

GOING FURTHER

AMIGOS FOR CHRIST, INC.
AND
AFFILIATE

CONSOLIDATED FINANCIAL REPORT
DECEMBER 31, 2024



CPAs & ADVISORS

**AMIGOS FOR CHRIST, INC. AND
AFFILIATE**

CONSOLIDATED FINANCIAL REPORT

DECEMBER 31, 2024

AMIGOS FOR CHRIST, INC. AND AFFILIATE

CONSOLIDATED FINANCIAL REPORT DECEMBER 31, 2024

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Amigos for Christ, Inc. and Affiliate
Buford, Georgia**

Unmodified Opinion on 2024 and Qualified Opinion on 2023

We have audited the accompanying consolidated financial statements of **Amigos for Christ, Inc.** (a nonprofit corporation) **and Affiliate**, which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, except for the possible effects on the 2023 consolidated financial statements described in the Basis for Qualified Opinion section of our report, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Amigos for Christ, Inc. and Affiliate as of December 31, 2024 and 2023, 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 Unmodified Opinion on 2024 and Qualified Opinion on 2023

We did not observe the beginning physical inventory for the 2023 consolidated financial statements, since that date was prior to our initial engagement as auditors for the Organization, and the Organization's records do not permit adequate retroactive tests of inventory quantities. Consequently, we were unable to determine whether any adjustments were necessary in the 2023 consolidated statements of activities, functional expenses, and cash flows.

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 Consolidated Financial Statements section of our report. We are required to be independent of Amigos for Christ, Inc. and Affiliate 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 unmodified audit opinion on the 2024 consolidated financial statements and our qualified audit opinion on the 2023 consolidated financial statements.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Amigos for Christ, Inc. and Affiliate's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 Amigos for Christ, Inc. and Affiliate'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Amigos for Christ, Inc. and Affiliate'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.

Mauldin & Jenkins, LLC

Atlanta, Georgia
May 12, 2025

AMIGOS FOR CHRIST, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

	ASSETS	<u>2024</u>	<u>2023</u>
Current Assets			
Cash and cash equivalents		\$ 2,450,417	\$ 1,970,783
Investments		2,045,432	2,260,746
Receivables		518,778	511,665
Prepaid expenses		56,859	50,312
Inventory		17,378	121,467
Operating lease right-of-use asset		71,556	126,771
Property and equipment, net		<u>3,294,409</u>	<u>2,312,590</u>
Total assets		<u>\$ 8,454,829</u>	<u>\$ 7,354,334</u>
LIABILITIES AND NET ASSETS			
Liabilities			
Accounts payable and accrued expenses		\$ 717,228	\$ 505,016
Operating lease liability		<u>83,714</u>	<u>144,671</u>
Total liabilities		<u>800,942</u>	<u>649,687</u>
Net Assets			
Without donor restrictions		4,308,613	4,365,277
With donor restrictions		<u>3,345,274</u>	<u>2,339,370</u>
Total net assets		<u>7,653,887</u>	<u>6,704,647</u>
Total liabilities and net assets		<u>\$ 8,454,829</u>	<u>\$ 7,354,334</u>

See Notes to Consolidated Financial Statements.

