

**King of Kings Lutheran Church
and Affiliates
CONSOLIDATED FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT
For the years ended December 31, 2024 and 2023**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Lay Ministry of
King of Kings Lutheran Church and Affiliates

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of King of Kings Lutheran Church (a non-profit organization) and its Affiliates (together the Church), which comprise the consolidated statements of the financial position as of December 31, 2024 and 2023, and the related consolidated 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 Church as of December 31, 2024 and 2023, 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 the 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 the 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with 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 the 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 the 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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The consolidating information on pages 25 to 29 is presented for the purpose of additional analysis and is not a required part of the 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 financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Hayes & Associates, L.L.C.

Hayes & Associates, L.L.C.
Omaha, Nebraska
July 31 2025

King of Kings Lutheran Church and Affiliates
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
December 31, 2024 and 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 992,758	\$ 1,231,130
Cash restricted by donor	472,384	314,294
Cash designated by board	1,383,620	2,320,234
Investments	9,264,603	9,130,965
Accounts receivable	9,039	13,007
Inventories	14,464	13,490
Prepaid expenses	17,913	23,773
Total current assets	12,154,781	13,046,893
NONCURRENT ASSETS		
Investments restricted by donor	308,824	283,875
Capital assets, net	8,664,279	6,958,240
Right of use asset, net	49,342	61,193
Other assets, net	-	9,009
Total noncurrent assets	9,022,445	7,312,317
Total assets	\$ 21,177,226	\$ 20,359,210
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 132,127	\$ 157,130
Accrued salaries, vacation, and benefits payable	287,649	291,115
Deferred revenue	-	1,126
Lease liability - current	12,606	12,078
Total current liabilities	432,382	461,449
LONG-TERM LIABILITIES		
Lease liability - long-term	37,584	50,190
Other long-term liabilities	5,000	5,000
Total liabilities	474,966	516,639
NET ASSETS		
Net assets without donor restrictions		
Designated by board	1,383,620	2,320,234
Undesignated	18,546,933	16,948,510
Total net assets without donor restrictions	19,930,553	19,268,744
Net assets with donor restrictions	771,707	573,827
Total net assets	20,702,260	19,842,571
Total liabilities and net assets	\$ 21,177,226	\$ 20,359,210

See accompanying notes and independent auditor's report.

King of Kings Lutheran Church and Affiliates
CONSOLIDATED STATEMENT OF ACTIVITIES
For the year ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, SUPPORT, AND RECLASSIFICATIONS			
Contributions/offerings	\$ 3,812,201	\$ 414,641	\$ 4,226,842
Tuition	1,527,881	-	1,527,881
Property rental	760,227	-	760,227
Net investment income/(loss)	717,923	62,597	780,520
Program income	9,770	2,063	11,833
Merchandise Income	861	-	861
Other operating revenue	5,005	4,605	9,610
Net assets released from restrictions	342,705	(342,705)	-
Total revenues, support, and reclassifications	7,176,573	141,201	7,317,774
EXPENSES			
Program services	7,168,569	-	7,168,569
Management and general	963,476	-	963,476
Total expenses	8,132,045	-	8,132,045
INTERCOMPANY TRANSFER TO (FROM) AFFILIATE			
	-	-	-
CONSOLIDATION OF GOOD SHEPHERD LUTHERAN CHURCH			
	1,617,281	56,679	1,673,960
CHANGE IN NET ASSETS	661,809	197,880	859,689
NET ASSETS, BEGINNING OF YEAR	19,268,744	573,827	19,842,571
NET ASSETS, END OF YEAR	\$ 19,930,553	\$ 771,707	\$ 20,702,260

See accompanying notes and independent auditor's report.

King of Kings Lutheran Church and Affiliates
CONSOLIDATED STATEMENT OF ACTIVITIES
For the year ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES, SUPPORT, AND RECLASSIFICATIONS			
Contributions/offerings	\$ 3,611,475	\$ 510,948	\$ 4,122,423
Tuition	1,454,276	-	1,454,276
Property rental	737,400	-	737,400
Net investment income/(loss)	567,572	120,127	687,699
Program income	2,426	2,693	5,119
Merchandise Income	1,003	-	1,003
Other operating revenue	21,813	-	21,813
Net assets released from restrictions	924,809	(924,809)	-
Total revenues, support, and reclassifications	7,320,774	(291,041)	7,029,733
EXPENSES			
Program services	7,301,243	-	7,301,243
Management and general	943,780	-	943,780
Total expenses	8,245,023	-	8,245,023
CHANGE IN NET ASSETS	(924,249)	(291,041)	(1,215,290)
NET ASSETS, BEGINNING OF YEAR	20,192,993	864,868	21,057,861
NET ASSETS, END OF YEAR	\$ 19,268,744	\$ 573,827	\$ 19,842,571

See accompanying notes and independent auditor's report.

King of Kings Lutheran Church and Affiliates
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2024

	Program Services Consolidated	Management and General Consolidated	Total Expense
Wages & salaries	\$ 3,127,907	\$ 297,702	\$ 3,425,609
Payroll taxes	202,797	18,535	221,332
Employee benefits	413,301	152,930	566,231
Training & education	22,240	16,796	39,036
Other staff expenses	28,038	-	28,038
Sunday ministry	102,941	-	102,941
Weekday ministry	136,625	-	136,625
Personal ministry/supplies	35,226	-	35,226
Ministry technology services & fees	141,581	192	141,773
Ministry events	336,420	-	336,420
Volunteer development	57,000	1,123	58,123
Honorariums, consulting, recognition	33,643	-	33,643
Benevolence	24,254	-	24,254
Scholarships	25,023	-	25,023
Missions	803,358	-	803,358
Promotions	43,952	-	43,952
Office supplies & paper	13,334	1,767	15,101
Postage & shipping	176	10,855	11,031
Telephone & fax	-	15,709	15,709
IT support	-	51,365	51,365
Bank & transaction processing fees	38,619	32,337	70,956
Professional fees	41,554	14,168	55,722
Equipment purchases, rental & maintenance	108,130	16,335	124,465
Building repair & maintenance	199,769	-	199,769
Building cleaning & janitorial	157,217	18,306	175,523
Building heating & cooling	40,520	5,369	45,889
Building security & fire	28,244	3,742	31,986
Utilities	241,689	28,844	270,533
Property taxes	-	71,989	71,989
Property & liability insurance	-	102,460	102,460
Grounds maintenance	101,976	13,512	115,488
Vehicle repair & maintenance	10,221	1,354	11,575
Depreciation expense	652,814	88,086	740,900
Total expenses	<u>\$ 7,168,569</u>	<u>\$ 963,476</u>	<u>\$ 8,132,045</u>

See accompanying notes and independent auditor's report.

