

JESUS FOR ASIA, INC.

ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2023

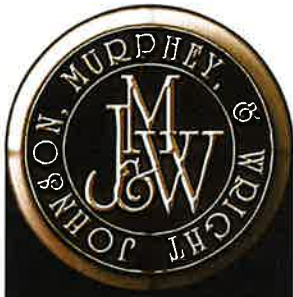
**JOHNSON, MURPHEY & WRIGHT, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
CHATTANOOGA, TENNESSEE**

I. INTRODUCTORY SECTION

JESUS FOR ASIA, INC.
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December 31, 2023

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II. FINANCIAL SECTION



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Jesus for Asia, Inc.

Opinion

We have audited the accompanying consolidated financial statements of Jesus for Asia, Inc. and Service by Design, LLC, which comprise the Consolidated Statement of Financial Position as of December 31, 2023, and the related Consolidated Statements of Activities, Functional Expenses, and Cash Flows for the year then ended, and the related notes to the financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Jesus for Asia, Inc. and Service by Design, LLC as of December 31, 2023, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit 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 Jesus for Asia, Inc. 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 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 Jesus for Asia, Inc.'s ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement 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 judgement 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 Jesus for Asia, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Jesus for Asia, Inc.'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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Supplementary Information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Johnson, Murpley & Wright, P.C.

Chattanooga, Tennessee
September 13, 2024

JESUS FOR ASIA, INC.
Consolidated Statement of Financial Position
December 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
ASSETS			
Current assets			
Cash	\$ -	\$ 1,269,282	\$ 1,269,282
Due from undesignated funds	-	77,757	77,757
Accounts receivable	<u>3,650</u>	<u>-</u>	<u>3,650</u>
Total current assets	<u>3,650</u>	<u>1,347,039</u>	<u>1,350,689</u>
Non-current assets			
Property and equipment - net	<u>3,022,078</u>	<u>-</u>	<u>3,022,078</u>
TOTAL ASSETS	<u>\$ 3,025,728</u>	<u>\$ 1,347,039</u>	<u>\$ 4,372,767</u>
LIABILITIES AND NET ASSETS			
Liabilities			
Current liabilities			
Accounts payable	\$ 37,559	\$ -	\$ 37,559
Accrued liabilities	3,571	-	3,571
Due to donor restricted funds	77,757	-	77,757
Notes payable	<u>35,864</u>	<u>-</u>	<u>35,864</u>
Total current liabilities	<u>154,751</u>	<u>-</u>	<u>154,751</u>
Non-current liabilities			
Notes payable	<u>2,095,085</u>	<u>-</u>	<u>2,095,085</u>
Total liabilities	<u>2,249,836</u>	<u>-</u>	<u>2,249,836</u>
Net assets			
Without donor restrictions:			
Undesignated	775,892	-	775,892
With donor restrictions	<u>-</u>	<u>1,347,039</u>	<u>1,347,039</u>
Total net assets	<u>775,892</u>	<u>1,347,039</u>	<u>2,122,931</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,025,728</u>	<u>\$ 1,347,039</u>	<u>\$ 4,372,767</u>

The accompanying notes are an integral part of the financial statements.

JESUS FOR ASIA, INC.
Consolidated Statement of Activities
Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, GAINS AND OTHER SUPPORT			
Contributions and grants	\$ 943,686	\$ 3,680,132	\$ 4,623,818
Registration fees	1,755	-	1,755
In-kind income	1,810	-	1,810
Rental income	5,500	-	5,500
Other revenues	9,767	-	9,767
Net assets released from restrictions:			
Satisfactions of program restrictions	<u>3,544,312</u>	<u>(3,544,312)</u>	<u>-</u>
 Total revenues, gains and other support	 <u>4,506,830</u>	 <u>135,820</u>	 <u>4,642,650</u>
 EXPENSES			
Program services			
Asia	268,439	-	268,439
Southern Asia	1,057,902	-	1,057,902
Southeast Asia	<u>2,173,926</u>	<u>-</u>	<u>2,173,926</u>
Total program services	<u>3,500,267</u>	<u>-</u>	<u>3,500,267</u>
Supporting services			
Management and general	861,279	-	861,279
Fundraising	<u>65,850</u>	<u>-</u>	<u>65,850</u>
Total supporting services	<u>927,129</u>	<u>-</u>	<u>927,129</u>
 Total expenses	 <u>4,427,396</u>	 <u>-</u>	 <u>4,427,396</u>
 Change in net assets	 79,434	 135,820	 215,254
 Net assets - beginning	 <u>696,458</u>	 <u>1,211,219</u>	 <u>1,907,677</u>
 Net assets - end	 <u>\$ 775,892</u>	 <u>\$ 1,347,039</u>	 <u>\$ 2,122,931</u>

