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Ligonier Ministries, Inc.

Consolidated Financial Statements

For The Years Ended June 30, 2025 and 2024



REPORT OF INDEPENDENT AUDITOR

The Board of Directors
Ligonier Ministries, Inc.
Sanford, Florida

Opinion

We have audited the accompanying consolidated financial statements of Ligonier Ministries, Inc. ("the Ministry"), which consist of the consolidated statements of financial position as of June 30, 2025 and 2024, and the related consolidated statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Ligonier Ministries, Inc. as of June 30, 2025 and 2024, the consolidated changes in its net assets and its consolidated 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 Consolidated Financial Statements section of our report. We are required to be independent of the Ministry 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Ministry's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 consolidated 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 risk of material misstatement of the consolidated 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 consolidated financial statements.

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ministry'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Ministry's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The accompanying supplemental consolidating statement of financial position as of June 30, 2025, and the related supplemental consolidating statements of activities and cash flows for the year then ended, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Batts Morrison Wales & Lee, P.A.

BATTS MORRISON WALES & LEE, P.A.

Orlando, Florida
December 15, 2025

LIGONIER MINISTRIES, INC.
 CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

ASSETS

	June 30,	
	2025	2024
ASSETS		
Cash and cash equivalents	\$ 8,369,702	\$ 4,312,380
Digital assets, net	4,528,861	4,036,169
Inventories	2,500,752	2,305,840
Note receivable	1,020,818	1,562,065
Property and equipment, net	40,097,972	40,020,852
Other assets	6,318,021	6,939,759
Intellectual property rights	<u>1,687,066</u>	<u>1,687,066</u>
Total assets	<u>\$ 64,523,192</u>	<u>\$ 60,864,131</u>

LIABILITIES AND NET ASSETS

	2025	2024
LIABILITIES		
Accounts payable and accrued expenses	\$ 2,921,837	\$ 3,042,589
Deferred revenue	1,493,361	1,539,156
Obligation under intellectual property rights agreement	377,219	555,018
Notes payable	<u>6,755,225</u>	<u>5,646,080</u>
Total liabilities	<u>11,547,642</u>	<u>10,782,843</u>
NET ASSETS		
Without donor restrictions	49,513,757	46,836,020
With donor restrictions	<u>3,461,793</u>	<u>3,245,268</u>
Total net assets	<u>52,975,550</u>	<u>50,081,288</u>
Total liabilities and net assets	<u>\$ 64,523,192</u>	<u>\$ 60,864,131</u>

The Accompanying Notes are an Integral
 Part of These Consolidated Financial Statements

LIGONIER MINISTRIES, INC.
 CONSOLIDATED STATEMENTS OF ACTIVITIES

	For The Years Ended June 30,					
	2025			2024		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
PUBLIC SUPPORT AND REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS						
Contributions	\$ 34,410,879	\$ 4,285,078	\$ 38,695,957	\$ 33,293,524	\$ 1,327,480	\$ 34,621,004
Ministry media revenue	5,567,661	—	5,567,661	6,111,837	—	6,111,837
Tuition and fees, net	2,925,420	—	2,925,420	2,594,650	—	2,594,650
Other revenue	1,639,598	—	1,639,598	1,486,102	—	1,486,102
Conference registrations	1,095,993	—	1,095,993	1,465,706	—	1,465,706
Net assets released from restrictions	<u>4,068,553</u>	<u>(4,068,553)</u>	<u>—</u>	<u>1,953,055</u>	<u>(1,953,055)</u>	<u>—</u>
Total public support and revenue and net assets released from restrictions	<u>49,708,104</u>	<u>216,525</u>	<u>49,924,629</u>	<u>46,904,874</u>	<u>(625,575)</u>	<u>46,279,299</u>
EXPENSES						
Program activities						
Ministry activities	36,306,733	—	36,306,733	34,371,087	—	34,371,087
Cost of ministry media and donor fulfillment	<u>2,257,442</u>	<u>—</u>	<u>2,257,442</u>	<u>2,305,929</u>	<u>—</u>	<u>2,305,929</u>
Total program activities	<u>38,564,175</u>	<u>—</u>	<u>38,564,175</u>	<u>36,677,016</u>	<u>—</u>	<u>36,677,016</u>
Supporting activities						
General and administrative	5,168,696	—	5,168,696	4,615,103	—	4,615,103
Development	<u>3,297,496</u>	<u>—</u>	<u>3,297,496</u>	<u>2,841,081</u>	<u>—</u>	<u>2,841,081</u>
Total supporting activities	<u>8,466,192</u>	<u>—</u>	<u>8,466,192</u>	<u>7,456,184</u>	<u>—</u>	<u>7,456,184</u>
Total expenses	<u>47,030,367</u>	<u>—</u>	<u>47,030,367</u>	<u>44,133,200</u>	<u>—</u>	<u>44,133,200</u>
CHANGE IN NET ASSETS	<u>2,677,737</u>	<u>216,525</u>	<u>2,894,262</u>	<u>2,771,674</u>	<u>(625,575)</u>	<u>2,146,099</u>
NET ASSETS - Beginning of year	<u>46,836,020</u>	<u>3,245,268</u>	<u>50,081,288</u>	<u>44,064,346</u>	<u>3,870,843</u>	<u>47,935,189</u>
NET ASSETS - End of year	<u>\$ 49,513,757</u>	<u>\$ 3,461,793</u>	<u>\$ 52,975,550</u>	<u>\$ 46,836,020</u>	<u>\$ 3,245,268</u>	<u>\$ 50,081,288</u>

