

ST BONIFACE CHURCH
FINANCIAL STATEMENTS
Year Ended December 31, 2024

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INDEPENDENT AUDITOR'S REPORT

To the Priest-in-Charge and Vestry
St. Boniface Church
5615 Midnight Pass Road
Sarasota, FL 34242

Opinion

We have audited the accompanying financial statements of St. Boniface Church (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related 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 financial statements referred to above present fairly, in all material respects, the financial position of St. Boniface Church as of December 31, 2024, and the changes in net assets and its 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 St. Boniface Church 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 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 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 St. Boniface Church's ability to continue as a going concern within one year after the date that the 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 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 St. Boniface Church'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 St. Boniface Church'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.

Mercurio & Maxwell, CPA's, LLC

Mercurio & Maxwell CPA's, LLC
Sarasota, Florida
October 29, 2025

ST BONIFACE CHURCH
STATEMENT OF FINANCIAL POSITION
December 31, 2024

ASSETS

Cash	\$	93,950
Cash - vestry designated		904,507
Cash with donor restrictions		102,444
Investments		2,734,692
Investments with donor restrictions		295,725
Inventory		869
Prepaid expense		3,292
Land, buildings, and equipment, net		<u>856,059</u>
Total assets	\$	<u><u>4,991,538</u></u>

LIABILITIES AND NET ASSETS

Liabilities		
Accounts payable	\$	21,895
Accrued expenses		8,405
Deferred pledges		147,407
Other liabilities		<u>1,705</u>
Total liabilities		179,412
Net Assets		
Net assets without donor restrictions		
Undesignated		(21,049)
Vestry designated		3,578,947
Land, buildings, and equipment		<u>856,059</u>
Total net assets without donor restrictions		4,413,957
Net assets with donor restrictions		<u>398,169</u>
Total net assets		<u>4,812,126</u>
Total liabilities and net assets	\$	<u><u>4,991,538</u></u>

See accompanying notes to financial statements.

ST BONIFACE CHURCH
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Support:			
Contributions:			
Offering revenue	\$ 855,834	\$ -	\$ 855,834
Other designated revenue	872,572	-	872,572
Other income	53,135	-	53,135
Designated revenue	-	204,257	204,257
Investment gain/(loss)	271,867	7,595	279,461
Investment income	82,805	2,392	85,198
Total support	<u>2,136,213</u>	<u>214,244</u>	<u>2,350,457</u>
Net assets released from restriction:			
For programs	637	(637)	-
Total net assets released from restriction	<u>637</u>	<u>(637)</u>	<u>-</u>
Expenses			
Administration - clergy & lay	757,708	-	757,708
Depreciation	97,571	-	97,571
Diocesan contribution	128,695	-	128,695
Facility maintenance and repairs	230,831	-	230,831
General expense	34,781	-	34,781
Office	60,481	-	60,481
Outreach	62,031	-	62,031
Programs and christian education	257,906	-	257,906
Other designated expenses	27,815	-	27,815
Designated purposes	637	-	637
Total expenses	<u>1,658,456</u>	<u>-</u>	<u>1,658,456</u>
Increase (decrease) in net assets	478,394	213,607	692,001
Beginning net assets	3,786,565	333,560	4,120,125
Transfer	148,998	(148,998)	-
Ending net assets	<u>\$ 4,413,957</u>	<u>\$ 398,169</u>	<u>\$ 4,812,126</u>

See accompanying notes to financial statements.

ST BONIFACE CHURCH
STATEMENT OF CASH FLOWS
December 31, 2024

Increase/Decrease in net assets	\$ 692,001
Cash flows from operating activities	
Depreciation	97,571
Decrease in inventory	3,932
Decrease in prepaid expense	38,416
Decrease in accounts payable	(44,847)
Decrease in accrued expense	(964)
Decrease in deferred pledges	(41,948)
Decrease in other liabilities	(1,169)
Realized and unrealized (gains) losses on investments	<u>(279,461)</u>
Net cash provided/used by operating activities	<u>463,531</u>
Cash flows from investing activities:	
Purchase/sale of investments	19,439
Purchase/disposal of property and equipment	<u>(69,357)</u>
Net cash provided/(used) by investing activities	<u>(49,918)</u>
Net increase in cash and cash equivalents	413,613
Cash and cash equivalents, beginning of year	687,288
Cash and cash equivalents, end of year	<u><u>\$ 1,100,901</u></u>

Supplemental disclosure of cash flow information:

Cash paid during the year for

Interest	\$ -
Unrelated business income tax	\$ -

Supplemental disclosure of non-cash investing and financing activity

Accounts payable for property and equipment	\$ -
Equipment financed through capital lease arrangement	\$ -

See accompanying notes to financial statements.