AMIGOS FOR CHRIST, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024			2023		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
OPERATING ACTIVITIES						
Revenues and support:						
Contributions	\$ 2,385,817	\$ 3,345,721	\$ 5,731,538	\$ 2,257,797	\$ 2,626,500	\$ 4,884,297
Special events	73,129	-	73,129	64,666	-	64,666
Donated goods and services	1,274,689	-	1,274,689	1,859,542	-	1,859,542
Missions outreach	342,121	-	342,121	183,925	-	183,925
Investment gain	86,254	-	86,254	102,899	-	102,899
Other	127,700	-	127,700	171,730	-	171,730
Total revenues and support	<u>4,289,710</u>	<u>3,345,721</u>	<u>7,635,431</u>	<u>4,640,559</u>	<u>2,626,500</u>	<u>7,267,059</u>
Reclassifications:						
Net assets released from restrictions:						
Satisfaction of purpose restrictions	<u>2,339,817</u>	<u>(2,339,817)</u>	<u>-</u>	<u>2,288,084</u>	<u>(2,288,084)</u>	<u>-</u>
Expenses:						
Program services:						
Water and sanitation	1,067,002	-	1,067,002	1,149,102	-	1,149,102
Healthcare	875,973	-	875,973	1,926,974	-	1,926,974
Education and nutrition	772,470	-	772,470	1,033,594	-	1,033,594
Economic development	725,032	-	725,032	767,788	-	767,788
Missions outreach	872,234	-	872,234	552,089	-	552,089
Project support	1,289,919	-	1,289,919	1,093,935	-	1,093,935
Community leadership development	491,737	-	491,737	333,022	-	333,022
Total program services	<u>6,094,367</u>	<u>-</u>	<u>6,094,367</u>	<u>6,856,504</u>	<u>-</u>	<u>6,856,504</u>
Supporting services:						
General and administrative	357,724	-	357,724	336,289	-	336,289
Fundraising	231,416	-	231,416	141,683	-	141,683
Total supporting services	<u>589,140</u>	<u>-</u>	<u>589,140</u>	<u>477,972</u>	<u>-</u>	<u>477,972</u>
Total expenses	<u>6,683,507</u>	<u>-</u>	<u>6,683,507</u>	<u>7,334,476</u>	<u>-</u>	<u>7,334,476</u>
Changes in net assets before translation adjustment	(53,980)	1,005,904	951,924	(405,833)	338,416	(67,417)
Translation adjustment	<u>(2,684)</u>	<u>-</u>	<u>(2,684)</u>	<u>55,459</u>	<u>-</u>	<u>55,459</u>
Change in net assets	(56,664)	1,005,904	949,240	(350,374)	338,416	(11,958)
Net assets, beginning of year, as previously stated	4,365,277	2,339,370	6,704,647	4,921,680	2,000,954	6,922,634
Prior period adjustment (See Note 14)	-	-	-	(206,029)	-	(206,029)
Net assets, beginning of year, as restated	<u>4,365,277</u>	<u>2,339,370</u>	<u>6,704,647</u>	<u>4,715,651</u>	<u>2,000,954</u>	<u>6,716,605</u>
Net assets, end of year	<u>\$ 4,308,613</u>	<u>\$ 3,345,274</u>	<u>\$ 7,653,887</u>	<u>\$ 4,365,277</u>	<u>\$ 2,339,370</u>	<u>\$ 6,704,647</u>

See Notes to Consolidated Financial Statements.

AMIGOS FOR CHRIST, INC. AND AFFILIATE

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

	Program Services							Supporting Services				Total
	Water and Sanitation	Healthcare	Education and Nutrition	Economic Development	Missions Outreach	Project Support	Community Leadership Development	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	
Salaries and related benefits	\$ 282,177	\$ 174,343	\$ 354,382	\$ 372,947	\$ 413,432	\$ 594,754	\$ 277,124	\$ 2,469,159	\$ 246,520	\$ 148,217	\$ 394,737	\$ 2,863,896
Operations	2,637	6,428	18,336	3,673	45,744	55,699	8,873	141,390	21,739	33,851	55,590	196,980
Financial expenses	201	1,494	6,968	158	56,049	51,695	42	116,607	12,333	4,021	16,354	132,961
Media and advertising	31	-	92	-	1,036	383	35	1,577	1,805	22,242	24,047	25,624
Food and transportation	29,545	48,450	136,699	58,426	163,343	98,928	39,319	574,710	2,454	14,164	16,618	591,328
Professional services	231,035	69,221	5,303	21,644	9,801	39,624	1,755	378,383	41,684	-	41,684	420,067
Other operating expenses	119,561	115,718	77,599	104,349	69,378	108,665	34,287	629,557	5,829	-	5,829	635,386
Occupancy	222	31,006	17,064	9,039	39,503	74,592	-	171,426	25,319	8,656	33,975	205,401
Materials and equipment	401,588	100,498	50,183	68,687	72,147	46,978	10,190	750,271	41	265	306	750,577
Community and partner contributions	5	2,565	12,566	82,206	1,801	28,052	120,112	247,307	-	-	-	247,307
Donated goods and services	-	179,127	62,805	-	-	56,432	-	298,364	-	-	-	298,364
Depreciation	-	147,123	30,473	3,903	-	134,117	-	315,616	-	-	-	315,616
Total expenses	\$ 1,067,002	\$ 875,973	\$ 772,470	\$ 725,032	\$ 872,234	\$ 1,289,919	\$ 491,737	\$ 6,094,367	\$ 357,724	\$ 231,416	\$ 589,140	\$ 6,683,507

See Notes to Consolidated Financial Statements.