The Accompanying Notes are an Integral
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LIGONIER MINISTRIES, INC.
 CONSOLIDATED STATEMENTS OF CASH FLOWS

	For The Years Ended	
	June 30,	
	2025	2024
OPERATING CASH FLOWS		
Cash received from contributors	\$ 38,695,957	\$ 34,621,004
Cash received from sales of ministry media	5,600,671	5,760,983
Cash received from student tuition and conferences	3,942,608	3,792,359
Other revenue received	1,639,598	1,486,102
Cash paid for operating activities and costs	(44,235,944)	(40,408,129)
Interest paid	<u>(221,506)</u>	<u>(254,602)</u>
Net operating cash flows	<u>5,421,384</u>	<u>4,997,717</u>
INVESTING CASH FLOWS		
Collections on note receivable	541,247	530,538
Purchases of digital assets, net	(492,692)	(3,107,000)
Purchases of and improvements to property and equipment and cash paid for website development costs	<u>(2,521,762)</u>	<u>(2,944,173)</u>
Net investing cash flows	<u>(2,473,207)</u>	<u>(5,520,635)</u>
FINANCING CASH FLOWS		
Proceeds from borrowings	4,250,000	2,250,000
Principal repayments on notes payable	<u>(3,140,855)</u>	<u>(3,391,574)</u>
Net financing cash flows	<u>1,109,145</u>	<u>(1,141,574)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>4,057,322</u>	<u>(1,664,492)</u>
CASH AND CASH EQUIVALENTS - Beginning of year	<u>4,312,380</u>	<u>5,976,872</u>
CASH AND CASH EQUIVALENTS - End of year	<u>\$ 8,369,702</u>	<u>\$ 4,312,380</u>
RECONCILIATION OF CHANGE IN NET ASSETS TO NET OPERATING CASH FLOWS		
Change in net assets	\$ 2,894,262	\$ 2,146,099
Adjustments to reconcile change in net assets to net operating cash flows		
Depreciation and amortization	2,821,925	2,731,791
Change in inventories	(194,912)	753,055
Change in other assets	244,455	(506,613)
Change in accounts payable and accrued expenses	(120,752)	827,582
Change in deferred revenue	(45,795)	(618,851)
Change in obligation under intellectual property rights agreement	<u>(177,799)</u>	<u>(335,346)</u>
Net operating cash flows	<u>\$ 5,421,384</u>	<u>\$ 4,997,717</u>

The Accompanying Notes are an Integral
 Part of These Consolidated Financial Statements

LIGONIER MINISTRIES, INC.
 CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES

For The Year Ended June 30, 2025

	Program activities		Supporting activities			Total expenses	
	Ministry activities	Cost of ministry media and donor fulfillment	General and administrative	Development			
Salaries and benefits	\$ 18,366,093	\$ —	\$ 2,522,517	\$ 1,525,280	\$ 22,413,890		
Office expenses	3,532,684	—	237,599	577,673	4,347,956		
Depreciation, amortization, interest, and other	2,667,550	—	293,895	81,986	3,043,431		
Professional services and fees	1,924,757	—	435,871	504,814	2,865,442		
Information technology	1,985,225	—	589,957	69,296	2,644,478		
Travel and events	1,816,573	—	313,851	333,416	2,463,840		
Cost of goods	—	2,257,442	—	—	2,257,442		
Occupancy	999,009	—	485,423	6,434	1,490,866		
Publications and printing	1,325,920	—	26,073	124,722	1,476,715		
Miscellaneous	1,066,916	—	241,653	32,026	1,340,595		
Advertising and promotions	1,265,722	—	—	—	1,265,722		
Religious media distribution	793,149	—	—	40,006	833,155		
Royalties	264,835	—	—	—	264,835		
Airtime	235,943	—	—	—	235,943		
Dues and subscriptions	62,357	—	21,857	1,843	86,057		
Total	\$ 36,306,733	\$ 2,257,442	\$ 5,168,696	\$ 3,297,496	\$ 47,030,367		

For The Year Ended June 30, 2024

	Program activities		Supporting activities			Total expenses	
	Ministry activities	Cost of ministry media and donor fulfillment	General and administrative	Development			
Salaries and benefits	\$ 17,692,653	\$ —	\$ 2,465,363	\$ 1,452,628	\$ 21,610,644		
Office expenses	3,406,898	—	194,026	590,001	4,190,925		
Depreciation, amortization, interest, and other	2,594,992	—	297,088	78,804	2,970,884		
Information technology	1,919,331	—	545,706	62,454	2,527,491		
Cost of goods	—	2,305,929	—	—	2,305,929		
Professional services and fees	1,726,757	—	398,868	168,506	2,294,131		
Travel and events	1,399,123	—	182,172	247,596	1,828,891		
Publications and printing	1,431,651	—	51,458	175,721	1,658,830		
Occupancy	1,025,528	—	259,640	12,229	1,297,397		
Advertising and promotions	1,198,008	—	—	—	1,198,008		
Miscellaneous	734,307	—	203,490	8,664	946,461		
Religious media distribution	757,928	—	—	42,918	800,846		
Royalties	232,228	—	—	—	232,228		
Airtime	222,242	—	—	—	222,242		
Dues and subscriptions	29,441	—	17,292	1,560	48,293		
Total	\$ 34,371,087	\$ 2,305,929	\$ 4,615,103	\$ 2,841,081	\$ 44,133,200		

The Accompanying Notes are an Integral
 Part of These Consolidated Financial Statements

LIGONIER MINISTRIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE A - NATURE OF ACTIVITIES

Ligonier Ministries, Inc. ("the Ministry") is a not-for-profit Florida corporation, with headquarters in Sanford, Florida. The Ministry promotes Christian theological education and scholarship. In so doing, the Ministry produces radio programs for broadcast, conducts conferences, sells books, audio and video media, magazines, curriculum, and publishes books and other media that advance the Ministry's exempt religious and educational purposes.

In conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"), the consolidated financial statements of the Ministry include the accounts of the following organizations, which are separate legal entities:

- Reformation Bible College, Inc. ("the College") is a Florida not-for-profit corporation whose purpose is to provide theological education through certificate programs, graduate degree programs, and an undergraduate program. The Ministry has the authority to appoint the members of the College's governing body.
- Ligonier Property Holdings, Inc. ("Property Holdings") is a Florida not-for-profit corporation whose purpose is to hold title to certain real property and to support the Ministry. The Ministry has the authority to appoint the members of Property Holdings' governing body. Property Holdings had no financial activity during the years ended June 30, 2025 and 2024 and was dissolved subsequent to June 30, 2025.

These entities are collectively referred to herein as "the Ministry." All significant interorganization transactions and balances have been eliminated in consolidation.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

The Ministry recognizes cash contributions as revenue when the contributions are received by the Ministry. Contributions received are recorded as without or with donor restrictions, depending on the existence and/or nature of any donor restrictions. 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 consolidated statements of activities as "net assets released from restrictions."

Ministry media and conference registrations revenue

Ministry media and conference registrations revenue is reported at the amount that reflects the consideration to which the Ministry expects to be entitled for sales of ministry media products or for hosting conferences. Such amounts are generally due from consumers of ministry media or conference attendees, respectively. Ministry media revenue is recognized upon the sale of products or ratably throughout a customer's magazine subscription period, as applicable. Conference registrations revenue is recognized upon completion of the conference.

