DARE TO IMAGINE CHURCH, INC.

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2023 AND 2022

J. MILLER & ASSOCIATES LLC
CPAs FOR NONPROFITS

DARE TO IMAGINE CHURCH, INC.
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YEARS ENDED DECEMBER 31, 2023 AND 2022

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J. MILLER & ASSOCIATES LLC
CPAs FOR NONPROFITS

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Board of Directors
Dare to Imagine Church, Inc.
Philadelphia, Pennsylvania

We have reviewed the accompanying financial statements of Dare to Imagine Church, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility 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; this includes 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Board of Directors
Dare to Imagine Church, Inc.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

J. Miller & Associates, LLC

J. MILLER & ASSOCIATES, LLC

Philadelphia, Pennsylvania
June 17, 2024

DARE TO IMAGINE CHURCH, INC.
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2023 AND 2022

	2023	2022
ASSETS		
Cash	$ 142,529	$ 243,443
Contributions receivable	50,039	-
Due from affiliate	48,334	45,796
Property and equipment, net	1,947,624	1,986,906
Finance lease right of use assets	45,301	66,209
TOTAL ASSETS	$ 2,233,827	$ 2,342,354
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	$ 82,849	$ 81,030
Finance lease liability	55,426	75,100
Note payable	1,486,055	1,539,949
TOTAL LIABILITIES	1,624,330	1,696,079
NET ASSETS		
Without donor restrictions	609,497	646,275
TOTAL NET ASSETS	609,497	646,275
TOTAL LIABILITIES AND NET ASSETS	$ 2,233,827	$ 2,342,354

The accompanying notes are an integral part of these financial statements.

See independent accountant's review report.

DARE TO IMAGINE CHURCH, INC.
STATEMENTS OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
	Without Donor Restrictions	Without Donor Restrictions
REVENUE		
Contributions	$ 1,529,633	$ 1,435,583
Special days and events revenue	38,175	43,355
Rental income	42,907	38,647
Other income	14,034	23,252
Grants	6,000	5,000
Interest income	532	72
Total revenue	1,631,281	1,545,909
EXPENSES		
Program expenses:		
Church ministries	982,630	893,744
Facilities	402,479	324,055
Total program expenses	1,385,109	1,217,799
Supporting services:		
Administration expenses	281,750	384,038
Fundraising	1,200	-
Total expenses	1,668,059	1,601,837
CHANGE IN NET ASSETS	(36,778)	(55,928)
Net assets - beginning of year	646,275	702,203
Net assets - end of year	$ 609,497	$ 646,275

The accompanying notes are an integral part of these financial statements.

See independent accountant's review report.

DARE TO IMAGINE CHURCH, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	Program Services			Supporting Services		
	Church Ministries	Facilities	Total	Administration Expenses	Fundraising	Total
Salaries and wages	$ 424,380	$ 11,586	$ 435,966	$ 86,448	$ -	$ 522,414
Payroll taxes	15,487	643	16,130	6,499	-	22,629
Employee benefits	-	-	-	35,254	-	35,254
Equipment	-	-	-	76	-	76
Office expense	-	-	-	10,855	-	10,855
Professional services	-	-	-	20,048	-	20,048
Banking and merchant fees	-	-	-	33,235	-	33,235
Interest expense	-	-	-	70,332	-	70,332
Payroll processing	-	-	-	19,003	-	19,003
Utilities	-	106,439	106,439	-	-	106,439
Insurance	-	28,406	28,406	-	-	28,406
Repairs and maintenance	-	96,458	96,458	-	-	96,458
Program Expenses						
General ministries	159,263	-	159,263	-	-	159,263
Evangelism and outreach	185,727	-	185,727	-	-	185,727
Christian education	21,403	-	21,403	-	-	21,403
Congregational support and fellowship	6,632	-	6,632	-	-	6,632
Youth ministry	19,781	-	19,781	-	-	19,781
Music and worship	79,329	-	79,329	-	-	79,329
Special days and events	69,855	-	69,855	-	-	69,855
Fundraising and donor development	-	-	-	-	1,200	1,200
Grant expenses	773	-	773	-	-	773
Depreciation and amortization expense	-	158,947	158,947	-	-	158,947
Total expenses	$ 982,630	$ 402,479	$ 1,385,109	$ 281,750	$ 1,200	$ 1,668,059

The accompanying notes are an integral part of these financial statements.

See independent accountant's review report.