The accompanying notes are an integral part of the financial statements.

JESUS FOR ASIA, INC.
Consolidated Statement of Functional Expenses
Year Ended December 31, 2023

	Program Services		Supporting Services		Total
	Asia	Southern Asia	Southeast Asia	Management and General	Fund-Raising Expenses
EXPENSES					
Salaries	\$ -	\$ -	\$ -	\$ 205,651	\$ -
Payroll taxes	-	-	-	15,821	-
Bank service charges	-	-	-	10,435	-
Children's ministries	-	202,199	12,163	-	-
Conference and meetings	-	-	-	95,082	-
Depreciation	-	-	-	89,715	-
Education	5,309	136,111	127,727	-	-
Evangelism	238,131	681,448	1,557,860	-	-
Fundraising	-	-	-	-	65,850
Humanitarian	3,348	-	1,330	-	-
In-kind expense	-	-	-	1,810	-
Inspection	-	-	-	2,400	-
Interest expense	-	-	-	86,183	-
Media and production	21,651	37,998	474,846	139,136	-
Miscellaneous	-	146	-	57	-
Occupancy	-	-	-	11,274	-
Postage and shipping	-	-	-	2,536	-
Printing and publications	-	-	-	39,901	-
Professional fees	-	-	-	32,225	-
Program awareness	-	-	-	3,473	-
Registration fees	-	-	-	250	-
Rental expense	-	-	-	3,181	-
Repairs and maintenance	-	-	-	55,447	-
Supplies and equipment	-	-	-	31,018	-
Telephone and internet	-	-	-	10,759	-
Travel	-	-	-	7,503	-
Vehicle expenses	-	-	-	17,422	-
Total expenses	\$ 268,439	\$ 1,057,902	\$ 2,173,926	\$ 861,279	\$ 65,850
					\$ 4,427,396

The accompanying notes are an integral part of the financial statements.

JESUS FOR ASIA, INC.
Consolidated Statement of Cash Flows
Year Ended December 31, 2023

Cash Flows from Operating Activities

Change in net assets	\$ 215,254
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:	
Depreciation	89,715
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	3,850
Increase (decrease) in accounts payable	(394,218)
Increase (decrease) in accrued liabilities	(14,268)
Net cash provided (used) by operating activities	<u>(99,667)</u>

Cash Flows from Investing Activities

Purchase of property and equipment	<u>(1,723,350)</u>
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Cash Flows from Financing Activities

Additions to notes payable	1,994,621
Repayment of notes	<u>(110,472)</u>
Net cash provided (used) by financing activities	<u>1,884,149</u>

Net increase (decrease) in cash	61,132
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Cash - beginning	<u>1,208,150</u>
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Cash - end	<u>\$ 1,269,282</u>
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Supplemental Disclosure

Interest paid	<u>\$ 86,183</u>
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The accompanying notes are an integral part of the financial statements.

JESUS FOR ASIA, INC.
Notes to Financial Statements
December 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

A. Nature of Activities

Jesus for Asia, Inc. operates as a nonprofit organization dedicated to spreading the Gospel throughout Asia by equipping missionaries for their mission field, offering ministry programs, and using media platforms to reach this least reached region. Contributions from donors and grants are Jesus for Asia, Inc.'s primary revenue sources.