King of Kings Lutheran Church and Affiliates
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the year ended December 31, 2023

	Program Services Consolidated	Management and General Consolidated	Total Expense
Wages and salaries	\$ 3,322,410	\$ 287,792	\$ 3,610,202
Payroll taxes	206,733	22,708	229,441
Employee benefits	536,738	104,895	641,633
Training & education	68,571	23,650	92,221
Ministry food & supplies	275,428	-	275,428
Ministry technology services & fees	101,435	-	101,435
Volunteer Development	58,131	1,123	59,254
Honorariums, consulting, recognition	93,366	-	93,366
Scholarships	27,200	-	27,200
Benevolence	55,357	-	55,357
Event fees	137,689	-	137,689
Promotions	58,768	-	58,768
Office supplies & paper	-	19,882	19,882
Missions	1,039,115	-	1,039,115
Postage & shipping	511	13,047	13,558
Telephone & fax	6	19,513	19,519
IT support	-	51,337	51,337
Bank & transaction processing fees	36,040	21,108	57,148
Professional fees	50	42,178	42,228
Equipment purchases, rental & maintenance	122,018	22,417	144,435
Building repair & maintenance	68,323	3,156	71,479
Building cleaning & janitorial	117,759	15,603	133,362
Building heating & cooling	40,760	5,401	46,161
Building security & fire	31,963	4,235	36,198
Utilities	230,984	30,606	261,590
Property taxes	-	78,034	78,034
Property & liability insurance	-	88,561	88,561
Grounds maintenance	103,540	13,719	117,259
Vehicle repair & maintenance	1,916	254	2,170
Depreciation expense	552,493	74,561	627,054
Lease expense	13,939	-	13,939
	<u>\$ 7,301,243</u>	<u>\$ 943,780</u>	<u>\$ 8,245,023</u>
Total expenses	<u>\$ 7,301,243</u>	<u>\$ 943,780</u>	<u>\$ 8,245,023</u>

See accompanying notes and independent auditor's report.

King of Kings Lutheran Church and Affiliates
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended December 31, 2024 and 2023

	2024	2023
CASH FLOWS FROM / (USED IN) OPERATING ACTIVITIES		
Change in net assets	\$ 859,689	\$ (1,215,290)
Adjustments to reconcile change in net assets to		
Net cash from/ (used in) operating activities		
Depreciation and amortization	740,900	627,054
Realized and unrealized loss (gain) on investments, net	(612,589)	(533,917)
Change in accounts receivable	3,970	(1,273)
Change in inventories	(974)	(8,195)
Change in prepaid expenses	5,860	(7,225)
Change in other assets	9,009	-
Change in accounts payable	(25,003)	(17,225)
Change in salaries, vacation, and benefits payable	(3,466)	25,247
Change in deferred revenue	(1,126)	(324)
Change in right of use asset	11,851	(52,015)
Change in lease liability	(12,078)	53,090
NET CASH FROM / (USED IN) OPERATING ACTIVITIES	976,043	(1,130,073)
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES		
Proceeds from sale of equipment	30,000	-
Proceeds from sale of investments	454,000	6,000
Sale/(Purchase) of property and equipment	(868,659)	(2,275,170)
Assets acquired from consolidation of Good Shepherd Lutheran Church	(1,608,280)	-
NET CASH FROM / (USED IN) INVESTING ACTIVITIES	(1,992,939)	(2,269,170)
NET CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(1,016,896)	(3,399,243)
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, BEGINNING OF YEAR	3,865,658	7,264,901
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH, END OF YEAR	\$ 2,848,762	\$ 3,865,658
RECONCILIATION OF CASH TO		
STATEMENT OF FINANCIAL POSITION		
Cash and cash equivalents	\$ 992,758	\$ 1,231,130
Cash restricted by donor	472,384	314,294
Cash designated by board	1,383,620	2,320,234
Total cash	\$ 2,848,762	\$ 3,865,658
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING		
AND FINANCING ACTIVITIES		
Right-of-use asset obtained in exchange for operating lease liability	\$ -	\$ 64,975

See accompanying notes and independent auditor's report.

King of Kings Lutheran Church and Affiliates
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies of King of Kings Lutheran Church and Affiliates (together the "Church"). These policies are in accordance with accounting principles generally accepted in the United States of America.

1. Organization

The King of Kings Lutheran Church of Omaha, Nebraska, is a Nebraska non-profit corporation incorporated on December 19, 1962, and operates under the denomination of the Lutheran Church - Missouri Synod. In addition, King of Kings Lutheran Church is the Supported Organization of the following supporting: Glory Enterprises, Inc. (GEI), Royal Land, Inc. (RLI) and King of Kings Lutheran Church Foundation (Foundation). These corporations operate exclusively for the benefit of, to perform the charitable functions of, or to carry out the charitable purposes of King of Kings Lutheran Church. The accompanying consolidated financial statements include the accounts of all four organizations. All significant intercompany transactions have been eliminated in the consolidation.

GEI was established to operate a Christian publication company to develop and publish curricula for the education of Christian youth, and to own and operate one or more Christian bookstores. As of December 31, 2024, GEI is no longer operating a Christian publication company or Christian bookstore. Any remaining assets were transferred to the supported entity, King of Kings Lutheran Church to continue to provide support for minor publishing activities.

