

**CHRISTIAN SERVICE CENTER
FOR CENTRAL FLORIDA, INC.**

**FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITORS' REPORT**

December 31, 2025 and 2024



Greene, Dycus & Co, PA

Certified Public Accountants

407-322-0561

www.gdccpa.net

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Christian Service Center for Central Florida, Inc.
Orlando, Florida

Opinion

We have audited the accompanying financial statements of Christian Service Center for Central Florida, Inc., (the "Center"), a nonprofit corporation, which comprise the statements of financial position as of December 31, 2025 and 2024 and the related statements of activities and changes in net assets, 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 Christian Service Center for Central Florida, Inc., 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 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 Christian Service Center for Central Florida, 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.

Key Audit Item

The key audit item described below was communicated to those charged with governance and, in our professional judgment, was of among the most important areas addressed in our audit of the current period financial statements. This item was considered in the context of our audit of the financial statements as a whole and in forming our opinion thereon; we do not express a separate opinion on this item.

The Center is the recipient of an Accelerate Orlando Grant from the City of Orlando. This grant reimburses the Center for eligible costs incurred to improve and upgrade its Orlando facility, with the goal of expanding service capacity and enhancing the efficiency of existing programs. While the project remains in progress, the grant has resulted in more than \$4,000,000 in cumulative increases to net assets, strengthening the accompanying Statement of Financial Position. These amounts are restricted for capital purposes and do not increase the Center's available liquidity.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and the

Robert Kimelman, CPA
Thomas J. Frank, CPA
Vanessa R. Talley, CPA

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 Christian Service Center for Central Florida, Inc.'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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Christian Service Center for Central Florida, 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Christian Service Center for Central Florida, 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.

Greene Dyckus & Co.

Professional Association
Certified Public Accountants
Sanford, Florida
March 9, 2026

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
STATEMENTS OF FINANCIAL POSITION
December 31,

ASSETS

	<u>2025</u>	<u>2024</u>
Current Assets		
Cash and cash equivalents		
Unrestricted	\$ 376,925	\$ 237,065
Restricted	<u>502,055</u>	<u>34,861</u>
	878,980	271,926
Contributions receivable	60,960	314,387
Due from City of Orlando - Accelerate Orlando	1,517,283	208,900
Governmental grant receivables	<u>387,824</u>	<u>72,604</u>
	<u>2,845,047</u>	<u>867,817</u>
Property and equipment - net	<u>5,908,150</u>	<u>1,864,083</u>
Noncurrent Assets:		
Beneficial interest	<u>55,674</u>	<u>50,532</u>
	<u>55,674</u>	<u>50,532</u>
Total Assets	<u><u>\$ 8,808,871</u></u>	<u><u>\$ 2,782,432</u></u>

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

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
STATEMENTS OF FINANCIAL POSITION
December 31,

LIABILITIES AND NET ASSETS

	<u>2025</u>	<u>2024</u>
Current Liabilities		
Accounts payable	\$ 630,634	\$ 63,453
Accrued expenses	45,791	35,176
Line of credit - Accelerate Orlando	955,797	66,239
Current portion mortgage note payable	<u>19,500</u>	<u>18,632</u>
Total Current Liabilities	<u>1,651,722</u>	<u>183,500</u>
Long-term debt, mortgage note payable	<u>122,525</u>	<u>142,024</u>
Total Liabilities	1,774,247	325,524
Net Assets		
Without donor restrictions	6,532,569	2,422,047
With donor restrictions	<u>502,055</u>	<u>34,861</u>
Total Net Assets	<u>7,034,624</u>	<u>2,456,908</u>
Total Liabilities and Net Assets	<u><u>\$ 8,808,871</u></u>	<u><u>\$ 2,782,432</u></u>

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

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
STATEMENT OF ACTIVITIES AND
CHANGES IN NET ASSETS
For the Year Ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Contributions	338,921	\$ -	\$ 338,921
Governmental grants	1,762,399	-	1,762,399
City of Orlando - Accelerate Orlando	3,655,705	-	3,655,705
Special events, less costs of \$37,226	59,527	-	59,527
Contributions, foundations and trusts	2,416,138	502,025	2,918,163
Parking use and tenancy revenue	73,952	-	73,952
Thrift shops	57,754	-	57,754
Other income	68	-	68
Estimated in-kind contributions	891,702	-	891,702
Net assets released from restrictions	34,831	(34,831)	-
Total Revenue and Support	9,290,997	467,194	9,758,191
Expenses			
Program Services	4,319,544	-	4,319,544
Total Program Services	4,319,544	-	4,319,544
Support Services:			
Fund raising and development	611,420	-	611,420
Management and general	249,511	-	249,511
Total Support Services	860,931	-	860,931
Total Expenses	5,180,475	-	5,180,475
Change in Net Assets	4,110,522	467,194	4,577,716
Net Assets, Beginning of Year	2,422,047	34,861	2,456,908
Net Assets, End of Year	<u>\$ 6,532,569</u>	<u>\$ 502,055</u>	<u>\$ 7,034,624</u>

