CALVARY CHAPEL BIBLE COLLEGE
(AN INTEGRATED AUXILIARY OF CALVARY CHAPEL COSTA MESA)

Financial Statements
With Independent Auditor's Report

June 30, 2025 and 2024

CALVARY CHAPEL BIBLE COLLEGE
An Integrated Auxiliary of Calvary Chapel Costa Mesa

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Calvary Chapel Bible College
An Integrated Auxiliary of Calvary Chapel Costa Mesa
Santa Ana, California

Opinion

We have audited the accompanying financial statements of Calvary Chapel Bible College, which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, 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 Calvary Chapel Bible College as of June 30, 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 Calvary Chapel Bible College 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 Calvary Chapel Bible College's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Board of Directors
Calvary Chapel Bible College
An Integrated Auxiliary of Calvary Chapel Costa Mesa
Santa Ana, California

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 Calvary Chapel Bible College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Calvary Chapel Bible College's ability to continue as a going concern for a reasonable period of time.

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

Capin Crouse LLC

Ontario, California
October 30, 2025

CALVARY CHAPEL BIBLE COLLEGE
An Integrated Auxiliary of Calvary Chapel Costa Mesa

Statements of Financial Position

	June 30, 2025	June 30, 2024
ASSETS:		
Cash and cash equivalents	$ 181,416	$ 146,323
Accounts receivable, net	99,385	103,693
Due from Calvary Chapel Costa Mesa	1,162,354	253,632
Property and equipment - at cost, net	13,717	109,598
Total Assets	$ 1,456,872	$ 613,246
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable	$ 7,603	$ 11,742
Accrued expenses	13,448	46,091
Performance obligation liabilities	38,742	158,334
Total liabilities	59,793	216,167
Net assets:		
Without donor restrictions	1,397,079	397,079
With donor restrictions	-	-
Total net assets	1,397,079	397,079
Total Liabilities and Net Assets	$ 1,456,872	$ 613,246

See notes to financial statements

CALVARY CHAPEL BIBLE COLLEGE
An Integrated Auxiliary of Calvary Chapel Costa Mesa

Statements of Activities

	Year Ended June 30,					
	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT, REVENUE, AND RECLASSIFICATIONS:						
Tuition and fees - net of scholarships of $119,253 and $112,874, respectively	$ 1,152,950	$ -	$ 1,152,950	$ 962,719	$ -	$ 962,719
Contributions from Calvary Chapel Costa Mesa	2,674,785	-	2,674,785	1,903,382	-	1,903,382
Contributed facilities from Calvary Chapel Costa Mesa	1,350,710	-	1,350,710	1,350,710	-	1,350,710
Contributions	104,828	-	104,828	69,092	-	69,092
Loss on disposal of assets	(71,948)	-	(71,948)	(2,157)	-	(2,157)
Retreat income	46,815	-	46,815	35,625	-	35,625
Sales income	28,575	-	28,575	28,988	-	28,988
Other income	14,097	-	14,097	20,627	-	20,627
	5,300,812	-	5,300,812	4,368,986	-	4,368,986
Net assets released from:						
Purpose restrictions	-	-	-	-	-	-
Total Support, Revenue and Reclassifications	5,300,812	-	5,300,812	4,368,986	-	4,368,986
EXPENSES:						
Program activities	3,536,437	-	3,536,437	3,691,924	-	3,691,924
Supporting activities:						
General and administrative	687,455	-	687,455	649,512	-	649,512
Fundraising	76,920	-	76,920	27,550	-	27,550
Total Expenses	4,300,812	-	4,300,812	4,368,986	-	4,368,986
Change in Net Assets	1,000,000	-	1,000,000	-	-	-
Net Assets, Beginning of Year	397,079	-	397,079	397,079	-	397,079
Net Assets, End of Year	$ 1,397,079	$ -	$ 1,397,079	$ 397,079	$ -	$ 397,079

See notes to financial statements

CALVARY CHAPEL BIBLE COLLEGE
An Integrated Auxiliary of Calvary Chapel Costa Mesa

Statement of Functional Expenses

Year Ended June 30, 2025

	Program Activities	Management and Administrative	Fundraising	Total
Contributed facilities from Calvary Chapel Costa Mesa	$ 1,215,639	$ 135,071	$ -	$ 1,350,710
Salaries and wages	1,143,766	101,668	25,417	1,270,851
Supplies	431,704	42,129	-	473,833
Administrative, office, and other	94,688	390,592	51,503	536,783
Employee benefits	266,906	14,048	-	280,954
Student room & board	197,048	-	-	197,048
Student meals	145,003	-	-	145,003
Occupancy, utilities, and maintenance	18,947	2,750	-	21,697
Depreciation	22,736	1,197	-	23,933
Total Expenses	$ 3,536,437	$ 687,455	$ 76,920	$ 4,300,812

