# Deaf Bible Society, Inc.

## Financial Statements
## December 31, 2025 and 2024

SFC
Certified Public Accountants

# Deaf Bible Society, Inc.
## Contents

SFC
Certified Public Accountants

## Independent Auditors' Report

To the Board of Directors of
Deaf Bible Society, Inc.

### Opinion

We have audited the accompanying financial statements of Deaf Bible Society, Inc. (Organization) (a nonprofit organization), which comprise the statements of financial position as of December 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 the Organization as of December 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 (GAAP).

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditors' 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 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 GAAS 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, including omissions, 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 GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control related matters that we identified during the audit.

Sutton Frost Cary

A Limited Liability Partnership

Arlington, Texas
July 7, 2026

# Deaf Bible Society, Inc.
## Statements of Financial Position
## December 31, 2025 and 2024

| | 2025 | 2024 |
|---|---|---|
| **Assets** | | |
| **Current assets:** | | |
| Cash and cash equivalents | $ 1,545,395 | $ 973,708 |
| Accounts receivable | - | 24,299 |
| Short-term investments | 3,606,122 | 2,602,124 |
| **Total current assets** | 5,151,517 | 3,600,131 |
| Investments | 502,963 | 2,630,385 |
| Deposits | 8,780 | 8,780 |
| Right-of-use asset - operating lease, net | 50,376 | - |
| Property and equipment, net | 938,974 | 949,084 |
| **Total assets** | $ 6,652,610 | $ 7,188,380 |
| **Liabilities and Net Assets** | | |
| **Current liabilities:** | | |
| Accounts payable | $ 114,875 | $ 78,015 |
| Accrued expenses and other liabilities | 34,136 | 22,711 |
| Right of use liability - operating lease, current | 17,751 | - |
| **Total current liabilities** | 166,762 | 100,726 |
| Right of use liability - operating lease, net | 32,625 | - |
| **Total liabilities** | 199,387 | 100,726 |
| **Net assets:** | | |
| Without donor restrictions | 2,858,670 | 3,238,316 |
| With donor restrictions | 3,594,553 | 3,849,338 |
| **Total net assets** | 6,453,223 | 7,087,654 |
| **Total liabilities and net assets** | $ 6,652,610 | $ 7,188,380 |

See notes to financial statements.

# Deaf Bible Society, Inc.
## Statement of Activities
## Year Ended December 31, 2025

| | Without Donor Restrictions | With Donor Restrictions | Total |
|---|---|---|---|
| **Revenue and support:** | | | |
| Contributions of financial assets | $ 722,298 | $ 3,410,392 | $ 4,132,690 |
| Investment income, net | 236,801 | - | 236,801 |
| Other income | 32,927 | - | 32,927 |
| Net assets released from restriction | 3,665,177 | (3,665,177) | - |
| **Total revenue and support** | 4,657,203 | (254,785) | 4,402,418 |
| **Expenses:** | | | |
| Program services | 4,336,390 | - | 4,336,390 |
| Management and general | 606,140 | - | 606,140 |
| Fundraising | 180,645 | - | 180,645 |
| **Total expenses** | 5,123,175 | - | 5,123,175 |
| **Change in net assets from operations** | (465,972) | (254,785) | (720,757) |
| **Non-operating income:** | | | |
| Other income | 86,326 | - | 86,326 |
| **Change in net assets** | (379,646) | (254,785) | (634,431) |
| **Net assets at beginning of year** | 3,238,316 | 3,849,338 | 7,087,654 |
| **Net assets at end of year** | $ 2,858,670 | $ 3,594,553 | $ 6,453,223 |

See notes to financial statements.

# Deaf Bible Society, Inc.
## Statement of Activities
## Year Ended December 31, 2024

| | Without Donor Restrictions | With Donor Restrictions | Total |
|---|---|---|---|
| **Revenue and support:** | | | |
| Contributions of financial assets | $ 829,000 | $ 4,141,840 | $ 4,970,840 |
| Investment income, net | 229,142 | - | 229,142 |
| Other income | 7,932 | - | 7,932 |
| Net assets released from restriction | 4,362,146 | (4,362,146) | - |
| **Total revenue and support** | 5,428,220 | (220,306) | 5,207,914 |
| **Expenses:** | | | |
| Program services | 4,969,097 | - | 4,969,097 |
| Management and general | 569,904 | - | 569,904 |
| Fundraising | 200,985 | - | 200,985 |
| **Total expenses** | 5,739,986 | - | 5,739,986 |
| **Change in net assets** | (311,766) | (220,306) | (532,072) |
| **Net assets at beginning of year** | 3,550,082 | 4,069,644 | 7,619,726 |
| **Net assets at end of year** | $ 3,238,316 | $ 3,849,338 | $ 7,087,654 |

See notes to financial statements.

