



**CALVARY BIBLE EVANGELICAL  
FREE CHURCH**

Financial Statements  
With Independent Auditor's Report

March 31, 2025 and 2024

# CALVARY BIBLE EVANGELICAL FREE CHURCH

## Table of Contents

	<u>Page</u>
Independent Auditor's Report	1
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5
Statements of Cash Flows	6
Notes to Financial Statements	7

## INDEPENDENT AUDITOR'S REPORT

Board of Elders  
Calvary Bible Evangelical Free Church  
Boulder, Colorado

### ***Opinion***

We have audited the accompanying financial statements of Calvary Bible Evangelical Free Church, which comprise the statements of financial position as of March 31, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Calvary Bible Evangelical Free Church as of March 31, 2025 and 2024, 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 Calvary Bible Evangelical Free Church 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 the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Calvary Bible Evangelical Free Church's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Board of Elders  
Calvary Bible Evangelical Free Church  
Boulder, Colorado

***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 Calvary Bible Evangelical Free 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 Calvary Bible Evangelical Free 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.

*Capin Crouse LLC*

Centennial, Colorado  
October 9, 2025

# CALVARY BIBLE EVANGELICAL FREE CHURCH

## Statements of Financial Position

	March 31,	
	2025	2024
<b>ASSETS:</b>		
Cash and cash equivalents	\$ 1,780,314	\$ 1,519,951
Certificates of deposit	78,815	77,081
Prepaid expenses and other assets	225,042	222,167
Financing leases—right-of-use assets	85,357	119,649
Property and equipment—net	8,807,710	8,640,494
<b>Total Assets</b>	<b>\$ 10,977,238</b>	<b>\$ 10,579,342</b>
<b>LIABILITIES AND NET ASSETS:</b>		
<b>Liabilities:</b>		
Accounts payable	\$ 140,977	\$ 81,238
Accrued expenses and other liabilities	204,383	186,979
Financing lease obligations	89,381	123,761
Note payable	733,293	776,905
<b>Total liabilities</b>	<b>1,168,034</b>	<b>1,168,883</b>
<b>Net assets:</b>		
Without donor restrictions	9,101,935	9,125,099
With donor restrictions	707,269	285,360
<b>Total net assets</b>	<b>9,809,204</b>	<b>9,410,459</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 10,977,238</b>	<b>\$ 10,579,342</b>

See notes to financial statements

# CALVARY BIBLE EVANGELICAL FREE CHURCH

## Statements of Activities

	Year Ended March 31,					
	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE:</b>						
Contributions	\$ 6,424,053	\$ 594,482	\$ 7,018,535	\$ 5,518,915	\$ 425,459	\$ 5,944,374
Program income	383,979	-	383,979	326,337	-	326,337
Other income	41,929	-	41,929	44,226	-	44,226
Total Support and Revenue	6,849,961	594,482	7,444,443	5,889,478	425,459	6,314,937
<b>NET ASSETS RELEASED:</b>						
Purpose restrictions	172,573	(172,573)	-	414,884	(414,884)	-
<b>EXPENSES:</b>						
Salaries and benefits	4,056,361	-	4,056,361	3,568,392	-	3,568,392
Ministry events and supplies	1,001,077	-	1,001,077	897,512	-	897,512
Facilities and maintenance	708,997	-	708,997	691,080	-	691,080
Funds to others	370,419	-	370,419	557,893	-	557,893
Office and professional	253,367	-	253,367	194,738	-	194,738
Travel	104,582	-	104,582	49,932	-	49,932
Information technology	74,794	-	74,794	82,099	-	82,099
Interest	25,056	-	25,056	27,272	-	27,272
Total Expenses Before Depreciation and Amortization	6,594,653	-	6,594,653	6,068,918	-	6,068,918
Change in Net Assets Before Depreciation and Amortization	427,881	421,909	849,790	235,444	10,575	246,019
Depreciation and amortization	(451,045)	-	(451,045)	(415,048)	-	(415,048)
Change in Net Assets	(23,164)	421,909	398,745	(179,604)	10,575	(169,029)
Net Assets, Beginning of Year	9,125,099	285,360	9,410,459	9,304,703	274,785	9,579,488
Net Assets, End of Year	\$ 9,101,935	\$ 707,269	\$ 9,809,204	\$ 9,125,099	\$ 285,360	\$ 9,410,459