Performance obligations are determined based on the nature of the goods and services provided by the Ministry. The Ministry measures the performance obligation for ministry media revenue from the point of sale of the products or from the commencement of a subscription period in which a customer is entitled to receive the Ministry's magazine to the point when the subscription period is complete. The Ministry measures the performance obligation of conference registrations revenue from the point of registration through the completion of the conference. The Ministry measures the transaction price of such revenues based on published rates for the goods or services, net of certain discounts.

Tuition and fees revenue

Tuition and fees are reported at the amount that reflects the consideration to which the Ministry expects to be entitled for providing academic services. Such amounts are generally due from enrolled students. Generally, the Ministry bills students throughout the academic year as academic services are provided.

LIGONIER MINISTRIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Tuition and fees revenue (Continued)

Revenue is recognized ratably throughout the academic year.

Performance obligations are determined based on the nature of the services provided by the Ministry. The Ministry measures the performance obligation from when a student is enrolled, or the commencement of a period in which academic services are provided, to the point where it is no longer required to provide academic services, which is generally at the completion of an academic year. The Ministry determines the transaction price based on its tuition and fees schedule, net of discounts for students who are provided financial assistance in the form of reduced tuition.

Cash and cash equivalents

The Ministry considers investment instruments purchased or donated with original maturities of three months or less to be cash equivalents.

Digital assets

The Ministry considers its digital assets to be intangible assets with indefinite useful lives. Accordingly, the digital assets are not subject to amortization. Management periodically assesses the carrying values of the digital assets for impairment and adjusts the carrying value accordingly.

Inventories

Inventories consist primarily of audio and video media, books, and curriculum materials. Inventories are stated at the lower of cost or net realizable value using the first-in, first-out inventory cost-flow assumption.

Property and equipment

Property and equipment are stated at cost, if purchased, or estimated fair value on the date of donation, if donated. Depreciation and amortization is provided using the straight-line method over the estimated useful lives of the related assets.

Leases

The Ministry assesses whether an arrangement qualifies as a lease at inception and only reassesses its determination if the terms and conditions of the arrangement are changed. Leases with an initial term of greater than twelve months which are immaterial to the overall consolidated financial statements and leases with an initial term of twelve months or less are not recorded in the accompanying consolidated statements of financial position. Lease expense is recognized for those leases on a straight-line basis over the lease term.

Intellectual property rights

Certain intellectual property rights and the related obligation in the accompanying consolidated financial statements arose out of the agreement described in Note I. The intellectual property rights have an indefinite useful life, and accordingly, no related amortization expense is recognized in the accompanying consolidated financial statements.

Deferred revenue

Deferred revenue consists of unearned revenue from tuition, magazine subscriptions, and conference registrations received in advance of the event. Subscriptions to the Ministry's magazine are made in one-, two-, and three-year intervals. The future portion of revenue relating to these subscriptions is deferred and recognized in the periods earned.

Net assets

Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes. Net assets with donor restrictions consist of amounts with uses limited by donor-imposed time and/or purpose restrictions.

LIGONIER MINISTRIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional allocation of expenses

The consolidated statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. Indirect costs that benefit multiple functional areas are allocated among the various functional areas based primarily on employee time and space utilization.

Income taxes

The Ministry, the College, and Property Holdings are exempt from federal income tax as organizations described in Section 501(c)(3) of the Internal Revenue Code and are generally exempt from applicable state income taxes. The Ministry, the College, and Property Holdings are further classified as public charities and not as private foundations for federal tax purposes. The entities have not incurred unrelated business income taxes. As a result, no income tax provision or liability has been provided for in the accompanying consolidated financial statements.

Use of estimates

Management uses estimates and assumptions in preparing consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Significant estimates used in preparing these consolidated financial statements include those related to the useful lives of property and equipment and the asset and liability related to intellectual property rights. Actual results could differ from the estimates.

NOTE C – CONCENTRATIONS

The Ministry maintains its cash and cash equivalents in deposit accounts which may not be federally insured, may exceed federally insured limits, or may be insured by an entity other than an agency of the federal government. The Ministry has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk related to cash and cash equivalents.

A majority of the Ministry's notes payable are held by a single bank.

