

MUSEUM OF THE BIBLE

Financial Statements
With Independent Auditor's Report

December 31, 2025 and 2024



MUSEUM OF THE BIBLE

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INDEPENDENT AUDITOR'S REPORT

Audit Committee
Museum of the Bible, Inc.
Oklahoma City, Oklahoma

Opinion

We have audited the accompanying financial statements of Museum of the Bible, Inc., which comprise the statement of financial position as of December 31, 2025 and 2024, and the related statements of activities 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 Museum of the Bible, Inc. as of December 31, 2025 and 2024, 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 audits 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 Museum of the Bible, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 these 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 Museum of the Bible, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Museum of the Bible, Inc.'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 Museum of the Bible, Inc.'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.

Capin Crouse LLC

Irving, Texas
April 24, 2026

MUSEUM OF THE BIBLE

Statements of Financial Position

	December 31,	
	2025	2024
ASSETS:		
Cash and cash equivalents	\$ 7,379,848	\$ 734,812
Investments	96,646	4,530,707
Accounts receivable	516,276	869,416
Contributions receivable–net	1,023,386	3,028,443
Inventory	1,531,464	991,031
Prepaid expenses, deposits and other assets	4,250,575	5,219,474
Restoration and loans–net	35,400	40,371
Assets restricted for endowment:		
Cash	10,040,691	829,713
Investments	85,270,223	70,718,415
Property and equipment–net	339,392,288	355,873,069
Total Assets	\$ 449,536,797	\$ 442,835,451
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable	\$ 3,261,509	\$ 4,208,829
Accrued liabilities	8,811,505	9,572,594
Line of credit	-	955,952
Total liabilities	12,073,014	14,737,375
Net assets:		
Net assets without donor restrictions	419,007,385	423,671,012
Net assets with donor restrictions	18,456,398	4,427,064
Total net assets	437,463,783	428,098,076
Total Liabilities and Net Assets	\$ 449,536,797	\$ 442,835,451

See notes to financial statements

MUSEUM OF THE BIBLE

Statements of Activities

	Year Ended December 31,	
	2025	2024
Net assets without donor restrictions:		
Operating revenues and other support:		
Contributions	\$ 37,023,498	\$ 35,819,660
Nonfinancial contributions	2,322,765	2,026,625
Admissions	15,433,305	13,364,016
Gift shops sales	4,954,589	4,133,595
Net investment income	10,910,079	5,649,989
Other income	2,399,400	1,558,973
Net assets released from restriction	7,172,547	6,235,836
Total operating revenues and other support	80,216,183	68,788,694
Operating expense:		
Payroll and related benefits	20,374,942	17,741,201
Contract services	15,250,331	12,069,084
Sponsorships	140,540	161,010
Awards and grants	200,000	400,000
Advertising	4,140,121	4,536,864
Technology	4,814,120	4,162,762
Operations	1,289,527	1,353,913
Nonemployee and program-related travel	759,109	828,409
Depreciation and amortization	19,826,639	19,678,456
Occupancy and administration	15,427,639	14,748,744
Cost of goods sold	1,960,629	1,587,328
Development	696,213	287,059
Total operating expense	84,879,810	77,554,830
Change in net assets without donor restrictions	(4,663,627)	(8,766,136)
Net assets with donor restrictions:		
Contributions	20,798,873	3,788,927
Net investment income	403,008	99,164
Net assets released from restriction	(7,172,547)	(6,235,836)
Change in net assets with donor restrictions	14,029,334	(2,347,745)
Change in net assets	9,365,707	(11,113,881)
Net Assets, Beginning of Year	428,098,076	439,211,957
Net Assets, End of Year	\$ 437,463,783	\$ 428,098,076

See notes to financial statements

MUSEUM OF THE BIBLE

Statements of Cash Flows

	Year Ended December 31,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 9,365,707	\$ (11,113,881)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	19,826,639	19,678,456
Bad debt expense	1,328,003	154,074
Loss on disposal of property and equipment	-	563,550
Discount on contribution receivable	15,996	40,195
Investment (gains) losses	(8,371,757)	1,624,384
Contributions for long-term purposes	(12,118,774)	-
Noncash prepaid	-	(11,000)
Changes in operating assets and liabilities:		
Accounts receivable	(974,863)	(483,092)
Contributions receivable	1,989,061	(645,690)
Inventory	(540,433)	(359,497)
Prepaid expenses, deposits and other assets	1,003,546	(168,417)
Accounts payable	(1,519,602)	399,056
Accrued liabilities	(761,089)	3,876,073
Net Cash Provided by Operating Activities	<u>9,242,434</u>	<u>13,554,211</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of marketable securities	(16,775,356)	(30,151,914)
Sales of marketable securities	15,029,366	15,052,774
Purchases of property and equipment	(2,803,252)	(6,597,537)
Net Cash Used by Investing Activities	<u>(4,549,242)</u>	<u>(21,696,677)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Contributions for long-term purposes	12,118,774	-
Borrowing on short-term debt	17,048,974	18,560,318
Payments on short-term debt	(18,004,926)	(17,604,366)
Net Cash Provided by Financing Activities	<u>11,162,822</u>	<u>955,952</u>
Net Change in Cash, Cash Equivalents, and Restricted Cash	15,856,014	(7,186,514)
Cash, Cash Equivalents, and Restricted Cash, Beginning of Year	<u>1,564,525</u>	<u>8,751,039</u>
Cash, Cash Equivalents, Restricted Cash, End of Year	<u><u>\$ 17,420,539</u></u>	<u><u>\$ 1,564,525</u></u>