RLI was established to acquire, own, lease, sell, renovate, improve, trade, and operate real and personal property, including but not limited to the campus and sanctuary of the Church as well as land for expansion or replacement of the campus.

The Foundation was established to receive and maintain a fund or funds of real or personal property, or both, to further the ministry of the Church.

The Core Center, LLC was established to provide Christian counseling services to KOK congregation and the Omaha community.

King of Kings Lutheran Church and Affiliates
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

1. Organization – Continued

The officers of the corporation as of December 31, 2024, are as follows:

Mr. Dave Reddel	President
Mr. Marcus Nathan	Vice President
Mr. Brad Rohlfen	Treasurer

The Church's purpose is to transform lives, knowing there is no greater calling than to be part of what God is doing in this world. King of Kings exists to join God on His mission of transforming hearts and lives, through connection to God, connection to each other, and connection to the world. King of Kings has the following core values: reliant, courageous, authentic, and generous. These values support the purpose and shape the culture of King of Kings.

The Church provides ministry services that include mid-week and weekend worship opportunities, missions, and outreach programs, educational classes, children's and students' worship activities, preschool and childcare programs, pastoral care, and a library.

2. Basis of Accounting

The Church maintains its accounting records and prepares its consolidated financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

King of Kings Lutheran Church and Affiliates
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3. Financial Statement Presentation

The Church is required to report information regarding its financial position and activities according to two classes of net assets:

- a. Net assets without donor restrictions are 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. A board-designated endowment, which results from an internal designation, is generally not donor-restricted and is classified as net assets without donor restrictions. The governing board has the right to decide at any time to expend such funds.
- b. Net assets with donor restrictions are assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Church or by the passage of time. Some donor-imposed restrictions impose limits that are permanent.

4. Use of Estimates

The preparation of consolidated 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 disclosure on contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

5. Cash and Cash Equivalents

For purposes of the consolidated statement of cash flows, the Church considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents. Cash and cash equivalents designated for long-term purposes or received with donor-imposed restrictions limiting their use to long-term purposes are not considered cash or cash equivalents for purposes of the statement of cash flows.

King of Kings Lutheran Church and Affiliates
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

5. Cash and Cash Equivalents - Continued

Cash and cash equivalents are measured at amortized cost, thus included in the scope of ASC 326, however, management has not historically experienced any losses on such accounts, and is not aware of current events or scenarios that would lead management to believe an expected credit loss is likely, and also does not have any information that would provide for a reasonable or supportable forecast of expected credit loss and therefore believes these financial assets have a current expected credit loss of zero.

6. Cash Restricted by Donor

These funds have been restricted by donors for specific capital purchases and operating expenses.

7. Investments

The Church accounts for its investments in accordance with the FASB Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures. Pursuant to FASB ASC 820, investments in equity securities with readily determinable fair values and all debt securities are measured at fair value. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

8. Accounts Receivable

Management reviews receivables regularly to determine any amount that may not be collected based on prior collection history. The estimated rate is then adjusted based upon future forecasted changes in unemployment rates over the next 12 months. The change in projected unemployment rate for 2024 is not considered material. Management considers all receivables as of December 31, 2024, to be 100% collectible; therefore, no allowance has been recorded. All receivables are due within one year and accrue no interest.

King of Kings Lutheran Church and Affiliates
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

8. Accounts Receivable - Continued

The Organization 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, in accordance with our accounting policy election. There were no write offs for the years ended December 31, 2024 and 2023.

9. Assets Limited as to Use

Assets limited as to use are recorded based on resolutions approved by the Board of Lay Ministry for designated purposes and reduced by expenditures for these purposes.

10. Property and Equipment

The Church maintains a capitalization policy of \$2,500. Property and equipment acquisitions are recorded at cost. Depreciation is computed using the straight-line method over the following estimated useful lives of assets:

Land improvements	20 years
Furniture and equipment	3-10 years
Buildings	40 years
Building improvements	10 years

When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts, and any resulting gain or loss on disposition is reflected in operations.

Repairs and maintenance are expensed as incurred; expenditures for additions, improvements and replacements are capitalized.

All of the Church's long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If the sum of the expected future cash flows is less than the carrying amount of the asset, a loss is recognized.

King of Kings Lutheran Church and Affiliates
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

11. Other Assets, Net

Other assets at December 31, 2024 and 2023 include copyrights and trademarks relating to publishing activities. In accordance with Statement of Financial Accounting Standards (SFAS) No. 142, Goodwill and other Intangible Assets, these assets are not amortized but are assessed for impairment at least annually.

12. Deferred Revenue

Deferred revenue is recorded when payments for services are billed or received before they are earned.

13. Revenue Recognition

All contributions are considered available for the Church's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as revenues with donor restrictions and increase the respective class of net assets. Contributions received with donor restrictions that are met in the same reporting period are reported as revenues without donor restrictions and increase the respective class of net assets.

Investment income that is limited to specific uses by donor restrictions is reported as increases in revenues without donor restrictions if the restrictions are met in the same reporting period as the income is recognized.

Contract revenue related to tuition income is recognized monthly based on enrolled students; adjustments are made during the month for drop-in students. Families must give a 30-day notice to withdraw their child from the early childhood program to avoid charges for future months. Contract revenue related to warehouse rental income is recognized monthly according to the terms of the lease agreement.

King of Kings Lutheran Church and Affiliates
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

14. Donor Restricted Gifts

Unconditional promises to give cash and other assets are accrued at estimated fair value at the date each promise is received. The gifts are reported as net asset with donor restriction if received with donor stipulations that limit the use of the donated assets.

When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported as an increase in net assets without donor restrictions.

Gifts of cash that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the acquired long-lived assets are placed into service.

15. Contributed Nonfinancial Assets

In addition to receiving cash contributions, the Church occasionally receives in-kind contributions from various donors. It is the policy of the Church to record the estimated fair market value of certain in-kind donations as an asset or expense in its financial statements, and similarly increase donations by a like amount. A substantial number of volunteers have donated significant amounts of time to the Church's programs and supporting services.

Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing these skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. For the year ended December 31, 2024 and 2023, no substantial contributions of services or materials occurred, therefore, there were no amounts recorded for contributed services and materials.

King of Kings Lutheran Church and Affiliates
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

16. Advertising

The Church expenses its advertising costs as incurred the first time the advertising takes place. Advertising expense was \$43,953 and \$58,768 in 2024 and 2023, respectively.

17. Income Taxes

King of Kings Lutheran Church, GEI, RLI and the Foundation are not-for-profit corporations as described in Section 501(c)(3) of the Internal Revenue Code and are exempt from federal income taxes on related income pursuant to Section 502(a) of the code.

NOTE B. AVAILABILITY AND LIQUIDITY

The Church regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the use of its available funds. The Church has various sources of liquidity at its disposal, including cash and cash equivalents. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Church considers all expenditures related to its ongoing activities of program services, as well as, to support those activities to be general expenditures. In addition to financial assets available to meet general expenditures over the next 12 months, the Church operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

King of Kings Lutheran Church and Affiliates
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE B. AVAILABILITY AND LIQUIDITY - CONTINUED

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2024 are:

Financial assets at yearend:

Cash and cash equivalents	\$ 992,758
Cash restricted by donor	472,384
Investments	9,264,603
Accounts receivable	9,039
Total financial assets	\$ 10,738,784

Less amounts not available to be used over the next 12 months:

Board designated funds	\$ (1,383,620)
Donor restricted for a specific purpose	(583,021)
	(1,966,641)

Financial assets available to meet general expenditures over the next 12 months	\$ 8,772,143
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NOTE C. INVESTMENTS

Financial instruments that potentially subject the Church to credit risk consist principally of interest-bearing investments. The risk associated with this concentration is mitigated by ongoing credit review procedures.

Management places substantially all interest-bearing investments with major financial institutions. In accordance with Church policies, the amount of credit exposure to any one financial institution is limited. Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of certain investments will occur in the near term, and such changes could materially affect the amounts reported in the combined financial statements.

Management assesses individual investment securities as to whether declines in market value are temporary or other than temporary. The length of time and extent to which the fair value of the investment is less than cost and the Church's ability and intent to retain the investment determine whether management deems declines in fair value as temporary or other than temporary.

King of Kings Lutheran Church and Affiliates
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE C. INVESTMENTS - CONTINUED

Investments are composed of the following at December 31, 2024:

	Cost	Market Value	Unrealized Gains (Losses)
Cash held in investments	\$ 55,497	\$ 55,497	\$ -
Trading securities			
ETFs and CEFs	4,447,684	4,649,245	201,561
Government securities	4,189,234	4,257,185	67,951
Mutual funds	574,490	666,997	92,507
Total investments	<u>9,211,408</u>	<u>9,573,427</u>	<u>362,019</u>
 Total cash held for investments and investments	 <u>\$ 9,266,905</u>	 <u>\$ 9,628,924</u>	 <u>\$ 362,019</u>

Investments were composed of the following at December 31, 2023:

	Cost	Market Value	Unrealized Gains (Losses)
Cash held in investments	\$ 42,043	\$ 42,043	\$ -
Trading securities			
ETFs and CEFs	3,606,620	3,500,623	(105,997)
Government securities	5,364,589	5,462,769	98,180
Mutual funds	370,442	451,448	81,006
Total investments	<u>9,341,651</u>	<u>9,414,840</u>	<u>73,189</u>
 Total cash held for investments and investments	 <u>\$ 9,383,694</u>	 <u>\$ 9,456,883</u>	 <u>\$ 73,189</u>

King of Kings Lutheran Church and Affiliates
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE D. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Fair Value Measurements Topic of the FASB Accounting Standards Codification establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1: Quoted prices for identical assets or liabilities in active markets to which the organization has access at the measurement date.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure the fair market value to the extent that observable inputs are not available.

Assets and liabilities measured at fair value on a recurring basis are summarized below for the year ended December 31, 2024:

	Amount	Level 1
Cash held in investments	\$ 55,497	\$ 55,497
Trading securities		
ETFs and CEFs	4,649,245	4,649,245
Government securities	4,257,185	4,257,185
Mutual funds	666,997	666,997
Total investments	9,573,427	9,573,427
Total cash held for investments and investments	\$ 9,628,924	\$ 9,628,924

King of Kings Lutheran Church and Affiliates
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE D. FAIR VALUE OF FINANCIAL INSTRUMENTS - CONTINUED

Assets and liabilities measured at fair value on a recurring basis are summarized below for the year ended December 31, 2023:

	Amount	Level 1
Cash held in investments	\$ 42,043	\$ 42,043
Trading securities		
ETFs and CEFs	3,500,623	3,500,623
Government securities	5,462,769	5,462,769
Mutual funds	451,448	451,448
Total investments	9,414,840	9,414,840
Total cash held for investments and investments	\$ 9,456,883	\$ 9,456,883

The Organization determines fair value of investments by obtaining quoted market prices on nationally recognized securities exchanges and indexes.

NOTE E. PROPERTY AND EQUIPMENT

A summary of property and equipment at December 31, 2024 and 2023 is as follows:

	2024	2023
Land and land improvements	\$ 2,175,000	\$ 1,425,000
Furniture and equipment	3,913,875	3,542,776
Building and improvements	13,066,916	11,748,674
Less accumulated depreciation	(10,491,512)	(9,758,210)
Property and equipment, net	\$ 8,664,279	\$ 6,958,240

Depreciation expense of \$740,900 in 2024 and \$398,506 in 2023 is included in the consolidated statement of activities and changes in net assets.

King of Kings Lutheran Church and Affiliates
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE F. OTHER ASSETS, NET

Other assets, net include trademarks and copyrights relating to publishing activities are \$- and \$9,009 as of December 31, 2024 and 2023, respectively.

NOTE H. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes at December 31, 2024 and 2023.