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

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
STATEMENT OF ACTIVITIES AND
CHANGES IN NET ASSETS
For the Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Contributions	\$ 58,220	\$ 29,026	\$ 87,246
Governmental grants	1,088,147	-	1,088,147
City of Orlando - Accelerate Orlando	280,314	-	280,314
Special events, less costs of \$43,716	131,450	-	131,450
Contributions, foundations and trusts	1,716,105	-	1,716,105
Parking use and tenancy revenue	12,922	-	12,922
Thrift shops	56,015	-	56,015
Other income	325	-	325
Estimated in-kind contributions	850,696	-	850,696
Net assets released from restrictions	106,456	(106,456)	-
Total Revenue and Support	4,300,650	(77,430)	4,223,220
Expenses			
Program Services	3,418,628	-	3,418,628
Total Program Services	3,418,628	-	3,418,628
Support Services:			
Fund raising and development	534,621	-	534,621
Management and general	220,423	-	220,423
Total Support Services	755,044	-	755,044
Total Expenses	4,173,672	-	4,173,672
Change in Net Assets	126,978	(77,430)	49,548
Net Assets, Beginning of Year	2,295,069	112,291	2,407,360
Net Assets, End of Year	<u>\$ 2,422,047</u>	<u>\$ 34,861</u>	<u>\$ 2,456,908</u>

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

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2025

	Program									Supporting		
	Orlando Housing Program	W. Orange Housing Program	Total Housing Program	W. Orange Food Program	Orlando Food Program	Total Food Program	Shelter Bus	Tenancy	Total Program Services	Develop- ment	Admin	Total
Personnel costs	\$ 839,725	\$ 196,126	\$ 1,035,851	\$ 106,141	\$ 124,498	\$ 230,639	\$ 232,570	\$ 21,516	1,520,576	\$ 402,845	\$ 143,664	\$ 2,067,085
Direct assistance	742,775	110,466	853,241	-	6,780	6,780	11,662	-	871,683	-	-	871,683
Program supplies	20,409	772	21,181	1,426	5,200	6,626	-	-	27,807	-	4,844	32,651
Estimated:												
In-kind meals	-	-	16,703	-	-	693,627	-	-	710,330	-	-	710,330
In-kind Other	-	-	125,190	-	44,740	44,740	-	-	169,930	-	11,442	181,372
Utilities	29,657	11,201	40,858	17,669	29,511	47,180	9,065	15,976	113,079	3,994	3,754	120,827
Telephone	8,135	4,007	12,142	1,134	1,993	3,127	1,415	420	17,104	3,593	491	21,188
Maintenance:												
Building	19,914	5,291	25,205	6,792	9,588	16,380	406	2,437	44,428	-	157	44,585
Equipment	30,168	2,470	32,638	3,276	14,705	17,981	39,405	2,441	92,465	1,308	2,383	96,156
Insurance	15,059	15,059	30,118	15,059	15,059	30,118	9,034	12,319	81,589	12,319	15,058	108,966
Office expense	19,117	5,244	24,361	-	294	294	1,856	1,774	28,285	127,477	4,484	160,246
IT Consulting	28,643	8,210	36,853	1,354	1,488	2,842	8,764	-	48,459	8,547	1,843	58,849
Travel & veh. costs	6,788	2,835	9,623	4,562	4,594	9,156	5,938	-	24,717	-	17	24,734
Professional fees	4,019	1,195	5,214	1,733	820	2,553	5,546	-	13,313	5,913	45,898	65,124
Contract services	16,800	-	16,800	-	-	-	-	-	16,800	-	-	16,800
Security	88,617	-	88,617	-	87,363	87,363	-	140,741	316,721	-	-	316,721
Interest	2,862	669	3,531	362	424	786	793	73	5,183	1,373	490	7,046
Food packaging	-	-	-	14,323	28,856	43,179	-	-	43,179	-	-	43,179
Other	4,201	696	4,897	-	56,343	56,343	16,652	1,199	79,091	18,934	6,028	104,053
Depreciation	52,356	12,228	64,584	6,618	7,762	14,380	14,500	1,341	94,805	25,117	8,958	128,880
	<u>\$ 1,929,245</u>	<u>\$ 376,469</u>	<u>\$ 2,447,607</u>	<u>\$ 180,449</u>	<u>\$ 440,018</u>	<u>\$ 1,314,094</u>	<u>\$ 357,606</u>	<u>\$ 200,237</u>	<u>\$ 4,319,544</u>	<u>\$ 611,420</u>	<u>\$ 249,511</u>	<u>\$ 5,180,475</u>