See notes to financial statements

MUSEUM OF THE BIBLE

Statements of Cash Flows (continued)

	Year Ended December 31,	
	2025	2024
SUPPLEMENTAL DISCLOSURE:		
Capital asset additions financed via accruals	\$ 315,577	\$ 606,205
Prepaid additions financed via accrued liabilities	\$ 256,705	\$ 834,276
Interest paid	\$ 104,358	\$ 145,452

See notes to financial statements

MUSEUM OF THE BIBLE

Notes to Financial Statements

December 31, 2025 and 2024

1. NATURE OF ORGANIZATION:

Museum of the Bible (the Museum) is a publicly supported nonprofit organization headquartered in Oklahoma City, Oklahoma. The Museum is an innovative, global, educational institution whose purpose is to invite all people to engage with transformative power of the Bible. The Museum has domestic and international traveling exhibits and, in 2017, the Museum opened its 430,000-square-foot nonprofit museum in Washington D.C., located three blocks from the Capitol. The Museum supports scholarships and academic research activities through its Scholars Initiative and through development of Bible curricula for domestic and international use.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

BASIS OF PRESENTATION

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

NET ASSET CLASSIFICATIONS

The Museum has interpreted the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) as enacted by the state of Oklahoma (OK UPMIFA) to require the Museum to exercise prudence in determining whether to spend from or accumulate to donor-restricted endowment funds with a view toward the permanent nature and long-term continuing viability of such funds.

Net assets, revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. The Museum is required to report information regarding its financial position and activities according to two classes of net assets as follows:

Net assets without donor restrictions:

Net assets are generally not subject to donor-imposed restrictions. These may be designated for specific purposes by the Museum's board of directors. As of December 31, 2025 and 2024, the board of directors has designated \$55,228,387 and \$54,722,037, respectively, as an endowment to support the operations of the Museum and recorded as accumulated earnings \$26,276,726 and \$15,542,073 for the years ended December 31, 2025 and 2024, respectively.

Net assets with donor restrictions:

Net assets are subject to donor-imposed restrictions. Certain donor-imposed restrictions are temporary in nature and may or will be met either by actions of the Museum and/or the passage of time. When a restriction expires, 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. The amount of net assets identified as released from restrictions includes any amounts released whether received in the current period or prior years. Other donor-imposed restrictions are perpetual in nature and require the Museum to maintain the contributed resources in perpetuity. Generally, the donors of assets with perpetual restrictions permit the Museum to use all or part of the income earned on these resources for general or specific purposes.

MUSEUM OF THE BIBLE

Notes to Financial Statements

December 31, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

CASH, CASH EQUIVALENTS, AND RESTRICTED CASH

Cash and cash equivalents include cash on hand, on deposit in demand, interest-bearing accounts and money market funds with original maturities of three months or less. At December 31, 2025 and 2024, the Museum had certain concentrations of credit risk with financial institutions in the form of uninsured cash and time deposits. For purposes of evaluating credit risk, the stability of financial institutions conducting business with the Museum is periodically reviewed. Restricted cash is restricted for the endowment. Total cash and cash equivalents balances, including restricted cash, is as follows:

	December 31,	
	2025	2024
Cash and cash equivalents	\$ 7,379,848	\$ 734,812
Cash restricted for endowment	10,040,691	829,713
Total cash, cash equivalents, and restricted cash	<u>\$ 17,420,539</u>	<u>\$ 1,564,525</u>

INVENTORY

Inventory consists of retail items sold through the Museum gift shop or online and are valued at the lower of cost or net realizable value using the average cost method.

INVESTMENTS

Marketable securities are stated at fair value and consist primarily of mutual funds and debt and equity securities. Investments acquired by gift or bequest are recorded at fair value at the date donated. Thereafter, donated marketable securities are carried at fair value.