AMIGOS FOR CHRIST AND AFFILIATE

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

	Program Services							Supporting Services				Total
	Water and Sanitation	Healthcare	Education and Nutrition	Economic Development	Missions Outreach	Project Support	Community Leadership Development	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	
Salaries and related benefits	\$ 255,782	\$ 106,054	\$ 331,752	\$ 358,939	\$ 269,733	\$ 522,910	\$ 154,564	\$ 1,999,734	\$ 221,948	\$ 86,951	\$ 308,899	\$ 2,308,633
Operations	1,535	4,315	18,888	4,831	32,827	72,113	15,702	150,211	23,407	14,048	37,455	187,666
Financial expenses	71	155	52	236	20,134	41,277	1,082	63,007	10,876	5,580	16,456	79,463
Media and advertising	-	-	1,337	-	1,793	2,569	23	5,722	-	21,344	21,344	27,066
Food and transportation	29,858	25,880	123,213	60,393	81,143	107,643	20,431	448,561	3,781	6,600	10,381	458,942
Professional services	210,736	52,257	7,067	15,581	8,686	48,282	4,365	346,974	42,541	-	42,541	389,515
Other operating expenses	125,394	58,956	49,987	212,341	48,443	82,016	27,332	604,469	5,850	-	5,850	610,319
Occupancy	491	21,734	12,405	6,361	33,184	59,181	-	133,356	27,708	7,107	34,815	168,171
Materials and equipment	518,495	128,360	103,830	97,117	48,223	98,295	10,880	1,005,200	178	53	231	1,005,431
Community and partner contributions	1,345	4,951	13,927	9,482	6,616	32,617	98,643	167,581	-	-	-	167,581
Donated goods and services	5,395	1,491,570	340,100	2,507	1,307	8,166	-	1,849,045	-	-	-	1,849,045
Depreciation	-	32,742	31,036	-	-	18,866	-	82,644	-	-	-	82,644
Total expenses	<u>\$ 1,149,102</u>	<u>\$ 1,926,974</u>	<u>\$ 1,033,594</u>	<u>\$ 767,788</u>	<u>\$ 552,089</u>	<u>\$ 1,093,935</u>	<u>\$ 333,022</u>	<u>\$ 6,856,504</u>	<u>\$ 336,289</u>	<u>\$ 141,683</u>	<u>\$ 477,972</u>	<u>\$ 7,334,476</u>

See Notes to Consolidated Financial Statements.

AMIGOS FOR CHRIST, INC. AND AFFILIATE
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	<u>\$ 949,240</u>	<u>\$ (11,958)</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	315,616	82,644
Unrealized/realized (gain) on investments	(10,606)	(84,718)
Contributed fixed assets	(969,443)	-
Change in:		
Receivables	(7,113)	(48,834)
Prepaid expenses	(6,547)	31,373
Inventory	104,089	194,647
Operating lease right-of-use asset	55,215	53,597
Accounts payable and accrued expenses	212,212	69,688
Operating lease liability	(60,957)	(50,079)
Net cash provided by operating activities	<u>581,706</u>	<u>236,360</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of property and equipment	(330,086)	(57,973)
Change in property and equipment due to currency translation	2,094	11,019
Proceeds from matured certificates of deposit	3,775,297	750,000
Purchase of certificates of deposit	(3,549,377)	(767,253)
Net cash (used in) investing activities	<u>(102,072)</u>	<u>(64,207)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	479,634	172,153
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>1,970,783</u>	<u>1,798,630</u>
CASH AND CASH EQUIVALENTS		
End of year	<u><u>\$ 2,450,417</u></u>	<u><u>\$ 1,970,783</u></u>
SUPPLEMENTAL CASH FLOW DISCLOSURES:		
Non-cash contribution of fixed assets	<u><u>\$ 969,443</u></u>	<u><u>\$ -</u></u>

See Notes to Consolidated Financial Statements.

AMIGOS FOR CHRIST, INC. AND AFFILIATE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. NATURE OF ORGANIZATION

Amigos for Christ, Inc. (AFC) is a not-for-profit corporation established in 1999. As a not-for-profit corporation, AFC is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (Code). AFC is also classified as a publicly supported organization, which is not a private foundation as defined by Section 170(b) of the Code. The primary source of support and revenue is from donor contributions.

AFC supports Amigos por Cristo (AFC-NICA), an affiliated Nicaraguan entity, by providing funding, volunteers, and goods and services. AFC-NICA is governed by the AFC Board of Directors. The mission of AFC and AFC-NICA (collectively referred to as the "Organization") is to serve God by providing opportunities for missionaries and impoverished families to grow through life-changing experiences. The Organization's vision is to be a model community development organization that facilitates water, health, education, economic, and infrastructure improvements in rural Nicaragua. The Organization accomplishes this mission and vision primarily through program services described below:

Water and sanitation – There are over 100,000 people in the Department of Chinandega (which consists of the city of Chinandega and surrounding cities and other rural areas) that still lack access to clean water and sanitation. Clean water is the first step to changing lives. We drill wells and build water and sanitation systems. Working alongside the community, we are serving we create an infrastructure to produce 100 gallons of water each day at every home. In addition, our modern bathroom model promotes sanitary living conditions by utilizing a flush-toilet, shower, and septic tank.

Healthcare – (a) Preventative Care: through modeling the behaviors of the healthiest families in each community, we create a plan for family hygiene that will decrease the instances of preventable illness such as kidney disease, anemia, and respiratory disease; (b) Restorative Care: working alongside the Nicaraguan Ministry of Health, we support the existing infrastructure to increase access to medical attention and prescribed medicines for the underserved; (c) Surgical Care: working alongside the Nicaraguan Ministry of Health and local hospitals, we provide surgical services to those who are suffering and have no alternatives. In addition, a state-of-the-art eye surgery hospital was constructed to serve local patients in cataract and retina surgeries.

