



SEAPOINTE COLLEGE

BIBLICAL LEADERSHIP FOR COMMUNITY CARE

Seapointe College

Financial Statements
With Independent Auditor's Report

December 31, 2024 and 2023

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Seapointe College

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Independent Auditor's Report

To the Board of Directors
Seapointe College
Norfolk, Virginia

Opinion

We have audited the financial statements of Seapointe College, which comprise the statement of financial position as of December 31, 2024 and 2023, 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 accompanying financial statements present fairly, in all material respects, the financial position of Seapointe College as of December 31, 2024 and 2023, and the changes in its 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 (GAAS). 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 Seapointe College 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 Seapointe College's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

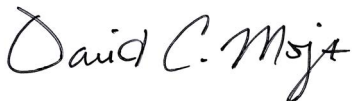
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance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



Reidsville, GA
June 18, 2025

Seapointe College
Statements of Financial Position

	12/31/2024	12/31/2023
ASSETS		
Cash and cash equivalents	\$ 17,782	\$ 12,357
Student accounts receivable - net	3,599	2,204
Other current assets	2,536	2,536
Total Current Assets	23,917	17,097
 Property and equipment, net	 53,463	 59,278
Total assets	\$ 77,380	\$ 76,375
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 12,844	\$ 13,116
Total Current Liabilities	12,844	13,116
Total liabilities	12,844	13,116
NET ASSETS		
Without donor restrictions	64,536	63,259
With donor restrictions	-	-
Total net assets	64,536	63,259
Total liabilities and net assets	\$ 77,380	\$ 76,375

See notes to financial statements

Seapointe College

Statement of Activities

	December 31, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains			
Tuition and fees, net	\$ 27,373	\$ -	\$ 27,373
Contributions and grants	154,349	-	154,349
Donated services	163,025	-	163,025
Noncash contributions	1,354	-	1,354
Net assets released from restrictions	-	-	-
Total revenue, support, and gains	<u>346,101</u>	<u>-</u>	<u>346,101</u>
Expenses			
Program services	\$ 258,748	\$ -	\$ 258,748
Management and General	51,646	-	51,646
Fundraising	34,430	-	34,430
Total supporting services expenses	<u>344,824</u>	<u>-</u>	<u>344,823</u>
Change in Net Assets	1,277	-	1,277
Net Assets, Beginning of Year	63,259	-	63,259
Net Assets, End of Year	<u>\$ 64,536</u>	<u>\$ -</u>	<u>\$ 64,536</u>

See notes to financial statements

Seapointe College

Statement of Activities

	December 31, 2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Support, and Gains			
Tuition and fees, net	\$ 11,981	\$ -	\$ 11,981
Contributions and grants	83,828	-	83,828
Donated services	114,500	-	114,500
Noncash contributions	63,981	-	63,981
Other income	5,096	-	5,096
Special events (net)	351	-	351
Net assets released from restrictions	-	-	-
Total revenue, support, and gains	<u>279,737</u>	<u>-</u>	<u>279,737</u>
Expenses			
Program services	\$ 167,052	\$ -	\$ 167,052
Management and General	33,370	-	33,370
Fundraising	22,247	-	22,247
Total supporting services expenses	<u>222,668</u>	<u>-</u>	<u>222,668</u>
Change in Net Assets	57,069	-	57,069
Net Assets, Beginning of Year	6,190	-	6,190
Net Assets, End of Year	<u>\$ 63,259</u>	<u>\$ -</u>	<u>\$ 63,259</u>

See notes to financial statements

Seapointe College

Statement of Functional Expenses

Year ended December 31, 2024

	Program Services	Institutional Support		Total
		General and Administrative	Fundraising	
Salaries	\$ 212,794	\$ 42,559	\$ 28,372	\$ 283,725
Benefits	8,692	1,738	1,159	11,589
Total salaries and benefits	\$ 221,486	44,297	29,530	\$ 295,314
Professional fees	3,596	719	480	4,795
Advertising	6,024	1,205	803	8,032
Office expenses	2,071	414	276	2,761
Information technology	6,515	1,303	869	8,686
Occupancy	3,000	600	400	4,000
Travel	-	-	-	-
Conferences, meetings	1,200	240	160	1,600
Interest	-	-	-	-
Depreciation and amortization	6,196	1,239	826	8,261
Insurance	1,937	387	258	2,583
Student services	519	-	-	519
Other expenses	6,205	1,241	827	8,273
TOTALS	\$ 258,748	\$ 51,646	\$ 34,430	\$ 344,824