Investments in debt and equity securities with readily determinable fair values are periodically remeasured to fair value. Fair value is determined by quoted market prices, if available, or by a reasonable estimate of fair value provided by an investment manager. The Museum has investments in various investment securities which, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Further, due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes could materially affect the amounts reported in the Museum's financial statements. It is the policy of the Museum to liquidate as soon as practicably possible all gifts or bequests of investment securities.

MUSEUM OF THE BIBLE

Notes to Financial Statements

December 31, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

COLLECTIONS, RESTORATIONS, AND LOANS

The Museum's collections consist of donated and purchased biblical artifacts, facsimiles, and restoration costs for items held for public exhibition, education, or research in the furtherance of public service rather than financial gain, and are protected, kept unencumbered, cared for, and preserved in perpetuity and, as a result, their service potential is undiminished.

In conformity with accounting policies generally followed by museums with similar collections, the value of the Museum's collections has been excluded from the statements of financial position, and gifts of artifacts are excluded from revenue in the statements of activities. Purchases of artifacts for the collection by the Museum are recorded as decreases in net assets in the statements of activities as with or without donor restrictions based on the restriction of the donor. Proceeds from the deaccession of biblical artifacts are recorded as net assets with donor restrictions and are restricted to the acquisition of other biblical artifacts.

The Museum has entered into a separate restoration and loan agreement with a third-party and long-term loan agreements with various parties for the use of artifacts as part of its exhibits. Gross capitalized costs associated with this agreement at December 31, 2025 and 2024 are \$1,456,981 and \$1,456,981, respectively. Accumulated amortization is \$1,421,581 and \$1,416,610 at December 31, 2025 and 2024, respectively.

PROPERTY AND EQUIPMENT

Land, buildings and improvements, museum long-term exhibits, traveling exhibits, furniture and fixtures, durable equipment and software and computer equipment are stated at cost. The Museum's capitalization policy includes purchases with a cost of \$10,000 or more and an estimated useful life of greater than one year. Assets are depreciated on the straight-line method over the estimated useful lives of the respective asset. Estimated lives for purposes of depreciation are as follows:

Building and improvements	50 years
Museum long-term exhibits	7 to 10 years
Traveling exhibits	5 to 10 years
Furniture and fixtures	7 to 10 years
Durable equipment	5 years
Software and computer equipment	3 years

CONTRIBUTIONS RECEIVABLE

Contributions, including promises to give, are recorded as restricted support if they are received with donor stipulations that limit the use of the donated assets. Other similar contributions may not be accompanied by a donor stipulation but are time restricted until due. An allowance is recognized for uncollectible contributions based upon management's judgment and analysis of the creditworthiness of the donors, past collection experience, and other relevant factors.

MUSEUM OF THE BIBLE

Notes to Financial Statements

December 31, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

CONTRIBUTIONS RECEIVABLE, continued

Contributions receivable that are no longer expected to be collected are written off to bad debt expense. Contributions to be received after one year are discounted to net present value based on the interest rate in the line of credit plus the one-month Secured-Overnight Financing Rate at the gift date. The Museum has the following unconditional promises to give recorded as contributions receivable:

	December 31,	
	2025	2024
Due in less than one year	\$ 360,000	\$ 1,644,061
Due in one to five years	720,000	1,425,000
	<u>1,080,000</u>	<u>3,069,061</u>
Less time value discount on pledge receivables (6.28%)	<u>(56,614)</u>	<u>(40,618)</u>
Total contributions receivable, net	<u>\$ 1,023,386</u>	<u>\$ 3,028,443</u>

Conditional promises to give are not recognized until the conditions on which they depend are substantially met.

The Museum reports gifts of long-lived assets as without donor restriction unless explicit donor stipulations specify how the donated asset must be used. Gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support and are released to net assets without donor restriction once acquired long-lived assets are placed in service.

CONTRIBUTIONS

Contributions are recorded when made, which may be when cash and other assets are received or unconditionally promised. Gifts of cash and other assets are reported as support with donor restrictions if they are received with donor stipulations that limit the use of the donated amounts. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is satisfied, 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. All contributions are considered available for general use unless specifically restricted by the donor.

MUSEUM OF THE BIBLE

Notes to Financial Statements

December 31, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

CONTRIBUTIONS OF NONFINANCIAL ASSETS

For the years ended December 31, 2025 and 2024, the Museum recognized \$2,322,765 and \$2,026,625 of nonfinancial contributions, respectively. Contributions of nonfinancial assets consist primarily of provided information technology services of \$2,310,775 and \$2,026,625 for the years ended December 31, 2025 and 2024, respectively (see Note 7). These contributed nonfinancial assets are recognized as both revenue and expense without donor restrictions in the statements of activities. Expenses associated with contributed nonfinancial assets are allocated on a functional basis consistent with the allocation of resources expended on all other programs and activities.