	<u>2024</u>	<u>2023</u>
Restricted for use in 2025	\$ 188,686	\$ 9,000
Scholarships	350,059	301,744
Missions	118,827	189,816
Benevolence	47,588	46,213
Foundation	40	40
Multisite improvements	43,716	-
Miscellaneous	22,791	27,014
Total	<u>\$ 771,707</u>	<u>\$ 573,827</u>

Net assets released from restrictions as of December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Restricted for the following year's operations	\$ 9,000	\$ -
Scholarships	35,903	27,850
Building improvement	-	131,042
Missions	231,299	665,789
Benevolence	24,254	76,365
Foundation	-	388
Miscellaneous	42,249	23,375
	<u>\$ 342,705</u>	<u>\$ 924,809</u>

King of Kings Lutheran Church and Affiliates
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE I. BOARD DESIGNATED NET ASSETS

During the year, the Board of Lay Ministries internally designated funds from net assets without donor restriction. As of December 31, 2024 and 2023, the internal designations allowed for the following uses:

	2024	2023
Building Repair Reserve	\$ 89,439	\$ 77,439
Equipment Repair Reserve	42,000	42,000
Building Improvements	847,593	1,387,059
Mutlitsite	404,588	813,736
	\$ 1,383,620	\$ 2,320,234

NOTE J. RETIREMENT PLAN

The Church participates in a multi-employer pension plan administered by the Concordia Plan Services Lutheran Church Missouri Synod. This plan covers substantially all full-time ministry personnel and part-time ministry personnel working over 20 hours a week. The Church made contributions of \$178,487 and \$190,477 to this plan for the years ended December 31, 2024 and 2023, respectively.

The Church also participates in a salary reduction contribution plan pursuant to Section 403(b) of the Internal Revenue Code, covering substantially all employees. Under the plan, employees contribute a specified percentage of their salary, or a fixed dollar amount, to the plan. The Church's matching contribution is 50% of each participant's contribution, up to 2% of each employee's salary. The Church's matching contributions in 2024 and 2023 were \$48,888 and \$51,530 respectively.

King of Kings Lutheran Church and Affiliates
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE K. CONCENTRATION OF CREDIT RISK

The Church is supported by contributions from the public. The Church's market is concentrated in the greater Omaha, Nebraska metropolitan area.

The basic Federal Deposit Insurance Coverage (FDIC) is \$250,000 per depositor. The Church holds certain investments that are protected, up to \$500,000 per institution, by the Securities Investor Protection Corporation (SIPC). The Church, at times, maintains cash and investment deposits in excess of FDIC and SIPC limits. Management believes the risk relating to these deposits is minimal. As of December 31, 2024 and 2023 there was \$10,181,969 and \$10,067,412 of deposits in excess of FDIC insurance limits respectively.

NOTE L. COMMITMENTS AND CONTINGENCIES

The Church has one five-year operating lease for the use of a copier. The lease has a remaining term of 45 months, with a discount rate of 4.29%. As of December 31, 2024, and 2023, net right-of-use assets recorded under operating leases were \$49,342 and \$61,193, respectively. Lease expense for equipment for the years ended December 31, 2024 and 2023, was \$14,235 and \$13,939, respectively.

Amounts obligated under lease arrangements for future fiscal years are as follows:

Year ending December 31	Amount
2025	\$ 14,462
2026	14,462
2027	14,462
2028	10,845
Total undiscounted cash flows	54,231
Less: present value discount	(4,041)
Total lease liabilities	\$ 50,190

King of Kings Lutheran Church and Affiliates
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
For the years ended December 31, 2024 and 2023

NOTE M. RENTAL INCOME

The Church is the lessor of certain space under various operating leases. Rental income is recorded monthly as earned. Rental income for the years ended December 31, 2024 and 2023, were \$760,227 and \$737,400, respectively.

The future minimum rentals under these leases are as follows:

Year ending December 31	Amount
2025	\$ 263,745

NOTE N. FUNCTIONAL EXPENSE ALLOCATION

The Church provides ministry and education services. When possible, direct program costs are assigned to the respective ministry program or department. Certain facilities costs have been allocated among the programs and supporting services benefited based on the square footage of the space occupied by the program.

	2024	2023
Program services	\$ 7,168,569	\$ 7,301,243
General and administrative	963,476	943,780
Total expenses	\$ 8,132,045	\$ 8,245,023

NOTE O. GOOD SHEPHERD LUTHERAN CHURCH MERGER

On December 10, 2024, King of Kings Lutheran Church entered into an agreement with Good Shepherd Lutheran Church (Good Shepherd) to merge Good Shepherd into the Church. All assets and net assets have been incorporated on the financial statements and are included under King of Kings Lutheran Church on the consolidating statement of activities. Assets consolidated include cash deposits of \$9,001 and restricted cash deposits of \$56,679, as well as buildings totaling \$858,280, and land totaling \$750,000.

NOTE P. SUBSEQUENT EVENTS

Management has evaluated subsequent events through July 31, 2025, which is the date the financial statements were issued, and has concluded there were no events or transactions occurring between year end and this date that would require recognition or disclosure in the financial statements other than those already disclosed.