ST BONIFACE CHURCH
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General – St. Boniface Church (the Church) is a not-for-profit organization existing under the laws of the State of Florida. The accounting and reporting policies of the Church are in accordance with accounting principles adopted by the Episcopal Church and approved by the General Convention and conform to general practices within the non-profit industry.

The Church is governed by its Congregation, the Vestry, and the Rector in accordance with the constitution, canons, doctrine, discipline and worship of the Episcopal Church of the United States and of the Episcopal Church in the Diocese of Southwest Florida. The mission of the Church is to continue in Christ’s love to welcome, invite and include all in worship, healing, teaching, fellowship, and service in our diverse, inclusive Christian community. The church has approximately 627 members.

Basis of Presentation – The accompanying financial statements have been prepared on the accrual basis of accounting and reflect all significant receivables, payables, and other liabilities in accordance with generally accepted accounting principles. Net Assets, revenues, support, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. If donor-imposed restrictions are met in the same period as the gift or investment income is received, the amount is reported as unrestricted revenues. Accordingly, net assets of the Church and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Church. These net assets may be used at the discretion of the Church’s management and the board of directors.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by action of the Church or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. A schedule of restricted net assets follows on page 11.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restriction. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. 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. As contributions with donor-imposed restrictions are expended, 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 restriction.

Contributions, including unconditional promise to give (Pledges), are recognized as revenue in the period received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. At December 31, 2024, the Church had no outstanding pledges or bequests.

Use of 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 the reported amounts of assets and liabilities and disclosures. Actual results could differ from those estimates.

Fair Value Measurements – The financial statements are prepared in accordance with FASB ASC 820, Fair Value Measurement, for all financial assets and liabilities and for nonfinancial assets and liabilities recognized

ST BONIFACE CHURCH
NOTES TO FINANCIAL STATEMENTS

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

or disclosed at fair value in the financial statements or on a recurring basis (at least annually). Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on a measurement date. The standard also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

Level 1: Quoted prices for identical instruments in active markets.

Level 2: Quoted prices for similar or identical instruments in active markets or non-active markets or other significant observable inputs.

Level 3: Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

Cash – Cash consists of cash on deposit with financial institutions. The Church considers all highly liquid assets with a maturity of three months or less when purchased as cash. Financial instruments which potentially subject the Church to concentrations of credit risk consist principally of cash held in financial institutions in excess of federally-insured limits.

Investments – Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at fair values in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less investment expenses.

Property and Equipment – Property and equipment additions over are recorded at cost, or if donated, at fair value on the date of donation. Real Estate is presented at cost, or where costs were not available, at appraised value when the assets were originally recorded. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expenses current operations.

Donated Services – Volunteers contribute significant amounts of time to our program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of the contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles.

Functional Expenses – According to generally accepted accounting principles, the Church must report expenses on a functional basis between various programs and supporting services. The Church considers all expenses to be program related.

Federal Income Tax – The church is a non-profit entity under the laws of the State of Florida and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Church is listed as a subordinate of the group exemption of the Protestant Episcopal Church in the United States of America and therefore is exempt from income tax. Accordingly, the accompanying financial statements reflect no provision for income taxes. The Church has processes in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; and to review other matters that may be considered tax positions. No amounts of unrecognized tax benefits have been recorded by the Church as of December 31, 2024.

ST BONIFACE CHURCH
NOTES TO FINANCIAL STATEMENTS

NOTE B – AVAILABILITY AND LIQUIDTY

Financial assets available for general expenditure, that is without donor or other restrictions limiting the use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$ 1,100,901
Prepaid expense	3,292
Less -	
Cash – vestry designated	(904,507)
Cash – with donor restrictions	(102,444)
Total	<u>\$ 97,242</u>

Investments consist of general and donor-restricted funds. Income from donor-restricted funds is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted funds are not available for general expenditure.