# Deaf Bible Society, Inc.
## Statement of Functional Expenses
## Year Ended December 31, 2025

| | Program Services | | Management and General | | Fundraising | | Total |
|---|---|---|---|---|---|---|---|
| Advertising and promotions | $ 6,004 | $ | 405 | $ | 101,810 | $ | 108,219 |
| Depreciation and amortization | 27,265 | | 3,208 | | 1,604 | | 32,077 |
| Equipment | 16,049 | | 2,524 | | - | | 18,573 |
| Insurance, accounting fees and professional services | 798,328 | | 290,170 | | 13,396 | | 1,101,894 |
| Miscellaneous | 1,886 | | 13,431 | | 149 | | 15,466 |
| Occupancy | 155,772 | | 18,326 | | 9,163 | | 183,261 |
| Payroll taxes and fringe benefits | 147,965 | | 17,408 | | 8,704 | | 174,077 |
| Salaries and wages | 588,365 | | 154,946 | | 37,619 | | 780,930 |
| Supplies and office | 151,682 | | 37,064 | | - | | 188,746 |
| Telephone and internet | 4,613 | | 543 | | 271 | | 5,427 |
| Translations and ministry services | 2,134,606 | | 2,100 | | - | | 2,136,706 |
| Travel, meetings and entertainment | 303,855 | | 66,015 | | 7,929 | | 377,799 |
| **Total expenses** | $ 4,336,390 | $ | 606,140 | $ | 180,645 | $ | 5,123,175 |

See notes to financial statements.

# Deaf Bible Society, Inc.
## Statement of Functional Expenses
## Year Ended December 31, 2024

| | Program Services | Management and General | Fundraising | Total |
|---|---|---|---|---|
| Advertising and promotions | $ 14,372 | $ 70 | $ 69,013 | $ 83,455 |
| Depreciation and amortization | 23,768 | 6,791 | 3,395 | 33,954 |
| Equipment | 57,158 | 13,584 | - | 70,742 |
| Insurance, accounting fees and professional services | 847,898 | 250,577 | 18,635 | 1,117,110 |
| Miscellaneous | 3,797 | 7,130 | 11,655 | 22,582 |
| Occupancy | 129,666 | 37,047 | 18,524 | 185,237 |
| Payroll taxes and fringe benefits | 148,641 | 26,117 | 12,398 | 187,156 |
| Salaries and wages | 659,763 | 115,923 | 55,034 | 830,720 |
| Supplies and office | 164,578 | 51,689 | 1,174 | 217,441 |
| Telephone and internet | 3,268 | 934 | 467 | 4,669 |
| Translations and ministry services | 2,794,752 | 20,468 | - | 2,815,220 |
| Travel, meetings and entertainment | 121,436 | 39,574 | 10,690 | 171,700 |
| **Total expenses** | $ 4,969,097 | $ 569,904 | $ 200,985 | $ 5,739,986 |

See notes to financial statements.