SUPPLEMENTAL INFORMATION

King of Kings Lutheran Church and Affiliates
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
December 31, 2024

ASSETS	King of Kings Church	Glory Enterprises, Inc.	Royal Land, Inc.	King of Kings Foundation	The Core Center LLC	Eliminating Entries	Consolidated
CURRENT ASSETS							
Cash and cash equivalents	\$ 34,214	\$ -	\$ 821,237	\$ 116,504	\$ 20,803	\$ -	\$ 992,758
Cash restricted by donor	472,384	-	-	-	-	-	472,384
Cash designated by board	1,383,620	-	-	-	-	-	1,383,620
Investments	-	-	-	9,264,603	-	-	9,264,603
Accounts receivable	8,439	-	-	-	600	-	9,039
Inventories	14,464	-	-	-	-	-	14,464
Prepaid expenses	22,913	-	-	-	500	(5,500)	17,913
Total current assets	<u>1,936,034</u>	<u>-</u>	<u>821,237</u>	<u>9,381,107</u>	<u>21,903</u>	<u>(5,500)</u>	<u>12,154,781</u>
NONCURRENT ASSETS							
Investments restricted by donor	-	-	-	308,824	-	-	308,824
Capital assets, net	1,895,628	-	6,768,651	-	-	-	8,664,279
Right of use asset, net	49,342	-	-	-	-	-	49,342
Other assets	-	-	-	-	-	-	-
Total noncurrent assets	<u>1,944,970</u>	<u>-</u>	<u>6,768,651</u>	<u>308,824</u>	<u>-</u>	<u>-</u>	<u>9,022,445</u>
Total assets	<u><u>3,881,004</u></u>	<u><u>-</u></u>	<u><u>7,589,888</u></u>	<u><u>9,689,931</u></u>	<u><u>21,903</u></u>	<u><u>(5,500)</u></u>	<u><u>21,177,226</u></u>
LIABILITIES AND NET ASSETS							
CURRENT LIABILITIES							
Accounts payable	132,127	-	-	-	-	-	132,127
Accrued salaries, vacation, and benefits payable	287,649	-	-	-	-	-	287,649
Deferred revenue	-	-	-	-	-	-	-
Lease liability - current	12,606	-	-	-	-	-	12,606
Total current liabilities	<u>432,382</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>432,382</u>
LONG-TERM LIABILITIES							
Lease Liability - long term	37,584	-	-	-	-	-	37,584
Other long-term liabilities	5,500	-	5,000	-	-	(5,500)	5,000
Total liabilities	<u>475,466</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>(5,500)</u>	<u>474,966</u>
NET ASSETS							
Net assets without donor restrictions							
Designated by board	1,383,620	-	-	-	-	-	1,383,620
Undesignated	1,575,127	(15,000)	7,584,888	9,380,015	21,903	-	18,546,933
Total net assets without donor restrictions	<u>2,958,747</u>	<u>(15,000)</u>	<u>7,584,888</u>	<u>9,380,015</u>	<u>21,903</u>	<u>-</u>	<u>19,930,553</u>
Net assets with donor restrictions							
Total net assets	446,791	15,000	-	309,916	-	-	771,707
Total net assets	<u>3,405,538</u>	<u>-</u>	<u>7,584,888</u>	<u>9,689,931</u>	<u>21,903</u>	<u>-</u>	<u>20,702,260</u>
Total liabilities and net assets	<u><u>\$ 3,881,004</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 7,589,888</u></u>	<u><u>\$ 9,689,931</u></u>	<u><u>\$ 21,903</u></u>	<u><u>\$ (5,500)</u></u>	<u><u>\$ 21,177,226</u></u>

See independent auditor's report.

King of Kings Lutheran Church and Affiliates
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
December 31, 2023

ASSETS	King of Kings Church	Glory Enterprises, Inc.	Royal Land, Inc.	King of Kings Foundation	The Core Center LLC	Elimination Entries	Consolidated
CURRENT ASSETS							
Cash and cash equivalents	\$ 13,575	\$ -	\$ 1,103,989	\$ 102,294	\$ 11,272	\$ -	\$ 1,231,130
Cash restricted by donor	288,950	25,344	-	-	-	-	314,294
Cash designated by board	2,320,234	-	-	-	-	-	2,320,234
Investments	-	-	-	9,130,965	-	-	9,130,965
Accounts receivable	13,007	-	-	-	-	-	13,007
Inventories	13,490	-	-	-	-	-	13,490
Prepaid expenses	28,773	500	-	-	500	(6,000)	23,773
Total current assets	<u>2,678,029</u>	<u>25,844</u>	<u>1,103,989</u>	<u>9,233,259</u>	<u>11,772</u>	<u>(6,000)</u>	<u>13,046,893</u>
NONCURRENT ASSETS							
Investments restricted by donor	-	-	-	283,875	-	-	283,875
Capital assets, net	1,792,618	-	5,165,622	-	-	-	6,958,240
Right of use asset, net	61,193	-	-	-	-	-	61,193
Other assets	-	9,009	-	-	-	-	9,009
Total noncurrent assets	<u>1,853,811</u>	<u>9,009</u>	<u>5,165,622</u>	<u>283,875</u>	<u>-</u>	<u>-</u>	<u>7,312,317</u>
Total assets	<u>\$ 4,531,840</u>	<u>\$ 34,853</u>	<u>\$ 6,269,611</u>	<u>\$ 9,517,134</u>	<u>\$ 11,772</u>	<u>\$ (6,000)</u>	<u>\$ 20,359,210</u>
LIABILITIES AND NET ASSETS							
CURRENT LIABILITIES							
Accounts payable	\$ 157,130	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 157,130
Accrued salaries, vacation, and benefits payable	291,115	-	-	-	-	-	291,115
Deferred revenue	1,126	-	-	-	-	-	1,126
Lease liability - current	12,078	-	-	-	-	-	12,078
Total current liabilities	<u>461,449</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>461,449</u>
LONG-TERM LIABILITIES							
Lease liability - long-term	50,190	-	-	-	-	-	50,190
Other long-term liabilities	6,000	-	5,000	-	-	(6,000)	5,000
Total liabilities	<u>517,639</u>	<u>-</u>	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>(6,000)</u>	<u>516,639</u>
NET ASSETS							
Net assets without donor restrictions							
Designated by board	2,320,234	-	-	-	-	-	2,320,234
Undesignated	1,438,868	-	6,264,611	9,233,259	11,772	-	16,948,510
Total net assets without donor restrictions	<u>3,759,102</u>	<u>-</u>	<u>6,264,611</u>	<u>9,233,259</u>	<u>11,772</u>	<u>-</u>	<u>19,268,744</u>
Net assets with donor restrictions							
Total net assets	<u>255,099</u>	<u>34,853</u>	<u>-</u>	<u>283,875</u>	<u>-</u>	<u>-</u>	<u>573,827</u>
Total net assets	<u>4,014,201</u>	<u>34,853</u>	<u>6,264,611</u>	<u>9,517,134</u>	<u>11,772</u>	<u>-</u>	<u>19,842,571</u>
Total liabilities and net assets	<u>\$ 4,531,840</u>	<u>\$ 34,853</u>	<u>\$ 6,269,611</u>	<u>\$ 9,517,134</u>	<u>\$ 11,772</u>	<u>\$ (6,000)</u>	<u>\$ 20,359,210</u>

See independent auditor's report.