See notes to financial statements

Seapointe College

Statement of Functional Expenses

Year ended December 31, 2023

	Program Services	Institutional Support		Total
		General and Administrative	Fundraising	
Salaries	\$ 139,058	\$ 27,812	\$ 18,541	\$ 185,411
Benefits	3,641	728	485	4,854
Total salaries and benefits	\$ 142,699	28,540	19,027	\$ 190,265
Professional fees	5,153	1,031	687	6,870
Advertising	983	197	131	1,310
Office expenses	1,017	203	136	1,356
Information technology	4,143	829	552	5,524
Occupancy	1,917	383	256	2,556
Travel	73	15	10	97
Conferences, meetings	1,196	239	160	1,595
Interest	-	-	-	-
Depreciation and amortization	3,077	615	410	4,103
Insurance	628	126	84	837
Student services	202	-	-	202
Other expenses	5,965	1,193	795	7,953
TOTALS	\$ 167,052	\$ 33,370	\$ 22,247	\$ 222,668

See notes to financial statements

Seapointe College
Statements of Cash Flows

	Year Ended	
	December 31, 2024	December 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 1,277	\$ 57,069
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	8,261	4,103
Changes in operating assets and liabilities:		
Student accounts receivable	(1,395)	(2,204)
Pledges receivable	-	-
Other assets	-	(2,536)
Accounts payable	(272)	13,116
Notes payable	-	-
Net Cash Used by Operating Activities	\$ 7,871	\$ 69,548
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property and equipment	\$ (2,446)	\$ (63,381)
Net Cash Provided (Used) by Investing Activities	\$ (2,446)	\$ (63,381)
Change in Cash and Cash Equivalents	\$ 5,425	\$ 6,167
Cash and Cash Equivalents, Beginning of Year	\$ 12,357	\$ 6,190
Cash and Cash Equivalents, End of Year	\$ 17,782	\$ 12,357

See notes to financial statements

Seapointe College

Notes to Financial Statements

December 31, 2024 and 2023

Note 1 – Description of the Organization

Seapointe College (a Nonprofit Organization) was organized and incorporated under the laws of the State of Virginia on December 9, 2022. Seapointe College is located in Norfolk, Virginia. Seapointe College is supported primarily by contributions from individuals, small businesses, and tuition.

Seapointe College was founded to educate people of faith through a biblical approach to academic excellence, discipleship, and community collaboration that will equip them to positively impact their community.

Note 2 – Summary of Significant Accounting Policies

Basis of presentation –The financial statements of Seapointe College have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require Seapointe College to report information regarding its financial position and activities according to the following net asset classifications:

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 organization. These net assets may be used at the discretion of Seapointe College's management and the board of trustees.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of Seapointe College or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Measure of operations – The statements of activities report all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to Seapointe College's ongoing educational services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

Cash and cash equivalents – Seapointe College's cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase, except for those amounts that are held in the investment portfolio which are invested for long-term purposes.

Seapointe College

Notes to Financial Statements

December 31, 2024 and 2023

Note 2 – Summary of Significant Accounting Policies (continued)

Accounts receivable consist primarily of noninterest-bearing amounts due for educational programs. Seapointe College determines the allowance for uncollectable accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable. At December 31, 2024 and 2023, accounts receivable were \$3,599 and \$3,464, respectively, and the allowances were \$0 and \$1,260.

Concentrations of credit risk – Financial instruments that potentially subject Seapointe College to concentrations of credit risk consist principally of cash and cash equivalents and investments. Seapointe College maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. Seapointe College's cash and cash equivalent accounts have been placed with high credit quality financial institutions. Seapointe College has not experienced, nor does it anticipate, any losses with respect to such accounts.

Contributions receivable – Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met.

Property and equipment, net – Property and equipment are stated at cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated depreciation. Depreciation is calculated using the straight-line method over the lesser of the estimated useful lives of the assets or the lease term. The useful lives range from three to seven years. Seapointe College's policy is to capitalize renewals and betterments acquired for greater than \$1,000 and expense normal repairs and maintenance as incurred. Seapointe College's management periodically evaluates whether events or circumstances have occurred indicating that the carrying amount of long-lived assets may not be recovered.

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

Seapointe College

Notes to Financial Statements

December 31, 2024 and 2023

Note 2 – Summary of Significant Accounting Policies (continued)

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

In-kind donations – Seapointe College received donated professional services of \$163,025 and \$114,500 for the years ended December 31, 2024 and 2023. Such amounts, which are based upon information from comparable institutions, are recorded at their estimated fair value determined on the date of contribution and are reported as contributions in-kind and program and supporting services on the accompanying statements of activities and statements of functional expenses.

Several volunteers have made significant contributions of their time in furtherance of Seapointe College's mission. These services were not reflected in the accompanying statements of activities because they do not meet the necessary criteria for recognition under US GAAP.

Functional expenses – The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among educational services and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Expense	Method of Allocation
Salaries and benefits	Time and effort
Professional services	Time and effort
Advertising	Full Time Equivalent
Office expenses	Square Footage
Information technology	Full Time Equivalent
Occupancy	Square Footage
Travel	Time and effort
Conferences, meetings	Full Time Equivalent
Interest	Full Time Equivalent
Depreciation	Square Footage
Insurance	Square Footage
Student services	Full Time Equivalent
Other	Time and effort

Use of estimates – The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Seapointe College

Notes to Financial Statements

December 31, 2024 and 2023

Note 2 – Summary of Significant Accounting Policies (continued)

Income taxes – Seapointe College is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. Seapointe College has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. Seapointe College has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Income taxes – Seapointe College is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. Seapointe College has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. Seapointe College has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Reclassifications – Certain prior year amounts have been reclassified to conform to the current year presentation.