DARE TO IMAGINE CHURCH, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2022

	Program Services				
	Church Ministries	Facilities	Total Program Services	Administration Expenses	Total
Salaries and wages	$ 372,057	$ 3,100	$ 375,157	$ 119,548	$ 494,705
Payroll taxes	13,422	-	13,422	8,730	22,152
Employee benefits	-	-	-	34,494	34,494
Equipment	-	-	-	4,348	4,348
Office expense	-	-	-	6,710	6,710
Professional services	-	-	-	51,253	51,253
Banking and merchant fees	-	-	-	64,672	64,672
Interest expense	-	-	-	78,675	78,675
Payroll processing	-	-	-	15,608	15,608
Utilities	-	99,419	99,419	-	99,419
Insurance	-	12,583	12,583	-	12,583
Repairs and maintenance	-	76,151	76,151	-	76,151
Program Expenses					
General ministries	136,025	-	136,025	-	136,025
Evangelism and outreach	205,015	-	205,015	-	205,015
Christian education	22,461	-	22,461	-	22,461
Congregational support and fellowship	5,858	-	5,858	-	5,858
Youth ministry	9,682	-	9,682	-	9,682
Music and worship	58,429	-	58,429	-	58,429
Special days and events	70,795	-	70,795	-	70,795
Depreciation and amortization expense	-	132,802	132,802	-	132,802
Total expenses	$ 893,744	$ 324,055	$ 1,217,799	$ 384,038	$ 1,601,837

The accompanying notes are an integral part of these financial statements.

See independent accountant's review report.

DARE TO IMAGINE CHURCH, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2023 AND 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (36,778)	$ (55,928)
Adjustments to Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation and amortization expense	158,947	132,802
(Increase) Decrease in:		
Contributions receivable	(50,039)	-
Due from affiliate	(2,538)	(5,001)
Accounts payable and accrued expenses	1,819	30,567
Net cash provided by operating activities	71,411	102,440
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(98,757)	(79,132)
Net cash used by investing activities	(98,757)	(79,132)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on note	(53,894)	(28,456)
Repayment of capital lease - equipment	(19,674)	(25,871)
Net cash used by financing activities	(73,568)	(54,327)
NET DECREASE IN CASH	(100,914)	(31,019)
Cash - Beginning of Period	243,443	274,462
CASH - END OF PERIOD	$ 142,529	$ 243,443
SUPPLEMENTAL DISCLOSURE:		
Interest expense paid	$ 70,332	$ 78,675

The accompanying notes are an integral part of these financial statements.

See independent accountant's review report.

NOTE 1 ORGANIZATION AND OPERATIONS

Nature of Operations

Dare to Imagine Church, Inc. (the "Church") was incorporated in the Commonwealth of Pennsylvania on December 11, 2014. The Church's vision is to be a contemporary, Christ-centered, Bible-based community. The Church is a diverse fellowship committed to representing the love of Jesus Christ as it dares to imagine and create a better society for its families, communities and the world. The Church's revenue consists primarily of contributions from members and attendees.

Affiliate Organization

The Dare to Imagine Community Development Corporation (the "CDC") is an affiliated, separate 501 (c)(3) organization incorporated in the Commonwealth of Pennsylvania, created in 2016 to serve the greater Philadelphia community through acquisition, preservation, rehabilitation, planning, facilitating and/or implementing the development of a range of community development projects, revitalization initiatives; education and leadership training; and youth employment, training and empowerment programs with an eye toward achieving economic stability and preserving the cultural vibrancy of the community. There is one common board member between the Church and the CDC.

The CDC works to increase equity and economic empowerment by attracting new businesses, encourage the retention and growth of existing businesses, provide access to homeownership opportunities, create networking and employment opportunities and improve the quality of life and the environment in partnership with community partners, residents, businesses, property owners and other agencies. The mission of the CDC is to strengthen and empower the community by (1) improving educational and development opportunities for children and youth; (2) fostering economic revitalization; (3) increasing the availability of quality housing; and (4) advocating for the rights and privileges of Philadelphia residents.

In support of its initiatives, the Church may from time to time make contributions on its behalf, to the CDC.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Church have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables and other liabilities.

Financial Statement Presentation

Currently, there are two classes of net assets for nonprofit organizations: net assets with donor restrictions and net assets without donor restrictions.

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation (continued)

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. These net assets may be used at the discretion of the Church's management and Board of Directors.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses reported during the period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Church considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Contributions Receivable

Contributions receivable consists of funds collected but not yet deposited as of December 31, 2023. There were no contributions receivable as of December 31, 2022.