NOTE D – LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial and other liquid assets available for general expenditure within one year of the date of the consolidated statements of financial position are as follows:

	June 30,	
	2025	2024
Financial assets available:		
Cash and cash equivalents	\$ 8,369,702	\$ 4,312,380
Accounts receivable, net (included in "other assets")	523,218	691,399
Financial assets available within one year	8,892,920	5,003,779
Other liquid assets available:		
Digital assets	<u>4,528,861</u>	<u>4,036,169</u>
Total financial and other liquid assets available within one year	\$ 13,421,781	\$ 9,039,948

LIGONIER MINISTRIES, INC.
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE D - LIQUIDITY AND AVAILABILITY OF RESOURCES (Continued)

	June 30,	
	2025	2024
Total financial and other liquid assets available within one year	\$ 13,421,781	\$ 9,039,948
Less:		
Amounts unavailable for general expenditure within one year	<u>—</u>	<u>—</u>
Net financial and other liquid assets available within one year	<u>\$ 13,421,781</u>	<u>\$ 9,039,948</u>

The Ministry is primarily supported by contributions and ministry media revenue. As part of the Ministry's liquidity management, it structures its financial and other liquid assets to be available as its general expenditures, liabilities, and other obligations come due. Donor-restricted net assets are available for general expenditure within one year of June 30, 2025 and 2024, because the restrictions on the net assets are expected to be met by conducting the normal activities of the Ministry in the coming year. Management of the Ministry believes the Ministry has sufficient cash available for general operations that may be drawn upon in the event of unanticipated financial distress or an immediate liquidity need. The Ministry also has a revolving line of credit in an amount up to \$2,500,000 as an additional available source of liquidity, as further described in Note M.

NOTE E - DIGITAL ASSETS

The Ministry's digital assets consist of digital currency holdings. In conformity with U.S. GAAP, the Ministry's digital assets are recorded at cost, net of any impairment losses incurred since acquisition, based on the lowest value of the respective unit of digital currency held by the Ministry during the period multiplied by the number of units held. The Ministry did not recognize an impairment loss during the years ended June 30, 2025 and 2024.

NOTE F - NOTE RECEIVABLE

In a previous year, the Ministry sold certain real property to a Florida not-for-profit corporation ("the Buyer") in the amount of \$2,180,000 in a seller-financed transaction. As a part of the transaction, the Ministry obtained a note receivable from the Buyer, the principal balance of which is \$1,020,818 and \$1,562,065 as of June 30, 2025 and 2024, respectively.

The note receivable is stated at the unpaid principal amount outstanding and is collateralized by certain real property. The note receivable is recorded net of an allowance for credit losses, if any. Management has determined that the note receivable is fully collectible and therefore there is no allowance recorded as of June 30, 2025 and 2024.

The Buyer pays the Ministry equal monthly installments of approximately \$47,000 (including principal and interest at 2.00% per annum) until April 2027, when the note is scheduled to be paid in full.

LIGONIER MINISTRIES, INC.
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE G – PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

Category	June 30,	
	2025	2024
Land	\$ 3,214,078	\$ 3,214,078
Buildings and improvements	34,246,138	33,873,627
Furniture and equipment	10,231,933	9,799,752
Production equipment and media masters	11,315,456	10,234,552
Media masters under development	764,411	1,059,735
Construction in progress	<u>1,407,014</u>	<u>814,083</u>
 Total property and equipment	 61,179,030	 58,995,827
Less: Accumulated depreciation	<u>(21,081,058)</u>	<u>(18,974,975)</u>
 Net property and equipment	 <u>\$40,097,972</u>	 <u>\$40,020,852</u>

Depreciation expense amounted to approximately \$2,088,000 and \$1,986,000 during the years ended June 30, 2025 and 2024, respectively.

NOTE H – OTHER ASSETS

Other assets consisted of the following:

Category	June 30,	
	2025	2024
Website development costs, net	\$ 4,284,785	\$ 4,662,067
Prepaid expenses	1,240,630	1,317,631
Receivables, net	523,218	691,399
Deposits	<u>269,388</u>	<u>268,662</u>
 Total other assets	 <u>\$ 6,318,021</u>	 <u>\$ 6,939,759</u>

NOTE I – INTELLECTUAL PROPERTY RIGHTS

In 2009, the Ministry entered into a license agreement (“the Agreement”) for rights to certain intellectual property considered essential to the Ministry’s ongoing operations and activities. The Ministry’s interest in the intellectual property rights vested in 2018.

