

**The Williamsburg
Christadelphian Foundation**
Financial Statements
**For the years ended
December 31, 2023 and 2022**



The Williamsburg Christadelphian Foundation

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Independent Accountant's Review Report

To the Board of the
The Williamsburg Christadelphian Foundation
Villas, New Jersey

We have reviewed the accompanying financial statements of **The Williamsburg Christadelphian Foundation** (a non-profit corporation, hereafter referred to as the "Foundation"), which comprise the statement of assets and net assets – modified cash basis as of December 31, 2023 and 2022, and the related statements of activities – modified cash basis, functional expenses – modified cash basis and cash flows -modified cash basis for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the Foundation's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the modified cash basis accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the modified cash basis accounting.

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

Elizabeth Began Kelly, P.C.
Marmora, New Jersey

April 7, 2024

The Williamsburg Christadelphian Foundation
Statements of Assets and Net Assets
Modified Cash Basis
December 31, 2023 and 2022

Assets

	2023	2022
Current assets		
Cash and cash equivalents	\$ 2,158,786	\$ 1,736,921
Prepaid expenses	347	-
Note receivable - current portion	9,000	9,000
Total current assets	2,168,133	1,745,921
Note receivable - long-term portion	192,500	206,500
Total assets	\$ 2,360,633	\$ 1,952,421

Net Assets

Net assets		
Without donor restrictions	\$ 1,453,171	\$ 1,873,986
With donor restrictions	907,462	78,435
Total net assets	\$ 2,360,633	\$ 1,952,421

The Williamsburg Christadelphian Foundation
Statement of Activities
Modified Cash Basis
For the year ended December 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues and other support			
Contributions	\$ 648,576	\$ 1,405,436	\$2,054,012
Interest income	36,691	-	36,691
Other revenue	1,158	64	1,222
Net assets released from restrictions	576,473	(576,473)	-
Total revenues and other support	<u>1,262,898</u>	<u>829,027</u>	<u>2,091,925</u>
Expenses			
Program services:			
Pastoral and Preaching	849,719	-	849,719
Humanitarian Aid	764,287	-	764,287
Supporting services:			
Management and General	48,660	-	48,660
Fundraising	21,047	-	21,047
Total expenses	<u>1,683,713</u>	<u>-</u>	<u>1,683,713</u>
Change in net assets	(420,815)	829,027	408,212
Net assets at beginning of year	<u>1,873,986</u>	<u>78,435</u>	<u>1,952,421</u>
Net assets at end of year	<u>\$ 1,453,171</u>	<u>\$ 907,462</u>	<u>\$2,360,633</u>

The Williamsburg Christadelphian Foundation
Statement of Activities
Modified Cash Basis
For the year ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support			
Contributions	\$ 904,641	\$ 337,285	\$1,241,926
Interest income	3,026	-	3,026
Other revenue	1,766	159	1,925
Net assets released from restrictions	920,542	(920,542)	-
Total revenues and other support	1,829,975	(583,098)	1,246,877
Expenses			
Program services:			
Pastoral and Preaching	781,157	-	781,157
Humanitarian Aid	701,316	-	701,316
Supporting services:			
Management and General	54,780	-	54,780
Fundraising	19,360	-	19,360
Total expenses	1,556,613	-	1,556,613
Change in net assets	273,362	(583,098)	(309,736)
Net assets at beginning of year	1,600,624	661,533	2,262,157
Net assets at end of year	\$ 1,873,986	\$ 78,435	\$1,952,421

The Williamsburg Christadelphian Foundation
Statement of Functional Expenses
Modified Cash Basis
For the year ended December 31, 2023

	<u>Program Services</u>		<u>Supporting Service</u>		<u>Total</u>
	<u>Pastoral and Preaching</u>	<u>Humanitarian Aid</u>	<u>Management and General</u>	<u>Fundraising</u>	
Grants and support	\$ 507,361	\$ 708,444	\$ -	\$ -	\$ 1,215,805
Refugee and emergency assistance	-	16,476	-	-	16,476
Faith initiative programs	197,771	39,367	-	-	237,138
Legal fees and accounting	-	-	9,084	-	9,084
Salaries	144,587	-	16,520	-	161,107
Payroll taxes	-	-	1,182	-	1,182
Payroll service	-	-	1,516	-	1,516
Accounting software	-	-	2,503	-	2,503
Insurance	-	-	2,353	-	2,353
Office expense	-	-	10,790	-	10,790
Other admin costs	-	-	38	-	38
Bank fees	-	-	2,668	-	2,668
Advertising	-	-	2,006	21,047	23,053
Total operating expenses	<u>\$ 849,719</u>	<u>\$ 764,287</u>	<u>\$ 48,660</u>	<u>\$ 21,047</u>	<u>\$ 1,683,713</u>

The Williamsburg Christadelphian Foundation
Statement of Functional Expenses
Modified Cash Basis
For the year ended December 31, 2022