ADMISSIONS AND GIFT SHOP SALES

Admission and gift shop sales revenue is recorded when earned, which is the date of sale. Inventory is relieved, and cost of sales recognized, at the time gift shop revenue is recognized.

INCOME TAX STATUS

The Museum is an organization exempt from federal income tax pursuant to section 501(a) of the Internal Revenue Code (the Code) as an organization described in section 501(c)(3) of the Code. Provision has been made, when material, for any taxes due on unrelated business income. Management has evaluated their tax positions and concluded they have taken no uncertain tax positions that require recognition or disclosure in the financial statements.

ADVERTISING COSTS

The Museum expenses the costs of advertising as incurred. For the years ended December 31, 2025 and 2024, advertising expense totaled \$4,140,121 and \$4,536,864, respectively.

USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing various programs and other activities have been summarized on a functional basis in Note 10. Costs are allocated between Museum program expenses and supporting services based on management's evaluation of the resources expended in the related activities (see Note 10). Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Museum. Expenses are recorded when incurred.

MUSEUM OF THE BIBLE

Notes to Financial Statements

December 31, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

FAIR VALUE MEASUREMENTS

The Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurements and Disclosures*, defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Topic 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three broad levels.

The following is a brief description of those three levels:

Level 1: Quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2: Inputs that are derived principally from or corroborated by observable market data.

Level 3: Inputs that are unobservable and significant to the overall fair value measurement.

Financial assets carried at fair value include marketable securities (see Note 4).

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Notes to Financial Statements

December 31, 2025 and 2024

3. PROPERTY AND EQUIPMENT:

Property and equipment—net, is summarized as follows:

	December 31,	
	2025	2024
Land	\$ 37,002,600	\$ 37,002,600
Buildings and improvements	326,588,071	324,004,364
Museum long-term exhibits	116,814,717	116,049,856
Traveling exhibits	-	6,514,656
Furniture and fixtures	4,610,634	4,613,355
Durable equipment	4,756,908	4,756,908
Software and computer equipment	4,654,920	4,504,548
Construction in progress	797,912	1,178,024
	495,225,762	498,624,311
Less accumulated depreciation	(155,833,474)	(142,751,242)
Total property and equipment—net	<u>\$ 339,392,288</u>	<u>\$ 355,873,069</u>

Depreciation expense relating to property and equipment totaled \$19,599,610 and \$19,390,621 for the years ended December 31, 2025 and 2024, respectively.

4. INVESTMENTS AND FAIR VALUE MEASUREMENTS:

Investments consist of the following:

	December 31,	
	2025	2024
Investments	\$ 96,646	\$ 4,530,707
Investments restricted for endowment	85,270,223	70,718,415
Total investments	<u>\$ 85,366,869</u>	<u>\$ 75,249,122</u>

MUSEUM OF THE BIBLE

Notes to Financial Statements

December 31, 2025 and 2024

4. INVESTMENTS AND FAIR VALUE MEASUREMENTS, continued:

The Museum uses quoted market prices to determine the fair value of an asset or liability when available. If quoted market prices are not available, the Museum uses net asset values when available or determines fair value using valuation techniques that use market-based or independently sourced market data, such as interest rates. The Museum has no liabilities measured at fair value on a recurring or nonrecurring basis.

Assets measured at fair value on a recurring basis are classified within the fair value hierarchy as follows:

	December 31, 2025			
	Level 1	Level 2	Level 3	Total
Common stock:				
Consumer discretionary	\$ 3,222,941	\$ -	\$ -	\$ 3,222,941
Consumer staples	3,066,930	-	-	3,066,930
Energy	787,562	-	-	787,562
Financials	5,085,121	-	-	5,085,121
Health care	3,014,780	-	-	3,014,780
Industrials	5,569,397	-	-	5,569,397
Information technology	8,902,928	-	-	8,902,928
Materials	1,621,961	-	-	1,621,961
Communication services	702,475	-	-	702,475
Utilities	722,923	-	-	722,923
Real estate	426,332	-	-	426,332
Total common stock	<u>33,123,350</u>	<u>-</u>	<u>-</u>	<u>33,123,350</u>
Mutual funds:				
Funds and pooled investments	27,677,968	-	-	27,677,968
Alternative strategies	7,612,589	-	-	7,612,589
Total mutual funds	<u>35,290,557</u>	<u>-</u>	<u>-</u>	<u>35,290,557</u>
Fixed-income:				
U.S. government securities	3,750,503	-	-	3,750,503
Agency bonds	-	6,326,097	-	6,326,097
Corporate bonds	-	6,154,950	-	6,154,950
Foreign bonds	-	721,412	-	721,412
Total fixed-income securities	<u>3,750,503</u>	<u>13,202,459</u>	<u>-</u>	<u>16,952,962</u>
Total investments valued on a recurring basis	<u>\$ 72,164,410</u>	<u>\$ 13,202,459</u>	<u>\$ -</u>	<u>\$ 85,366,869</u>

