



CALVARY CHAPEL CHURCH, INC. d/b/a
CALVARY CHAPEL FORT LAUDERDALE
AND AFFILIATES

Consolidated Financial Statements
With Independent Auditors' Report

June 30, 2024 and 2023

**CALVARY CHAPEL CHURCH, INC. d/b/a
CALVARY CHAPEL FORT LAUDERDALE AND AFFILIATES**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Calvary Chapel Church, Inc. d/b/a
Calvary Chapel Fort Lauderdale and Affiliates
Fort Lauderdale, Florida

Opinion

We have audited the accompanying consolidated financial statements of Calvary Chapel Church, Inc. d/b/a Calvary Chapel Fort Lauderdale and Affiliates, which comprise the consolidated statements of financial position as of June 30, 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, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Calvary Chapel Church, Inc. d/b/a Calvary Chapel Fort Lauderdale and Affiliates as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are required to be independent of Calvary Chapel Church, Inc. d/b/a Calvary Chapel Fort Lauderdale and Affiliates and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 Calvary Chapel Church, Inc. d/b/a Calvary Chapel Fort Lauderdale and Affiliates' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Board of Directors
Calvary Chapel Church, Inc. d/b/a
Calvary Chapel Fort Lauderdale and Affiliates
Fort Lauderdale, Florida

Auditors' Responsibility 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 auditors' 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 Calvary Chapel Church, Inc. d/b/a Calvary Chapel Fort Lauderdale and Affiliates' 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 Calvary Chapel Church, Inc. d/b/a Calvary Chapel Fort Lauderdale and Affiliates' 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 LLP

Lawrenceville, Georgia
October 10, 2024

**CALVARY CHAPEL CHURCH, INC. d/b/a
CALVARY CHAPEL FORT LAUDERDALE AND AFFILIATES**

Consolidated Statements of Financial Position

	June 30,	
	2024	2023
ASSETS:		
Cash and cash equivalents	\$ 17,541,444	\$ 17,077,318
Investments	4,004,117	4,823,321
Prepaid expenses and other assets	3,132,723	2,817,533
Operating lease right-of-use assets	4,146,711	4,045,174
Financing lease right-of-use asset	150,743	-
Property and equipment–net	102,896,132	99,003,671
Total Assets	\$ 131,871,870	\$ 127,767,017
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable and accrued expenses	\$ 2,008,730	\$ 1,459,929
Accrued payroll and benefits payable	4,290,731	3,830,065
Deferred revenue	2,325,008	2,068,334
Operating lease right-of-use liabilities	4,362,979	4,276,608
Financing lease right-of-use liability	152,506	-
Note payable–net	7,535,465	8,354,398
Total liabilities	20,675,419	19,989,334
Net assets:		
Without donor restrictions	107,683,879	103,765,088
With donor restrictions	3,512,572	4,012,595
Total net assets	111,196,451	107,777,683
Total Liabilities and Net Assets	\$ 131,871,870	\$ 127,767,017

See notes to consolidated financial statements

**CALVARY CHAPEL CHURCH, INC. d/b/a
CALVARY CHAPEL FORT LAUDERDALE AND AFFILIATES**

Consolidated Statements of Activities

	Year Ended June 30,					
	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Support:						
Tithes and offerings	\$ 32,429,494	\$ 589,977	\$ 33,019,471	\$ 28,270,145	\$ 2,534,638	\$ 30,804,783
Revenue:						
Ministry activities income	3,331,056	-	3,331,056	3,078,892	-	3,078,892
Sales—bookstore, food services, and skate park	4,619,779	-	4,619,779	3,913,786	-	3,913,786
Calvary Christian Academy tuition and fees—net	46,733,895	-	46,733,895	39,905,449	-	39,905,449
Rental income	337,057	-	337,057	270,379	-	270,379
Interest and other income	742,643	-	742,643	1,110,947	-	1,110,947
	55,764,430	-	55,764,430	48,279,453	-	48,279,453
Total Support and Revenue	88,193,924	589,977	88,783,901	76,549,598	2,534,638	79,084,236
RECLASSIFICATIONS:						
Satisfaction of purpose and time restrictions	1,090,000	(1,090,000)	-	1,573,893	(1,573,893)	-
	1,090,000	(1,090,000)	-	1,573,893	(1,573,893)	-