Service by Design, LLC, a wholly-owned subsidiary of Jesus for Asia, Inc. was formed to hold the real estate and related debt of Jesus for Asia, Inc.

B. Principles of Consolidation

The financial statements consolidate the accounts of Jesus for Asia, Inc. and Service by Design, LLC (collectively referred to as the Entity). Any interorganizational accounts and transactions have been eliminated in the consolidation.

C. Basis of Accounting

The consolidated financial statements are prepared on the accrual basis of accounting, in accordance with the AICPA Audit and Accounting Guide, *Not-for-Profit Entities*, and FASB ASC 958-205-05-6.

D. Net Asset Accounting

The Entity follows the recommendations of the Financial Accounting Standards Board (FASB) ASC 958-205-05-6. The Entity is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are available for use in general operations and are not subject to donor or grantor restrictions. The Board of Directors can designate, from net assets without donor restrictions, net assets for a specific purpose. At year-end, the Entity did not have any board-designated net assets.

Net assets with donor restrictions are contributions subject to donor or grantor restrictions. The Entity reports contributions restricted by donors, including property and equipment, as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Consolidated Statement of Activities as net assets released from restrictions.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Revenue Recognition

The Entity follows FASB ASC Topic 606, *Revenue from Contracts with Customers*, which establishes a contract and control-based revenue recognition model, a basis for deciding when revenue is recognized over time or at a point in time and expands disclosures about revenue.

The Entity recognizes contributions when cash, securities or other assets, an unconditional promise to give, or 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 substantially met.

F. Cash and Cash Equivalents

The Entity considers all cash and highly liquid financial instruments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

G. Investments

Investments are carried at fair value, determined based on quoted market prices or estimated values provided by external investment managers or other sources. Donated investments are reflected as contributions at their market value at the date of receipt. Realized and unrealized gains and losses, less investment expenses, are reflected within investment return, net, in the Consolidated Statement of Activities. In accordance with FASB 958-225-45-6, investment gains and income whose restrictions are met in the same reporting period are reported as support in net assets without donor restrictions. At year-end, the Entity did not have any investments.

H. Prepayment of Expenses

Expenses extending over more than one accounting period are allocated between accounting periods and reported as an expense of the period in which they relate. At year-end, the Entity did not have any prepaid expenses.

I. Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue in the Consolidated Statement of Activities. The allowance for uncollectible promises to give is based on historical experience and an assessment of economic conditions. Promises to give are written off when deemed uncollectible. Conditional promises to give are not included as support until the conditions are substantially met. At year-end, there were no promises to give.

J. Inventory

Supplies are expensed when they are purchased, therefore, no inventory is maintained.

K. Leases

The Entity follows Accounting Standards Update (ASU) No. 2016-02, *Leases*. Determination if an arrangement is or contains a lease occurs at the arrangement's inception. Leases are included in right of use assets and lease liabilities in the Consolidated Statement of Financial Position and are initially recorded at the present value of the future minimum lease payments over the lease term. Short-term leases are not reported as right of use assets and lease liabilities. Instead, the lease payments of short-term leases are reported as lease expense on a straight-line basis over the lease term.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Property and Equipment

Property and equipment are valued at cost, if purchased, or fair value if contributed. The expenses for property and equipment in excess of \$1,000 are capitalized. Minor repairs and maintenance are expensed as incurred and additions and improvements that significantly extend the life of assets are depreciated over the remaining useful lives of the related fixed asset. At the time that assets are retired or disposed of, costs and accumulated depreciation are eliminated from the related accounts and any gain or loss is credited or charged to income. Depreciation is computed on the straight-line method over the estimated useful lives of the assets as follows:

Buildings and improvements	10-40 years
Furniture and appliances	5 years
Machinery and equipment	5 years
Transportation equipment	5 years

M. Compensated Absences

Any unused vacation or sick leave expires at year-end, therefore, there is no accrual of a liability for future benefits.

N. In-kind Contributions

Contributed nonfinancial assets, including donated professional services, donated equipment, and other in-kind contributions, are recorded at the fair value of the goods or services received. The Entity did not sell any donated gifts-in-kind during the year. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program and supporting services; however, the consolidated financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation.