See notes to financial statements

# CALVARY BIBLE EVANGELICAL FREE CHURCH

## Statements of Functional Expenses

	Year Ended March 31, 2025		
	Program Services	Support Activity: General and Administrative	Total
Salaries and benefits	\$ 3,765,803	\$ 290,558	\$ 4,056,361
Ministry events and supplies	995,009	6,068	1,001,077
Facilities and maintenance	669,442	39,555	708,997
Depreciation and amortization	423,999	27,046	451,045
Funds to others	370,419	-	370,419
Office and professional	30,368	222,999	253,367
Travel	103,246	1,336	104,582
Information technology	61,331	13,463	74,794
Interest	23,553	1,503	25,056
	<u>\$ 6,443,170</u>	<u>\$ 602,528</u>	<u>\$ 7,045,698</u>

	Year Ended March 31, 2024		
	Program Services	Support Activity: General and Administrative	Total
Salaries and benefits	\$ 3,311,808	\$ 256,584	\$ 3,568,392
Ministry events and supplies	890,772	6,740	897,512
Facilities and maintenance	651,937	39,143	691,080
Depreciation and amortization	390,145	24,903	415,048
Funds to others	557,893	-	557,893
Office and professional	37,206	157,532	194,738
Travel	48,865	1,067	49,932
Information technology	67,370	14,729	82,099
Interest	25,636	1,636	27,272
	<u>\$ 5,981,632</u>	<u>\$ 502,334</u>	<u>\$ 6,483,966</u>

See notes to financial statements

# CALVARY BIBLE EVANGELICAL FREE CHURCH

## Statements of Cash Flows

	Year Ended March 31,	
	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 398,745	\$ (169,029)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	451,045	415,048
Change in operating assets and liabilities:		
Prepaid expense and other assets	(2,875)	(59,621)
Accounts payable	(26,666)	17,215
Accrued expenses and other liabilities	17,404	31,654
Net Cash Provided by Operating Activities	837,653	235,267
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of certificates of deposit	(1,734)	(1,688)
Purchases of property and equipment	(498,498)	(541,741)
Net Cash Used by Investing Activities	(500,232)	(543,429)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Principal payments on note payable	(43,612)	(42,429)
Principal payments on financing leases	(33,446)	(31,039)
Net Cash Used by Financing Activities	(77,058)	(73,468)
Change in Cash and Cash Equivalents	260,363	(381,630)
Cash and Cash Equivalents, Beginning of Year	1,519,951	1,901,581
Cash and Cash Equivalents, End of Year	\$ 1,780,314	\$ 1,519,951
<b>SUPPLEMENTAL DISCLOSURES:</b>		
Cash paid for interest (including financing leases)	\$ 25,056	\$ 27,272
Purchases of property and equipment in accounts payable	\$ 86,405	\$ -

See notes to financial statements

# CALVARY BIBLE EVANGELICAL FREE CHURCH

## Notes to Financial Statements

March 31, 2025 and 2024

1. NATURE OF ORGANIZATION:

Calvary Bible Evangelical Free Church (the Church), which was founded in 1889 and became a multi-campus church in 2006, is committed to building a Christ-centered community of people, fully devoted to loving God and loving others in Boulder, Erie, and Thornton, Colorado. The Church is part of the Evangelical Free Church of America, and aims to Make Disciples, Empower Leaders, and Multiply Churches.