(continued)

See notes to consolidated financial statements

**CALVARY CHAPEL CHURCH, INC. d/b/a
CALVARY CHAPEL FORT LAUDERDALE AND AFFILIATES**

Consolidated Statements of Activities
(continued)

	Year Ended June 30,					
	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
EXPENSES:						
Program expenses:						
Church ministry and general outreach	24,486,230	-	24,486,230	24,599,071	-	24,599,071
Calvary Christian Academy	39,567,354	-	39,567,354	34,686,761	-	34,686,761
Other ministries	5,913,760	-	5,913,760	5,825,473	-	5,825,473
	<u>69,967,344</u>	<u>-</u>	<u>69,967,344</u>	<u>65,111,305</u>	<u>-</u>	<u>65,111,305</u>
Administrative expenses:						
Church ministry and general outreach	4,824,630	-	4,824,630	4,201,316	-	4,201,316
Calvary Christian Academy	9,854,073	-	9,854,073	8,003,028	-	8,003,028
Other ministries	719,086	-	719,086	540,425	-	540,425
	<u>15,397,789</u>	<u>-</u>	<u>15,397,789</u>	<u>12,744,769</u>	<u>-</u>	<u>12,744,769</u>
Total Expenses	<u>85,365,133</u>	<u>-</u>	<u>85,365,133</u>	<u>77,856,074</u>	<u>-</u>	<u>77,856,074</u>
Change in Net Assets	3,918,791	(500,023)	3,418,768	267,417	960,745	1,228,162
Net Assets, Beginning of Year	<u>103,765,088</u>	<u>4,012,595</u>	<u>107,777,683</u>	<u>103,497,671</u>	<u>3,051,850</u>	<u>106,549,521</u>
Net Assets, End of Year	<u>\$ 107,683,879</u>	<u>\$ 3,512,572</u>	<u>\$ 111,196,451</u>	<u>\$ 103,765,088</u>	<u>\$ 4,012,595</u>	<u>\$ 107,777,683</u>

See notes to consolidated financial statements

CALVARY CHAPEL CHURCH, INC. d/b/a
CALVARY CHAPEL FORT LAUDERDALE AND AFFILIATES

Consolidated Statement of Functional Expenses

Year Ended June 30, 2024

	Program Expenses			Administrative Expenses					
	Church Ministry and General Outreach	Calvary Christian Academy	Other Ministries	Total Program Expenses	Church Ministry and General Outreach	Calvary Christian Academy	Other Ministries	Total Administrative Expenses	Total
EXPENSES:									
Salaries and benefits	\$ 12,916,298	\$ 24,079,544	\$ 2,637,568	\$ 39,633,410	\$ 2,988,605	\$ 7,052,066	\$ 471,988	\$ 10,512,659	\$ 50,146,069
Tuition discounts provided to staff	-	3,527,221	-	3,527,221	-	407,042	-	407,042	3,934,263
Occupancy and maintenance	3,269,860	4,037,445	611,677	7,918,982	546,880	590,987	180,234	1,318,101	9,237,083
Depreciation	2,494,534	1,803,040	430,091	4,727,665	39,629	174,780	-	214,409	4,942,074
Professional fees	908,334	367,389	166,709	1,442,432	927,163	919,790	66,864	1,913,817	3,356,249
Printing and supplies	416,945	998,747	325,046	1,740,738	322,105	112,372	-	434,477	2,175,215
Missionary support	1,854,733	-	-	1,854,733	53	39,264	-	39,317	1,894,050
Cost of goods sold	111,153	232,362	1,710,610	2,054,125	-	350,753	-	350,753	2,404,878
Benevolence and outreach	1,613,684	-	4,802	1,618,486	-	23,152	-	23,152	1,641,638
Conferences and camps	566,522	3,922,944	9,277	4,498,743	-	39,448	-	39,448	4,538,191
Travel	229,402	519,642	3,721	752,765	195	15,342	-	15,537	768,302
Interest	104,765	79,020	14,259	198,044	-	4,077	-	4,077	202,121
Grants	-	-	-	-	-	125,000	-	125,000	125,000
Total Expenses	\$ 24,486,230	\$ 39,567,354	\$ 5,913,760	\$ 69,967,344	\$ 4,824,630	\$ 9,854,073	\$ 719,086	\$ 15,397,789	\$ 85,365,133