During 2018, the Ministry recognized an asset related to the intellectual property rights and an initial liability of \$1,687,066, the amount of the net present value of the expected payments as of the effective date of the vesting of the intellectual property rights. Annual payments for the rights will be made during the period from 2018 to 2027.

Management’s determination that the carrying value as of June 30, 2025 and 2024, is appropriate is based on expectations regarding the Ministry’s future revenues in connection with the use of the intellectual property and is supported by an independent appraisal of the value of the intellectual property performed as of November 2018. It is possible that the actual fair value of the intellectual property could vary from the carrying value of the intellectual property as reflected in the accompanying consolidated statements of financial position. The asset and liability related to the Agreement are reported as “intellectual property rights” and as “obligation under intellectual property rights agreement,” respectively, in the accompanying consolidated statements of financial position.

LIGONIER MINISTRIES, INC.
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE J – NOTES PAYABLE

Notes payable consisted of the following:

	June 30,	
	2025	2024
Non-revolving line of credit payable to a bank in an amount up to \$5,800,000 for construction purposes; fixed principal and interest payments at 2.60% per annum payable monthly; secured by a consolidated mortgage on certain real property; matures April 2033	\$ 4,715,861	\$ 5,224,123
Note payable to a bank; interest only payments at 6.25% per annum through January 2026; fixed principal payments of approximately \$33,500 payable monthly (including interest at 6.25% per annum) beginning February 2026; unsecured; matures January 2032	2,000,000	—
Note payable to a bank; fixed principal payments of approximately \$20,300 payable monthly (including interest at 2.60% per annum); matures September 2025 and paid in full subsequent to June 30, 2025	39,364	265,664
Consolidated note payable to a bank; fixed principal payments of approximately \$36,900 payable monthly (including interest at 2.60% per annum); subject to various financial and other covenants as described in the loan documents; matured and paid in full November 2024	—	156,293
Total notes payable	\$ 6,755,225	\$ 5,646,080

Approximate future maturities of notes payable are as follows:

Year Ending	
<u>June 30,</u>	
2026	\$ 679,000
2027	829,000
2028	862,000
2029	897,000
2030	933,000
Thereafter	<u>2,555,000</u>
Total	<u>\$ 6,755,000</u>

During the years ended June 30, 2025 and 2024, the Ministry incurred interest expense of approximately \$222,000 and \$255,000, respectively.

NOTE K – NET ASSETS WITH DONOR RESTRICTIONS

Net assets were donor-restricted for the following purposes during the year ended June 30, 2025:

	Balance			
	July 1	Contributions	Releases	June 30
Missions	\$ 2,963,579	\$ 2,839,586	\$ (3,455,738)	\$ 2,347,427
Scholarships	<u>281,689</u>	<u>1,445,492</u>	<u>(612,815)</u>	<u>1,114,366</u>
Total	<u>\$ 3,245,268</u>	<u>\$ 4,285,078</u>	<u>\$ (4,068,553)</u>	<u>\$ 3,461,793</u>

LIGONIER MINISTRIES, INC.
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE K - NET ASSETS WITH DONOR RESTRICTIONS

Net assets were donor-restricted for the following purposes during the year ended June 30, 2024:

	Balance July 1	Contributions	Releases	Balance June 30
Missions	\$ 3,305,107	\$ 1,248,485	\$ (1,590,013)	\$ 2,963,579
Scholarships	<u>565,736</u>	<u>78,995</u>	<u>(363,042)</u>	<u>281,689</u>
Total	<u>\$ 3,870,843</u>	<u>\$ 1,327,480</u>	<u>\$ (1,953,055)</u>	<u>\$ 3,245,268</u>

NOTE L - RETIREMENT PLAN

The Ministry contributes to a 401(k) profit-sharing plan ("the Plan"). Eligible employees may make elective deferral contributions to the Plan. Employer contributions to the Plan are discretionary. The Ministry contributed approximately \$824,000 and \$636,000 to the Plan during the years ended June 30, 2025 and 2024, respectively.

NOTE M - COMMITMENT

The Ministry is party to a revolving line of credit with a bank totaling up to \$2,500,000. Interest payments at the daily simple Secured Overnight Financing Rate plus 2.11% per annum are due monthly on any outstanding amounts, subject to various financial and other covenants as described in the loan documents. The line is secured by all of the Ministry's inventories and equipment and matures in October 2025. No amounts were outstanding under the revolving line of credit as of June 30, 2025 and 2024.