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

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2024

	Program									Supporting		
	Orlando Housing Program	Winter Park Housing Program	W. Orange Housing Program	Total Housing Program	W. Orange Food Program	Orlando Food Program	Total Food Program	Tenancy	Total Program Services	Develop- ment	Admin	Total
Personnel costs	\$ 648,488	\$ 32,927	\$ 126,234	\$ 807,649	\$ 106,027	\$ 183,939	\$ 289,966	\$ 25,163	\$ 1,122,778	\$ 363,916	\$ 127,983	\$ 1,614,677
Direct assistance	393,063	-	73,622	466,685	-	5,962	5,962	-	472,647	-	-	472,647
Program supplies	18,617	239	2,452	21,308	5,567	165	5,732	-	27,040	-	2,743	29,783
Estimated:				-								
In-kind meals	-	-	-	9,664	-	-	631,702	-	641,366	-	-	641,366
In-kind Other	-	-	-	159,930	-	49,400	49,400	-	209,330	-	-	209,330
Utilities	31,176	2,000	10,048	43,224	15,764	31,201	46,965	14,081	104,270	3,520	3,520	111,310
Telephone	7,850	900	3,196	11,946	1,361	1,643	3,004	418	15,368	3,616	1,068	20,052
Maintenance:												
Building	21,699	-	6,741	28,440	6,044	11,266	17,310	1,765	47,515	35	35	47,585
Equipment	28,122	-	1,798	29,920	2,441	34,205	36,646	2,369	68,935	1,332	3,170	73,437
Insurance	14,308	967	14,138	29,413	14,128	14,128	28,256	13,183	70,852	13,183	15,625	99,660
Office expense	27,234	719	6,867	34,820	862	205	1,067	262	36,149	82,436	4,530	123,115
IT Consulting	18,288	1,170	11,690	31,148	1,061	2,244	3,305	-	34,453	9,194	4,691	48,338
Travel & veh. costs	10,264	-	1,221	11,485	4,085	4,152	8,237	-	19,722	3,878	2,146	25,746
Professional fees	3,789	443	7,318	11,550	605	872	1,477	-	13,027	11,424	37,478	61,929
Contract legal services	187,130	-	-	187,130	-	-	-	-	187,130	-	-	187,130
Security	55,158	-	-	55,158	-	55,158	55,158	-	110,316	-	-	110,316
Interest	3,390	172	660	4,222	554	962	1,516	132	5,870	1,902	669	8,441
Food packaging	-	-	-	-	18,615	36,203	54,818	-	54,818	-	-	54,818
Other	12,160	-	414	12,574	-	34,542	34,542	53,897	101,013	15,543	8,099	124,655
Depreciation	43,912	2,230	8,548	54,690	7,180	12,455	19,635	1,704	76,029	24,642	8,666	109,337
	<u>\$ 1,524,648</u>	<u>\$ 41,767</u>	<u>\$ 274,947</u>	<u>\$ 2,010,956</u>	<u>\$ 184,294</u>	<u>\$ 478,702</u>	<u>\$ 1,294,698</u>	<u>\$ 112,974</u>	<u>\$ 3,418,628</u>	<u>\$ 534,621</u>	<u>\$ 220,423</u>	<u>\$ 4,173,672</u>

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

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
STATEMENTS OF CASH FLOWS
December 31,