# Deaf Bible Society, Inc.
## Statements of Cash Flows
## Years Ended December 31, 2025 and 2024

| | 2025 | 2024 |
|---|---|---|
| **Cash flows from operating activities:** | | |
| Change in net assets | $ (634,431) | $ (532,072) |
| Adjustments to reconcile change in net assets to net cash used by operating activities: | | |
| Depreciation and amortization | 32,077 | 33,954 |
| Amortization of right-of-use asset - operating lease | 4,340 | - |
| Realized gains on investments | (32,361) | (25,307) |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | 24,299 | (24,299) |
| Accounts payable | 36,860 | 13,951 |
| Accrued expenses and other liabilities | 11,425 | (424) |
| Right-of-use liability - operating lease | (4,340) | - |
| **Net cash used by operating activities** | (562,131) | (534,197) |
| **Cash flows from investing activities:** | | |
| Purchases of property and equipment | (21,967) | (11,463) |
| Purchases of investments | (1,984,215) | (3,645,613) |
| Proceeds from sale of investments | 3,140,000 | 2,190,000 |
| **Net cash provided (used) by investing activities** | 1,133,818 | (1,467,076) |
| **Net change in cash and cash equivalents** | 571,687 | (2,001,273) |
| **Cash and cash equivalents at beginning of year** | 973,708 | 2,974,981 |
| **Cash and cash equivalents at end of year** | $ 1,545,395 | $ 973,708 |
| **Supplemental disclosure of cash flow information:** | | |
| Right-of-use asset obtained in exchange for operating lease liability | $ 54,716 | $ - |

See notes to financial statements.

## 1. Organization

Deaf Bible Society, Inc. (Organization) is a for-purpose Christian ministry dedicated to making the Bible freely available and easily accessible in every sign language. The ministry works in cooperation with Bible societies, churches and mission groups worldwide. The Organization is exempt from income taxes under the Internal Revenue Code (IRC) Section 501(c)(3) and is governed by a board of directors. The Organization is primarily supported by contributions from individuals and other organizations.

The Organization's primary exempt purpose is to offer free access to the Bible in every sign language. The Organization believes that the Great Commission is true for all people, including the Deaf. The Organization believes the Deaf have a right to access the Bible in their sign language resulting in a personal relationship with God and community within the Church.

The Organization's mission is to provide God's Word in every sign language with a vision to create locally sustainable Great Commission initiatives amongst the Deaf to reveal the hope of the Gospel, so that every Deaf person has the opportunity to receive, experience and share it.

The Organization provides many Deaf people an opportunity to see the Gospel in their sign languages, so they can come to know and understand the ultimate Advocate-Jesus Christ. These efforts are balanced by keeping the following organizational core values in mind to advance sign language Bible translation and engagement.

- God First
- Servant Hearted
- Deaf Centric
- Legacy
- Innovation
- Stewardship

Of the more than 350 known sign languages, only one has a full Bible. Christian communities thrive when they have access to and encouragement with God's Word. This is why the Organization exists. From developing the Deaf Bible App in 2012 to launching as an independent 501(c)(3) nonprofit organization in 2015, the Organization diligently works with partners far and wide in the following areas to reach the world's Deaf with the Gospel:

- Bridging - To accelerate the translation and access of Scripture into sign languages.

- Deaf Community Relations - Equipping Deaf people and ministry leaders to develop Scripture-engaged lives and communities.

- Deaf Bible Ecosystem - Creating new tools and technology to ensure Deaf people have access to and engage with God's Truth and His Church.

- Advocacy - Equipping communities to understand the needs of Deaf people so they can become advocates that contribute time, talents and prayer.

***Translation Acceleration***

The Organization bridges the gap between partners with diverse linguistic and technical backgrounds and the specialized requirements of sign language translation. More than 96 translation projects are currently underway across multiple sign language communities, expanding access to Scripture for an estimated 18 million individuals.

For the year ended December 31, 2025, the Organization advanced 96 sign language Bible translation initiatives. Over the next five years, the Organization aims to increase this number to more than 200 scripture initiatives serving Deaf communities worldwide.

***Tools and Technology***

Reaching the intended audience presents unique challenges, particularly within underserved and historically overlooked Deaf communities. During the year, advancements were made within the Deaf Bible ecosystem, including enhancements to the Deaf Bible mobile application and online platforms such as Deaf Church Where, M.E.E.T. (Mobilize and Engage Effective Translation), and the Partner Portal.

These tools represent a growing suite of technologies designed to expand access to Scripture. For the year ended December 31, 2025, hundreds of thousands of users engaged with Deaf Bible content through mobile and online platforms. Deaf Church Where provides access to a network of more than 1,300 Deaf churches and ministries across the United States.

Additionally, the Organization’s interpreter workforce provided more than 1,500 hours of language access services for over 50 partner organizations, facilitating communication between Deaf and hearing individuals, as well as among Deaf to Deaf individuals using different sign languages.