Education and nutrition – Working alongside the community and the Nicaraguan Ministry of Education, we create an infrastructure to increase the percentage of children who complete primary and secondary school. We achieve this by building schools and cafeterias, offering scholarships, and encouraging extracurricular activities, such as after-school and theater programs.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. NATURE OF ORGANIZATION (CONTINUED)

Economic development – For rural Nicaraguan families, we create and provide financial training and access to resources which enables those we serve to establish their own small businesses, with the goal of increasing their income level and job creation. We do this through agricultural seed capital, animal reproduction programs, and community-based cooperative businesses.

Missions outreach – Each year we host on average 1,000 volunteers from the United States on one week mission trips to Chinandega, Nicaragua. During the week, participants have the opportunity to serve our Nicaraguan brothers and sisters through the programs and projects of Amigos for Christ, as well as participate in experiences to grow deeper in their faith journey.

Project support and leadership – AFC–NICA owns, operates, and maintains a mission complex in Nicaragua to house visiting mission trip participants. This complex is our Nicaraguan headquarters which includes office space, warehouses, and a fleet of vehicles, all of which are necessary to support our daily operations. In the communities we serve, our goal is for communities to lead, own, and operate every approved project. Developing community leaders to change their own community is at the very core of what we do. We bring leaders together to share ideas, learn strategies, and to inspire hope in the future of their community. The ultimate goal of our work and programs is sustained development in rural communities, led by their own community leadership.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Organization have been prepared on the accrual basis of accounting, in accordance with accounting policies generally accepted in the United States. The significant accounting policies followed are described below to enhance the usefulness of the consolidated financial statements to the reader.

Principals of Consolidation

The consolidated financial statements include the balances and financial activities of AFC and AFC–NICA. All significant intercompany transactions and balances have been eliminated from the consolidated financial statements.

Use of Estimates

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, checking, savings, and money market accounts, with maturities of three months or less. The amounts held at the bank may, at times, exceed federally insured deposit levels. The Organization has not experienced any losses in such accounts. At December 31, 2024 and 2023, the Organization's cash balances exceeded federally insured limits by \$1,829,974 and \$1,208,017, respectively.

Investments

Investments consist of certificates of deposit and mutual funds and are reported at fair value. Certificates of deposit include marketable security bank deposits with original maturities of three months or more and are valued based on quoted market prices or dealer quoted in an open market. Mutual funds are valued based on quoted market prices for the identical asset in an active market. Dividend and interest income as well as the realized and unrealized gains (losses) on marketable securities are included in investment income (loss) in the accompanying statement of activities.

The Fair Value Measurements and Disclosure topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority. AFC uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, AFC measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available.

Receivables

Receivables represent amounts due from communities, advances to employees, and other receivables. Receivables are reported net of any anticipated losses due to uncollectible accounts. The Organization's policy for determining when receivables are past due or delinquent is 30 days after invoicing. Uncollectible accounts are reported as additions to the allowance for credit losses when it is determined the amounts are uncollectible.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Receivables (Continued)

The allowance for credit losses is maintained at a level which, in management's judgment, is adequate to absorb potential losses inherent in the receivable portfolio. The amount of the allowance is based on management's evaluation of the collectability of the receivable portfolio, including the nature of the portfolio, trends in historical loss experience, specific impaired accounts, and economic conditions. For the years ended December 31, 2024 and 2023, in management's opinion, no allowance for credit losses is deemed necessary.

Inventory

Inventory consists of donated items as well as purchased goods. Purchased inventory is stated at the lower of cost (based on the average cost basis) or net realizable value and consists of materials used in the construction of water and sanitation systems, as well as in the construction of modern bathrooms. Donated inventory (consisting of medicines, medical supplies, and food) is recorded as inventory and contribution support at its estimated fair value at the date of donation, taking into consideration inventory condition and utility for use. All donated inventory is received from private organizations and is considered to be support without donor restrictions unless the inventory explicitly contains donor restrictions. The Organization only records the value of donated inventory in which they were either the original recipient of the gift, were involved in partnership with another organization for distribution, or used in the Organization's programs. At December 31, 2024 and 2023, no reserve for obsolescence has been recorded, as management believes all inventory is useable.

Property and Equipment

Property and equipment is stated at cost at the date of acquisition or fair market value at the date of donation in the case of gifts. Depreciation is computed on the straight-line method over the estimated useful lives of the related assets ranging from three to seven years. Purchases of property and equipment valued at \$1,000 or more are capitalized. The Organization elects to account for property and equipment in Nicaragua in accordance with the functional currency provisions of the *Foreign Currency Matters* topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). This resulted in translation adjustments of \$2,094 and \$11,019 in 2024 and 2023, respectively, to property and equipment with functional currencies that differ from the reporting currency.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Class of Net Assets

The consolidated financial statements report amounts separately by class of net assets.

