JESUSONLINE MINISTRIES

Financial Statements
As of December 31, 2024 and 2023

Together with Independent Auditors' Report

JDS professional group
certified public accountants, consultants and advisors

JDS professional group
certified public accountants, consultants and advisors, LLC

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
JesusOnline Ministries:

Opinion

We have audited the accompanying financial statements of JesusOnline Ministries (the "Organization"), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 JesusOnline Ministries' 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 JesusOnline Ministries' 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.

JDS Professional Group
Certified Public Accountants, Consultants and Advisors, LLC

June 4, 2025

JESUSONLINE MINISTRIES

	2024	2023
ASSETS		
Cash	$ 554,375	$ 117,684
Capitalized app development costs, net	8,378	42,048
TOTAL ASSETS	$ 562,753	$ 159,732
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable	$ 34,320	$ 33,538
Accrued liabilities	11,287	11,231
Total Liabilities	45,607	44,769
Net Assets:		
Without donor restrictions	425,274	90,461
With donor restrictions	91,872	24,502
Total Net Assets	517,146	114,963
TOTAL LIABILITIES AND NET ASSETS	$ 562,753	$ 159,732

Statement of Activities
For The Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:			
Contributions	$ 1,647,318	$ 147,770	$ 1,795,088
Investment income	3,458	-	3,458
Nonfinancial contributions	89,278	-	89,278
Sales	20	-	20
Other income	805	-	805
Net assets released from restrictions:			
Satisfaction of program restrictions	80,400	(80,400)	-
Total Support and Revenue	1,821,279	67,370	1,888,649
Expenses:			
Program Services	1,183,275	-	1,183,275
Supporting Services -			
General and administrative	90,439	-	90,439
Fundraising	212,752	-	212,752
Total Supporting Services	303,191	-	303,191
Total Expenses	1,486,466	-	1,486,466
CHANGES IN NET ASSETS	334,813	67,370	402,183
Net Assets, Beginning of Year	90,461	24,502	114,963
NET ASSETS, END OF YEAR	$ 425,274	$ 91,872	$ 517,146

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

Statement of Activities
For The Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Support and Revenue:			
Contributions	$ 1,432,285	$ 262,630	$ 1,694,915
Nonfinancial contributions	58,165	-	58,165
Sales	119	-	119
Net assets released from restrictions:			
Satisfaction of program restrictions	343,360	(343,360)	-
Total Support and Revenue	1,833,929	(80,730)	1,753,199
Expenses:			
Program Services	1,564,683	-	1,564,683
Supporting Services -			
General and administrative	95,258	-	95,258
Fundraising	163,879	-	163,879
Total Supporting Services	259,137	-	259,137
Total Expenses	1,823,820	-	1,823,820
CHANGES IN NET ASSETS	10,109	(80,730)	(70,621)
Net Assets, Beginning of Year	80,352	105,232	185,584
NET ASSETS, END OF YEAR	$ 90,461	$ 24,502	$ 114,963

Statement of Functional Expenses
For The Year Ended December 31, 2024

	Program Services	General and Administrative	Fundraising	Total Supporting Services	Total
Salaries and benefits	$ 248,099	$ 28,945	$ 136,454	$ 165,399	$ 413,498
Amortization	33,670	-	-	-	33,670
Contractual services	76,346	18,272	33,200	51,472	127,818
Insurance	-	1,785	-	1,785	1,785
Internet advertising	694,880	-	-	-	694,880
Office expenses	-	6,004	10,226	16,230	16,230
Printing, postage and design	-	1,066	32,872	33,938	33,938
Registrations and memberships	-	26,284	-	26,284	26,284
Service fees	-	8,083	-	8,083	8,083
Travel	4,614	-	-	-	4,614
Video production	2,433	-	-	-	2,433
Website support	33,955	-	-	-	33,955
	1,093,997	90,439	212,752	303,191	1,397,188
Nonfinancial contributions expenses:					
Internet advertising	89,278	-	-	-	89,278
Total Expenses	$ 1,183,275	$ 90,439	$ 212,752	$ 303,191	$ 1,486,466

