Financial Statements

NEW MISSION SYSTEMS, INC.
d/b/a NEW INTERNATIONAL

July 31, 2026 and 2025

NEW MISSION SYSTEMS, INC.
d/b/a NEW INTERNATIONAL

Financial Statements

July 31, 2026 and 2025

(With Independent Auditor's Report Thereon)

NEW MISSION SYSTEMS, INC.

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Independent Auditor's Report

The Board of Directors
New Mission Systems, Inc.
d/b/a New International

Opinion

We have audited the accompanying financial statements of New Mission Systems, Inc. d/b/a New International (the Organization) (a nonprofit corporation), which comprise the statement of financial position as of July 31, 2026 and 2025, and the related statements of 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 financial statements referred to above present fairly, in all material respects, the financial position of New Mission Systems, Inc. d/b/a New International as of July 31, 2026 and 2025, 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 audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of New Mission Systems, Inc. d/b/a New International 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.

Responsibilities of Management for 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 Organization's ability to continue as a going concern within one year after the date that the financial statements are 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 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.

Schafer, Tschopp & Mitchell, LLP

September 9, 2026
Maitland, Florida

NEW MISSION SYSTEMS, INC.
d/b/a NEW INTERNATIONAL

Statements of Financial Position

July 31, 2026 and 2025

	2026	2025
Assets		
Cash and cash equivalents	$ 3,175,213	2,677,093
Prepaid expenses	104,907	166,604
Property and equipment, net (notes 3, 4 and 5)	4,273,124	4,404,730
Total assets	$ 7,553,244	7,248,427
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	$ 23,959	17,594
Note payable, less debt issuance costs (note 4)	306,659	377,716
Total liabilities	330,618	395,310
Net assets without donor restrictions	7,222,626	6,853,117
Total liabilities and net assets	$ 7,553,244	7,248,427

See accompanying notes to financial statements.

NEW MISSION SYSTEMS, INC.
d/b/a NEW INTERNATIONAL

Statements of Activities and Changes in Net Assets

Years ended July 31, 2026 and 2025

	2026	2025
Net assets without donor restrictions:		
Support and revenue:		
Contributions	$ 11,653,904	11,429,587
Interest income	74,944	71,594
Rental income (note 6)	231,956	230,434
Sales and services	4,716	11,596
	11,965,520	11,743,211
Expenses:		
Program services	10,454,703	10,768,850
Management and general	666,224	607,586
Fund raising	475,084	499,064
	11,596,011	11,875,500
Change in net assets	369,509	(132,289)
Net assets, beginning of year	6,853,117	6,985,406
Net assets, end of year	$ 7,222,626	6,853,117

See accompanying notes to financial statements.

NEW MISSION SYSTEMS, INC.
d/b/a NEW INTERNATIONAL

Statement of Functional Expenses

Year ended July 31, 2026

	Program Services	Management and General	Fund Raising	Total
Personnel expenses:				
Payroll	$ 2,618,781	295,972	165,079	3,079,832
Employee benefits	569,375	64,350	35,891	669,616
Housing allowance	1,157,959	130,871	72,994	1,361,824
Total personnel expenses	4,346,115	491,193	273,964	5,111,272
Other expenses:				
Depreciation	280,369	28,040	18,019	326,428
Education	472,764	-	-	472,764
Conference	166,755	-	-	166,755
Insurance	77,836	8,797	4,907	91,540
Interest	7,571	7,571	-	15,142
Mission projects	4,680,301	-	-	4,680,301
Building materials	96,826	-	-	96,826
Occupancy	61,342	19,394	-	80,736
Office supplies	70,335	23,445		93,780
Postage	28,833	19,222	-	48,055
Printing	23,617	15,745	-	39,362
Professional fees	70,736	7,074	4,546	82,356
Recruiting	29,365	29,365	-	58,730
Bank fees	32,701	10,900	-	43,601
Telephone	7,903	5,269	-	13,172
Supporter relationships	-	-	173,596	173,596
Noncash interest expense	1,334	209	52	1,595
Total expenses	$ 10,454,703	666,224	475,084	11,596,011

See accompanying notes to financial statements.

NEW MISSION SYSTEMS, INC.
d/b/a NEW INTERNATIONAL

Statement of Functional Expenses

Year ended July 31, 2025

	Program Services	Management and General	Fund Raising	Total
Personnel expenses:				
Payroll	$ 2,707,019	270,733	173,975	3,151,727
Employee benefits	447,254	44,730	28,743	520,727
Housing allowance	1,202,891	120,303	77,308	1,400,502
Total personnel expenses	4,357,164	435,766	280,026	5,072,956
Other expenses:				
Depreciation	310,099	31,014	19,929	361,042
Education	457,616	-	-	457,616
Conference	92,009	-	-	92,009
Insurance	70,434	7,044	4,527	82,005
Interest	8,454	8,454	-	16,908
Mission projects	4,513,720	-	-	4,513,720
Building materials	657,619	-	-	657,619
Occupancy	65,074	20,304	-	85,378
Office supplies	30,352	10,118	-	40,470
Postage	26,892	17,928	-	44,820
Printing	36,539	24,359	-	60,898
Professional fees	72,729	7,274	4,674	84,677
Recruiting	29,124	29,124	-	58,248
Bank fees	31,406	10,469	-	41,875
Telephone	8,285	5,523	-	13,808
Supporter relationships	-	-	189,856	189,856
Noncash interest expense	1,334	209	52	1,595
Total expenses	$ 10,768,850	607,586	499,064	11,875,500

See accompanying notes to financial statements.