	2025	2024
Cash Flows From Operating Activities:		
Cash received from operating contributions, grants, and awards	\$ 7,359,465	\$ 3,289,214
Cash received from sales - thrift shop	57,754	56,015
Cash received from parking use and tenancy	73,952	12,922
Interest paid	(7,046)	(8,441)
Cash paid to employees for salaries and benefits	(2,067,085)	(1,614,677)
Cash paid to vendors and suppliers	(1,507,966)	(1,568,760)
Net cash provided by operating activities	<u>3,909,074</u>	<u>166,273</u>
Cash flows from investing activities:		
Construction and acquisition of capital items	(4,172,947)	(352,561)
Net cash used by investing activities	<u>(4,172,947)</u>	<u>(352,561)</u>
Cash flows from financing activities:		
Draw on line of credit	889,558	66,239
Mortgage note payments	(18,631)	(17,781)
Net cash provided by financing activities	<u>870,927</u>	<u>48,458</u>
Net Increase (decrease) in cash and cash equivalents	607,054	(137,830)
Cash and cash equivalents, beginning of year	<u>271,926</u>	<u>409,756</u>
Cash and cash equivalents, end of year	<u><u>\$ 878,980</u></u>	<u><u>\$ 271,926</u></u>
Reconciliation of net income to net cash provided by operating activities:		
Change in net assets	4,577,716	49,548
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	128,880	109,337
Increase or decrease in operating assets and liabilities:		
Market value of beneficial interest	(5,142)	(5,302)
Grants, contributions and bequests receivables	(1,370,176)	(9,071)
Accounts payable and accrued expenses	577,796	21,761
Net cash provided by operating activities	<u><u>\$ 3,909,074</u></u>	<u><u>\$ 166,273</u></u>

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

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The Christian Service Center for Central Florida, Inc. (the “Center”) was incorporated in 1971 as a nonprofit inter-denominational arm of area churches bringing together congregations and individuals offering services for those in need. The Center depends on contributions from individuals, businesses, churches and other local organizations.

Comprehensive Day Services Campuses – Program includes the management of on-site partner agencies providing services to the homeless community, including showers, laundry, haircuts, a dinner meal service, respite, and employment. This robust system of service organizations is dedicated to serving the least fortunate in the community, giving people experiencing homelessness a safe place to spend the day while searching for employment and/or housing. The Center operates Day Services at a 1.8 acre at Parramore campus as well as 1 acre at West Orange Campus.

Homeless Rescue Program – Program includes support for homeless individuals as well as those at risk of homelessness in the community via rapid rehousing, permanent supportive housing, diversion programs, and rent and utility assistance. This program operates on a Housing First model, with a goal of reaching functional zero with homelessness in the community.

Daily Bread – Provision of free hot and nourishing meals to the homeless and hungry. Meals are donated to the program and local groups donate their services. Daily Bread serves 3 meals a day, 7 days a week, and currently averages about 700 meals per day.

Boutique – Members of the community donate used clothing and other household items to the center. The Center distributes these items to members of the community in need from the Parramore location.

Thrift Shops – Members of the community donate used clothing and other household items to the center. The Center operates a resale shop in the West Orange location, where items are sold to members of the community.

Shelter Bus – “The 407 Connect Shelter Bus” is a program that provides an innovative mobile shelter model inspired by The Dignity Bus and adapted for the unique needs of Orlando, Florida. Operated by the Christian Service Center in collaboration with the City of Orlando and other community partners, the program provides 40 overnight beds via two 45-foot repurposed Greyhound buses. Each bus is equipped with individual sleeping compartments, ventilation, onboard restrooms, and designated storage space for personal items and pets.

This model was selected in response to the growing need for low-barrier, immediate-access shelter in areas underserved by traditional shelter systems. Unlike congregate shelters, the 407 Connect buses allow for greater privacy, flexibility, and mobility, offering guests a safe place to sleep while simultaneously connecting them to services.

Tenancy – The Center rents portions of its Orlando campus to other non-profits that service the same clientele. Some of these other nonprofits are charged a fee and others provide complementary services, and their rent is provided in kind.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – Continued

Financial Statement Presentation

The financial statements are presented in accordance with Financial Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, Not-for-Profit Entities (Topic 958): *Presentation of Financial Statements for Not-for-Profit Entities*.

The Center reports 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 result from revenues generated by receiving contributions that have no donor restrictions, providing program-related services, raising contributions, and performing administrative functions.

Net assets with donor restrictions result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily or permanently, until the donor restriction expires, that is until the stipulated time restriction ends, or the purpose of the restriction is accomplished, the net assets are restricted.