NOTE C - RISK

Financial instruments which subject the Church to concentrations of credit risk consist principally of cash deposits in excess of federal insured limits. Uninsured deposits are backed by the financial strength of the institution and management considers the risk of loss to be remote. Cash deposits are maintained in high quality banking institutions and management considers the risk of excess deposited over insured limits to be negligible. Insured deposits consist of interest-bearing accounts up to \$250,000 per banking institution and all noninterest bearing accounts.

Insured	\$ 274,914
Uninsured	825,987
Total	<u>\$ 1,100,901</u>

NOTE D – PROPERTY AND EQUIPMENT

The following is a summary of the Church's property and equipment as of December 31, 2024;

Land and improvements	\$1,662,419
Furniture, fixtures and equipment	156,549
Organ and musical instruments	59,831
Art objects	47,865
Plant equipment and signs	3,135
	<u>1,929,799</u>
Less accumulated depreciation	(1,073,740)
Total	<u>\$ 856,059</u>

ST BONIFACE CHURCH
NOTES TO FINANCIAL STATEMENTS

NOTE E – INVESTMENTS

The investment portfolio was comprised of debt securities and investment securities which are carried at fair market value. The fair value of investment securities at December 31, 2024, was as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
US Equity	\$ 1,598,201	\$ 172,827	\$ 1,771,028
International Developed	254,491	27,520	282,011
Emerging Markets	102,559	11,091	113,650
Reits	44,852	4,850	49,702
Fixed Income	<u>734,589</u>	<u>79,437</u>	<u>814,026</u>
	<u>\$ 2,734,692</u>	<u>\$ 295,725</u>	<u>\$ 3,030,417</u>

Gains (Losses) on investment transactions consist of the following:

Realized gain (loss)	\$ 318,935	\$ 9,150	\$ 328,085
Unrealized gain (loss)	<u>(47,068)</u>	<u>(1,557)</u>	<u>(48,625)</u>
	<u>\$ 271,867</u>	<u>\$ 7,593</u>	<u>\$ 279,460</u>

NOTE F – FAIR VALUE MEASUREMENTS

The Church’s assets measured at fair value by level in the fair value hierarchy described in Note A “Fair Value Measurements” consists of the following at December 31, 2024:

	Unrestricted Investments Fair Value Measurements		
	Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments	<u>\$ 3,030,417</u>	<u>\$ -</u>	<u>\$ -</u>
Total	<u>\$ 3,030,417</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE G – NET ASSETS WITH DONOR RESTRICTIONS

The Church’s auxiliary activities are detailed on the Schedule of Net Assets with Donor Restrictions on page 11. These funds have been designated for a specific purpose by the donor. Auxiliary activities are included in the financial statements of the Church.

NOTE H– NET ASSETS RELEASED FROM RESTRICTION

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes, or by occurrence of other events specified by donors and are detailed on the Schedule of Net Assets with Donor Restrictions on page 11.

ST BONIFACE CHURCH
NOTES TO FINANCIAL STATEMENTS

NOTE I – DEFERRED CONTRIBUTION PLAN

A retirement plan is available for clergy through the Church Pension Fund which is administered by the Episcopal Church. The Church contributes eighteen percent of eligible clergy's compensation to the plan. The Church's contribution to this plan in 2024 was \$43,152.

A retirement plan is available for lay employees who meet certain requirements through a 403(b) Mutual Fund defined contribution plan. The plan provides for the matching of amounts contributed by the employees up to certain percentages of gross wages. Contributions are fully vested in the first year. The Church's contribution to this plan in 2024 was \$25,158.

NOTE J – PAYROLL TAXES

The Church prepared, filed and paid in full taxes in the amount of \$25,075 related to employee payroll during 2024. The Church offers health insurance to qualified employees.

NOTE K – ASSOCIATION OF RELATED CHURCHES

The Church is a constituent of the Protestant Episcopal Church in the United States of America and is a parish of the Episcopal Diocese of Southwest Florida. The Church is subject to an apportionment of unrestricted contributions received and restricted contributions when expended. In 2024, the Church contributed \$128,695.

NOTE L – SUBSEQUENT EVENTS

The Church was the defendant in a lawsuit concerning a real estate contract dispute. The judge ruled in the Church's favor, but the plaintiff has appealed the decision. The church is awaiting the final outcome of the appeal.

