Plan and the Clergy Plan for the years ended December 31, 2024 and 2023, respectively.

NOTE 4: FAIR VALUE MEASUREMENTS

The Church holds certain assets which it measures at fair value. All such assets are measured on a recurring basis. Accounting standards provide a framework for measuring fair value under GAAP. These standards apply to all financial instruments that are being measured and reported on a fair value basis.

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Church has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means;
- If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset’s or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

CORNERSTONE GLOBAL METHODIST CHURCH OF MARYSVILLE, OHIO

NOTES TO THE FINANCIAL STATEMENTS

NOTE 4: FAIR VALUE MEASUREMENTS (CONTINUED)

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

Mutual funds: Valued at the daily closing price reported, on the active market on which the individual securities are traded.

Exchange traded funds: Valued at the daily closing price reported, on the active market on which the individual securities are traded.

The following table sets forth by level, within the fair value hierarchy, the Church's assets at fair value as of December 31:

Assets at Fair Value as of December 31, 2024

	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 151,405	\$ -	\$ -	\$ 151,405
Exchange traded funds	232,250	-	-	232,250
Total marketable securities	<u>\$ 383,655</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 383,655</u>

Assets at Fair Value as of December 31, 2023

	Level 1	Level 2	Level 3	Total
Mutual funds	<u>\$ 345,626</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 345,626</u>

All of the Church's financial instruments measured at fair value consist of assets which are valued using Level 1 inputs as of December 31, 2024 and 2023.

NOTE 5: PROGRAMS

The programs of the Church align with the Church's disciple making strategy of ACES: Actively Engage, Connect, Equip, and Send. Some programs, such as children's and youth ministries are designed to incorporate all four components of ACES disciple making strategies.

Engage Funds

Engage consists of funds to support evangelism and community outreach events.

Connect Funds

Connect consists of funds to support worship performance arts, worship services, congregational care, and hospitality.

Equip Funds

Equip consists of funds to support spiritual growth.

CORNERSTONE GLOBAL METHODIST CHURCH OF MARYSVILLE, OHIO

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5: PROGRAMS (CONTINUED)

Send

Send funds consists of funds to support missions locally, regionally and globally.

Children's and Youth Ministries

Children's and Youth Ministries consist of funds to support programs that provide opportunities for developing disciples.

NOTE 6: LIQUIDITY AND FUNDS AVAILABLE

The following reflects the Church's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year as of December 31, 2024 and 2023, because of contractual or donor-imposed restrictions or internal designations. Amounts not available include amounts set aside by the Leadership Team for growth and sustainability of the Church that could be drawn upon if the Leadership Team approves the action.

The Church's financial assets available within one year of the statements of financial position date for general expenditure are as follows:

	2024	2023
Financials assets		
Cash and cash equivalents	\$ 670,055	\$ 689,794
Investments	383,655	345,625
Financial assets at year-end	1,053,710	1,035,419
Less: those unavailable for general expenditure within one year due to:		
Assets held for the benefit of others - agency funds	(180,024)	(200,313)
Contractual or donor-imposed restrictions:		
Restriction by donor with purpose restrictions	(129,287)	(176,146)
Financial assets available to meet cash needs for general expenditures within one year:	\$ 744,399	\$ 658,960

Liquidity policy

As part of the Church's liquidity management, it maintains a sufficient level of operating cash to be available as its general expenditures, liabilities, and other obligations come due.

CORNERSTONE GLOBAL METHODIST CHURCH OF MARYSVILLE, OHIO

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7: AGENCY FUNDS

Agency funds represent amounts held by the Church on behalf of other tax-exempt organizations. The following is a reconciliation of the activity during December 31:

	<u>2024</u>	<u>2023</u>
Agency fund balance, beginning of year	\$ 200,313	\$ 154,194
Contributions	206,568	304,777
Investment income	1,056	1,086
Distributions	<u>(227,913)</u>	<u>(259,744)</u>
Agency fund balance, end of year	<u>\$ 180,024</u>	<u>\$ 200,313</u>

NOTE 8: RESTATEMENT

The financial statements for 2023 have been restated to correct a misstatement. Subsequent to releasing the 2023 financial statements, management identified assets held as agency funds that were included in the Church's net assets. The effect of the restatement was to decrease opening net assets and increase the opening agency fund liability by \$154,194, respectively. Additionally, revenues were decreased and the agency fund liability increased by \$305,863, respectively and expenses were decreased and the agency fund liability decreased by \$259,744, respectively.