Basis of accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with the accounting and reporting practices promulgated by the American Institute of Certified Public Accountants (AICPA) for not-for-profit organizations.

Revenue and Revenue Recognition

The Center 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. Currently, there are no conditional promises to give.

All revenues and support are recorded in accordance with either ASC 958, Not-for-Profit Entities as contributions with or without donor restrictions or in accordance with ASC 606, Revenue from Contracts with Customers, where revenue is recognized when: (i) a contract with a customer has been identified, (ii) the performance obligation(s) in the contract have been identified, (iii) the transaction price has been determined, (iv) the transaction price has been allocated to each performance obligation in the contract, and (v) the Organization has satisfied the applicable performance obligation over time or at a point in time.

Program Revenue and Support – Contributions received are recorded as with or without donor restrictions. Support that is restricted by the donor is reported as an increase in without donor restriction if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – Continued

Contributed Nonfinancial Assets

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

The value of contributed food and meals provided to charitable beneficiaries, as well as clothing, provided through Family Emergency Services and Daily Bread Programs are recognized in the financial statements at their estimated fair value.

Family & Emergency Services programs distribute food and clothing and provides rent and utility assistance. Daily Bread provides prepared meals from food that is donated. Volunteers staff the daily food services in the Daily Bread programs.

Occasionally the Center will receive donated pre-owned property and equipment. These donations, if any, have been recorded by the Center as revenue and property and equipment. For the years ended December 31, 2025 and 2024, no such property and equipment was received as a donation.

Cash

Cash for purposes of the statements of financial position and cash flows includes money market cash funds, if any

Property and Equipment

Property and equipment in excess of \$1,500 is recorded at cost when purchased and at fair market value on the date of donation when donated. Depreciation is recognized using the straight-line method over estimated useful lives as follows:

<u>Asset</u>	<u>Life</u>
Building	30-40 years
Equipment and Furnishing	5-10 years
Vehicles	3-20 years

Impairment

The Center periodically reviews its long-lived assets to be held and used in operations for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. An impairment loss is recognized when the estimated undiscounted future cash flows from the assets are less than the carrying value of the assets.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – Continued

Contribution and Governmental Grants Receivable

Accounts receivables consist of balances due for services rendered, to both governmental and non-governmental agencies and individuals, but not collected as of the end of the accounting period. Management invoices for these services at the end of the service month. Based upon an analysis of both history and past due receivables, it is management's opinion that a \$0 allowance for credit losses is necessary.

Allowance for Credit Losses

The Center operates as a nonprofit and its receivables are primarily derived from local government, other nonprofit organizations, business and individuals. At each balance sheet date, the Center recognizes an expected allowance for credit losses. In addition, also at each reporting date, this estimate is updated to reflect any changes in credit risk since the receivable was initially recorded. Contribution and governmental grants receivables are evaluated individually when they do not share similar risk characteristics which could exist in circumstances where amounts are considered at risk or uncollectible.

The allowance estimate is also derived from a review of the Center's historical losses based on the ageing of receivables. This estimate is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by the Center. The Center believes historical loss information is a reasonable starting point in which to calculate the expected allowance for credit losses as the Center's portfolio segment have remained constant since the Center's inception.

The Allowance for Credit Losses can be modified at any time for current and future economic conditions. The receivables over one year old are not a material amount. The allowance for credit losses for the year ending December 31, 2025, is reflected as a reduction of accounts receivable on the face of the financial statements.

The Center writes off receivables when there is information that indicates the debtor is facing significant financial difficulty and there is no possibility of recovery. If any recoveries are made from any accounts previously written off, they will be recognized in income or an offset to credit loss expense in the year of recovery. The total amount of write-offs was immaterial to the financial statements as a whole for the year ending December 31, 2025.

Inventory

Inventories consist of workshop supplies and are stated at the lower of cost (first-in/first-out basis) or market.

Advertising

Advertising costs are expensed as incurred. During the years ending December 31, 2025 and 2024 advertising charged to operations amounted to approximately \$11,000 and \$2,000, respectively.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – Continued

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, personnel costs, based on estimates of time incurred for various activities, and occupancy, based on square footage used for each program activity, have been allocated among the programs, fund raising, and management and general categories. The expenses that are allocated include compensation and benefits, which are allocated on the basis of estimates of time and effort, as well as depreciation and occupancy, which are allocated on methods such as square footage basis.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Income Taxes

The Center has been granted an exemption from income taxes under Internal Revenue Code, Section 501(c)(3), as a non-profit corporation.