NEW MISSION SYSTEMS, INC.
d/b/a NEW INTERNATIONAL

Statements of Cash Flows

Years ended July 31, 2026 and 2025

	2026	2025
Cash flows from operating activities:		
Change in net assets	$ 369,509	(132,289)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	326,428	361,041
Non-cash interest expense	1,595	1,595
Change in operating assets and liabilities:		
Prepaid expenses	61,697	(126,293)
Accounts payable and accrued expenses	6,365	409
Net cash provided by operating activities	765,594	104,463
Cash flows from investing activities:		
Purchase of property and equipment	(194,822)	(183,650)
Net cash used in investing activities	(194,822)	(183,650)
Cash flows from financing activities:		
Payments on note payable	(72,652)	(70,884)
Net cash used in financing activities	(72,652)	(70,884)
Net change in cash and cash equivalents	498,120	(150,071)
Cash and cash equivalents at beginning of year	2,677,093	2,827,164
Cash and cash equivalents at end of year	$ 3,175,213	2,677,093
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	$ 15,141	16,907

See accompanying notes to financial statements.

NEW MISSION SYSTEMS, INC.
d/b/a NEW INTERNATIONAL

Notes to Financial Statements

July 31, 2026 and 2025

(1) Organization and Summary of Significant Accounting Policies

(a) Organization

New Mission Systems, Inc. (Organization) exists to foster the emergence of Jesus following communities globally. Founded in 1989, its vision is to support and place individuals in fields of service to minister to people of all nations. The Organization's activities consist of recruiting, providing training and support and placing missionaries in the field both in the United States and foreign countries

The Organization's employees are responsible for raising their own funds through contributions from churches and individuals. Ten percent (10%) of the total funds raised is applied to cover administration costs and the remainder is maintained to cover the missionary and ministry expenses of the originating individual.

The Organization maintains a publications department that occasionally provides services to other 501(c)(3) religious charities and churches in addition to printing the materials of the Organization.

(b) Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Unconditional promises to give (pledges) are recorded as receivables and revenue, and the Organization distinguishes between promises received for each net asset category in accordance with donor restrictions, if any.

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

- Net assets without donor restrictions---Net assets that are not subject to donor-imposed stipulations.
- Net assets with donor restrictions---Some donors impose restrictions that are temporary in nature, for example, stipulating that resources be used after a specified date, for particular programs or services, or to acquire buildings or equipment. Other donors impose restrictions that are perpetual in nature, for example, stipulating that resources be maintained in perpetuity. Laws may extend those limits to investment returns from those resources and to other enhancements (diminishments) of those resources. Thus, those laws extend donor-imposed restrictions.

(1) Organization and Summary of Significant Accounting Policies (Continued)

(c) Cash and Cash Equivalents

For purposes of reporting cash flows, the Organization considers investments purchased with original maturities of three months or less to be cash equivalents.

Financial instruments which potentially subject the Organization to concentration of credit risk consist principally of cash and short-term investments. The Organization places its cash and investments with local financial institutions. At certain times throughout the year, cash and investments may exceed federally insured limits. The Organization has not experienced any losses in such accounts. The Organization management believes it is not exposed to any significant credit risk on cash and temporary cash investments.

(d) Investments

Investments are carried at fair market value, which is based upon quoted market prices. Realized and unrealized gains and losses are included in the statement of activities.

(e) Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

(f) Deferred Loan Costs

Deferred loan costs of $23,895 for the years ending July 31, 2026 and 2025 are being amortized utilizing a method that approximates the effective interest rate method over the term of the mortgage bonds payable.

The net book value of the deferred loan costs are presented in the statements of financial position as a reduction in the carrying amount of the associated liability. The amortization expense associated with the deferred loan costs is reflected as noncash interest expense on the accompanying statements of operations and cash flows. As of July 31, 2026 and 2025, accumulated noncash interest expense related to the deferred loan costs totaled $19,140 and $17,545, respectively.

(1) Organization and Summary of Significant Accounting Policies (Continued)

(g) Property and Equipment

Buildings and equipment are stated at cost less accumulated depreciation. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line or declining balance method. Currently the Organization capitalizes all fixed asset additions with a life greater than one year and a cost in excess of $1,500. Certain property and equipment over $1,500 is not capitalized as a function of a foreign ruling government's policy related to rights of ownership. In cases where clear title and ownership are encumbered by such policies these acquisitions are expensed.