MUSEUM OF THE BIBLE

Notes to Financial Statements

December 31, 2025 and 2024

4. INVESTMENTS AND FAIR VALUE MEASUREMENTS, continued:

		December 31, 2024		
		Level 1	Level 2	Level 3
				Total
Common stock:				
Consumer discretionary	\$	2,939,162	\$	-
Consumer staples		3,164,468		-
Energy		766,706		-
Financials		4,035,095		-
Health care		2,791,303		-
Industrials		9,077,625		-
Information technology		7,804,146		-
Materials		1,753,329		-
Communication services		675,517		-
Utilities		561,755		-
Real estate		427,515		-
Total common stock		33,996,621		-
Mutual funds:				
Funds and pooled investments		21,030,595		-
Alternative strategies		6,674,378		-
Total mutual funds		27,704,973		-
Fixed-income:				
U.S. government securities		2,276,601		-
Agency bonds		-	5,704,445	-
Corporate bonds		-	4,851,474	-
Foreign bonds		-	715,008	-
Total fixed-income securities		2,276,601	11,270,927	-
Total investments valued on a recurring basis	\$	63,978,195	\$	11,270,927
			\$	-
				\$ 75,249,122

Investment in common stock, mutual funds, and U.S. government securities are based on quoted prices and are available in an active market, and as such, these securities are classified within Level 1 of the hierarchy. Investments in agency bonds, corporate bonds, and foreign bonds are based on inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly; and fair value is determined through the use of models or other valuation methodologies, and as such, these securities are classified within Level 2 of the hierarchy. All transfers between fair value hierarchy levels are recognized by the Museum at the beginning of each reporting period. There were no transfers between levels in the current year.

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Notes to Financial Statements

December 31, 2025 and 2024

5. REVENUE FROM EXCHANGE TRANSACTIONS:

Revenue from contracts with customers include proceeds from Museum operations, curatorial services, curriculum sales, and other sources. Museum operations consist of admission ticket sales, sales of membership, sales to special exhibits, docent tours, the Museum's Washington Revelations Flythrough ride, Lecture Series events, immersive experience, performance hall event sales, ballroom and other room rentals, gift shop sales, and food beverage sales. Curatorial services are fees charged to various collection owners who have contracted with the Museum to care for and restore their collections. Curriculum sales are from limited sales of its Bible curricula for special projects outside of its normal curricula projects in which curricula is given away to further the Museum's mission. Lastly, other revenue is collected from various sources and traveling exhibits as part of the Museum's mission.

The Museum's revenues from contracts with customers included from operations in the statements of activities, are composed of the following:

	Year Ending December 31,	
	2025	2024
Museum operations (admissions and gift shop sales)	\$ 20,387,893	\$ 17,497,611
Curatorial services	1,735,672	1,692,400
Curriculum sales and other	3,316	1,514
Other	660,413	428,609
Total revenue from exchange transactions	<u>\$ 22,787,294</u>	<u>\$ 19,620,134</u>

CONTRACT BALANCES

Contract assets primarily relate to the Museum's rights to consideration for services provided but not billed at the reporting date. Contract assets are transferred to receivables when the rights become unconditional. Contract liabilities represent amounts received from customers prior to the unconditional right of receipt. Contract liabilities are reported within the accrued liabilities line on the statements of financial position. The following table provides information about the Museum's contract liabilities and receivables from contract with customers:

	December 31,	
	2025	2024
Contract liabilities, beginning of year	<u>\$ 615,638</u>	<u>\$ 341,140</u>
Contract liabilities, end of year	<u>\$ 652,120</u>	<u>\$ 615,638</u>
Accounts receivable, beginning of year	<u>\$ 488,510</u>	<u>\$ 297,225</u>
Accounts receivable, end of year	<u>\$ 515,278</u>	<u>\$ 488,510</u>

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Notes to Financial Statements

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6. LINE OF CREDIT:

On August 1, 2017, the Museum entered into a \$25,000,000 revolving line of credit arrangement to be used to fund operational needs as necessary. The line of credit was amended on March 22, 2025, and the amount was decreased from \$25,000,000 to \$10,000,000. Interest is computed on the daily outstanding principal balance of indebtedness at a rate of 1.95% over the one-month Term SOFR rate (5.6% and 6.3% as of December 31, 2025 and 2024, respectively). Interest is due on the same dates as the amortizing portion of the debt. In addition, a 0.20% (decreased from 0.25% on renewal) fee on any unused portion of the \$10,000,000 revolving credit is calculated on a daily basis and remitted quarterly to the lender. At December 31, 2025 and 2024, there was an outstanding balance of \$0 and \$955,952, respectively, on the revolving line of credit.