Note 3 – Availability and Liquidity

The following represents Seapointe College's financial assets at December 31, 2024 and 2023:

Financial assets at year end:

	2024	2023
Cash and cash equivalents	\$ 17,782	\$ 12,357
Student accounts receivable - net	3,599	2,204
Accounts receivable - net	-	-
Pledges receivable - net	-	-
	<u>21,381</u>	<u>14,561</u>
Net assets with donor restrictions - perpetual	-	-
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 21,381</u>	<u>\$ 14,561</u>

Seapointe College

Notes to Financial Statements

December 31, 2024 and 2023

Note 4 – Property and Equipment, Net

Property and equipment, net consisted of the following at December 31, 2024 and 2023:

	2024	2023
Furniture and equipment	19,185	18,685
Library books	46,642	44,696
	<u>65,827</u>	<u>63,381</u>
Less accumulated depreciation	(12,364)	(4,103)
	<u>\$ 53,463</u>	<u>\$ 59,278</u>

For the years ended December 31, 2024 and 2023, depreciation expense totaled \$8,261 and \$4,103.

Note 5 – Revenue Recognition

Seapointe College recognizes revenue from student tuition and fees during the year in which the related services are provided to students. The performance obligation of delivering educational services is simultaneously received and consumed by the students; therefore, the revenue is recognized ratably over the course of the academic year. All amounts received prior to the commencement of the academic year, including enrollment deposits, are deferred to the applicable period. Scholarships provided to students are recorded as a reduction from the posted tuition and room and board rates at the time revenue is recognized.

Note 6 Leases

The College has a lease with an unrelated party for office facilities. This lease is for a term of less than 12 months. The College has elected the short-term exemption with respect to this contract.

Note 7 – Tuition and Fees

Tuition and fees are considered earned by Seapointe College evenly throughout each semester. The amounts are shown net of scholarships and discounts in the Statement of Activities. For the years ended December 31, 2024 and 2023 Tuition and fees were as follows:

	2024	2023
Tuition	\$ 122,468	\$ 47,460
Fees	-	-
less: Scholarships and discounts	(95,095)	(35,479)
Tuition and fees - net	<u>27,373</u>	<u>11,981</u>

Seapointe College

Notes to Financial Statements

December 31, 2024 and 2023

Note 8 – Gifts In Kind

Seapointe College receives significant in-kind contributions of time and pro bono services from members of the community and volunteers related to program operations, special events, and fund-raising campaigns. Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Seapointe College. Seapointe College recognizes in-kind contribution revenue and a corresponding expense in an amount approximating the estimated fair value at the time of the donation.

All donated services and assets were utilized by Seapointe College's programs. There were no donor-imposed restrictions associated with the donated services and assets.

December 31, 2023

Program	Donated Space	Donated Services	Donated Goods	Total
Education	\$ -	\$ 114,500	\$ 63,981	\$ 178,481
Support services	-	-	-	-
Fundraising	-	-	-	-
TOTALS	\$ -	\$ 114,500	\$ 63,981	\$ 178,481

December 31, 2024

Program	Donated Space	Donated Services	Donated Goods	Total
Education	\$ -	\$ 163,025	\$ 1,354	\$ 164,379
Support services	-	-	-	-
Fundraising	-	-	-	-
TOTALS	\$ -	\$ 163,025	\$ 1,354	\$ 164,379

Note 9 – Related Party Transactions

There were no significant or unusual transactions with related parties in accordance with AU-C section 850 nor were there reportable transactions under SFAS 57 for the years ended December 31, 2024 and 2023.

Transactions with members of management, board members, or their family members included amounts paid for reasonable compensation and/or reimbursed expenses under an accountable reimbursement plan.

Note 10 – Subsequent Events

Seapointe College has evaluated subsequent events through June 18, 2025, which is the date the financial statements were available to be issued. Seapointe College is not aware of any material subsequent events.

Seapointe College

December 31, 2024

SUPPLEMENTAL SCHEDULE A

Composite Financial Index

In order to participate in the Student Financial Assistance (SFA) Program, an institution must demonstrate that it is financially responsible. One of the general standards for nonprofit institutions is the composite score standard in 34 CFR 668.172. The composite score combines different measures of fundamental elements of financial health to yield a single measure of an institution's overall financial health.

The College's composite score is calculated as follows:

	Ratio	Strength Factor	Weighting	Composite Score
Primary Reserve	0.0321	0.3211	40%	0.1284
Equity	0.8340	3.0000	40%	1.2000
Net Income	0.0037	1.1846	20%	<u>0.2369</u>
Composite Score =				1.6

As the composite score is between 1.5 and 3.0, the College is considered financially responsible under this standard. A score of 1.0 to 1.5 is considered to be in the zone.