Net assets without donor restrictions are currently available for operating purposes under the direction of the board, designated by the board for specific use, or resources invested in property and equipment.

Net assets with donor restrictions are contributed with donor stipulations for specific operating purposes or programs, with time restrictions, or not currently available for use until commitments regarding their use have been fulfilled.

All contributions are considered available for use without donor restrictions unless specifically restricted by the donor or subject to other legal restrictions.

Support and Revenue, Reclassifications, and Expenses

The Organization recognizes contributions when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give, that is 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.

The Organization reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated amounts. 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 consolidated statement of activities as reclassifications.

The Organization reports donations of property and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service or as costs are incurred.

Special events consists of revenue generated from the Organization's golf tournament and is recognized when earned. For the years ended December 31, 2024 and 2023, special events revenue is recorded net of special events related expenses of \$22,007 and \$21,177, respectively. All other types of exchange revenue are recognized when earned.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Support and Revenue, Reclassifications, and Expenses (Continued)

Donated goods (consisting of medicines and medical supplies, food, and other supplies) are recorded at estimated fair value at the date of donation.

In valuing donated medicines otherwise legally permissible for sale in the United States, the Organization used the Federal Upper Limit based on the weighted average of the most recently reported monthly Average Manufacturer Prices that approximate wholesale prices in the United States (that is, the principal market or if there is no principal market, the most advantageous market). Other donated medicines have been valued according to an average of current market data derived from international pricing to obtain a reasonable fair market value.

In valuing medical supplies and food, the Organization estimated the fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States.

Donated services are recorded as revenue if the services: (a) create or enhance non-financial assets, or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Donated services meeting the criteria for recognition in the consolidated financial statements totaled \$123,746 and \$50,830, respectively, for the years ended December 31, 2024 and 2023.

Numerous volunteers donate significant amounts of time and perform a variety of tasks, assisting the Organization in its charitable programs. During the years ended December 31, 2024 and 2023, volunteers donated approximately 42,680 and 33,802 hours, respectively. No amounts have been reflected in the consolidated financial statements because the criteria for recognition of such efforts under generally accepted accounting principles have not been satisfied.

Expenses are recorded when incurred in accordance with the accrual basis of accounting. The costs of providing various program services and supporting activities of the Organization have been summarized on a functional basis in the accompanying consolidated statement of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign Currency Translation

The Organization's financial results have been reported in U.S. dollars with amounts translated to U.S. dollars as follows: assets, liabilities, and net assets at the rate of exchange in effect at the applicable balance sheet date and revenues and expenses at the average exchange rates for the period. This resulted in a translation adjustment of (\$2,684) and \$55,459 at December 31, 2024 and 2023, respectively. The translation adjustment is reported on the statement of activities.

Recently Issued Accounting Standard

On January 1, 2023, the Organization adopted Accounting Standards Update (ASU) 2016-13 *Financial Instruments - Credit Losses* (Topic 326): *Measurement of Credit Losses on Financial Instruments* and all related subsequent amendments thereto (Accounting Standards Codification (ASC) 326). This standard replaced the incurred loss methodology with an expected loss methodology that is referred to as the current expected credit loss ("CECL") methodology. CECL requires an estimate of credit losses for the remaining estimated life of the financial asset using historical experience, current conditions, and reasonable and supportable held-to forecasts and generally applies to financial assets measured at amortized cost, including maturity debt securities and accounts receivable. Financial assets measured at amortized cost will be presented at the net amount expected to be collected by using an allowance for credit losses. The company adopted ASC 326 using the modified retrospective method for all financial assets measured at amortized cost and any off-balance sheet credit exposures. Results from reporting periods beginning after January 1, 2023 are presented under ASC 326. There was no material impact to the estimate of credit losses.

Reclassifications

Certain reclassifications have been made to the prior year financial statements to conform to current year presentations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3. LIQUIDITY AND FUNDS AVAILABLE

The following table reflects the Organization's financial assets as of December 31, 2024 and 2023, 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; this includes certain certificates of deposit. The Organization considers general expenditures to be all expenditures related to its ongoing activities of water and sanitation, healthcare, education and nutrition, economic development, missions outreach, and project support and leadership, as well as the conduct of services undertaken to support those activities to be general expenditures.