	<u>Program Services</u>		<u>Supporting Service</u>		<u>Total</u>
	<u>Pastoral and Preaching</u>	<u>Humanitarian Aid</u>	<u>Management and General</u>	<u>Fundraising</u>	
Grants and support	\$ 552,756	\$ 556,063	\$ -	\$ -	\$ 1,108,819
Refugee and emergency assistance	-	70,890	-	-	70,890
Faith initiative programs	161,540	4,591	-	-	166,131
Legal fees and accounting	-	-	7,380	-	7,380
Salaries	62,110	64,724	2,390	-	129,224
Payroll taxes	4,751	5,048	185	-	9,984
Payroll service	-	-	571	-	571
Accounting software	-	-	3,559	-	3,559
Insurance	-	-	2,777	-	2,777
Travel	-	-	16,598	-	16,598
Office expense	-	-	16,981	-	16,981
Other admin costs	-	-	1,295	-	1,295
Bank fees	-	-	3,044	-	3,044
Advertising	-	-	-	19,360	19,360
Total operating expenses	<u>\$ 781,157</u>	<u>\$ 701,316</u>	<u>\$ 54,780</u>	<u>\$ 19,360</u>	<u>\$ 1,556,613</u>

The Williamsburg Christadelphian Foundation
Statements of Cash Flows
Modified Cash Basis
For the years ended December 31, 2023 and 2022

	2023	2022
Cash flows from operating activities		
Change in net assets	\$ 408,212	\$ (309,736)
(Increase) decrease in:		
Prepaid expenses	(347)	-
Net cash provided by (used in) operating activities	407,865	(309,736)
 Cash flows from investing activities		
Increase in note receivable	-	(220,000)
Repayment of note receivable	14,000	4,500
Net cash provided by (used in) investing activities	14,000	(215,500)
 Net increase (decrease) in cash and cash equivalents	421,865	(525,236)
Cash and cash equivalents at beginning of year	1,736,921	2,262,157
Cash and cash equivalents at end of year	\$ 2,158,786	\$ 1,736,921

The Williamsburg Christadelphian Foundation
Notes to Financial Statements
For the years ended December 31, 2023 and 2022

Note 1 - Nature of Operations and Summary of Significant Accounting Policies

Organization

The Williamsburg Christadelphian Foundation (Foundation) is chartered in the state of Virginia and provides resources to help the Christadelphian community in North America in activities of worldwide faith building, preaching, and humanitarian aid. The principal source of revenue is contributions from individuals. Projects organized and/or supported include worldwide efforts for preaching the Gospel of Jesus Christ and the coming Kingdom of God, events and resources for the building up the faith of the body of believers, and assistance with humanitarian aid such as providing funds for food, shelter, education, medical costs, and refugee assistance for those in need.

Use of Estimates

The preparation of the financial statements in conformity with modified cash basis 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and such differences could be significant.

Basis of Accounting

The Foundation uses a modified cash basis of accounting which is a basis of accounting other than U.S. generally accepted accounting principles whereas revenues are recognized when received and expenses when paid rather than when revenue is earned and when expenses are incurred. The Foundation modifies the cash basis to: (1) capitalize certain assets and provide an allowance for depreciation to recognize the cost of using their long-lived tangible assets and (2) certain prepaid expenses and note receivables are recognized as assets.

Cash and Cash Equivalents

Cash reported in the statement of cash flows include demand checking and savings accounts that can be withdrawn without restriction or penalty as well as funds held in a PayPal account. Cash equivalents include cash management and sweep accounts held in brokerage accounts and available on demand.

The Williamsburg Christadelphian Foundation
Notes to Financial Statements
For the years ended December 31, 2023 and 2022

Note 1 - Nature of Operations and Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment acquisitions, if any, are recorded at cost. Depreciation is provided for over the estimated useful life of the real estate and is computed on the straight-line method over a period of thirty-nine years.

The Foundation's capitalization policy is to capitalize all capital items whose value is more than nominal and whose useful life extends beyond one year.

Gifts of long-lived assets, if any, such as land, buildings or equipment are reported as unrestricted support, 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 or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Contributions

The Foundation receives various types of contributions, which are generally unrestricted. The Foundation's policy is to report as unrestricted support contributions with donor-imposed restrictions when these restrictions are met in the same year that the contribution is received. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated asset. When a donor restriction expires, that is when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities -modified cash basis as net assets released from restrictions. The Foundation records contributions at the date of donation or as soon thereafter as the fair value of such contribution can be determined.

Note receivable and allowance for doubtful accounts

The Foundation records the note receivable based on what management expects to collect on balance outstanding at year-end. Management provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the note receivable at least annually. Balances still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to trade accounts receivable. The Foundation does not accrue interest on any delinquent payments.

The Williamsburg Christadelphian Foundation
Notes to Financial Statements
For the years ended December 31, 2023 and 2022

Note 1 - Nature of Operations and Summary of Significant Accounting Policies (continued)

Income taxes

The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and is classified as a private operating foundation by the Internal Revenue Service.

The Foundation has adopted the provisions for uncertain tax positions under FASB *Accounting Standards Codification*, income taxes. Management has evaluated its tax positions for all open years and has determined that there are no tax provisions deemed to create a liability under these standards if audited by tax authorities.