***Scripture Engagement***

Sustained Scripture engagement within Deaf communities requires ongoing translation efforts and the development of accessible resources. For the year ended December 31, 2025, more than 9 million sign language Scripture video views were recorded. The Organization also distributed Bible content in 90 sign languages across more than 194 countries, expanding potential access to Scripture in the heart language of over 18 million Deaf individuals.

Monthly online Scripture streaming increased year over year, reaching approximately 160,000 streams per month. These efforts contribute to building a foundation for long-term engagement, equipping Deaf individuals and communities to integrate Scripture into daily life.

Deaf communities remain among the least reached with the Gospel, with an estimated 350 unique sign languages globally, the Deaf population—approximately 70 million people— await to have access to scripture in the language they understand best. The Organization's efforts are contributing to measurable progress in addressing this gap and supporting a coordinated, global movement to ensure Deaf communities are included in the fulfillment of the Great Commission.

The Organization serves as an ally for Deaf communities around the world with one goal in mind: providing opportunities for Deaf people groups to have access to God's Word in their sign languages.

## 2. Summary of Significant Accounting Policies

***Basis of Accounting***

The Organization prepares the financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

***Financial Statement Presentation***

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

> *Net assets without donor restrictions* - Net assets not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the board of directors.
>
> *Net assets with donor restrictions* - Net assets subject to donor stipulations that will be met by actions of the Organization and/or the passage of time.

Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Organization to expend the income generated by the assets in accordance with the provisions of additional donor-imposed stipulations or a board of directors approved spending policy. As of December 31, 2025 and 2024, no such net asset restrictions existed.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. The Organization chooses to show restricted contributions whose restrictions are met in the same reporting period as contributions without donor restrictions.

### *Financial Instruments and Credit Risk Concentrations*

Financial instruments which are potentially subject to concentrations of credit risk consist principally of cash, investments and accounts receivable. Cash and investments are placed with high credit quality financial institutions to minimize risk.

The Organization maintains its cash balances with high credit quality financial institutions located in Texas, which at times may exceed federally insured limits. At December 31, 2025, the Organization's uninsured balance totaled $200,718. The Organization has not incurred any losses in these accounts, and does not believe that they are exposed to any significant credit risk on cash.

Accounts receivable is unsecured and is due from various customers. The Organization continually evaluates the collectability of accounts receivable and maintains allowances for potential credit losses, if considered necessary based upon historical account write-off trends, facts about the current financial condition of entities, forecasts of future operating results based on current trends and macroeconomic factors. Credit quality is monitored through the timing of payments compared to payment terms and known facts regarding the financial condition of debtors. Accounts receivable balances are charged off against the allowance for credit losses after recovery efforts ceased. No allowance for credit losses was considered necessary at December 31, 2025 and 2024, respectively.

The entirety of the accounts receivable balance was due from one customer at December 31, 2024. There were no accounts receivable balances at December 31, 2025.

At December 31, 2025, 89% of contributions of financial assets were from two donors. At December 31, 2024, 96% of contributions of financial assets were from four donors.

### *Cash and Cash Equivalents*

Cash and cash equivalents consist of cash and highly liquid investments with a maturity of three months or less when purchased.

### *Investments*

The investments of the Organization consist of treasury notes and bills and are classified as held-to-maturity securities. Therefore, these investments are stated at cost in the statement of financial position. Investment income is recognized when the treasury notes reach maturity. Investment income is included with interest income in the statement of activities.

### *Property and Equipment*

Property and equipment that is purchased is recorded at cost and depreciated over the estimated useful lives using the straight-line method over a life of 3 to 20 years.

Donations of property and equipment are recorded as support at their fair value. Such donations are reported as support without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as donor restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Property and equipment exceeding $1,000 are capitalized and are stated at cost less accumulated depreciation. Maintenance and repairs that do not significantly improve or extend the lives of the furniture and equipment are charged to expense as incurred. When assets are sold or retired, their cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reported in the statement of activities.

### *Internally Developed Software*

The Organization develops internal software for use in their programs. The Organization capitalizes direct costs associated with the development of the software. Costs incurred subsequent to the software being placed into service are charged to program expense. Capitalized costs are amortized over the estimated useful life on a straight-line basis. Unamortized costs are carried at the lower of book value or net realizable value.