See notes to financial statements

CALVARY CHAPEL BIBLE COLLEGE
An Integrated Auxiliary of Calvary Chapel Costa Mesa

Statement of Functional Expenses

Year Ended June 30, 2024

	Program Activities	Management and Administrative	Fundraising	Total
Contributed facilities from Calvary Chapel Costa Mesa	$ 1,215,639	$ 135,071	$ -	$ 1,350,710
Salaries and wages	1,210,089	107,563	26,891	1,344,543
Supplies	506,713	48,413	-	555,126
Administrative, office, and other	36,629	336,398	659	373,686
Employee benefits	272,747	14,355	-	287,102
Student room & board	212,298	-	-	212,298
Student meals	155,904	-	-	155,904
Occupancy, utilities, and maintenance	57,834	6,445	-	64,279
Depreciation	24,071	1,267	-	25,338
Total Expenses	$ 3,691,924	$ 649,512	$ 27,550	$ 4,368,986

See notes to financial statements

CALVARY CHAPEL BIBLE COLLEGE
An Integrated Auxiliary of Calvary Chapel Costa Mesa

Statements of Cash Flows

	Year Ended June 30, 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 1,000,000	$ -
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	23,933	25,338
Loss on disposal of equipment	71,948	2,157
Bad debt expense	-	16,347
Net change in:		
Accounts receivable	4,308	(4,879)
Due from Calvary Chapel Costa Mesa	(908,722)	(81,206)
Prepaid and other assets	-	8,375
Accounts payable	(4,139)	6,437
Accrued expenses	(32,643)	8,247
Performance obligation liabilities	(119,592)	39,218
Net Cash Provided by Operating Activities	35,093	20,034
CASH FLOWS FROM INVESTING ACTIVITIES:		
Equipment purchases	-	(28,568)
Net Cash Used in Investing Activities	-	(28,568)
Change in Cash and Cash Equivalents	35,093	(8,534)
Cash and Cash Equivalents, Beginning of Year	146,323	154,857
Cash and Cash Equivalents, End of Year	$ 181,416	$ 146,323
SUPPLEMENTAL INFORMATION:		
Write off of fully depreciated fixed assets	$ 352,155	$ -

See notes to financial statements

1. NATURE OF ORGANIZATION:

Calvary Chapel Bible College (the College) was established as a ministry of Calvary Chapel Costa Mesa (the Church) and founded in 1975 by Chuck Smith. On October 27, 2021, the College became separately incorporated as an integrated auxiliary of the Church, which is the ultimate reporting entity. The College was started with the vision of equipping the Saints to do the work of the Kingdom. The College offers undergraduate degrees in biblical studies and related topics.

The Church is a California not-for-profit religious corporation exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and comparable state law. However, the Church is subject to federal income tax on any unrelated business taxable income. In addition, the Church is not classified as a private foundation within the meaning of Section 509(a) of the IRC. As an integrated auxiliary of the Church, Calvary Chapel Bible College is also exempt from federal and state taxes.

ACCREDITATION

Calvary Chapel Bible College holds candidate status with the Association for Biblical Higher Education Commission on Accreditation (ABHE). Candidate status is a pre-accredited status granted to those institutions that show promise of achieving accreditation within a maximum of five years. Candidate institutions are required to submit annual progress reports demonstrating progress toward accreditation. During Year 3, self-study materials are submitted to the COA for review prior to an evaluation team visit to assess the institution's readiness for initial accreditation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of the College have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. A summary of significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

CASH AND CASH EQUIVALENTS

For statement of financial position and cash flow purposes, cash and cash equivalents consist primarily of checking, savings, and cash on hand. These accounts may, at times, exceed federally insured limits. As of June 30, 2025 and 2024, the College's cash balances did not exceed federally insured limits.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

ACCOUNTS RECEIVABLE
Accounts receivable are presented net of an allowance for credit losses, which is an estimate of amounts that may not be collectible. The College separates accounts receivable into risk pools based on their aging. In determining the amount of the allowance as of the statements of financial position date, the College develops a loss rate for each risk pool. The loss rate is based on management's historical collection experience, adjusted for management's expectations about current and future economic conditions. Based on a review of the accounts receivable, management has determined an allowance of $71,277 and $71,488 is necessary as of June 30, 2025 and 2024, respectively. Past due amounts are generally considered those accounts greater than ninety days. It is the College's policy to charge off uncollectible accounts receivable when management determines collection is unlikely. During the years ended June 30, 2025 and 2024, the College wrote off accounts receivable of $0 and $16,347, respectively.

DUE FROM CALVARY CHAPEL COSTA MESA
Due from Calvary Chapel Costa Mesa as of June 30, 2025 and 2024 consists of contributions yet to be received from the Church.