	2024	2023
Financial assets:		
Cash and cash equivalents	\$ 2,450,417	\$ 1,970,783
Investments	2,045,432	2,260,746
Receivables	518,778	511,665
Financial assets, at year end	5,014,627	4,743,194
Less those unavailable for general expenditure within one year, due to:		
Donor-imposed restrictions	(3,345,274)	(2,339,370)
Receivables beyond one year of maturity	(379,280)	(309,006)
Financial assets available to meet cash needs for general expenditures within one year	\$ 1,290,073	\$ 2,094,818

The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization has a policy to maintain enough liquid assets in the form of cash and cash equivalents and certificates of deposit to meet general expenditures for one year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4. FAIR VALUE MEASUREMENTS

Fair value of assets and liabilities measured on a recurring basis consist of the following at December 31, 2024 and 2023:

Fair Value Measurements at December 31, 2024				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Certificates of Deposit	\$ 752,024	\$ -	\$ 752,024	\$ -
Mutual Funds	<u>1,293,408</u>	<u>1,293,408</u>	<u>-</u>	<u>-</u>
	<u>\$ 2,045,432</u>	<u>\$ 1,293,408</u>	<u>\$ 752,024</u>	<u>\$ -</u>

Fair Value Measurements at December 31, 2023				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Certificates of Deposit	\$ 1,991,369	\$ -	\$ 1,991,369	\$ -
Mutual Funds	<u>269,377</u>	<u>269,377</u>	<u>-</u>	<u>-</u>
	<u>\$ 2,260,746</u>	<u>\$ 269,377</u>	<u>\$ 1,991,369</u>	<u>\$ -</u>

NOTE 5. INVENTORY

Inventory consists of the following at December 31, 2024 and 2023:

	2024	2023
Purchased food production materials	\$ -	\$ 110,971
Donated medical supplies and food	<u>17,378</u>	<u>10,496</u>
	<u>\$ 17,378</u>	<u>\$ 121,467</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6. PROPERTY AND EQUIPMENT

Property and equipment consists of the following at December 31, 2024 and 2023:

	2024	2023
Land	\$ 203,286	\$ 203,458
Buildings and improvements	2,151,041	2,128,404
Furniture and equipment	1,173,284	228,058
Machinery and small tools	297,858	261,844
Vehicles	360,618	323,498
	4,186,087	3,145,262
Less accumulated depreciation	(1,044,439)	(832,672)
	3,141,648	2,312,590
Construction in process	152,761	-
	\$ 3,294,409	\$ 2,312,590

NOTE 7. LEASE COMMITMENTS

The Organization leases office space under a noncancelable 44-month operating lease agreement dated August 2022. The lease requires monthly payments ranging from \$2,000 to \$5,730. As required by FASB Accounting Standards Update (ASU) No. 2016-02, ASC 842, *Leases*, the organization recognizes a right-of-use asset and a lease liability based on the present value of the remaining lease payments. A discount rate of 2.82% was used to determine present value. The discount rate represents the risk-free rate using a period comparable with that of the individual lease term on the inception date of the lease. The following is a schedule by years of minimum future rentals on the operating lease and the amortization of the net present value (NPV) of lease liability as of December 31, 2024:

Years Ending December 31:	Minimum annual lease payments	Amortization of NPV of lease liability
2025	\$ 68,116	\$ 66,604
2026	17,191	17,110
	\$ 85,307	\$ 83,714

The carrying value of the related right-of-use asset as of December 31, 2024 and 2023 was:

	2024	2023
Accumulated basis	\$ 202,408	\$ 202,408
Less – accumulated amortization	(130,852)	(75,637)
	\$ 71,556	\$ 126,771

Rent expense for the years ended December 31, 2024 and 2023 was \$63,913 and \$58,518, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8. NET ASSETS

Net assets consist of the following at December 31, 2024 and 2023:

	2024	2023
Without donor restrictions	\$ 4,308,613	\$ 4,365,277
With donor restrictions:		
Infrastructure, water, and schools	\$ 3,345,274	\$ 2,339,370

Net assets with donor restrictions consist of cash and investments at December 31, 2024 and 2023.

Net assets were released from donor restrictions during the years ended December 31, 2024 and 2023 as follows:

Satisfaction of purpose restrictions:		
Infrastructure, water, and schools	\$ 1,094,767	\$ 2,049,544
Health, education, and nutrition	1,245,050	238,540
	\$ 2,339,817	\$ 2,288,084

NOTE 9. DONATED GOODS AND SERVICES

Donated goods and services included in the consolidated financial statements were as follows for the years ended December 31, 2024 and 2023:

	2024	2023
Equipment	\$ 969,443	\$ -
Medicines and medical supplies	56,247	1,439,271
Food	62,523	315,282
Professional services	123,746	50,830
Other supplies	62,730	54,159
	\$ 1,274,689	\$ 1,859,542

The Organization recognized contributed nonfinancial assets within revenue, including contributed equipment, medicines and medical supplies, food, other supplies, and donated services. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

Contributed equipment is used for healthcare program services and was valued based on cost less depreciation through the date received.