On March 19, 2026, the agreement was amended a second time with management electing to lower the limit to \$5,000,000 with a one-year term maturing March 22, 2027. The fee on any unused portion of the \$5,000,000 will be 0.10%.

The line of credit is not collateralized by assets, but assets may not be pledged on any future debt without written authorization by the lender. The line of credit has been guaranteed by a trust controlled by a third party to the satisfaction of the lender.

7. RELATED-PARTY TRANSACTIONS:

The Museum engages in business transactions with one of its board members and/or companies they control for goods and services, at fair value, that it would otherwise purchase or provide in the ordinary course of business.

The Museum's services agreement provides for the curation of biblical artifacts on a month-to-month basis. The rate is \$123,806 and \$120,200 per month during the years ended December 31, 2025 and 2024, respectively.

In January 2021, the Museum outsourced much of its information technology services to a related party who provides the services at no cost to the Museum. These services have been valued at \$2,310,775 and \$2,026,025 for the years ended December 31, 2025 and 2024, respectively, and recognized as both revenue and expense in the statements of activities.

A summary of the revenue/cost recovery (expenses) related to these agreements and other transactions between the Museum and its related parties are as follows (non-inclusive of information technology services noted above).

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7. RELATED-PARTY TRANSACTIONS, continued:

A summary of the revenue and expense related to these agreements and other transactions between the Museum and its related parties as follows (non-inclusive of information technology services noted above):

	Year Ended December 31,	
	2025	2024
Curatorial services	\$ 1,490,016	\$ 1,451,823
Office lease and other leasing expenses	(361,956)	(361,956)
Other expenses	(42,458)	(17,049)
Total related-party transactions	<u>\$ 1,085,603</u>	<u>\$ 1,072,818</u>

As of December 31, 2025 and 2024, the Museum had related-party receivables of \$0. As of December 31, 2025 and 2024, the Museum had related-party payables of \$75,384 and \$3,081, respectively.

8. COMMITMENTS AND CONTINGENCIES:

The Museum has entered into many contracts related to its operations and continued maintenance of the facility in Washington D.C. As of December 31, 2025 and 2024, the Museum has \$32,216,413 and \$22,363,903, respectively, of outstanding commitments related to these activities.

The Museum occasionally becomes involved in various claims and legal disputes arising in the normal course of business. The Museum's management does not believe that the outcome of these matters will have a material adverse impact on the Museum's financial position.

9. EMPLOYEE BENEFIT PLAN:

The Museum maintains and offers a defined contribution retirement plan with a 401(k) feature (the Plan). Substantially all employees meeting certain age and service requirements are eligible to participate in the Plan. The Museum provides a discretionary match of 50% on an employee's contribution, up to a maximum of 6% of their annual income. The Museum contributed \$377,263 and \$320,048 of matching employer contributions for the years ended December 31, 2025 and 2024, respectively.

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Notes to Financial Statements

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10. EXPENSES BY FUNCTIONAL CLASSIFICATION:

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 are allocated based on square footage, head count and direct costs.

Expenses by functional and natural classification for the years ended December 31, 2025 and 2024, are as follows:

	Year Ended December 31, 2025								
	Museum Program Expenses						Supporting Services		Total
	Traveling Exhibits	Museum Collections	Research	Permanent Museum	Education	Total Program Services	Management and General	Fundraising	
Payroll and related benefits	\$ -	\$ 1,975,142	\$ 49,323	\$ 10,899,091	\$ 414,759	\$ 13,338,315	\$ 4,389,205	\$ 2,647,422	\$ 20,374,942
Contract services	-	127,075	29,349	11,910,080	531,756	12,598,260	870,169	1,781,902	15,250,331
Sponsorships	-	-	-	127,500	-	127,500	-	13,040	140,540
Awards and grants	-	-	200,000	-	-	200,000	-	-	200,000
Advertising	-	10,607	-	3,904,991	29,992	3,945,590	13,088	181,443	4,140,121
Technology	-	12,074	-	250,806	148	263,028	4,490,616	60,476	4,814,120
Operations	-	65,905	384	832,202	32,890	931,381	110,370	247,776	1,289,527
Non-employee and program related travel	1,922	38,008	3,827	392,449	76,078	512,284	33,506	213,319	759,109
Depreciation and amortization	-	26,695	86,552	18,873,056	-	18,986,303	840,336	-	19,826,639
Occupancy and administration	370	111,299	3,043	7,564,272	29,815	7,708,799	5,738,517	1,980,323	15,427,639
Cost of goods sold	-	-	-	1,960,629	-	1,960,629	-	-	1,960,629
Development	-	-	-	11,100	-	11,100	1,814	683,299	696,213
	<u>\$ 2,292</u>	<u>\$ 2,366,805</u>	<u>\$ 372,478</u>	<u>\$ 56,726,176</u>	<u>\$ 1,115,438</u>	<u>\$ 60,583,189</u>	<u>\$ 16,487,621</u>	<u>\$ 7,809,000</u>	<u>\$ 84,879,810</u>