The Church is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and comparable state law. However, the Church is subject to federal income tax on any unrelated business taxable income. In addition, the Church is not classified as a private foundation within the meaning of Section 509(a) of the IRC. The main source of support and revenue is contributions.

2. SIGNIFICANT ACCOUNTING POLICIES:

The Church maintains its accounts and prepares its financial statements on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

### CASH AND CASH EQUIVALENTS

Cash and cash equivalents include checking and money market accounts and certificates of deposit with original maturity of less than 90 days. These accounts may, at times, exceed federally insured limits. As of March 31, 2025 and 2024, cash exceeded federally insured limits by approximately \$31,000 and \$38,000, respectively.

### CERTIFICATES OF DEPOSIT

Certificates of deposit are held at cost plus accrued interest and include certificates with original maturity of more than 90 days. Interest income is recorded in other income on the statements of activities.

### PREPAID EXPENSES AND OTHER ASSETS

Prepaid expenses and other assets primarily consist of prepayments for events, conferences, future credit card purchases, and insurance.

### FINANCING LEASES—RIGHT-OF-USE ASSETS AND OBLIGATIONS

Some of the Church's contracts contain the right to control the use of property or assets and are therefore considered leases. The Church records right-of-use (ROU) assets and lease obligations on the statements of financial position for the rights and obligations created by leases with initial terms of more than twelve months. All of the Church's significant leases were financing leases as of March 31, 2025 and 2024 (see Note 4). The Church has one immaterial operating lease, and the ROU asset and corresponding lease liability are recorded with prepaid expenses and other assets and accrued expenses and other liabilities, respectively, in the statements of financial position.

# CALVARY BIBLE EVANGELICAL FREE CHURCH

## Notes to Financial Statements

March 31, 2025 and 2024

### 2. SIGNIFICANT ACCOUNTING POLICIES, continued:

#### PROPERTY AND EQUIPMENT—NET

Property and equipment is stated at cost or, if donated, at the fair market value on the date of the gift. The Church capitalizes all fixed assets greater than \$5,000 with useful lives of three years or more. Depreciation, except for land, is computed on the straight-line basis over estimated useful lives ranging from three to thirty years.

#### NET ASSETS

The financial statements report amounts separately by class of net assets as follows:

*Net assets without donor restrictions* are those resources currently available at the discretion of the congregation for use in the Church's operations.

*Net assets with donor restrictions* are those resources contributed with donor stipulations for specific projects and ministries that have not yet been spent.

#### SUPPORT, REVENUE, AND EXPENSES

Contributions are recorded when made, which may be when cash is received or unconditionally promised, or when ownership of donated assets is transferred to the Church. Contributions restricted by the donor for a specific purpose are recorded as support with donor restrictions until the purpose restriction is satisfied. Upon satisfaction of the restriction, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation. The Church liquidates all donated investments as soon as possible after receipt, and all such donations are reported as contributions in the statements of activities.

Program income consists of revenue related to the Church's various events and programs. This revenue is recognized when it is earned which is when the events and programs occur.

Other income consists of interest income and other immaterial revenue and is recognized as it is earned.

Expenses are recognized when an obligation is incurred.

#### FUNCTIONAL ALLOCATION OF EXPENSES

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Church. These expenses include depreciation, facilities, maintenance, and interest, which are allocated on a square-footage basis. Costs of other categories, such as salaries and benefits, were allocated based on estimates of time and effort.

# CALVARY BIBLE EVANGELICAL FREE CHURCH

## Notes to Financial Statements

March 31, 2025 and 2024

### 3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The following table reflects the Church's financial assets as of March 31, 2025 and 2024, 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 or subject to donor purpose or time restrictions, net of spending pursuant to the restrictions, within one year.

	March 31,	
	2025	2024
Financial assets:		
Cash and cash equivalents	\$ 1,780,314	\$ 1,519,951
Certificates of deposit	78,815	77,081
Financial assets, fiscal year-end:	1,859,129	1,597,032
Less those unavailable for general expenditure within one year due to:		
Restricted net assets not expected to be released	(400,000)	(217,000)
	\$ 1,459,129	\$ 1,380,032

The Church structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Management monitors cash flows closely through finance committee meetings and detailed financial analysis.