See notes to consolidated financial statements

CALVARY CHAPEL CHURCH, INC. d/b/a
CALVARY CHAPEL FORT LAUDERDALE AND AFFILIATES

Consolidated Statement of Functional Expenses

Year Ended June 30, 2023

	Program Expenses				Administrative Expenses				
	Church Ministry and General Outreach	Calvary Christian Academy	Other Ministries	Total Program Expenses	Church Ministry and General Outreach	Calvary Christian Academy	Other Ministries	Total Administrative Expenses	Total
EXPENSES:									
Salaries and benefits	\$ 13,068,755	\$ 20,605,355	\$ 2,628,795	\$ 36,302,905	\$ 2,612,403	\$ 6,214,017	\$ 330,413	\$ 9,156,833	\$ 45,459,738
Tuition discounts provided to staff	-	3,358,411	-	3,358,411	-	394,028	-	394,028	3,752,439
Occupancy and maintenance	3,661,706	3,489,933	575,644	7,727,283	417,454	457,248	169,878	1,044,580	8,771,863
Depreciation	2,442,297	1,907,502	428,565	4,778,364	35,425	100,839	-	136,264	4,914,628
Professional fees	727,725	313,929	208,392	1,250,046	830,896	440,624	40,134	1,311,654	2,561,700
Printing and supplies	411,794	910,862	216,092	1,538,748	304,612	102,059	-	406,671	1,945,419
Missionary support	1,312,085	10,000	-	1,322,085	-	12,544	-	12,544	1,334,629
Cost of goods sold	113,024	148,319	1,727,621	1,988,964	-	234,219	-	234,219	2,223,183
Benevolence and outreach	1,775,218	500	2,274	1,777,992	50	18,764	-	18,814	1,796,806
Conferences and camps	757,943	3,431,110	17,618	4,206,671	-	17,286	-	17,286	4,223,957
Travel	210,691	421,964	4,434	637,089	476	11,400	-	11,876	648,965
Interest	117,833	88,876	16,038	222,747	-	-	-	-	222,747
Total Expenses	\$ 24,599,071	\$ 34,686,761	\$ 5,825,473	\$ 65,111,305	\$ 4,201,316	\$ 8,003,028	\$ 540,425	\$ 12,744,769	\$ 77,856,074