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Notes to Financial Statements

December 31, 2025 and 2024

10. EXPENSES BY FUNCTIONAL CLASSIFICATION, continued:

	Year Ended December 31, 2024								
	Museum Program Expenses						Supporting Services		Total
	Traveling Exhibits	Museum Collections	Research	Permanent Museum	Education	Total Program Services	Management and General	Fundraising	
Payroll and related benefits	\$ -	\$ 1,867,252	\$ 72,848	\$ 9,666,232	\$ -	\$ 11,606,332	\$ 4,315,966	\$ 1,818,903	\$ 17,741,201
Contract services	-	194,396	111,327	10,199,144	297,537	10,802,404	548,217	718,463	12,069,084
Sponsorships	-	-	-	161,010	-	161,010	-	-	161,010
Awards and grants	-	-	400,000	-	-	400,000	-	-	400,000
Advertising	-	3,534	-	4,454,483	-	4,458,017	-	78,847	4,536,864
Technology	-	16,872	-	211,053	-	227,925	3,909,873	24,964	4,162,762
Operations	-	46,338	720	1,168,851	-	1,215,909	61,216	76,788	1,353,913
Non-employee and program related travel	-	28,709	11,628	293,244	33,967	367,548	47,478	413,383	828,409
Depreciation and amortization	-	100,163	75,389	18,995,495	-	19,171,047	507,409	-	19,678,456
Occupancy and administration	363	140,708	2,047	8,736,489	337	8,879,944	5,379,900	488,900	14,748,744
Cost of goods sold	-	-	-	1,587,328	-	1,587,328	-	-	1,587,328
Development	-	-	-	-	-	-	-	287,059	287,059
	<u>\$ 363</u>	<u>\$ 2,397,972</u>	<u>\$ 673,959</u>	<u>\$ 55,473,329</u>	<u>\$ 331,841</u>	<u>\$ 58,877,464</u>	<u>\$ 14,770,059</u>	<u>\$ 3,907,307</u>	<u>\$ 77,554,830</u>

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Notes to Financial Statements

December 31, 2025 and 2024

11. CONCENTRATIONS:

For the years ended December 31, 2025 and 2024, the Museum received 56% and 64%, respectively, of its contributions from one donor.

12. NET ASSETS WITH DONOR RESTRICTIONS:

The Museum's net assets with donor restrictions are composed of the following:

	December 31,	
	2025	2024
Net assets with donor restrictions		
Purposes or time restrictions		
Permanent museum	\$ 3,752,434	\$ 1,006,794
Research	298,796	298,977
Education	456,805	428,214
Time restricted	142,313	1,409,061
Accumulated earnings on donor-restricted endowment	687,026	284,018
	<u>5,337,374</u>	<u>3,427,064</u>
Perpetual in nature		
Scholarship endowment	1,000,000	1,000,000
Biblical Art endowment	2,119,024	-
Scripture & Culture endowment	10,000,000	-
	<u>13,119,024</u>	<u>1,000,000</u>
	<u>\$ 18,456,398</u>	<u>\$ 4,427,064</u>

13. ENDOWMENTS:

The Museum has established three donor-restricted endowment funds and one fund designated by the board of directors to function as an endowment.

The Museum is subject to OK UPMIFA and classifies funds which are donor-restricted in perpetuity and the related accumulated and unappropriated earnings, including any underwater amounts, as net assets with donor restrictions until appropriated for expenditure by the board of directors. The Museum's donor-restricted endowment funds are also subject to purpose restrictions that must be met before reclassifying such amounts to net assets without donor restrictions. The board of directors has interpreted OK UPMIFA as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund unless a donor specifically stipulates the contrary. As a result of this interpretation, the Museum considers a fund to be underwater if the fair value of the fund is less than the sum of: (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Museum has interpreted OK UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law.