### *Revenue Recognition*

The Organization recognizes contributions when cash, securities or other assets or an unconditional promise to give is received.

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the amounts expected to be collected. All contributions are considered available for unrestricted use unless specifically restricted by the donor.

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. Amounts received prior to meeting measurable performance or other barriers are reported as refundable advances.

Donated services are reflected as contributions at their estimated fair values at date of receipt. The Organization recognizes contribution revenue for certain services received at the fair value of those services, provided those services create or enhance non-financial assets or require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. During the years ended December 31, 2025 and 2024, the Organization did not receive any donated services.

***Advertising and Promotions***

Advertising and promotion costs are expensed as incurred and totaled $108,219 and $83,455 for the years ended December 31, 2025 and 2024, respectively.

***Functional Expenses***

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, and a portion of depreciation and amortization expense, which are allocated on approximate space usage basis of the building as well as fixed assets and equipment that each department uses. Salaries and wages, benefits and payroll taxes, professional services, office expenses, equipment expense, insurance and other expenses are allocated on the basis of time, effort and intent.

***Estimates and Assumptions***

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

***Income Taxes***

The Organization is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) as an organization described in IRC Section 501(c)(3), except to the extent it has unrelated business income. In addition, the Organization has been determined by the Internal Revenue Service (IRS) not to be a private foundation within the meaning of Section 509(a) of the IRC. For the years ended December 31, 2025 and 2024, the Organization had no unrelated business income. Accordingly, no provision for income taxes has been provided in the accompanying financial statements.

GAAP requires the evaluation of tax positions taken in the course of preparing the Organization's tax return and recognition of a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. Management has analyzed the tax positions taken by the Organization, and has concluded that as of December 31, 2025 and 2024, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements.

## 3. Investments

Under the Fair Value Measurements and Disclosures topic of the Codification, ASC 820, disclosures are required about how fair value is determined for assets and liabilities and a hierarchy for which these assets and liabilities must be grouped is established, based on significant levels of inputs as follows:

Level 1 Inputs to the valuation methodology are quoted prices available in active markets;

Level 2 Inputs to the valuation methodology are other than quoted prices in active markets, which are either directly or indirectly observable;

Level 3 Inputs to the valuation methodology are unobservable inputs in which little or no market data exists, therefore requiring an entity to make its own assumptions.

The fair value of the investments are classified within the fair value hierarchy based on the lowest level of any input that is significant to the fair value measurement. The following is a description of the valuation methodologies for assets and liabilities measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy:

***United States Treasury Notes and Bills***

United States treasury notes and bills are valued based on amortized cost and are therefore included in Level 1 of fair value hierarchy. The following table sets forth the Organization's investments' costs and average yields by maturity at December 31, 2025:

| | Cost | Average Yield |
|---|---|---|
| Due in one year or less | $ 3,606,122 | 3.89% |
| Due after one year through five years | 502,963 | 4.47% |
| | $ 4,109,085 | |

The following table sets forth the Organization's investments' costs and average yields by maturity at December 31, 2024:

| | Cost | Average Yield |
|---|---|---|
| Due in one year or less | $ 2,602,124 | 3.68% |
| Due after one year through five years | 2,630,385 | 4.40% |
| | $ 5,232,509 | |

Net investment income consists of the following for the years ending December 31:

| | 2025 | 2024 |
|---|---|---|
| Dividends and interest | $ 204,440 | $ 203,835 |
| Realized gain on investments | 32,361 | 25,307 |
| | $ 236,801 | $ 229,142 |

## 4. Property and Equipment

Property and equipment consist of the following at December 31:

| | 2025 | 2024 |
|---|---|---|
| Equipment | $ 310,925 | $ 309,725 |
| Website | 157,206 | 157,206 |
| Video recordings | 300,300 | 300,300 |
| Furniture | 20,767 | - |
| Intellectual property | 122,709 | 122,709 |
| Deaf bible app and website - in progress | 396,395 | 396,395 |
| Sign language database - in progress | 179,346 | 179,346 |
| Sign language translation tools - in progress | 29,850 | 29,850 |
| Partner portal - in progress | 101,047 | 101,047 |
| SURV - in progress | 10,047 | 10,047 |
| Deaf Church Where - in progress | 29,913 | 29,913 |
| | 1,658,505 | 1,636,538 |
| Less accumulated depreciation | (719,531) | (687,454) |
| | $ 938,974 | $ 949,084 |

Depreciation expense for the years ended December 31, 2025 and 2024 totaled $32,077 and $33,954, respectively.