King of Kings Lutheran Church and Affiliates
CONSOLIDATING STATEMENT OF ACTIVITIES
For the year ended December 31, 2024

	King of Kings Lutheran Church			Glory Enterprises, Inc.			RLI Without Donor Restrictions	King of Kings Foundation			The Core Center LLC		Eliminating Entries	Consolidated
	Without Donor Restrictions	With Donor Restrictions	Total KOK	Without Donor Restrictions	With Donor Restrictions	Total GEI		Without Donor Restrictions	With Donor Restrictions	Total KOK - Foundation	Without Donor Restrictions	Total The Core		
REVENUE, SUPPORT, AND RECLASSIFICATION														
Contributions/offerings	\$ 4,567,201	\$ 394,104	\$ 4,961,305	\$ -	\$ 20,537	\$ 20,537	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (755,000)	\$ 4,226,842
Tuition	1,527,881	-	1,527,881	-	-	-	-	-	-	-	-	-	-	1,527,881
Property rental	811,340	-	811,340	-	-	-	6,000	-	-	-	34,225	34,225	(91,338)	760,227
Miscellaneous property income	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net investment income/(loss)	98,626	25,638	124,264	-	15	15	29,444	589,853	36,944	626,797	-	-	-	780,520
Program income	9,770	-	9,770	-	2,063	2,063	-	-	-	-	-	-	-	11,833
Merchandise Income	861	-	861	-	-	-	-	-	-	-	-	-	-	861
Other operating revenue	20,205	4,605	24,810	-	-	-	-	-	-	-	-	-	(15,200)	9,610
Net assets released from restrictions	289,334	(289,334)	-	42,468	(42,468)	-	-	10,903	(10,903)	-	-	-	-	-
Total revenue, support, and reclassification	7,325,218	135,013	7,460,231	42,468	(19,853)	22,615	35,444	600,756	26,041	626,797	34,225	34,225	(861,538)	7,317,774
EXPENSES														
Program services	6,768,962	-	6,768,962	57,468	-	57,468	719,583	454,000	-	454,000	24,094	24,094	(855,538)	7,168,569
Management and general	905,650	-	905,650	-	-	-	63,826	-	-	-	-	-	(6,000)	963,476
Total expenses	7,674,612	-	7,674,612	57,468	-	57,468	783,409	454,000	-	454,000	24,094	24,094	(861,538)	8,132,045
CHANGE IN NET ASSETS	(349,394)	135,013	(214,381)	(15,000)	(19,853)	(34,853)	(747,965)	146,756	26,041	172,797	10,131	10,131	-	(814,271)
INTERCOMPANY TRANSFER TO (FROM) AFFILIATE	(459,962)	-	(459,962)	-	-	-	459,962	-	-	-	-	-	-	-
CONSOLIDATION OF GOOD SHEPHERD LUTHERAN CHURCH	9,001	56,679	65,680	-	-	-	1,608,280	-	-	-	-	-	-	1,673,960
CHANGE IN NET ASSETS	(800,355)	191,692	(608,663)	(15,000)	(19,853)	(34,853)	1,320,277	146,756	26,041	172,797	10,131	10,131	-	859,689
NET ASSETS, BEGINNING OF YEAR	3,759,102	255,099	4,014,201	-	34,853	34,853	6,264,611	9,233,259	283,875	9,517,134	11,772	11,772	-	19,842,571
NET ASSETS, END OF YEAR	\$ 2,958,747	\$ 446,791	\$ 3,405,538	\$ (15,000)	\$ 15,000	\$ -	\$ 7,584,888	\$ 9,380,015	\$ 309,916	\$ 9,689,931	\$ 21,903	\$ 21,903	\$ -	\$ 20,702,260

See independent auditor's report.

King of Kings Lutheran Church and Affiliates
CONSOLIDATING STATEMENT OF ACTIVITIES
For the year ended December 31, 2023