The Center adopted the provisions of FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes* (FASB ASC 740 – 10). Under this Interpretation, The Center is required to evaluate each of its tax positions to determine if they are more likely than not to be sustained if the taxing authority examines the retrospective position. A tax position includes an entity's status, including its status as a 501(c)(3), and the decision not to file a tax return. The Center has evaluated each of its tax positions and has determined that no provision or liability for income taxes is necessary.

Fair Value of Financial Instruments

Accounting standards define fair value, establish a framework for measuring fair value, establish a fair value hierarchy based on the quality of inputs used to measure fair value, and require expanded disclosures about fair value measurements.

Accounting standards establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs when available. Observable inputs are those that market participants would use in pricing the asset or liability based on the best information available in the circumstances.

The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Each level is defined as follows:

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – Continued

Fair Value of Financial Instruments – continued

Level 1 - Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the foundation has the ability to access.

Level 2 - Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 - Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management. The respective carrying value of certain on-balance-sheet financial instruments approximate their fair values due to the short-term nature of these instruments. These financial instruments include receivables, accounts payable and other liabilities. The fair value of the lines of credit are estimated based on current rates that would be available for debt of similar terms which is not significantly different for its stated value.

Reclassifications

Certain amounts in the 2024 financial statements have been reclassified to conform to the 2025 presentation. Such reclassifications had no effect on the previously reported change in net assets.

Subsequent Events

Subsequent events have been evaluated through March 9, 2026, which is the date the financial statements were available to be issued.

NOTE 2 – PROPERTY AND EQUIPMENT

Property and equipment is comprised of the following:

	<u>2025</u>	<u>2024</u>
Land and improvements	\$ 442,244	\$ 442,244
Construction in progress - Accelerate Orlando	4,011,907	322,876
Buildings	3,141,777	3,018,352
Equipment and furnishing	155,067	155,067
Vehicles	465,556	105,065
	<u>8,216,551</u>	<u>4,043,604</u>
Less accumulated depreciation	<u>2,308,401</u>	<u>2,179,521</u>
	<u>\$ 5,908,150</u>	<u>\$ 1,864,083</u>

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 2 – PROPERTY AND EQUIPMENT – continued

Construction in progress of \$3,469,237 is entirely for the progress of Accelerate Orlando project made to buildings not yet completed as of December 31, 2025.

Depreciation expense for the years ended December 31, 2025 and 2024 were approximately \$129,000 and \$109,000, respectively.

NOTE 3 – BENEFICIAL INTEREST

In an earlier year, the Center transferred funds to Central Florida Foundation, Inc. (CFF). The transfer is irrevocable, however, CFF may make annual distributions of the income earned on the fund to the Center, subject to the foundation's spending policy. The Center is the beneficiary of the fund and has not granted variance power to CFF.

CFF manages and maintains the Center's investment as a component fund of CFF and reports fair value primarily based on quoted market prices. As the beneficiary, Christian Service Center for Central Florida, Inc. cannot determine the value reported by CFF, which is a Level 3 unobservable input.

The beneficial interest, as valued by CFF, is \$55,674 and \$50,532 on December 31, 2025, and 2024, respectively.

NOTE 4 – LINE OF CREDIT

The Center established a line of credit ("Operating Line of Credit") with a bank in the maximum amount of \$100,000, terminating in August 2025; However, this line of credit was reaffirmed for one additional year through August 2026. The line of credit bears interest at prime rate plus one percent with a minimum of 5.25 percent. The line of credit is cross collateralized with the property described in Note 5 and by substantially all equipment and other assets. The outstanding balance at December 31, 2025 and 2024 was \$0.

The \$955,797 balance at December 31, 2025, is a new line of credit specifically tied to the construction project, referred to as Accelerate Orlando. This line of credit has a limit of \$1,100,000, and it matures on June 20, 2026. The line of credit bears an interest at prime rate plus one percent. The line of credit is secured by substantially all real and personal property of the Organization.

NOTE 5 – MORTGAGE NOTE PAYABLE

In 2022, a mortgage note balance was refinanced by a mortgage in the amount of \$204,991. The mortgage note is due on demand and matures May 2027, with a balloon payment. The mortgage note bears interest at 4.5 percent and is secured by property (and any related rents) at 808 W. Central Boulevard in Orlando, Florida. The monthly note payment is \$2,131, including interest.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 5 – MORTGAGE NOTE PAYABLE – continued

The maturities for the loan are as follows:

Years Ending December 31,	
2026	\$ 19,500
2027	122,525
	<u>\$ 142,025</u>

Interest expense for the years ended December 31, 2025 and 2024 were \$7,046 and \$8,441, respectively.