	Program Services	General and Administrative	Fundraising	Total Supporting Services	Total
Salaries and benefits	$ 250,512	$ 29,991	$ 134,123	$ 164,114	$ 414,626
Amortization	33,670	-	-	-	33,670
Contractual services	104,792	18,470	24,366	42,836	147,628
Insurance	-	5,336	-	5,336	5,336
Internet advertising	1,110,955	-	-	-	1,110,955
Office expenses	-	14,725	2,390	17,115	17,115
Printing, postage and design	-	3,232	3,000	6,232	6,232
Registrations and memberships	-	17,247	-	17,247	17,247
Service fees	-	6,257	-	6,257	6,257
Travel	6,589	-	-	-	6,589
	1,506,518	95,258	163,879	259,137	1,765,655
Nonfinancial contributions expenses:					
Internet advertising	58,165	-	-	-	58,165
Total Expenses	$ 1,564,683	$ 95,258	$ 163,879	$ 259,137	$ 1,823,820

JESUSONLINE MINISTRIES

Statements of Cash Flows
For The Years Ended December 31, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Changes in net assets	$ 402,183	$ (70,621)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Amortization expense	33,670	33,670
Changes in assets and liabilities -		
Decrease in prepaid expenses	-	10,000
(Decrease) in accounts payable	782	(66,422)
Increase in accrued liabilities	56	297
Net cash provided by (used in) operating activities	436,691	(93,076)
NET INCREASE (DECREASE) IN CASH	436,691	(93,076)
Cash and Cash Equivalents, beginning of year	117,684	210,760
CASH, END OF YEAR	$ 554,375	$ 117,684

NOTE 1 - Description of Organization

JesusOnline Ministries (the "Organization") is a not for profit entity formed in June 2002 under the laws of the State of Washington. The mission of JesusOnline Ministries is to use internet technologies to help people throughout the world discover who Jesus is, trust Him as Lord and Savior, follow Him wholeheartedly and share Him with others.

The Organization uses state-of-the-art internet technologies, including Google AdWords and Facebook, to pose questions about Jesus to people all over the world on thousands of websites. Those readers whose interest is piqued follow a link to a corresponding article or video on one of the websites. These free articles and videos present strong evidence about the person of Jesus Christ and for the reliability of the New Testament. Additionally, the Organization equips the international church (individuals, missionaries and pastors) by providing free, downloadable discipleship materials, online Bibles and other Christ-centered resources.

Original articles are made available worldwide through the Y-Jesus.com and Y-Origins.com websites and through the JO Discipleship App. Additional website links have been developed to provide discipleship materials for spiritual growth and multiplication. JesusOnline.com, featuring video content and shorter articles, was launched in 2012 to target younger generations and oral learners specifically. The JO Discipleship App, which was launched during 2020, also helps visitors to grow in their spiritual understanding and relationship with God.

During 2024, there were 24,785,749 visits from people in 190 countries to JesusOnline's 21 websites where people discovered who Jesus really is. As a result, 1,698,926 people committed their lives to Christ and the Organization added 616,628 app users. In 2023, there were approximately 36 million visits. As a result, 2,418,015 people committed their lives to Christ.

NOTE 2 - Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and with donor restrictions as follows:

> *Net assets without donor restrictions* **-** Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
>
> *Net assets with donor restrictions* - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statements of cash flows, cash and cash equivalents consist of deposits in checking, savings and money market accounts. The Organization considers all highly liquid financial instruments with an original maturity of 90 days or less to be cash equivalents. The Organization had no cash equivalents as of December 31, 2024 or 2023.

Capitalized App Development Costs

App development costs are stated at the cost incurred related to the process of designing, creating, testing and launching the JO Discipleship app. Future maintenance and updating expenses are expensed as incurred. Amortization is computed using the straight-line method over five years.

Fair Value Measurements

The carrying amount reported in the statements of financial position for cash and cash equivalents, accounts payable and accrued liabilities approximate fair value because of the immediate or short-term maturities of these financial instruments.

Measure of Operations

The statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organization's ongoing program services and investment earnings. Non-operating activities are limited to activities considered to be of a more unusual or nonrecurring nature.

Revenue Recognition

The Organization recognizes contributions when cash, securities, or other assets, or an unconditional promise to give is received. Unconditional promises to give are recorded at net realizable value if expected to be collected in one year and at net present value if expected to be collected in more than one year.

Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return/right of release are not recognized until the conditions on which they depend have been met. As of December 31, 2024 and 2023, the Organization had no unconditional or conditional promises to give.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions 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 restrictions. 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.

Non-cash donations are recorded as contributions at their estimated fair value at the date of donation.

Methods Used for Allocation of Expenses from Management and General Activities

The 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 benefits, contractual services, office expenses and printing, postage and design which are allocated on the basis of estimates of time and effort. The remaining expenses are tracked and directly charged.

Evaluation of Subsequent Events

Management has performed an evaluation of subsequent events through the date of this report, which is the date the financial statements were available to be issued.