O. Functional Allocation of Expenses

The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and payroll taxes which are allocated on the basis of estimates of time and effort.

P. Description of Program and Supporting Services

Asia, Southern Asia, Southeast Asia

Dedicated to helping these regions through children's ministries, education, evangelism, humanitarianism, and media and production.

Management and general

Includes the functions necessary to ensure an adequate working environment; provide coordination and articulation of the Entity's programs; and manage the functioning of the Board of Directors and financial and budgetary responsibilities.

Fundraising

Provides the structure necessary to encourage and secure financial support from outside sources.

Q. Estimates

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Uncertain Tax Position

The Entity accounts for the effect of any uncertain tax position based on a more likely than not threshold of the recognition of the tax position being sustained based on the merits of the position under examination by the applicable taxing authority. If a tax position is deemed to be uncertain, the unrecognized tax benefit is estimated based on a probability assessment. Tax positions include, but are not limited to, the tax-exempt status and determination of whether income is subject to unrelated business income tax. There were no uncertain tax positions requiring recognition in the financial statements at year-end.

S. Taxes

The Entity is a not-for-profit corporation as described in Section 501(c)(3) of the Internal Revenue Code. It is exempt from federal income taxes on related income pursuant to Section 501 of the Code. No federal excise tax or unrelated business income tax was due for the previous tax year.

T. Events Occurring After Reporting Date

The Entity has evaluated events and transactions that occurred between December 31, 2023, and September 13, 2024, which is the date that the consolidated financial statements were available to be issued, for possible recognition or disclosure in the consolidated financial statements.

NOTE 2 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Entity's financial assets available within one year of the balance sheet date for general expenditures are as follows:

Cash	\$ 1,269,282
Due from undesignated funds	77,757
Accounts receivable	<u>3,650</u>
Total financial assets	1,350,689
Less: net assets with donor restrictions	<u>(1,347,039)</u>
Total	<u>\$ 3,650</u>

As part of the Entity's liquidity management, it has a policy to structure its financial assets to be available for spending as its general expenditures, liabilities, and other obligations come due. Resources are maintained to meet any donor-imposed restrictions, which makes those resources unavailable for general expenditures.

The Entity may receive contributions and promises to give that are restricted by donors, and considers contributions restricted for programs that are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Entity manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged.

NOTE 3 - CONCENTRATIONS OF CREDIT RISK

Deposit concentration risk

Deposit concentration risk is managed by placing cash in financial institutions believed by the Entity to be creditworthy. Insured accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Administration (NCUA) up to \$250,000 per insured bank. As of year-end, the Entity had \$130,787 in excess of FDIC and NCUA insurance limits. To date, the Entity has not experienced losses in any of these accounts.

Receivables

Credit risk associated with accounts receivable is considered to be low due to high historical collection rates and because of the nature of the receivables. The receivables are due from individuals that are supportive of the Entity's mission.

NOTE 4 - CASH

At year-end, cash consisted of the following:

Cash on hand	\$ 577
Undeposited funds	114,347
Virtuous payments	98,525
Bank accounts	1,041,254
Stripe account	65
Paypal	<u>14,514</u>
Total	<u>\$ 1,269,282</u>

NOTE 5 - ACCOUNTS RECEIVABLE

Accounts receivable are considered to be collectable within one year and consist of the following:

Missionaries	<u>\$ 3,650</u>
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Based on subsequent collections and prior receivable collection history, an allowance for uncollectable receivables was not considered necessary.

NOTE 6 - PROPERTY AND EQUIPMENT - NET

Property and equipment consist of the following at year-end:

	Balance 12-31-2022	Additions	Disposals	Balance 12-31-2023
Land	\$ 14,450	\$ 350,000	\$ -	\$ 364,450
Buildings and improvements	1,358,998	1,251,945	(13,573)	2,597,370
Furniture and appliances	-	60,343	-	60,343
Machinery and equipment	127,447	20,562	(64,495)	83,514
Transportation equipment	70,119	40,500	(24,197)	86,422
	<u>1,571,014</u>	<u>1,723,350</u>	<u>(102,265)</u>	<u>3,192,099</u>
Accumulated depreciation	(182,571)	(89,715)	102,265	(170,021)
Total	<u>\$ 1,388,443</u>	<u>\$ 1,633,635</u>	<u>\$ -</u>	<u>\$ 3,022,078</u>

During the year, the Entity capitalized \$28,542 of interest.