PROPERTY AND EQUIPMENT
Expenditures over $5,000 for property and equipment are capitalized at cost. Donated items are recorded at fair value on the date of the gift. Depreciation is computed on the straight-line method over the estimated useful lives of the assets, ranging from 3 to 10 years. Gifts of land, buildings, and equipment are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions must specify how the assets are to be used; gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the College reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

NET ASSETS
The financial statements report amounts by classification of net assets as follows:

Net assets without donor restrictions are those currently available at the discretion of the board for use in the College's operations, resources designated for student scholarships, and those resources invested in property and equipment.

Net assets with donor restrictions are those which are stipulated by donors for specific operating purposes or for specific projects.

All contributions are considered available without donor restriction unless specifically restricted by the donor.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

PUBLIC SUPPORT, REVENUE, AND EXPENSES
Contributions are recorded at a point in time when cash or unconditional promises-to-give have been received or when ownership of donated assets are transferred to the College. The College records contributions as net assets with donor restrictions if they are received with donor stipulations that limit their use either through purpose or time restrictions, or both. Restricted gifts received and expended in the same fiscal year are recorded as net assets without donor restrictions. When donor restrictions expire, that is, when the purpose restriction is fulfilled or the time restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as a release of donor restrictions.

The College records tuition and fees and retreat income as services are provided over time. Tuition and fees, and retreat income received prior to the beginning of the school year, are reported as performance obligation liabilities.

Sales income and other income is recognized when earned.

FUNCTIONAL ALLOCATION OF EXPENSES
The costs of providing the various program services and supporting activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs, such as depreciation and payroll, have been allocated among the program services and supporting activities. Depreciation is allocated based on estimated use of square footage and payroll based on time and effort. Other expenses are allocated based on estimates of time and effort.

ADVERTISING
Advertising is used to promote the College. Advertising expense was $3,929 and $5,414, for the years ended June 30, 2025 and 2024, respectively. Advertising costs are expensed as incurred and included in administrative, office, and other expenses on the statements of functional expenses.

USE OF ESTIMATES
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires that management make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to depreciation of property and equipment, allocation of expenses on a functional basis, contributed facilities, and allowance for uncollectible accounts receivable.

3. LIQUIDITY AND FUNDS AVAILABLE:
The College had approximately $1,443,000 and $504,000 of financial assets, consisting of cash and cash equivalents, accounts receivable, and amounts due from Calvary Chapel Costa Mesa, available for operating expenditures within one year of the balance sheet date for the years ending June 30, 2025 and 2024, respectively. The College has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

4. PROPERTY AND EQUIPMENT:
Property and equipment consists of:

	June 30, 2025	June 30, 2024
Furniture and equipment	$ 19,595	$ 509,652
Library books	47,754	47,754
	67,349	557,406
Less accumulated depreciation	(53,632)	(447,808)
	$ 13,717	$ 109,598

5. CONTRIBUTED FACILITIES:
The College occupies facilities owned by Calvary Chapel Costa Mesa, and recognizes contributed facilities revenue and occupancy expense as a contributed non-financial asset approximating $1,351,000 for the years ended June 30, 2025 and 2024. The College records contributed facilities at fair value of similar properties. The College assesses fair value based on public records for similar space and land in the principal market the transaction occurred. Contributed facilities are recorded as program and supporting service expense, allocated according to square footage used by purpose.

6. RETIREMENT PLAN:
The College participates in a 403(b)(9) plan where the College matches up to 5%. During the year ended June 30, 2025 and 2024, the College contributed $20,207 and $23,179, respectively.

7. RELATED PARTY TRANSACTIONS:

Effective July 1, 2022, the College began operating out of the Twin Peaks Christian Conference Center (Twin Peaks), which is also owned and operated by the Church. A formal rental agreement was entered into as of August 1, 2022. The College pays an annual amount of $10 for rent, and they are also responsible for operating expenses, which are shared with Lake Arrowhead Christian School, which is also located on the property. For the years ended June 30, 2025 and 2024, the College paid the Church approximately $182,000 and $212,000, respectively, for operating expenses, and recognized approximately $1,351,000 of contributed facilities revenue and expense for both the years ended June 30, 2025 and 2024.

During the years ended June 30, 2025 and 2024, the Church contributed $2,674,785 and $1,903,382, respectively, to the College. Contributions and contributed facilities from the Church consist of 77% and 74% of total revenue for the years ended June 30, 2025 and 2024, respectively.

During the year ended June 30, 2025, the Church made a conditional promise to give of $500,000 to the College. The funds are to be used for transitional expenses related to the relocation of the College. As of June 30, 2025, the Church has reimbursed $176,695 of transitional expenses to the College and the remaining conditional promise to give is $323,305.

8. SUBSEQUENT EVENTS:

Subsequent to June 30, 2025, the College relocated its campus and operations to Bradenton, Florida. Further, as part of this relocation, the College officially separated from Calvary Chapel Costa Mesa.

Subsequent events were evaluated through October 30, 2025, which is the date the financial statements were available to be issued.