## 5. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes at December 31:

| | 2025 | 2024 |
|---|---|---|
| Deaf Bible Ecosystem | $ 1,909,061 | $ 1,078,027 |
| Bridging | 1,271,915 | 2,372,466 |
| Deaf Community Relations | 413,577 | 398,845 |
| | $ 3,594,553 | $ 3,849,338 |

## 6. Employee Retention Credit

The Organization is eligible for the Employee Retention Credit (ERC) under the Combined Appropriations Act. During the year ended December 31, 2025, the Organization recognized ERCs totaling $86,326. The ERCs are reported as other income in non-operating income in the accompanying statement of activities for the year ended December 31, 2025.

## 7. Lease

In evaluating its contracts, the Organization separately identifies lease and nonlease components, such as common area and other maintenance costs, in calculating the right-of-use (ROU) asset and lease liability for its office space. The Organization has elected the practical expedient to not separate lease and nonlease components and classifies the contract as a lease if consideration in the contract allocated to the lease component is greater than the consideration allocated to the nonlease component.

Leases result in the recognition of ROU assets and lease liabilities on the statement of financial position. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. The Organization determines lease classification as operating or finance at the lease commencement date.

At lease inception, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. The Organization uses the implicit rate when readily determinable. As most of the leases do not provide an implicit rate, the Organization uses the risk-free rate based on the information available at the commencement date to determine the present value of lease payments. Risk-free rates used to determine the present value of lease payments were derived by reference to the interest paid on short-term government debt.

The lease term may include options to extend or to terminate the lease that the Organization is reasonably certain to exercise. Lease expense is generally recognized on a straight-line basis over the lease term. The Organization has elected not to record leases with an initial term of 12 months or less on the statement of financial position.

***Nature of Leases***

The Organization entered into an operating lease agreement for its office space that expires during September 2028. The lease contains a renewal option and requires the Organization to pay all executory costs (taxes, utilities, insurance, etc.). Termination of the lease is generally prohibited unless there is a violation under the lease agreement.

Future minimum lease payments due under these lease agreements and reconciliations to the statement of financial position are as follows for the years ending December 31:

| | |
|---|---|
| 2026 | $ 19,200 |
| 2027 | 19,200 |
| 2028 | 14,400 |
| Total future undiscounted lease payments | 52,800 |
| Less present value discount | (2,424) |
| Right-of-use lease liability, net | $ 50,376 |

The following represents lease cost and required information for the year ended December 31, 2025:

| | |
|---|---|
| Total lease cost | $ 4,800 |
| Cash paid for amounts included in the measurement of lease liability | $ (4,340) |
| Right-of-use asset obtained in exchange for new lease liability | $ 54,716 |
| Weighted-average remaining lease term | 2.75 years |
| Weighted-average discount rate | 3.56% |

## 8. Liquidity and Availability of Resources

The Organization's financial assets available within one year of the statement of financial position date for general expenditure are as follows at December 31:

| | 2025 | 2024 |
|---|---|---|
| Cash and cash equivalents | $ 1,545,395 | $ 973,708 |
| Accounts receivable | - | 24,299 |
| Short-term investments | 3,606,122 | 2,602,124 |
| Total financial assets available to meet cash needs for general expenditures within one year | $ 5,151,517 | $ 3,600,131 |

The Organization receives significant contributions restricted by donors, and considers contributions restricted for programs which are ongoing, major and central to its annual operations to be available to meet cash needs for general expenditures within one year.

The Organization is supported by donor restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Additionally, the Organization typically maintains approximately $400,000 to $600,000 in unrestricted cash available for its general operations throughout the period. Restricted cash will fluctuate based upon program activities related to that cash.

## 9. Subsequent Events

Management has evaluated subsequent events through July 7, 2026, the date the financial statements were available to be issued, and concluded that no additional disclosures are required.