NOTE 7 - NOTES PAYABLE

Notes payable consisted of the following at year-end:

First Bank, originally dated May 3, 2020 in the amount of \$170,000, interest at 5.5%, principal and interest of \$1,396.41 payable monthly, secured by real estate, balloon payment due March 3, 2025. \$ 139,735

Pinnacle Bank, originally dated February 6, 2023 in the amount of \$98,939.83, interest at 6.25%, principal and interest of \$853.09 payable monthly, secured by real estate, balloon payment due February 6, 2028. 95,533

Pinnacle Bank, originally dated January 31, 2023 in the amount of \$1,952,000, interest at 6.25%, 18 interest only payments beginning February 28, 2023, 59 monthly principal and interest payments of \$14,261.30 each, secured by real estate, balloon payment due July 28, 2029. 1,895,681

Total 2,130,949
Less amount due within one year (35,864)

Total due after one year \$ 2,095,085

Future maturities of notes payable, including interest of \$648,312, are as follows:

Year ending <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 35,864	\$ 131,550	\$ 167,414
2025	190,721	122,866	313,587
2026	64,167	117,205	181,372
2027	68,295	113,078	181,373
2028	143,255	104,873	248,128
Thereafter	<u>1,628,647</u>	<u>58,740</u>	<u>1,687,387</u>
Total	<u>\$ 2,130,949</u>	<u>\$ 648,312</u>	<u>\$ 2,779,261</u>

During the year ended December 31, 2023, interest paid on notes totaled \$86,183.

NOTE 8 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are subject to the following purpose restrictions:

Administration	\$ 1,668
Asia	453,839
Cambodia	93,995
India	376,484
Indonesia	15,429
Malaysia	117,054
Nepal	19,455
Philippines	140,648
Thailand	127,970
Timor Leste	411
United States	<u>86</u>
Total	<u>\$ 1,347,039</u>

NOTE 9 - IN-KIND CONTRIBUTIONS

For the year ended December 31, 2023, contributed nonfinancial assets recognized within the Consolidated Statement of Activities included the following:

Food	\$ 81
Production equipment	<u>1,729</u>
Total	<u>\$ 1,810</u>

Contributed food and equipment are valued using estimated wholesale prices of identical or similar products.

The food was used to feed volunteers of Faith Camp and the production equipment was used for media and production. Both are classified as management and general expenses.

There are no donor-imposed restrictions associated with these contributions.

NOTE 10 - ADVERTISING

Program awareness costs are expensed as incurred and totaled \$3,473 during the year ended December 31, 2023.

NOTE 11 - RISK MANAGEMENT

It is the policy of the Entity to purchase commercial insurance for the risks of losses to which it is exposed. These risks include general liability, property and casualty, workers' compensation, and directors and officers liabilities. Any claims have not exceeded this commercial coverage in any of the past three fiscal years.

SUPPLEMENTARY INFORMATION

JESUS FOR ASIA, INC.
Schedule of Financial Position - Consolidation
December 31, 2023