See notes to consolidated financial statements

**CALVARY CHAPEL CHURCH, INC. d/b/a
CALVARY CHAPEL FORT LAUDERDALE AND AFFILIATES**

Consolidated Statements of Cash Flows

	Year Ended June 30,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 3,418,768	\$ 1,228,162
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	4,942,074	4,914,628
Amortization of debt issuance costs	9,530	9,530
Non-cash effect of change in accounting principle	-	231,434
(Gain) loss on sale of property and equipment	78,907	(2,000)
Contributions restricted for long-term investment	(589,977)	(745,519)
Reinvested interest and dividends	-	(112,321)
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	(292,670)	(1,620,792)
Accounts payable and accrued expenses	548,801	(412,873)
Accrued payroll and benefits payable	460,666	184,740
Deferred revenue	256,674	(816,106)
Net Cash Provided by Operating Activities	8,832,773	2,858,883
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(4,711,000)	(4,711,000)
Proceeds from sale of investments	5,530,204	-
Capital expenditures for property and equipment	(8,913,442)	(5,600,696)
Net Cash Used by Investing Activities	(8,094,238)	(10,311,696)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayments on note payable	(828,463)	(828,461)
Contributions restricted for long-term investment	589,977	745,519
Principal payments on financing lease	(35,923)	-
Net Cash Used by Financing Activities	(274,409)	(82,942)
Net Change in Cash and Cash Equivalents	464,126	(7,535,755)
Cash and Cash Equivalents, Beginning of Year	17,077,318	24,613,073
Cash and Cash Equivalents, End of Year	\$ 17,541,444	\$ 17,077,318

(continued)

See notes to consolidated financial statements

**CALVARY CHAPEL CHURCH, INC. d/b/a
CALVARY CHAPEL FORT LAUDERDALE AND AFFILIATES**

Consolidated Statements of Cash Flows
(continued)

	Year Ended June 30,	
	2024	2023
SUPPLEMENTAL DISCLOSURES:		
Cash paid for interest—none capitalized	\$ 207,417	\$ 242,644
Right-of-use asset obtained in exchange for financing lease liability	\$ 150,743	\$ -
Interest paid related to financing lease	\$ 4,077	\$ -

See notes to consolidated financial statements

**CALVARY CHAPEL CHURCH, INC. d/b/a
CALVARY CHAPEL FORT LAUDERDALE AND AFFILIATES**

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

1. NATURE OF ORGANIZATION:

Calvary Chapel Fort Lauderdale and Affiliates (Organization) is the consolidated financial reporting entity for Calvary Chapel Church, Inc. (CCCI) and its supporting organizations: Calvary Chapel of Fort Lauderdale, Inc. (CCFL), and HELPS Ministries of Broward, Inc. (HELPS). The Organization's primary sources of revenue are contributions from donors and tuition and fees from Calvary Christian Academy (CCA).

CCCI was incorporated in December 1997 as a Florida not-for-profit corporation and is exempt from federal income tax on related activities under Section 501(c)(3) of the Internal Revenue Code (Code). CCCI is classified as a publicly supported organization, which is not a private foundation under Section 509(a)(1) of the Code, and contributions to it are tax deductible within the limitations prescribed by the Code.

CCCI operates as a church and exists to proclaim the good news of salvation by faith in the Lord Jesus Christ by any suitable method or media, which includes, but is not limited to, establishing and operating a local ministry for the worship of Jesus Christ using personal evangelism, preaching, teaching, missions, and discipleship. CCCI accomplishes its objectives through the following activities:

Church ministry, which consists of weekly services, including worship and Bible study, small groups, discipleship, prayer, biblical counseling, and other church activities. The church conducts outreach and missions activities designed to reach out not only to the local community but to the world as well.

CCCI also operates a bookstore, the Generous Cafe, which sells Christian books, literature, and other Christian products to disciple the believer and educate the nonbeliever. The Grill is a restaurant on the church premises offering food and beverages in support of church ministry activities and serves as a place for fellowship for church attendees.

CCA, a private Christian school operated by CCCI, exists to provide a biblically-based education for children attending pre-kindergarten through twelfth grade.

CCFL was incorporated as a tax-exempt organization under section 501(c)(3) in December 1988 and is an integrated auxiliary of CCCI within the meaning of Section 509(a)(3) of the Code. CCFL has also been classified as an entity that is not a private foundation within the meaning of the Section 509(a) and qualifies for tax-deductible contributions as provided in Section 170(b)(1)(A)(vi). CCFL holds and operates real property on behalf of CCCI.