NOTE 3 - Income Taxes

The Organization is classified as a Washington nonprofit corporation and has been recognized by the Internal Revenue Services (IRS) as exempt from federal income taxes under the Internal Revenue Code as a Church described in Section 50l(c)(3), qualifies for the charitable contribution deduction under Section 170(b)(1)(A)(vi), and has been determined not to be a private foundation.

As of December 31, 2024 and 2023, the Organization had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. The Organization will recognize future accrued interest and penalties related to unrecognized tax benefits in income tax if incurred. The Organization believes they have no unrelated business income and therefore have not filed unrelated business income tax returns. Consequently, all tax years remain subject to examination by federal and state tax authorities.

NOTE 4 - Capitalized App Development Costs

During 2020, the JO Discipleship app was launched. The costs incurred and amortization related to the app development costs capitalized for the years ending December 31, 2024 and 2023, are as follows:

	2024	2023
Total capitalized costs	$ 168,350	168,350
Less: accumulated amortization	(159,972)	(126,302)
	$ 8,378	$ 42,048

NOTE 5 – Net Assets with Donor Restrictions

Net assets with donor restrictions consisted of the following as of December 31, 2024 and 2023:

	2024	2023
Website development and advertising	$ 79,947	$ 24,502
Development	11,925	-
Total	$ 91,872	$ 24,502

NOTE 6 – Nonfinancial Contributions

The Organization received contributions of nonfinancial services for the years ended December 31, 2024 and 2023, as follows:

	2024	2023
Google AdWords campaigns	$ 89,278	$ 55,665
Facebook marketing services	-	2,500
Total	$ 89,278	$ 58,165

During the years ended December 31, 2024 and 2023 all nonfinancial contributions were utilized to carry out the mission of the Organization. The services were valued and reported based on the current rates for similar services.

NOTE 7 – Concentrations of Credit Risk

For the year ended December 31, 2024, the Organization received 27% of revenues from one donor. For the year ended December 31, 2023, the Organization received 48% of revenues from five donors, one of whom is a Board member. Total contributions from all Board members and their related companies for the years ending December 31, 2024 and 2023 were $224,121 and $487,384, respectively.

The Organization’s demand deposits are held at financial institutions at which deposits are insured up to $250,000 per depositor, per financial institution by the Federal Deposit Insurance Corporation (the “FDIC”). As of December 31, 2024 the Organization exceeded the FDIC limit by $311,497.

NOTE 8 – Advertising

Advertising is expensed as incurred. The Organization promotes its websites using online advertising. Advertising costs are incurred when interested parties choose to visit JesusOnline Ministries’ websites as a result of an ad displayed through internet technologies. The websites provide free, downloadable discipleship materials and other Christ-centered resources. During the years ended December 31, 2024 and 2023, advertising costs totaled $694,880 and $1,100,955, respectively. As discussed in Note 9, during the years ended December 31, 2024 and 2023, $612,696 and $919,618 of the advertising costs incurred were reimbursed to a company owned by the Executive Director who used his credit line to fund the advertising on behalf of the Organization on Google and other online platforms.

NOTE 9 – Related Party Transactions

During the years ended December 31, 2024 and 2023, the Organization paid advertising expense to a company owned by the Executive Director in the amount of $612,696 and $919,618, respectively. In addition, the Organization owed $23,252 and $47,139 of accounts payable to the same related party as of December 31, 2024 and 2023, respectively.

NOTE 10 - Liquidity and Funds Available

The following table reflects the Organization's financial assets as of December 31, 2024 and 2023:

	2024	2023
Financial assets:		
Cash	$ 554,375	$ 117,684
Financial assets available to meet cash needs for general expenditures within one year	$ 554,375	$ 117,684

The Organization manages its liquidity and reserves by operating under an adopted budget. The budget is prepared by management, who also compare the budget to actual results on a timely basis to monitor the Organization's financial performance and adjust operations based on cash flow projections. The budget is approved by the Board of Directors.

The Organization considers financial assets unavailable for general operations when balances held are not available or expected to be converted to cash within one year, are received from donors for specific purposes, have been designated by management for a specific purpose, or are impacted by limits imposed by agreements, contracts and specific laws. The Organization's policy is to maintain an adequate level of cash and cash equivalents without donor restrictions to support the Organization's day-to-day operations in the event of unforeseen shortfalls. The target minimum operating reserve fund is equal to three months of recurring operating costs. In the event that liquid assets dip below the amount needed to meet their expenses advertising expenses will be reduced.