The Church has evaluated subsequent events through October 29, 2025, the date which the financial statements were available to be issued.

ST BONIFACE CHURCH
SCHEDULE OF NET ASSETS WITH DONOR RESTRICTIONS
Year Ended December 31, 2024

	Beginning Balance 1/1/2023	Transfers	Restricted Revenue	Investment Income	Investment Gain/(Loss)	Restricted Expenses	Ending Balance 12/31/2023
With restrictions							
Best (environmental)	\$ 5,728	\$ (623)	\$ -	\$ -	\$ -	\$ -	\$ 5,105
Betty C Pancoast memorial	24,897	-	-	-	-	-	24,897
Pancoast interest	6,999	-	-	1,202	4,676	(324)	12,553
Pancoast unrealized gain/(loss)	7,809	-	-	-	(792)	-	7,017
Boniface scholarship	21,405	-	-	-	-	-	21,405
Scholarship interest	7,597	-	-	1,053	4,096	(284)	12,462
Scholarship unrealized gain/(loss)	5,771	-	-	-	(694)	-	5,077
Boniface speakers fund	7,542	(1,102)	-	-	-	-	6,440
Building fund	8,400	(114,224)	164,312	-	-	-	58,488
Columbarium	6,783	(29,713)	23,750	-	-	-	820
Counseling center outreach fund	1,685	-	-	-	-	-	1,685
Ditella seminary	2,000	-	-	-	-	-	2,000
Ditella interest	867	-	-	137	379	(29)	1,354
Ditella unrealized gain/(loss)	616	-	-	-	(70)	-	546
Family promise project	2,059	-	-	-	-	-	2,059
Father's day tool fund	1,697	(44)	1,125	-	-	-	2,778
Memorial - designated	5,996	(1,492)	1,480	-	-	-	5,984
Music fund	7,294	(1,800)	13,590	-	-	-	19,084
Total temporarily restricted	<u>\$ 125,145</u>	<u>\$ (148,998)</u>	<u>\$ 204,257</u>	<u>\$ 2,392</u>	<u>\$ 7,595</u>	<u>\$ (637)</u>	<u>\$ 189,754</u>
With perpetual restrictions							
Endowment principal	\$ 166,717	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 166,717
Capital reserve principal	31,698	-	-	-	-	-	31,698
Cushman fund	10,000	-	-	-	-	-	10,000
Total with perpetual restrictions	<u>\$ 208,415</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 208,415</u>
Total restricted funds	<u>\$ 333,560</u>	<u>\$ (148,998)</u>	<u>\$ 204,257</u>	<u>\$ 2,392</u>	<u>\$ 7,595</u>	<u>\$ (637)</u>	<u>\$ 398,169</u>

See accompanying notes to financial statements.

ST BONIFACE CHURCH
SCHEDULE OF NET ASSETS - VESTRY DESIGNATED
Year Ended December 31, 2024

	Beginning Balance 1/1/2024	Transfers	Revenue	Investment Income	Investment Gain/(Loss)	Expenses	Ending Balance 12/31/2024
Vestry designated							
Building funds	\$ 221,962	\$ 14,655	\$ -	\$ 6,319	\$ 20,197	\$ (3,844)	\$ 259,289
Vestry - to designate	252,087	(434,649)	276,492	2,094	8,411	(1,113)	103,322
Church groups	14,169	8,016	11,456	-	-	-	33,641
Columbarium fund	43,143	(12,650)	-	1,307	4,219	(353)	35,666
Endowment funds	2,100,572	(159,027)	-	66,618	219,878	(18,072)	2,209,969
Hurricane restoration	43,393	18,523	171,003	-	-	-	232,919
Insurance claims	-	128,352	235,205	-	-	-	363,557
Memorial funds	17,025	-	5,625	-	-	-	22,650
Outreach	4,652	(6,152)	1,500	-	-	-	-
Special offerings	10,479	(17,245)	16,986	-	-	-	10,220
Other miscellaneous funds	213,256	(81,043)	154,305	6,467	19,162	(4,433)	307,714
	<u>\$ 2,920,738</u>	<u>\$ (541,220)</u>	<u>\$ 872,572</u>	<u>\$ 82,805</u>	<u>\$ 271,867</u>	<u>\$ (27,815)</u>	<u>\$ 3,578,947</u>

See accompanying notes to financial statements.