

# **CHRISTIAN RESOURCES INTERNATIONAL**



## **FINANCIAL STATEMENTS**

**YEAR ENDED  
DECEMBER 31, 2023**



**Drake**  
Certified  
Public  
Accountants

# CHRISTIAN RESOURCES INTERNATIONAL

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## **INDEPENDENT AUDITORS' REPORT**

Board of Directors  
Christian Resources International  
Fowlerville, Michigan

### **Opinion**

We have audited the accompanying financial statements of Christian Resources International (a nonprofit corporation) which comprise the statement of financial position as of December 31, 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 financial statements referred to above present fairly, in all material respects, the financial position of Christian Resources International as of December 31, 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 accounting principles 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 Christian Resources International 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 Christian Resources International's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 judgement made by a reasonable user based on the financial statements.

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

- Exercise professional judgement 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 Christian Resources International'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Christian Resources International'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.

*Karl Z. Deube*

Drake Certified Public Accountants, PC  
Horton, Michigan  
May 21, 2024



# CHRISTIAN RESOURCES INTERNATIONAL

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## STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2023

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### ASSETS

#### CURRENT ASSETS

Cash	\$	92,638
Investments		9,245
Accounts Receivable		8,693

TOTAL CURRENT ASSETS		<u>110,576</u>
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#### LONG-TERM ASSETS

Fixed Assets, net of accumulated depreciation		121,241
Intangible Asset Cryptocurrency		20,501

TOTAL LONG-TERM ASSETS		<u>141,742</u>
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<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u><u>252,318</u></u></b>
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### LIABILITIES AND NET ASSETS

#### CURRENT LIABILITIES

Accounts Payable	\$	18,709
Payroll Taxes Payable		3,542

TOTAL CURRENT LIABILITIES		<u>22,251</u>
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#### NET ASSETS

Without Donor Restrictions		230,067
With Donor Restrictions		-

TOTAL NET ASSETS		<u>230,067</u>
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<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$</b>	<b><u><u>252,318</u></u></b>
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See Accompanying Notes to Financial Statements



## STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
<b>SUPPORT AND REVENUE</b>			
Contributions	\$ 553,891	\$ 85,388	\$ 639,279
Investment Income (Loss)	1,453	-	1,453
Other Income	14,111	-	14,111
Assets Released from Restrictions	85,388	(85,388)	-
<b>TOTAL SUPPORT AND REVENUE</b>	<b>654,843</b>	<b>-</b>	<b>654,843</b>
<b>EXPENSES</b>			
Program Services	516,380	-	516,380
Supporting Activities			
Management and General	119,351	-	119,351
Fund Raising	54,603	-	54,603
Total Supporting Activities	173,954	-	173,954
<b>TOTAL EXPENSES</b>	<b>690,334</b>	<b>-</b>	<b>690,334</b>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>(35,491)</b>	<b>-</b>	<b>(35,491)</b>
NET ASSETS - BEGINNING OF YEAR	265,558	-	265,558
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 230,067</b>	<b>\$ -</b>	<b>\$ 230,067</b>

See Accompanying Notes to Financial Statements



# CHRISTIAN RESOURCES INTERNATIONAL

## STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2023

	Program Services	Management and General	Fund Raising	Total
Salaries and Wages	\$ 234,986	\$ 62,663	\$ 15,666	\$ 313,315
Employee Benefits	14,543	3,878	970	19,391
Payroll Taxes	10,313	2,750	688	13,751
Professional Fees	-	14,002	-	14,002
Office Supplies	13,336	1,482	-	14,818
Packing Supplies	11,355	-	-	11,355
Telephone	2,300	256	-	2,556
Postage	6,845	-	761	7,606
Shipping	43,915	-	-	43,915
Utilities	10,247	1,139	-	11,386
Repairs	22,485	9,636	-	32,121
Travel	37,268	13,308	2,659	53,235
Depreciation	10,120	-	-	10,120
Insurance	5,162	574	-	5,736
Dues and Memberships	2,419	1,037	-	3,456
Printing	7,094	2,534	507	10,135
Interest	-	-	-	-
Advertising	19,931	-	6,644	26,575
Bank Charges	-	6,092	-	6,092
Other Program Expenses	55,158	-	-	55,158
Recruitment	8,903	-	26,708	35,611
<b>Total Expenses</b>	<b>\$ 516,380</b>	<b>\$ 119,351</b>	<b>\$ 54,603</b>	<b>\$ 690,334</b>

See Accompanying Notes to Financial Statements



## STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2023

<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	
Increase (Decrease) in Net Assets	\$ (35,491)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:	
Depreciation	10,120
Changes in Operating Assets and Liabilities:	
Accounts Receivable	1,317
Accounts Payable	574
Payroll Taxes Payable	(11,112)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<b>(34,592)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	
Sale (Purchase) of Fixed Assets	-
Sale (Purchase) of Investments	(1,452)
Sale (Purchase) of Intangible Assets Cryptocurrency	-
Impairment Loss on Intangible Assets Cryptocurrency	-
<b>NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES</b>	<b>(1,452)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	
Increase in Notes Payable	-
Payments on Notes Payable	-
<b>NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES</b>	<b>-</b>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(36,044)</b>
CASH - BEGINNING OF YEAR	128,682
<b>CASH - END OF YEAR</b>	<b>\$ 92,638</b>
Cash spent for:	
Income Taxes	\$ -
Interest	\$ -

See Accompanying Notes to Financial Statements





# CHRISTIAN RESOURCES INTERNATIONAL

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## NOTES TO FINANCIAL STATEMENTS

### 1. NATURE OF ORGANIZATION

Christian Resources International (the Organization) exists as a non-profit missions organization to recycle worldwide, free of charge, used and surplus Christian literature and educational materials. The purpose is to equip saints for the work of ministry, to build up the body of Christ.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Organization maintains its accounts and prepares its financial statements on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. The significant accounting policies are described below to enhance the usefulness of the financial statements to the reader.