HELPS was incorporated as a tax-exempt organization under section 501(c)(3) in December 1991 and is an integrated auxiliary of CCCI within the meaning of Section 509(a)(3) of the Code. HELPS has also been classified as an entity that is not a private foundation within the meaning of the Section 509(a) and qualifies for tax-deductible contributions as provided in Section 170(b)(1)(A)(vi). HELPS provides vehicle fleet services to the Organization and holds and operates real property on behalf of CCCI.

**CALVARY CHAPEL CHURCH, INC. d/b/a
CALVARY CHAPEL FORT LAUDERDALE AND AFFILIATES**

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Organization maintains its accounts and prepares its consolidated financial statements on the accrual basis of accounting in conformity with accounting principles 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.

USE OF ESTIMATES

The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the operations of CCCI, CCFL, and HELPS. All significant inter-company balances and transactions have been eliminated.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash held in checking, savings, and money market accounts, and certificates of deposit with original maturities of three months or less. While at times deposits may exceed federally insured limits, the Organization has not experienced any losses on these accounts. At June 30, 2024 and 2023, cash balances exceeded federally insured limits by \$17,320,935 and \$17,201,399, respectively.

INVESTMENTS

The Organization's investments consist of certificates of deposit, with original maturities greater than three months, held at financial institutions and are reported at cost plus accrued interest. Donated investments are recorded at market value at the date of donation and thereafter carried in conformity with the stated policy.

PROPERTY AND EQUIPMENT—NET

Items capitalized as property and equipment are stated at cost or, if donated, at market value on the date of donation. The Organization capitalizes all property and equipment expenditures greater than \$10,000. Expenditures for repairs and maintenance are charged to expense as incurred, and additions and improvements that significantly extend the lives of assets are capitalized at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from 3 to 40 years.

DEBT ISSUANCE COSTS—NET

Debt issuance costs are amortized on a straight-line basis over the term of the note payable. Debt issuance costs—net are netted with the note payable in the accompanying consolidated statements of financial position.

CALVARY CHAPEL CHURCH, INC. d/b/a
CALVARY CHAPEL FORT LAUDERDALE AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

CLASSES OF NET ASSETS

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

Net assets without donor restrictions are currently available at the discretion of the board for use in operations.

Net assets with donor restrictions are restricted by donors for a specific purpose or the expiration of a certain time period.

SUPPORT AND REVENUES, RECLASSIFICATIONS, AND EXPENSES

Revenue is recognized when earned and support when contributions are made, which may be when cash is received, unconditional promises are made, or ownership of other assets is transferred to the Organization. CCA provides financial aid and tuition discounts to families who are not staff members of the Organization and records these discounts as reductions to tuition revenue. The amount of these discounts was \$1,351,122 and \$1,284,997 for the years ended June 30, 2024 and 2023, respectively. Tuition discounts provided to staff members are recorded as Tuition discounts provided to staff in the consolidated statements of functional 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 restricted support 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 statements of activities as satisfaction of purpose and time restrictions.

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 restricted support. 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.

Donated goods and services (including property, equipment, and retail space) are recorded at fair value at the date of the gift.

**CALVARY CHAPEL CHURCH, INC. d/b/a
CALVARY CHAPEL FORT LAUDERDALE AND AFFILIATES**

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

SUPPORT AND REVENUES, RECLASSIFICATIONS, AND EXPENSES, continued

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 consolidated statements of activities. Certain expenses, including salaries and benefits, depreciation, interest, and facilities operations benefit multiple program services and support functions and have been allocated to one or more program service or support function in the consolidated statements of functional expenses. Salaries and benefits and other expenses have been allocated based upon the programmatic purpose of the expense incurred. Depreciation, interest, and facilities operations have been allocated based upon an analysis of the square footage of the facilities.

3. LIQUIDITY AND FUNDS AVAILABLE:

The following reflects the Organization's financial assets as of the consolidated statement of financial position date, reduced by amounts not available for general use because of contractual, donor-imposed restrictions, or board designations within one year of the consolidated statement of financial position date. The amounts designated by the board could be drawn upon if the governing board approves that action. The Organization has excluded CCA board-designated net assets, as amounts are intended to be used within the next year. The Church has a policy to structure its financial assets for availability for expenses and other obligations as due.