In addition, the Center has several business credit cards issued by a local bank with a \$50,000 line of credit. The credit cards have outstanding balances of approximately \$34,000 and \$38,000 at December 31, 2025 and 2024, respectively. The line is unsecured and requires monthly minimum payments and has a 13.9% interest rate.

NOTE 6 – NET ASSETS WITH DONOR RESTRICTIONS

Restrictions on net assets at December 31, are as follow:

	<u>2025</u>	<u>2024</u>
Program use restrictions:		
Kitchen renovations	\$ 328,251	\$ -
Shelter bus project	159,204	-
Family Emergency Services, including Love Orlando, Operation Home Fires, and Life Center	7,600	26,861
Computer lab	3,000	-
Phone charging stations	4,000	8,000
	<u>\$ 502,055</u>	<u>\$ 34,861</u>

The donor restricted net assets are reflected in cash and cash equivalents as assets whose use is limited in the statements of financial positions at December 31, 2025 and 2024.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 7 – CONTRIBUTED NONFINANCIAL ASSETS

The Center received contributed nonfinancial assets comprised of services received during years ended December 31, 2025 and 2024 as follows:

Nonfinancial Contributions Category	Utilization	Valuation	2025	2024
Aproximate number of meals (all program)			186,000	182,000
Meals	Program services	Estimated cost value	\$710,330	\$641,366
Clothing and personal articles	Program services	Donor provided fair market value	181,372	209,330
			<u>\$891,702</u>	<u>\$850,696</u>

In 2025 and 2024, there were approximately 31,000 and 37,000, respectively, volunteer hours performed for the benefit of the Center.

NOTE 8 – CONTINGENCIES

In the normal course of operations, the Center participates in various grant programs. The grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. An additional liability for reimbursement which may arise as a result of these potential audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

In the ordinary course of business, the Center may have various outstanding commitments and contingencies. Management has represented that there are no legal issues or proceedings pending or threatened at the current time which may materially affect the financial condition of the Center.

NOTE 9 – CONCENTRATION RISK

The Center's support is received primarily from foundations, businesses, churches and individuals located in the Central Florida area. As a result, the level of continued contributions may be affected by the economy of this region. In the event these entities discontinue and/or modify funding these programs, the Center would have a difficult time achieving current program goals.

The Center maintains cash in demand deposit accounts with two (2) federally insured banks. At times, the balances in these accounts may be in excess of federally insured limits. Balances on deposits in excess of \$250,000 are not subject to federal insurance. On December 31, 2025, total cash and cash equivalents on deposit in excess of the FDIC limit was approximately \$656,000.

CHRISTIAN SERVICE CENTER FOR CENTRAL FLORIDA, INC.
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

NOTE 10 – LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Center manages its liquid resources by focusing on maximizing its revenues where possible so that it has adequate revenue to cover the programs being conducted. The center prepares detailed budgets and is very active in managing its expenses and cash flows to maximize liquidity. As discussed in note four, the agency maintains a line of credit to assist in meeting cash needs if they experience a lag between the receipt of contributions and grants and the payment.

The following reflects the Center's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions and board designations within one year of the balance sheet date.

	<u>2025</u>	<u>2024</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 878,980	\$ 271,926
Contributions and other receivables	60,960	314,387
Governmental grant receivables	387,824	72,604
City of Orlando receivable - Accelerate Orlando	<u>1,517,283</u>	<u>208,900</u>
Total financial assets at year end	<u>2,845,047</u>	<u>658,917</u>
Less those unavailable for general expenditures within one year, due to:		
Donor restricted for various programs	502,055	34,861
Designated for Center improvement/replacement	344,279	23,730
Designated for operating cash flow	533,764	240,833
Accounts payable and other current liabilities	676,425	98,629
Line of credit	955,797	66,239
Mortgage payable - short term portion	<u>19,500</u>	<u>18,632</u>
Total financial unavailable for use	<u>3,031,820</u>	<u>482,924</u>
Financial assets available to meet cash needs for additional general expenditure within one year	<u><u>\$ (186,773)</u></u>	<u><u>\$ 175,993</u></u>