Classes of Net Assets

To observe the limitations and restrictions placed on the use of the resources available to the Foundation, resources for various purposes are classified for accounting purposes into classes established according to their nature and purpose.

The financial statements report amounts separately into two classes of net assets in accordance with not for profit topic of the FASB *Accounting Standards Codification*:

Without donor restrictions are amounts that are not restricted by donor-imposed stipulations and are currently available at the discretion of management for use in the Foundation's operations.

With donor restrictions are amounts that are (1) restricted by donors for specific purposes and either expire by passage of time or can be fulfilled and removed by action of the Foundation pursuant to stipulations or (2) are any assets that are given to the Foundation by donors that have limitations on use that are attached to it for perpetuity and such donor-imposed restrictions do not expire.

The Foundation does not have any donor-imposed restrictions that are perpetual in nature.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited based on time expended in a program. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

Compensated Absences

The Foundation expenses compensated absences as they are paid.

Advertising

The Foundation expenses advertising costs as incurred.

The Williamsburg Christadelphian Foundation
Notes to Financial Statements
For the years ended December 31, 2023 and 2022

Note 1 - Nature of Operations and Summary of Significant Accounting Policies (continued)

Subsequent Events

Management has evaluated all subsequent events and transactions through April 7, 2024, the date the financial statements were available to be issued. No subsequent events require recognition in the financial statements or disclosure by the Foundation.

Note 2 - Liquidity and Availability of Financial Assets

The Foundation is substantially supported by charitable contributions. Certain amounts may not be available for general use because of donor-imposed or Board restrictions within one year of the balance sheet date.

The Foundation regularly monitors the availability of resources required to meet its operating needs and other commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a twelve month period, the Foundation considers all expenditures related to its ongoing activities as well as the conduct of services to support those activities to be general expenditures.

The below reflects the Foundation's financial assets as of the statement of assets and net assets date, reduced by amounts that are not available for general use due to donor-imposed restrictions within one year of the statement of financial position date.

	<u>2023</u>	<u>2022</u>
Financial assets, at year end	\$ 2,167,786	\$ 1,745,921
Less those unavailable for general expenditures within one year, due to:		
Donor-imposed restrictions:		
Donor-imposed restrictions	<u>(907,462)</u>	<u>(78,435)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$ <u>1,260,324</u>	\$ <u>1,667,486</u>

The Williamsburg Christadelphian Foundation
Notes to Financial Statements
For the years ended December 31, 2023 and 2022

Note 3 - Revenue from Contracts with Customers

The Foundation sells audio books as an additional source of revenue. Revenue from contracts with customers totaled \$173 consisting entirely of audio books sales for the year ended December 31, 2023. Revenue from contracts with customers totaled \$181 consisting entirely of audio books sales for the year ended December 31, 2022.

The following economic factors affect the nature, amount, timing, and uncertainty of the Foundation's revenue and cash flows as indicated:

Type of customer: Based on dollar amounts of revenue, almost all of the goods sold by the Foundation are to individual customers.

Geographic location of customers: Sales to customers are generally concentrated in the United States of America. There are no direct international sales currently.

Type of contract: All sales contracts include the sale of goods. The sale of goods contracts are short-term point of sale fixed at a point in time with the performance obligation met when ownership and risk transfer to the customer.

Note 4 – Note Receivable

The Foundation advanced \$220,000 to the Christadelphians of Vietnam on March 2, 2022 to assist in the purchase of real estate essential for the spiritual and pastoral support in Vietnam. Another unrelated group of individuals also advanced \$120,000 in funds. The Foundation entered into a non-interest bearing note receivable agreement with such organization to repay the Foundation based on \$750 per month until the other group of individuals are repaid \$1,000 per month over ten years, at which point the Foundation will begin receiving \$1,750 per month until the note is paid off in full. If the real estate is sold such note will be repaid upon the sale. Current maturities of the note receivable are as follows:

For the year ended December 31,		
2024	\$	9,000
2025		9,000
2026		9,000
2027		9,000
2028		9,000
Thereafter		156,500
Total	\$	201,500

The Williamsburg Christadelphian Foundation
Notes to Financial Statements
For the years ended December 31, 2023 and 2022

Note 5 - Certain Significant Estimates, Concentration of Risk, and Commitments and Contingencies

Approximately 78% and 90% of contributions are funded by two donors for the years ended December 31, 2023 and 2022, respectively. A significant change in contributions would severely impact the Foundation's operations.

As of December 31, 2023, the Foundation's cash balances were within FDIC limits.

As of December 31, 2022, \$876,649 was held by the Foundation in one bank in excess of the FDIC limits without regard to the bank's private insurance.

Note 6 - Other Revenue

Other revenue consists principally of income from the sale of audio books and reimbursements and revenue from other events.

Note 7 – Net Assets with Donor Restrictions

Donations received by the Foundation for preaching, pastoral, or humanitarian aid that are designated by the donor for specific projects or geographic areas are maintained in restricted funds accounts. The net with donor restrictions balances as of December 31, 2023 and 2022, were \$907,462 and \$78,435, respectively.