### 4. FINANCING LEASES—RIGHT-OF-USE ASSETS AND OBLIGATIONS:

The Church leases copiers under noncancelable financing leases expiring between July 2025 and June 2028. The discount rates represent the risk-free discount rate using a period comparable with that of the individual lease terms on the later of April 1, 2022 or the inception date of the leases.

	March 31,	
	2025	2024
Financing leases—right-of-use assets	\$ 85,357	\$ 119,649
Financing lease obligations	\$ 89,381	\$ 123,761
Financing lease costs		
Amortization of right-of-use assets	\$ 33,446	\$ 32,294
Interest on lease obligations	\$ 4,241	\$ 5,272
Weighted-average discount rate	3.93%	3.90%
Weighted-average remaining lease term	2.68 years	3.51 years

# CALVARY BIBLE EVANGELICAL FREE CHURCH

## Notes to Financial Statements

March 31, 2025 and 2024

4. FINANCING LEASES—RIGHT-OF-USE ASSETS AND OBLIGATIONS, continued:

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

<u>Year Ending March 31,</u>		
2026	\$	34,413
2027		33,360
2028		24,760
2029		2,101
		94,634
Less amounts representing interest		(5,253)
	\$	89,381

5. PROPERTY AND EQUIPMENT—NET:

Property and equipment—net consists of:

	<u>March 31,</u>	
	<u>2025</u>	<u>2024</u>
Land and land improvements	\$ 1,556,778	\$ 1,556,778
Building and building improvements	17,222,273	16,311,159
Furniture and equipment	829,633	725,096
	19,608,684	18,593,033
Less accumulated depreciation	(10,864,583)	(10,446,984)
	8,744,101	8,146,049
Construction in progress	63,609	494,445
	\$ 8,807,710	\$ 8,640,494

# CALVARY BIBLE EVANGELICAL FREE CHURCH

## Notes to Financial Statements

March 31, 2025 and 2024

6. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions consists of:

	March 31,	
	2025	2024
Debt reduction	\$ 344,645	\$ 107,709
Meal packing for community	166,668	-
Benevolence	135,617	165,265
Other projects	60,339	12,386
	\$ 707,269	\$ 285,360

7. NOTE PAYABLE:

In October 2013, the Church borrowed \$3,000,000 from a financial institution, secured by a deed of trust. During the year ended March 31, 2022, the note was modified to bear interest at a fixed rate of 2.75%, to be adjusted every five years. Monthly principal and interest payments under the new agreement are \$5,369 and the loan matures in November 2038. Future minimum payments are:

<u>Year Ending March 31,</u>	
2026	\$ 44,826
2027	46,074
2028	47,357
2029	48,676
2030	50,032
Thereafter	496,328
	\$ 733,293

The Church was in compliance with all debt covenants as of March 31, 2025 and 2024.

8. RETIREMENT PLAN:

The Church sponsors a 403(b) plan in which all employees who work more than 20 hours a week are eligible to participate. The Church matches employee deferrals up to 5% each pay period for all eligible employees and offers an additional discretionary match for all pastors. For the years ended March 31, 2025 and 2024, total employer contributions to the plan were \$280,985 and \$190,981, respectively.

9. RELATED PARTY CONTRIBUTIONS:

During the years ended March 31, 2025 and 2024, the Church received contributions from members of the board of elders and other key management members that totaled approximately \$257,000 and \$206,000, respectively.

# **CALVARY BIBLE EVANGELICAL FREE CHURCH**

## **Notes to Financial Statements**

March 31, 2025 and 2024

10. SUBSEQUENT EVENTS:

Subsequent events were evaluated through October 9, 2025, which is the date the financial statements were available to be issued.