	June 30,	
	2024	2023
Financial assets:		
Cash and cash equivalents	\$ 17,541,444	\$ 17,077,318
Investments	4,004,117	4,823,321
	21,545,561	21,900,639
Less those not available for general expenditures within one year:		
Net assets with donor restrictions for capital improvements	(2,996,046)	(2,582,948)
Board-designated net assets for various purposes, excluding CCA	(4,468,497)	(3,606,017)
	(7,464,543)	(6,188,965)
Financial assets available to meet cash needs for general expenditures within one year	\$ 14,081,018	\$ 15,711,674

**CALVARY CHAPEL CHURCH, INC. d/b/a
CALVARY CHAPEL FORT LAUDERDALE AND AFFILIATES**

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

4. INVESTMENTS:

Investments consist of:

	June 30,	
	<u>2024</u>	<u>2023</u>
Certificates of deposit	<u>\$ 4,004,117</u>	<u>\$ 4,823,321</u>

5. PREPAID EXPENSES AND OTHER ASSETS:

Prepaid expenses and other assets consist of:

	June 30,	
	<u>2024</u>	<u>2023</u>
Prepaid expenses	\$ 2,012,762	\$ 1,983,298
Other assets	<u>1,119,961</u>	<u>834,235</u>
	<u>\$ 3,132,723</u>	<u>\$ 2,817,533</u>

**CALVARY CHAPEL CHURCH, INC. d/b/a
CALVARY CHAPEL FORT LAUDERDALE AND AFFILIATES**

Notes to Consolidated Financial Statements

June 30, 2024 and 2023

6. OPERATING LEASES RIGHT-OF-USE ASSETS AND LIABILITIES:

The Organization leases meeting space under four noncancelable operating leases, expiring at various dates through 2044. One of the operating leases has an original maturity of June 2024 and contains four five-year renewal periods (for a total of 20 years). These additional terms are included in the operating lease calculations as management expects to exercise the extensions. The leases require monthly payments of approximately \$43,000. The discount rate represents the Organization's incremental borrowing rate. Total expenses incurred under these operating leases for the years ended June 30, 2024 and 2023, was \$492,577 and \$436,388. Operating lease right of use assets and liabilities consist of:

	June 30,	
	2024	2023
Operating lease right-of-use assets	\$ 4,146,711	\$ 4,045,174
Operating lease right-of-use liabilities	\$ 4,362,979	\$ 4,276,608
Operating lease costs	\$ 492,577	\$ 436,388
Weighted-average discount rate	3.73%	3.72%
Weighted-average remaining lease term in years	17.20	17.74

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

Years Ending June 30,	Amounts
2025	\$ 515,031
2026	522,502
2027	496,508
2028	265,200
2029	265,200
Thereafter	3,978,000
	6,042,441
Less imputed interest	(1,679,462)
	\$ 4,362,979

**CALVARY CHAPEL CHURCH, INC. d/b/a
CALVARY CHAPEL FORT LAUDERDALE AND AFFILIATES**

Notes to Consolidated Financial Statements

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7. FINANCING LEASE RIGHT-OF-USE ASSET AND LIABILITY:

The Organization leases equipment under a noncancelable financing lease expiring in 2028. The discount rate represents the Organization's incremental borrowing rate using a period comparable with that of the individual lease term on the inception date of the lease. The lease requires monthly payments of \$3,333. At June 30, 2024, the financing lease right of use asset and liability consists of:

Financing lease right-of-use asset	\$	150,743
Financing lease right-of-use liability	\$	152,506
Financing lease costs:		
Amortization of right-of-use asset	\$	37,686
Interest on lease liability	\$	4,077
Weighted-average discount rate		2.37%
Weighted-average remaining lease term in years		4.00