Contributed medicines and medical supplies, food, and other supplies were used in program services. The Organization estimated the fair value based on the median or low-end price found on the market.

Contributed professional services were used in program support and were valued based on wages published by the Bureau of Labor Statistics for similar professional positions.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 10. RELATED-PARTY TRANSACTIONS

For the years ended December 31, 2024 and 2023, the Organization paid wages to immediate family members of management in the amount of \$348,094 and \$302,269, respectively.

NOTE 11. LEGAL MATTERS

From time to time, the Organization may be subject to legal proceedings which arise in the ordinary course of the Organization's operations. Although there can be no assurance as to the ultimate disposition of these matters, the Organization's management believes that the final disposition of such matters will not have a material adverse effect on the financial position or results of operations of the Organization.

NOTE 12. EMPLOYEE BENEFIT PLAN

AFC maintains a Simple IRA Plan (the "Plan"). The Plan allows employees to contribute a percentage of their compensation to the Plan. AFC has elected to make a 3% matching contribution of the employee's compensation. AFC contributions to the Plan totaled \$30,390 and \$26,030 for the years ended December 31, 2024 and 2023, respectively.

NOTE 13. CONCENTRATIONS

Two organizations contributed 35% of donated goods and services for the year ended December 31, 2024 and 93% of donated goods and services for the year ended December 31, 2023. Two organizations gave 12% of total contributions for the year ended December 31, 2024 and 42% of total contributions for the year ended 2023. The Organization's operations and program activities could be impacted if these donor relationships were to be terminated and could not be replaced by new donors with comparable donations.

All of the foreign operations of the Organization are concentrated in Nicaragua.

NOTE 14. PRIOR PERIOD ADJUSTMENT

The Organization's net assets at December 31, 2022 have been restated to properly reflect the disposal of a building in a prior year. This adjustment had the effect of decreasing property, plant, and equipment and decreasing net assets without donor restrictions by \$206,029 at December 31, 2022.

NOTE 15. SUBSEQUENT EVENTS

Subsequent events have been evaluated through May 12, 2025, which represents the date the consolidated financial statements were available to be issued.

SUPPLEMENTARY INFORMATION



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

**To the Board of Directors
Amigos for Christ, Inc. and Affiliate
Buford, Georgia**

We have audited the consolidated financial statements of Amigos for Christ, Inc. and Affiliate as of and for the years ended December 31, 2024 and 2023, and our report thereon dated May 12, 2025, which appears on pages 1 and 2, expressed an unmodified opinion on 2024 and a qualified opinion on 2023 because we were not able to observe beginning inventory. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position as of December 31, 2024 and 2023, and the consolidating statements of activities for the years then ended are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the effects on the consolidated statements of activities and cash flows of the qualified opinion on the 2023 consolidated financial statements as described above, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Mauldin & Jenkins, LLC

Atlanta, Georgia
May 12, 2025

AMIGOS FOR CHRIST, INC. AND AFFILIATE

CONSOLIDATING STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2024

	Amigos for Christ (United States)	Amigos por Cristo (Nicaragua)	Elimination	Total
ASSETS				
Cash and cash equivalents	\$ 1,632,958	\$ 817,459	\$ -	\$ 2,450,417
Investments	2,045,432	-	-	2,045,432
Receivables	-	518,778	-	518,778
Prepaid expenses	27,241	29,618	-	56,859
Inventory	17,378	-	-	17,378
Operating lease right-of-use asset	71,556	-	-	71,556
Property and equipment, net	-	3,294,409	-	3,294,409
Total assets	\$ 3,794,565	\$ 4,660,264	\$ -	\$ 8,454,829
 LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable and accrued expenses	\$ 44,864	\$ 672,364	\$ -	\$ 717,228
Operating lease liability	83,714	-	-	83,714
Total liabilities	128,578	672,364	-	800,942
Net assets				
Without donor restrictions	320,713	3,987,900	-	4,308,613
With donor restrictions	3,345,274	-	-	3,345,274
Total net assets	3,665,987	3,987,900	-	7,653,887
Total Liabilities and Net Assets	\$ 3,794,565	\$ 4,660,264	\$ -	\$ 8,454,829

AMIGOS FOR CHRIST AND AFFILIATE

CONSOLIDATING STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2023

	Amigos for Christ (United States)	Amigos por Cristo (Nicaragua)	Elimination	Total
ASSETS				
Cash and cash equivalents	\$ 1,439,577	\$ 531,206	\$ -	\$ 1,970,783
Certificates of deposit	2,260,746	-	-	2,260,746
Receivables	-	511,665	-	511,665
Prepaid expenses	20,536	29,776	-	50,312
Inventory	10,496	110,971	-	121,467
Operating lease right-of-use asset	126,771	-	-	126,771
Property and equipment, net	-	2,312,590	-	2,312,590
Total assets	\$ 3,858,126	\$ 3,496,208	\$ -	\$ 7,354,334
 LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable and accrued expenses	\$ 11,109	\$ 493,907	\$ -	\$ 505,016
Operating lease liability	144,671	-	-	144,671
Total liabilities	155,780	493,907	-	649,687
Net assets				
Without donor restrictions	1,362,976	3,002,301	-	4,365,277
With donor restrictions	2,339,370	-	-	2,339,370
Total net assets	3,702,346	3,002,301	-	6,704,647
Total Liabilities and Net Assets	\$ 3,858,126	\$ 3,496,208	\$ -	\$ 7,354,334