	Jesus for Asia, Inc.	Service by Design, LLC	Total Before Consolidation	Eliminations	Total After Consolidation
ASSETS					
Current assets					
Cash	\$ 1,033,080	\$ 236,202	\$ 1,269,282	\$ -	\$ 1,269,282
Due from undesignated funds	77,757	-	77,757	-	77,757
Due from Services by Design, LLC	700,077	-	700,077	(700,077)	-
Accounts receivable	3,650	-	3,650	-	3,650
Total current assets	<u>1,814,564</u>	<u>236,202</u>	<u>2,050,766</u>	<u>(700,077)</u>	<u>1,350,689</u>
Non-current assets					
Property and equipment - net	<u>506,214</u>	<u>2,515,864</u>	<u>3,022,078</u>	<u>-</u>	<u>3,022,078</u>
TOTAL ASSETS	<u>\$ 2,320,778</u>	<u>\$ 2,752,066</u>	<u>\$ 5,072,844</u>	<u>\$ (700,077)</u>	<u>\$ 4,372,767</u>
LIABILITIES AND NET ASSETS					
Liabilities					
Current liabilities					
Accounts payable	\$ 37,559	\$ -	\$ 37,559	\$ -	\$ 37,559
Accrued liabilities	3,571	-	3,571	-	3,571
Due to donor restricted funds	77,757	-	77,757	-	77,757
Due to Jesus for Asia, Inc.	-	700,077	700,077	(700,077)	-
Notes payable	9,304	26,560	35,864	-	35,864
Total current liabilities	<u>128,191</u>	<u>726,637</u>	<u>854,828</u>	<u>(700,077)</u>	<u>154,751</u>
Non-current liabilities					
Notes payable	<u>130,431</u>	<u>1,964,654</u>	<u>2,095,085</u>	<u>-</u>	<u>2,095,085</u>
Total liabilities	<u>258,622</u>	<u>2,691,291</u>	<u>2,949,913</u>	<u>(700,077)</u>	<u>2,249,836</u>
Net assets					
Without donor restrictions:					
Undesignated	715,117	60,775	775,892	-	775,892
With donor restrictions	<u>1,347,039</u>	<u>-</u>	<u>1,347,039</u>	<u>-</u>	<u>1,347,039</u>
Total net assets	<u>2,062,156</u>	<u>60,775</u>	<u>2,122,931</u>	<u>-</u>	<u>2,122,931</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,320,778</u>	<u>\$ 2,752,066</u>	<u>\$ 5,072,844</u>	<u>\$ (700,077)</u>	<u>\$ 4,372,767</u>

JESUS FOR ASIA, INC.
Schedule of Activities - Consolidation
Year Ended December 31, 2023

	Jesus for Asia, Inc.	Service by Design, LLC	Total Before Consolidation	Eliminations	Total After Consolidation
REVENUES, GAINS AND OTHER SUPPORT					
Contributions and grants	\$ 4,623,818	\$ -	\$ 4,623,818	\$ -	\$ 4,623,818
Registration fees	1,755	-	1,755	-	1,755
In-kind income	1,810	-	1,810	-	1,810
Rental income	5,500	171,240	176,740	(171,240)	5,500
Other revenues	9,767	-	9,767	-	9,767
	<u>4,642,650</u>	<u>171,240</u>	<u>4,813,890</u>	<u>(171,240)</u>	<u>4,642,650</u>
Total revenues, gains and other support					
EXPENSES					
Program services					
Asia	268,439	-	268,439	-	268,439
Southern Asia	1,057,902	-	1,057,902	-	1,057,902
Southeast Asia	2,173,926	-	2,173,926	-	2,173,926
Total program services	<u>3,500,267</u>	<u>-</u>	<u>3,500,267</u>	<u>-</u>	<u>3,500,267</u>
Supporting services					
Management and general	922,054	110,465	1,032,519	(171,240)	861,279
Fundraising	65,850	-	65,850	-	65,850
Total supporting services	<u>987,904</u>	<u>110,465</u>	<u>1,098,369</u>	<u>(171,240)</u>	<u>927,129</u>
Total expenses	<u>4,488,171</u>	<u>110,465</u>	<u>4,598,636</u>	<u>(171,240)</u>	<u>4,427,396</u>
Change in net assets	154,479	60,775	215,254	-	215,254
Net assets - beginning	<u>1,907,677</u>	<u>-</u>	<u>1,907,677</u>	<u>-</u>	<u>1,907,677</u>
Net assets - end	<u>\$ 2,062,156</u>	<u>\$ 60,775</u>	<u>\$ 2,122,931</u>	<u>\$ -</u>	<u>\$ 2,122,931</u>