NOTE N - JOINT COST ALLOCATION

During the years ended June 30, 2025 and 2024, the Ministry incurred joint costs in the approximate amounts of \$1,496,000 and \$1,919,000, respectively, for Bible teaching activities that included fundraising appeals in connection with the Ministry's exempt purposes. Of those costs, approximately \$1,146,000 and \$1,480,000 were allocated to "ministry activities" expense and approximately \$350,000 and \$439,000, respectively, were allocated to "development" expense in the accompanying consolidated statements of activities.

NOTE O - SUBSEQUENT EVENTS

Subsequent to June 30, 2025, the revolving line of credit described in Note M was renewed and now matures in January 2026.

Furthermore, subsequent to June 30, 2025, the Ministry sold a substantial majority of its digital asset holdings for approximately \$10,717,000.

The Ministry has evaluated for possible financial reporting and disclosure subsequent events through December 15, 2025, the date as of which the consolidated financial statements were available to be issued.

Supplemental Consolidating Statements

LIGONIER MINISTRIES, INC.
 CONSOLIDATING STATEMENT OF FINANCIAL POSITION (Unaudited)
 June 30, 2025

ASSETS					
	Ligonier Ministries	Reformation Bible College	Eliminations	Consolidated Total	
ASSETS					
Cash and cash equivalents	\$ 6,768,015	\$ 1,601,687	\$ —	\$ 8,369,702	
Digital assets, net	4,528,861	—	—	4,528,861	
Due from affiliate	2,904,616	—	(2,904,616)	—	
Inventories	2,457,537	43,215	—	2,500,752	
Note receivable	1,020,818	—	—	1,020,818	
Property and equipment, net	40,097,972	—	—	40,097,972	
Other assets	6,225,815	92,206	—	6,318,021	
Intellectual property rights	1,687,066	—	—	1,687,066	
Total assets	\$ 65,690,700	\$ 1,737,108	\$ (2,904,616)	\$ 64,523,192	
LIABILITIES AND NET ASSETS					
LIABILITIES					
Accounts payable and accrued expenses	\$ 2,338,695	583,142	\$ —	\$ 2,921,837	
Due to affiliate	—	2,904,616	(2,904,616)	—	
Deferred revenue	1,493,361	—	—	1,493,361	
Obligation under intellectual property rights agreement	377,219	—	—	377,219	
Notes payable	6,755,225	—	—	6,755,225	
Total liabilities	10,964,500	3,487,758	(2,904,616)	11,547,642	
NET ASSETS					
Without donor restrictions	52,216,387	(2,702,630)	—	49,513,757	
With donor restrictions	2,509,813	951,980	—	3,461,793	
Total net assets	54,726,200	(1,750,650)	—	52,975,550	
Total liabilities and net assets	\$ 65,690,700	\$ 1,737,108	\$ (2,904,616)	\$ 64,523,192	

LIGONIER MINISTRIES, INC.
CONSOLIDATING STATEMENT OF ACTIVITIES (Unaudited)
For The Year Ended June 30, 2025