AMIGOS FOR CHRIST, INC. AND AFFILIATE

CONSOLIDATING STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2024

	Amigos for Christ (United States)	Amigos por Cristo (Nicaragua)	Elimination	Consolidated Total
SUPPORT AND REVENUE				
Contributions	\$ 5,731,568	\$ 4,558,960	\$ (4,558,990)	\$ 5,731,538
Special events	73,129	-	-	73,129
Donated goods and services	305,246	969,443	-	1,274,689
Missions outreach	342,121	-	-	342,121
Investment income	84,997	1,257	-	86,254
Other	47,738	79,962	-	127,700
Total Support and Revenue	6,584,799	5,609,622	(4,558,990)	7,635,431
EXPENSES				
Program services:				
Water and sanitation	1,080,053	980,600	(993,651)	1,067,002
Healthcare	885,154	689,869	(699,050)	875,973
Education and nutrition	780,802	626,002	(634,334)	772,470
Economic development	732,632	571,008	(578,608)	725,032
Missions outreach	878,470	468,517	(474,753)	872,234
Project support	1,300,226	774,431	(784,738)	1,289,919
Community leadership development	496,910	388,683	(393,856)	491,737
	6,154,247	4,499,110	(4,558,990)	6,094,367
Supporting activities:				
General and administrative	235,495	122,229	-	357,724
Fundraising	231,416	-	-	231,416
Total Expenses	6,621,158	4,621,339	(4,558,990)	6,683,507
Change in Net Assets before Translation Adjustment	(36,359)	988,283	-	951,924
Translation Adjustment	-	(2,684)	-	(2,684)
Change in Net Assets	(36,359)	985,599	-	949,240
Net Assets, Beginning of Year	3,702,346	3,002,301	-	6,704,647
Net Assets, End of Year	\$ 3,665,987	\$ 3,987,900	\$ -	\$ 7,653,887

AMIGOS FOR CHRIST AND AFFILIATE
CONSOLIDATING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023

	Amigos for Christ (United States)	Amigos por Cristo (Nicaragua)	Elimination	Consolidated Total
SUPPORT AND REVENUE				
Contributions	\$ 4,900,228	\$ 3,633,589	\$ (3,649,520)	\$ 4,884,297
Special events	64,666	-	-	64,666
Donated goods and services	1,859,542	-	-	1,859,542
Missions outreach	183,925	-	-	183,925
Investment income (loss)	99,366	3,533	-	102,899
Other	36,647	135,083	-	171,730
Total Support and Revenue	<u>7,144,374</u>	<u>3,772,205</u>	<u>(3,649,520)</u>	<u>7,267,059</u>
EXPENSES				
Program services:				
Water and sanitation	1,084,794	1,019,462	(955,154)	1,149,102
Healthcare	1,869,208	429,442	(371,676)	1,926,974
Education and nutrition	968,398	576,867	(511,671)	1,033,594
Economic development	725,875	664,448	(622,535)	767,788
Missions outreach	532,838	305,181	(285,930)	552,089
Project support	1,113,746	628,928	(648,739)	1,093,935
Community leadership development	315,934	270,903	(253,815)	333,022
	<u>6,610,793</u>	<u>3,895,231</u>	<u>(3,649,520)</u>	<u>6,856,504</u>
Supporting activities:				
General and administrative	232,558	103,731	-	336,289
Fundraising	141,683	-	-	141,683
Total Expenses	<u>6,985,034</u>	<u>3,998,962</u>	<u>(3,649,520)</u>	<u>7,334,476</u>
Change in Net Assets before Translation Adjustment	159,340	(226,757)	-	(67,417)
Translation Adjustment	-	55,459	-	55,459
Change in Net Assets	159,340	(171,298)	-	(11,958)
Net Assets, Beginning of Year, as previously stated	3,543,006	3,379,628	-	6,922,634
Prior period adjustment (See Note 14)	-	(206,029)	-	(206,029)
Net Assets, Beginning of Year, as restated	<u>3,543,006</u>	<u>3,173,599</u>	<u>-</u>	<u>6,716,605</u>
Net Assets, End of Year	<u>\$ 3,702,346</u>	<u>\$ 3,002,301</u>	<u>\$ -</u>	<u>\$ 6,704,647</u>