(h) Land

Land purchased by the Organization is stated at cost. Donated land is stated at fair market value at the date of gift or at tax assessed value when the fair value is not reasonably obtainable.

(i) Donated Assets

Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair value at the date of donation.

(j) Contributions

Contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

(k) Income Tax Status

The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. It qualifies for the charitable contribution deduction under Section 170(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

In accordance with "Income Taxes" FASB Accounting Standards Codification Topic 740 (Topic 740), all entities are required to evaluate and disclose income tax risks. Topic 740 clarifies the accounting for uncertainty in tax positions and prescribes guidance related to the financial statement recognition and measurement of a tax position taken or expected to

(1) Organization and Summary of Significant Accounting Policies (Continued)

(k) Income Tax Status (Continued)

be taken in a tax return. The tax benefit from an uncertain tax position is only recognized in the statements of financial position if the tax position is more likely than not to be sustained upon an examination, based on the technical merits of the position. Interest and penalties, if any, are included in expenses in the statements of activities and changes in net assets. As of July 31, 2026, the Organization had no uncertain tax positions that qualify for recognition or disclosure in the financial statements.

The Organization's income tax returns are subject to review and examination by federal authorities. The Organization is not aware of any activities that would jeopardize its tax-exempt status. The Organization is not aware of any activities that are subject to tax on unrelated business income, excise or other taxes. The tax returns for the fiscal years ended from 2023 to 2025 are open to examination by federal authorities.

(l) Functional Allocation of Expenses

The costs of providing programs and administration of the Organization have been summarized on a functional basis in the accompanying statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The allocation of expenses according to function, including payroll and occupancy costs which cannot be directly attributed to specific functions, is based on estimates by the Organization's management, of the time of employees involved and of percentages of assets utilized.

(m) Financial Instruments Fair Value, Concentration of Business and Credit Risks

The carrying amounts reported in the balance sheet for cash and cash equivalents, accounts payable and accrued expenses, and note payable approximate fair value because of the immediate or short-term maturity of these financial instruments, or they carry interest rates substantially similar to current rates offered on similar instruments.

(n) Estimates

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

(1) Organization and Summary of Significant Accounting Policies (Continued)

(o) Funds Held for Missionaries

The Organization's employees are responsible for raising their own support from donors. These funds are held by the Organization. As of July 31, 2026 and 2025, the funds held for employee's and projects totaled $4,218,138 and $3,726,243, respectively. New International makes every effort to honor preference of gifts given, however, retains discretion and control over their use. In the unlikely event it is not able to the intended purpose, gifts will be applied where most needed.

(p) Subsequent Events

In preparing these financial statements, the Organization has evaluated subsequent events and transactions for potential recognition and disclosure through September 9, 2026, which is the date the financial statements were available to be issued.

(2) Liquidity and Availability

As of July 31, 2026, the Organization has $3,175,213 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure. Additionally, the Organization has a line of credit under which it may borrow up to $700,000 (see note 5). The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The following table reflects the Organization's financial assets as of July 31, 2026 reduced by amounts that are not available to meet general expenditures within one year of the statement of position date.

Cash and cash equivalents	$ 3,175,213
Financial assets available to meet cash needs for general expenditure within one year	$ 3,175,213

(3) Property and Equipment

Property, equipment and related accumulated depreciation consist of the following at July 31:

	2026	2025
Land and land improvements	$ 528,367	528,367
Buildings	5,049,427	5,030,656
Equipment	561,740	618,628
Furniture	122,967	122,967
Vehicles	810,139	795,645
Leasehold improvements	27,770	27,770
	7,100,410	7,124,033
Less: accumulated depreciation	(2,827,286)	(2,719,303)
	$ 4,273,124	4,404,730

(4) Note Payable

Note payable consists of the following at July 31:

	2026	2025
Loan payable to bank with original borrowings of $990,000; interest bearing at 4.0%, due in monthly payments of $7,316 including interest through February 2030; collateralized by building.	$ 311,415	384,066

The unamortized loan costs which are shown as a reduction of the notes payable at July 31, 2026 and 2025 were $4,755 and $6,350, respectively.

Future maturities of note payable are as follows:

Year ended July 31,	
2027	$ 77,570
2028	80,731
2029	84,020
2030	67,211
2031	69,094
	$ 311,415

(5) Line of Credit

The Organization has a line of credit arrangement maturing in September 2026, due on demand, under which it may borrow up to $700,000 from time to time with interest at the lender's prime rate. The line of credit is collateralized by a security interest in certain land and buildings of the Organization. The entire amount of the line was available at July 31, 2026.

(6) Leases

The Organization leases space in its main office location to other non-related parties. Total lease income for the year ended July 31, 2026 and 2025 amounted to $231,956 and $230,434, respectively.

Future lease payments expected to be received under these lease agreements are as follows:

Year ended July 31,	
2027	$ 148,310
2028	138,946
2029	108,200
2030	34,250
2031	34,250
Thereafter	239,750