#### ESTIMATES

The preparation of financial statements on the accrual basis of accounting 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, disclosures of any contingent assets and liabilities at the date of the financial statements, and the reported revenue and expenses during the reporting period. Actual results could differ from estimates.

#### INCOME TAXES

The Organization is exempt from Federal income taxes under Code Section 501(c)(3) of the Internal Revenue Service Code. Contributions to the Organization qualify for the charitable contribution deduction under Code Section 170(b)(1)(A). The Organization has been determined not to be a private foundation under Code Section 509.

#### CASH AND CASH EQUIVALENTS

Cash and cash equivalents include checking and savings accounts. These accounts, at times, may exceed federally insured limits. The Organization has not experienced any losses on such accounts and believes it is not exposed to any significant credit risk.

#### INVESTMENTS

Investments are carried at fair market value, with realized and unrealized gains and losses reported as unrestricted revenue in the statement of activities. Donated investments are recorded at fair market value on the date of donation and are thereafter carried in accordance with the above provisions.

#### PROPERTY AND EQUIPMENT

Property and equipment are stated at cost, or if donated, at the estimated fair value at the date of donation. Property donated with restrictions regarding its use and contributions of cash to acquire property are reported as restricted support. Absent any donor stipulations, these restrictions expire when the asset is acquired or placed in service, and a reclassification is made from temporarily restricted net assets to unrestricted net assets at that time. Purchases of long-lived assets in excess of \$1,000 with a useful life in excess of one year are capitalized. Depreciation is recorded using the straight-line method.



**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**CLASSES OF NET ASSETS**

The net assets of the Organization have been reported in the following classes:

*Net assets without donor restrictions* consist of amounts currently available for use in the Organization’s operations and those resources invested in property and equipment.

*Net assets with donor restrictions* consist of all funds that have donor-restrictions for various reasons.

**SUPPORT AND REVENUE**

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 restricted support if they are received with donor stipulations that limit the use of the donated amount. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. All contributions are considered available for unrestricted use unless specifically restricted by the donor.

Investment and other income is recorded when earned.

**CONTRIBUTED SERVICES**

During the year ended December 31, 2023, the value of contributed services meeting the requirements for recognition in the financial statements was not material and has not been recorded.

**ALLOCATION OF EXPENSES**

The costs of providing various program services and supporting activities of the Organization have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among program services and supporting activities benefited. Salaries, benefits, and payroll taxes are allocated based upon time and effort; building and building improvement depreciation is allocated on square footage; furniture and equipment depreciation is allocated based on program usage. All remaining costs are allocated based on the purpose of the expense. The detailed schedule of the allocation of expenses can be found at the Statement of Functional Expenses.

**3. INVESTMENTS**

Investments at estimate fair value as of December 31, 2023, consist of:

Equities	\$	774
Fixed Incomes		7,162
Cash and Cash Equivalents		1,309
	\$	9,245



# CHRISTIAN RESOURCES INTERNATIONAL

## Notes to Financial Statements

### 3. INVESTMENTS (CONTINUED)

Investment income (loss) for the year ended December 31, 2023, consists of:

Interest and Dividends	\$	235
Net Realized and Unrealized Gain (Loss)		1,218
	\$	1,453

### 4. FAIR VALUE MEASUREMENTS

The Organization uses appropriate valuation techniques to determine fair value based on inputs available. When available, the Organization measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs were not available.

Fair values of assets as of December 31, 2023, are:

	Fair Value Measurements Using			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Equities	\$ 774	\$ -	\$ -	\$ 774
Fixed Incomes	7,162	-	-	7,162
	\$ 7,936	\$ -	\$ -	\$ 7,936

*Valuation techniques:* Fair value for equities, fixed income securities, and mutual funds are based on quoted prices in active markets.

### 5. PROPERTY AND EQUIPMENT

Property and equipment as of December 31, 2023, consists of the following:

Land	\$	65,000
Building		107,051
Building Improvements		59,283
Furniture and Equipment		51,776
		283,110
Less Accumulated Depreciation		(161,869)
	\$	121,241



**6. RETIREMENT CONTRIBUTIONS**

The Organization contributes up to 3% of eligible employees salary into an IRA. During the year ended December 31, 2023, the Organization contributed \$5,064.

**7. ACCOUNTS RECEIVABLE**

Accounts receivable consist of amounts due from employees. All amounts due are expected to be collected during the year ended December 31, 2024. The balance as of December 31, 2023, was \$8,693.

**8. INTANGIBLE ASSET CRYPTOCURRENCY**

The cryptocurrency held by the Organization is classified as an intangible asset with an indefinite life and is held at cost. The cost of the intangible assets as of December 31, 2023, was \$20,501. The fair market value of the intangible asset as of December 31, 2023, was \$39,724.

**9. LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Organization has \$110,576 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures consisting of cash, investments, and accounts receivable. None of the financial assets are subject to donor or other contractual restrictions that would make them unavailable for general expenditures within one year of the statement of financial position.

**10. SUBSEQUENT EVENTS**

Subsequent events have been evaluated through the report date, May 21, 2024. Subsequent events after that date have not been evaluated.