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Notes to Financial Statements

December 31, 2025 and 2024

13. ENDOWMENTS, continued:

In accordance with OK UPMIFA, the Museum considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Museum and the donor restricted endowment fund
- (3) General economic conditions
- (4) The possible effects of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Museum
- (7) The investment policies of the Museum

Changes in endowment net assets for the year ended December 31, 2025:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment fund	\$ 81,505,114	\$ -	\$ 81,505,114
Donor-restricted endowment fund	-	13,805,800	13,805,800
Total endowment funds	<u>\$ 81,505,114</u>	<u>\$ 13,805,800</u>	<u>\$ 95,310,914</u>
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 70,264,110	\$ 1,284,018	\$ 71,548,128
Board designation	506,352	-	506,352
Contributions	-	12,118,774	12,118,774
Investment gains	10,734,652	403,008	11,137,660
Endowment net assets, end of year	<u>\$ 81,505,114</u>	<u>\$ 13,805,800</u>	<u>\$ 95,310,914</u>

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Notes to Financial Statements

December 31, 2025 and 2024

13. ENDOWMENTS, continued:

Changes in endowment net assets for the year ended December 31, 2024:

	Without Donor Restrictions	With Donor Restrictions	Total
Board-designated endowment fund	\$ 70,264,110	\$ -	\$ 70,264,110
Donor-restricted endowment fund	-	1,284,018	1,284,018
Total endowment funds	<u>\$ 70,264,110</u>	<u>\$ 1,284,018</u>	<u>\$ 71,548,128</u>
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 61,129,056	\$ 1,184,854	\$ 62,313,910
Board designation	3,130,000	-	3,130,000
Investment gains	6,005,054	99,164	6,104,218
Endowment net assets, end of year	<u>\$ 70,264,110</u>	<u>\$ 1,284,018</u>	<u>\$ 71,548,128</u>

Return Objectives and Risk Parameters:

The Museum has adopted investment and spending policies for endowment assets that provide for growth and a predictable stream of funding to operations, programs and other specified purposes supported by its endowment while seeking to maintain the purchasing power of the endowment assets.

Strategies Employed for Achieving Objectives:

Under its investment policy, as approved by the board of directors, the assets of the endowment are invested in accordance with the following objectives: to generate a real return from the Museum's investments that will provide a sustainable funding source for the Museum while preserving the portfolio's purchasing power over the long term; to maximize the real rate of return on investments within a prudent level of risk; and to look at investment returns over a long-term horizon while also recognizing the need for annual endowment spending.

The Museum has set an objective of achieving returns on its investment portfolio that, over the long term, will achieve returns net of inflation and fees that exceed the endowment spending amount and allow for additional growth in the portfolio (currently 7%). The Museum's investment policy targets a diversified asset allocation that places a greater emphasis on equity-based securities (target range from 40% to 85%) than fixed income securities (target range of 10% to 50%) and cash equivalents (target range of 0% to 30%) to achieve its long-term objectives within prudent risk constraints.

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13. ENDOWMENTS, continued:

Spending Policy and How Investment Objectives Relate to Spending Policy:

The endowment's investment earnings are currently reinvested for future earnings. Distributions should provide a reasonably stable and predictable source of funds for the activities of the Museum that are supported by the endowment. Subject to OK UPMIFA (to the extent applicable), the annual distributable funds from the endowment will be no more than 4.5%. The distribution percentage rate will be defined using a three-year investment average. Until an endowment has been invested for three years, the annual average will be used after the initial 12 months. Specific gifts may be excluded from averaging and/or be subject to other distribution rules, when explicitly directed by the donor or by approval of 75% of the board of directors.

The Museum's policy permits spending from underwater endowment funds when deemed prudent by 75% of the board of directors. Distributions will be made annually, and endowments may be held for more than 12 months based on the date of the charitable gift. The Museum has no underwater endowments at December 31, 2025 and 2024.

14. LIQUIDITY MANAGEMENT AND FUNDS AVAILABLE:

The following reflects the Museum's financial assets as of the statement of financial position date, reduced by amounts not available for general expenditures within one year. Financial assets are considered unavailable when not convertible to cash within one year, donor restricted for endowment, including accumulated and unappropriated earnings, designated by the board for endowment, or include donor purpose or time restrictions which are not anticipated to be fulfilled within one year because of contractual or donor-imposed restrictions within one year of the statement of financial position date.

	December 31,	
	2025	2024
Financial assets, at year-end	\$ 104,327,070	\$ 80,711,506
Less those unavailable for general expenditures within one year due to:		
Contributions receivable not due in one year, net	(663,386)	(1,384,382)
Contributions receivable due in one year for restricted purposes	(360,000)	(601,299)
Board-designated endowment	(81,505,114)	(70,264,110)
Donor restricted for specific purposes and/or in perpetuity	(17,433,012)	(2,441,383)
Financial assets available to meet cash needs for general expenditures within one year	\$ 4,365,558	\$ 6,020,332

The Museum maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Museum invests cash in excess of weekly requirements in short-term investments (money market funds).

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Notes to Financial Statements

December 31, 2025 and 2024

15. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through April 24, 2026, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.