	Ligonier Ministries	Reformation Bible College	Eliminations	Consolidated Total
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS				
Public support and revenue				
Contributions	\$ 30,270,679	\$ 4,140,200	\$ —	\$ 34,410,879
Ministry media revenue	5,549,040	18,621	—	5,567,661
Tuition and fees, net	708,166	2,217,254	—	2,925,420
Other revenue	2,128,743	530,855	(1,020,000)	1,639,598
Conference registrations	<u>1,091,943</u>	<u>4,050</u>	<u>—</u>	<u>1,095,993</u>
Total public support and revenue	<u>39,748,571</u>	<u>6,910,980</u>	<u>(1,020,000)</u>	<u>45,639,551</u>
Net assets released from restrictions				
Satisfaction of time and use restrictions	<u>4,038,203</u>	<u>30,350</u>	<u>—</u>	<u>4,068,553</u>
Total public support and revenue and net assets released from restrictions	<u>43,786,774</u>	<u>6,941,330</u>	<u>(1,020,000)</u>	<u>49,708,104</u>
Expenses				
Program activities				
Ministry activities	32,762,455	3,952,278	(408,000)	36,306,733
Cost of ministry media and donor fulfillment	<u>2,257,442</u>	<u>—</u>	<u>—</u>	<u>2,257,442</u>
Total program activities	<u>35,019,897</u>	<u>3,952,278</u>	<u>(408,000)</u>	<u>38,564,175</u>
Supporting activities				
General and administrative	5,000,641	678,055	(510,000)	5,168,696
Development	<u>3,297,496</u>	<u>102,000</u>	<u>(102,000)</u>	<u>3,297,496</u>
Total supporting activities	<u>8,298,137</u>	<u>780,055</u>	<u>(612,000)</u>	<u>8,466,192</u>
Total expenses	<u>43,318,034</u>	<u>4,732,333</u>	<u>(1,020,000)</u>	<u>47,030,367</u>
Change in net assets without donor restrictions	<u>468,740</u>	<u>2,208,997</u>	<u>—</u>	<u>2,677,737</u>
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS				
Contributions	3,327,311	957,767	—	4,285,078
Net assets released from restrictions	<u>(4,038,203)</u>	<u>(30,350)</u>	<u>—</u>	<u>(4,068,553)</u>
Change in net assets with donor restrictions	<u>(710,892)</u>	<u>927,417</u>	<u>—</u>	<u>216,525</u>
CHANGE IN NET ASSETS	<u>(242,152)</u>	<u>3,136,414</u>	<u>—</u>	<u>2,894,262</u>
NET ASSETS - Beginning of year	<u>54,968,352</u>	<u>(4,887,064)</u>	<u>—</u>	<u>50,081,288</u>
NET ASSETS - End of year	<u>\$ 54,726,200</u>	<u>\$ (1,750,650)</u>	<u>\$ —</u>	<u>\$ 52,975,550</u>

See The Accompanying Report of Independent Auditor

LIGONIER MINISTRIES, INC.
CONSOLIDATING STATEMENT OF CASH FLOWS (Unaudited)
For The Year Ended June 30, 2025

	Ligonier Ministries	Reformation Bible College	Eliminations	Consolidated Total
OPERATING CASH FLOWS				
Cash received from contributors	\$ 33,597,990	\$ 5,097,967	\$ —	\$ 38,695,957
Cash received from sales of ministry media	5,600,671	—	—	5,600,671
Cash received from student tuition and conferences	1,721,304	2,221,304	—	3,942,608
Other revenue received	1,090,122	549,476	—	1,639,598
Cash paid for operating activities and costs	(37,800,426)	(6,435,518)	—	(44,235,944)
Interest paid	(221,506)	—	—	(221,506)
Net operating cash flows	3,988,155	1,433,229	—	5,421,384
INVESTING CASH FLOWS				
Collections on note receivable	541,247	—	—	541,247
Purchases of digital assets, net	(492,692)	—	—	(492,692)
Purchases of and improvements to property and equipment and cash paid for website development costs	(2,521,762)	—	—	(2,521,762)
Net investing cash flows	(2,473,207)	—	—	(2,473,207)
FINANCING CASH FLOWS				
Proceeds from borrowings	4,250,000	—	—	4,250,000
Principal repayments on notes payable	(3,140,855)	—	—	(3,140,855)
Net financing cash flows	1,109,145	—	—	1,109,145
NET CHANGE IN CASH AND CASH EQUIVALENTS	2,624,093	1,433,229	—	4,057,322
CASH AND CASH EQUIVALENTS - Beginning of year	4,143,922	168,458	—	4,312,380
CASH AND CASH EQUIVALENTS - End of year	\$ 6,768,015	\$ 1,601,687	\$ —	\$ 8,369,702
RECONCILIATION OF CHANGE IN NET ASSETS TO NET OPERATING CASH FLOWS				
Change in net assets	\$ (242,152)	\$ 3,136,414	\$ —	\$ 2,894,262
Adjustments to reconcile change in net assets to net operating cash flows				
Depreciation and amortization	2,821,925	—	—	2,821,925
Change in inventories	(205,026)	10,114	—	(194,912)
Change in other assets	263,414	(18,959)	—	244,455
Change in accounts payable and accrued expenses	(142,211)	21,459	—	(120,752)
Change in due from / due to affiliate	1,715,799	(1,715,799)	—	—
Change in deferred revenue	(45,795)	—	—	(45,795)
Change in obligation under intellectual property rights agreement	(177,799)	—	—	(177,799)
Net operating cash flows	\$ 3,988,155	\$ 1,433,229	\$ —	\$ 5,421,384