	King of Kings Lutheran Church			Glory Enterprises, Inc.			RLI	King of Kings Foundation			The Core Center LLC		Elimination Entries	Consolidated	
	Without Donor Restrictions	With Donor Restrictions	Total KOK	Without Donor Restrictions	With Donor Restrictions	Total GEI	Without Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Total KOK - Foundation	Without Donor Restrictions	Total The Core			
REVENUE, SUPPORT, AND RECLASSIFICATION															
Contributions/offerings	\$ 8,059,075	\$ 490,781	\$ 8,549,856	\$ -	\$ 20,167	\$ 20,167	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000	\$ 20,000	\$ (4,467,600)	\$ 4,122,423
Tuition	1,454,276	-	1,454,276	-	-	-	-	-	-	-	-	-	-	-	1,454,276
Property rental	781,225	-	781,225	-	-	-	6,000	-	-	-	-	24,575	24,575	(74,400)	737,400
Miscellaneous property income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net investment income/(loss)	7,927	83,069	90,996	-	47	47	62,152	497,493	37,011	534,504	-	-	-	-	687,699
Program income	2,426	-	2,426	-	2,693	2,693	-	-	-	-	-	-	-	-	5,119
Merchandise Income	1,003	-	1,003	-	-	-	-	-	-	-	-	-	-	-	1,003
Other operating revenue	437,013	-	437,013	-	-	-	-	-	-	-	-	-	-	(415,200)	21,813
Gain on sale of assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net assets released from restrictions	857,691	(857,691)	-	60,468	(60,468)	-	-	6,650	(6,650)	-	-	-	-	-	-
Total revenue, support, and reclassification	11,600,636	(283,841)	11,316,795	60,468	(37,561)	22,907	68,152	504,143	30,361	534,504	44,575	44,575	(4,957,200)	7,029,733	
EXPENSES															
Program Services	6,937,494	-	6,937,494	56,870	-	56,870	5,198,285	6,000	-	6,000	38,594	38,594	(4,936,000)	7,301,243	
Management and General	898,388	-	898,388	3,600	-	3,600	59,392	-	-	-	3,600	3,600	(21,200)	943,780	
Total expenses	7,835,882	-	7,835,882	60,470	-	60,470	5,257,677	6,000	-	6,000	42,194	42,194	(4,957,200)	8,245,023	
CHANGE IN NET ASSETS	3,764,754	(283,841)	3,480,913	(2)	(37,561)	(37,563)	(5,189,525)	498,143	30,361	528,504	2,381	2,381	-	(1,215,290)	
INTERCOMPANY TRANSFER TO (FROM) AFFILIATE	(1,132,255)	-	(1,132,255)	-	-	-	1,133,533	(1,278)	-	(1,278)	-	-	-	-	
CHANGE IN NET ASSETS	2,632,499	(283,841)	2,348,658	(2)	(37,561)	(37,563)	(4,055,992)	496,865	30,361	527,226	2,381	2,381	-	(1,215,290)	
NET ASSETS, BEGINNING OF YEAR	1,126,603	538,940	1,665,543	2	72,414	72,416	10,320,603	8,736,394	253,514	8,989,908	9,391	9,391	-	21,057,861	
NET ASSETS, END OF YEAR	\$ 3,759,102	\$ 255,099	\$ 4,014,201	\$ -	\$ 34,853	\$ 34,853	\$ 6,264,611	\$ 9,233,259	\$ 283,875	\$ 9,517,134	\$ 11,772	\$ 11,772	\$ -	\$ 19,842,571	

See independent auditor's report.

King of Kings Lutheran Church and Affiliates
CONSOLIDATING STATEMENT OF FUNCTIONAL EXPENSE
For the year ended December 31, 2024

	King of Kings Lutheran Church			Consolidating Entities			Elimination Entries	Program Services Consolidated	Management and General Consolidated	Total Expense
	Program Services	Management and General	Total	Program Services	Management and General	Total				
Wages & salaries	\$ 3,098,207	\$ 297,702	\$ 3,395,909	\$ 29,700	\$ -	\$ 29,700	\$ -	\$ 3,127,907	\$ 297,702	\$ 3,425,609
Payroll taxes	202,545	18,535	221,080	252	-	252	-	202,797	18,535	221,332
Employee benefits	413,301	152,930	566,231	-	-	-	-	413,301	152,930	566,231
Training & education	22,240	16,796	39,036	-	-	-	-	22,240	16,796	39,036
Other staff expenses	28,038	-	28,038	-	-	-	-	28,038	-	28,038
Sunday ministry	102,941	-	102,941	-	-	-	-	102,941	-	102,941
Weekday ministry	136,625	-	136,625	-	-	-	-	136,625	-	136,625
Personal ministry/supplies	22,513	-	22,513	12,713	-	12,713	-	35,226	-	35,226
Ministry technology services & fees	141,581	192	141,773	-	-	-	-	141,581	192	141,773
Ministry events	336,420	-	336,420	-	-	-	-	336,420	-	336,420
Volunteer development	56,805	1,123	57,928	195	-	195	-	57,000	1,123	58,123
Honorariums, consulting, recognition	26,073	-	26,073	7,570	-	7,570	-	33,643	-	33,643
Benevolence	24,254	-	24,254	-	-	-	-	24,254	-	24,254
Scholarships	16,023	-	16,023	9,000	-	9,000	-	25,023	-	25,023
Missions	787,858	-	787,858	770,500	-	770,500	(755,000)	803,358	-	803,358
Promotions	43,903	-	43,903	49	-	49	-	43,952	-	43,952
Office supplies & paper	13,334	1,767	15,101	-	-	-	-	13,334	1,767	15,101
Postage & shipping	-	10,855	10,855	176	-	176	-	176	10,855	11,031
Telephone & fax	-	15,709	15,709	-	-	-	-	-	15,709	15,709
IT support	-	51,365	51,365	-	-	-	-	-	51,365	51,365
Bank & transaction processing fees	38,619	32,337	70,956	-	-	-	-	38,619	32,337	70,956
Professional fees	52,551	6,168	58,719	7,203	8,000	15,203	(18,200)	41,554	14,168	55,722
Equipment purchases, rental & maintenance	108,130	16,335	124,465	-	-	-	-	108,130	16,335	124,465
Building repair & maintenance	199,769	-	199,769	-	-	-	-	199,769	-	199,769
Building cleaning & janitorial	157,217	18,306	175,523	-	-	-	-	157,217	18,306	175,523
Building heating & cooling	40,520	5,369	45,889	-	-	-	-	40,520	5,369	45,889
Building security & fire	28,244	3,742	31,986	-	-	-	-	28,244	3,742	31,986
Utilities	241,689	28,844	270,533	-	-	-	-	241,689	28,844	270,533
Property taxes	-	71,989	71,989	-	-	-	-	-	71,989	71,989
Property & liability insurance	-	102,460	102,460	-	-	-	-	-	102,460	102,460
Grounds maintenance	101,976	13,512	115,488	-	-	-	-	101,976	13,512	115,488
Vehicle repair & maintenance	10,221	1,354	11,575	-	-	-	-	10,221	1,354	11,575
Depreciation expense	243,427	32,260	275,687	409,387	55,826	465,213	-	652,814	88,086	740,900
Lease expense	73,938	6,000	79,938	8,400	-	8,400	(88,338)	-	-	-
Total expenses	\$ 6,768,962	\$ 905,650	\$ 7,674,612	\$ 1,255,145	\$ 63,826	\$ 1,318,971	\$ (861,538)	\$ 7,168,569	\$ 963,476	\$ 8,132,045

See independent auditor's report.
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