



Independent Accountant's Compilation Report – Organization on Accrual Basis

To the Board of Directors of Mending the Soul Ministries, Inc.
Wilsonville, OR

Management is responsible for the accompanying financial statements of Mending the Soul Ministries, Inc. (a nonprofit organization). We have compiled the statement of financial position – accrual basis as of June 30, 2025, and the related statements of activities, cash flows, and functional expenses for the period then ended. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements.

The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Scott J Meredith, CPA
Vancouver, WA
November 24, 2025

Mending the Soul Ministries, Inc
Statement of Financial Position
June 30, 2025

Assets

Current Assets

Cash and Equivalents	\$ 289,034
Marketable Securities	10,219
Inventory	42,081
Total Current Assets	<u>341,334</u>

Fixed Assets

less Accumulated Depreciation	19,963
Total Fixed Assets	<u>(19,963)</u> -

Total Assets

\$ 341,334

Liabilities and Net Assets

Current Liabilities

Other Current Liabilities	\$ 975
Total Current Liabilities	<u>975</u>

Net Assets

Without Donor Restrictions	245,308
With Donor Restrictions	95,051
Total Net Assets	<u>340,359</u>

Total Liabilities and Net Assets

\$ 341,334

See notes to financial statements

Mending the Soul Ministries, Inc
Statement of Activities
for the period July 01, 2024 to June 30, 2025

Revenues	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Contributions	\$ 732,475	\$ 96,260	\$ 828,735
Program Income	102,958	-	102,958
Grant Income	-	40,000	40,000
Investment Income	3,826	-	3,826
Total Revenues	839,259	136,260	975,519
 <u>Operating Expenses</u>			
Program Services	565,144	102,918	668,062
Management and General	117,985	-	117,985
Fundraising	34,477	-	34,477
Total Operating Expenses	717,606	102,918	820,524
Change in Net Assets	121,653	33,342	154,995
Net Assets, Beginning of Year	123,655	61,709	185,364
Net Assets, End of Year	\$ 245,308	\$ 95,051	\$ 340,359

See notes to financial statements

Mending the Soul Ministries, Inc
Statement of Cash Flows
June 30, 2025

Operating Activities

Changes in Net Assets	\$ 154,995
Adjustments to reconcile Net Income to Net Cash provided by operations:	
Inventory	17,229
Depreciation	62
Marketable Securities	(10,219)
Accounts Payable	(32)
Payroll Liabilities	(221)
Net cash provided by Operating Activities	<u>161,813</u>
Cash at Beginning of Year	127,221
Cash at End of Year	<u>\$ 289,034</u>

See notes to financial statements

Mending the Soul Ministries, Inc
Statement of Functional Expenses
for the period July 01, 2024 to June 30, 2025

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Cost of Resources	\$ 72,667	\$ -	\$ -	\$ 72,667
Personnel - US	313,932	46,079	-	360,011
Employee Benefit Programs	48,303	712	-	49,015
Outside Services	-	19,873	-	19,873
Marketing & Communications	10,676	-	247	10,924
Bank & Merchant Fees	2,620	2,959	-	5,579
Office Expense & Reimbursements	681	13,315	-	13,995
Software	-	20,507	-	20,507
Travel	4,571	4,553	6,092	15,216
Meals	903	715	1,265	2,883
Licenses, Permits, & Other Fees	1,237	1,926	-	3,162
Internal Training & Continuing Ed	2,408	371	-	2,778
Insurance	-	6,915	-	6,915
Fundraising Events			26,873	26,873
Africa	196,590	-	-	196,590
Global	9,478	-	-	9,478
Shalom Sanctuary	3,996	-	-	3,996
Depreciation Expense	-	62	-	62
Total Expenses	\$ 668,062	\$ 117,985	\$ 34,477	\$ 820,524

See notes to financial statements

Mending the Soul Ministries, Inc
Notes to Financial Statements
June 30, 2025

1. Nature of Organization

Mending the Soul Ministries, Inc (“Organization”) is a ministry committed to equip communities worldwide to offer an educated, compassionate response to abuse.

2. Significant Accounting Policies

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking, savings and money market accounts and certificates of deposit with original maturities of less than 90 days.

Equipment and Depreciation

Expenditures for equipment in excess of \$2,500 are capitalized at cost. Donated assets to be used in the ministry are capitalized at their fair market value on the date of the gift. Depreciation of equipment is computed on the straight-line method over the estimated useful lives of the assets. When assets are sold or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor- or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported 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 without donor restrictions are available for use at the discretion of the Board and/or management for general operating purposes. From time to time, the Board may designate a portion of these net assets for specific purposes which makes them unavailable for use at management’s discretion.

Net Assets with Donor Restrictions – Net assets subject to donor (or certain grantor) 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. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as restricted revenue when received and released from restrictions when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenues and Revenue Recognition

We recognize contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

Donated Services and In-Kind Contributions

Volunteers contribute significant amounts of time to our program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation.

Allocation of Expenses

The costs of providing the various program services and supporting activities of the organization have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the program services, general and administrative, and fundraising activities.

Income Taxes

Mending the Soul Ministries, Inc is exempt from federal income tax as a nonprofit described in Section 501(c)(3) of the Internal Revenue Code and from state income tax pursuant to applicable state law. The Organization is further classified as a public charity and not a private foundation for federal income tax purposes. The Organization has not incurred unrelated business income taxes. As a result, no income tax provision or liability has been provided for in the accompanying financial statements.

3. Liquidity and Availability of Resources

The Organization regularly monitors liquidity required to meet its operating needs and other contractual commitments. The Organization analyzes resources available to meet general expenditures over a 12-month period. Resources available may include cash and cash equivalents, marketable equity and debt

securities, and lines of credit. The Organization operates a balanced budget and strives to collect sufficient revenue to cover general expenditures not covered by donor-restricted resources.

4. Fixed Assets

Property and equipment consisted of the following as of June 30, 2025:

Computer & Office Equipment	\$	7,963
Vehicle		12,000
less: Accumulated Depreciation		<u>(19,963)</u>
Net Fixed Assets	\$	<u><u>0</u></u>

5. Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes on June 30, 2025:

Subject to expenditure for specified purpose:

Shalom Sanctuary	\$	59,551
Oral Translation Project		<u>35,500</u>
Net Assets With Donor Restrictions	\$	<u><u>95,051</u></u>

6. Transactions with Related Parties

Mending the Soul Ministries, Inc offers various resources that have been written by employees and members of the Board of Directors. Employees and members receive royalties for some resources that are distributed, totaling to an amount of \$10,316 for the year ended June 30, 2025.