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

Years Ending June 30,	Amounts
2025	\$ 40,000
2026	40,000
2027	40,000
2028	40,000
	160,000
Less imputed interest	(7,494)
	\$ 152,506

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Notes to Consolidated Financial Statements

June 30, 2024 and 2023

8. PROPERTY AND EQUIPMENT–NET:

Property and equipment–net consists of:

	June 30,	
	2024	2023
Land and land improvements	\$ 34,266,787	\$ 34,521,234
Buildings and building improvements	113,227,871	111,760,389
Furniture and equipment	19,091,842	17,872,039
	166,586,500	164,153,662
Less accumulated depreciation	(74,177,985)	(70,030,886)
	92,408,515	94,122,776
Construction in progress	10,487,617	4,880,895
	\$ 102,896,132	\$ 99,003,671

9. NOTE PAYABLE–NET:

Note payable–net consists of:

	June 30,	
	2024	2023
<p>\$10.7 million term note dated July 3, 2020; payable in fixed monthly payments of principal in the amount of \$69,038 plus interest, with a final payment of all unpaid principal and accrued interest due on August 1, 2030; bears fixed interest at 2.37% through August 1, 2025, at which time there is a one-time rate adjustment to 2% plus the 5-year SWAP rate as published in the Federal Reserve Statistical Release H.15; secured with real property in Fort Lauderdale, Florida.</p>	\$ 7,594,231	8,422,693
Less debt issuance costs–net	(58,766)	(68,295)
	\$ 7,535,465	\$ 8,354,398

The Organization is required to meet certain reporting covenants for the note payable. As of June 30, 2024 and 2023, all reporting covenants have been met.

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Notes to Consolidated Financial Statements

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9. NOTE PAYABLE–NET, continued:

The note payable is estimated to mature as follows:

Years Ending June 30,	Amounts
2025	\$ 828,462
2026	828,462
2027	828,462
2028	828,462
2029	828,462
Thereafter	3,451,921
	\$ 7,594,231

10. NET ASSETS:

Net assets consist of:

	June 30,	
	2024	2023
Without donor restrictions:		
Undesignated	\$ 91,754,306	\$ 91,083,855
Board-designated for:		
Capital improvements	369,613	235,086
CCA	11,461,076	9,075,216
Church planting	84,111	70,658
Estate funds	519,914	519,914
Self insurance	3,466,040	2,716,040
Technology initiatives	28,819	64,319
	15,929,573	12,681,233
	107,683,879	103,765,088
With donor restrictions:		
Capital improvements	2,996,046	2,582,948
Outreach	170,911	567,732
Disaster relief	323,935	732,033
Strategic plan projects	21,680	129,882
	3,512,572	4,012,595
	\$ 111,196,451	\$ 107,777,683

**CALVARY CHAPEL CHURCH, INC. d/b/a
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Notes to Consolidated Financial Statements

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11. EMPLOYEE BENEFIT PLANS:

The Organization offers its employees the opportunity to participate in a Section 403(b) Tax Sheltered Retirement Plan (Retirement Plan). The Retirement Plan allows for employee and employer contributions, including both a matching portion as well as a discretionary portion, if approved by the Organization's board. Employer contributions consist of a 50% match of employee contributions up to a maximum limit of 3% of employee compensation for all employees except ministerial staff. The ministerial staff receives the 50% employer contribution subject to deferral limitations as prescribed by the Code.

Effective December 5, 2013, CCCI established the Calvary Chapel Church, Inc. 403(b) Plan-2 (the Plan). The Plan allows for employee and employer contributions, including both a matching portion as well as a discretionary portion, if approved by CCCI's board. Employer contributions to the Retirement Plan and the Plan (collectively) were \$906,907 and \$940,503, for the years ended June 30, 2024 and 2023, respectively.

12. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through October 10, 2024, which represents the date the consolidated financial statements were available to be issued. Subsequent events after that date have not been evaluated.