Property and Equipment

The Church capitalizes all expenditures for property and equipment in excess of $500. Depreciation of property and equipment is computed on a straight-line basis over the estimated useful lives of the assets. The estimated useful lives are as follows:

Building	30 years
Building improvements	10 years
Equipment	3 years
Vehicles	5 years
Furniture and fixtures	7 years

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

The Church leases equipment. The Church determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets and operating lease liabilities on the statements of financial position. Finance leases are included in financing lease right of use (ROU) assets and financing lease liabilities on the statements of financial position.

ROU assets represent the Church's right to use an underlying asset for the lease term and lease liabilities represent the Church's obligation to make lease payments arising from the lease. ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most leases do not provide an implicit rate, the Church elected to use risk-free market rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives, if any. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Church will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Contributions

Contributions received are recorded as an increase to net assets with or without donor restrictions depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is when a purpose restriction is accomplished or stipulated time restriction ends) net assets with restrictions are classified to net assets without restrictions and reported as net assets released from restrictions on the statement of activities.

Rental Income

The Church provides space for rent on a short-term basis. Rent is due at the time of rental and may include a security deposit. It is recorded as an increase to net assets without donor restrictions on the statement of activities.

Functional Allocation of Expenses

The costs of providing the Church's various programs and other activities are summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function and are allocated on a reasonable basis that is consistently applied. Accordingly, salaries, payroll taxes and benefits are allocated among program services and administration based on the time and effort towards those activities and their related costs. Directly identifiable expenses are charged to program and supporting services. Administration expenses include those expenses that are not directly identifiable with any other specific function and provide for the overall support and direction of the Church. Fundraising expenses are direct costs for that activity.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Church is recognized as an organization exempt from federal and state income tax under Section 501(c)(3) of the Internal Revenue Code of 1986. Accordingly, there is no provision for income taxes. The Church is not aware of any activities that would jeopardize its tax-exempt status.

NOTE 3 LIQUIDITY AND AVAILABILITY

The following represents the Church's financial assets as of December 31, 2023 and 2022:

	December 31,	
	2023	2022
Financial Assets:		
Cash	$ 142,529	$ 243,443
Contributions receivable	50,039	-
Total financial assets available to meet general expenditures over the next year	$ 192,568	$ 243,443

The Church regularly monitors liquidity required to meet its operating needs and other contractual commitments over the next 12 months.

NOTE 4 DUE FROM AFFILIATE

The CDC (see Note 1) received contributions on behalf of the Church. Amounts due to the Church were $48,334 and $45,796 as of December 31, 2023 and 2022, respectively.

NOTE 5 PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2023 and 2022 consist of the following:

	2023	2022
Buildings and improvements	$2,475,333	$2,393,446
Equipment	163,676	146,806
Vehicles	15,407	15,407
Furnitures and fixtures	10,677	10,677
Total	2,665,093	2,566,336
Accumulated depreciation	(717,468)	(579,430)
Total property and equipment, net	$1,947,625	$1,986,906

NOTE 6 NOTE PAYABLE

The Church had a $1,760,000 five year note that was executed on May 25, 2017. The loan had an annual interest rate of 4.5% and required monthly payments of principal and interest totaling $9,849. A balloon payment of $1,557,800 was due on May 25, 2022 and was refinanced for the principal amount of $1,574,582 at an interest rate of 3.95%. A balloon payment of $1,281,033 will be due May 25, 2027.

The balance on the note payable was $1,486,055 and $1,539,949 at December 31, 2023 and 2022, respectively.

Principal payments due on the note are as follows:

Year Ending December 31,	Amount
2024	$ 56,939
2025	59,230
2026	61,612
2027	1,308,274
Total	$ 1,486,055

NOTE 7 LEASE COMMITMENTS

The Church leases equipment under two finance lease agreements. One lease expired in July 2022. The second lease expires in March 2026. The weighted average discount rate is based on the discount rate implicit in the lease.

Total right of use assets and lease liabilities are as follows:

Classification in Statement of Financial Position

	December 31, 2023	December 31, 2022
Finance right-of-use assets	$ 45,301	$ 66,209
Finance lease liability	$ 55,426	$ 75,100

NOTE 7 LEASE COMMITMENTS (CONTINUED)

Total lease costs for the years ended December 31, 2023 and 2022 are as follows:

	Year Ended December 31, 2023	2022
Finance lease cost:		
Interest expense	$ 9,090	$ 12,956
Amortization of right of use assets	$ 20,908	$ 27,018

The future minimum lease payments under finance leases with terms greater than one year at December 31, 2023 are:

Year Ending December 31,	Amount
2024	$ 28,764
2025	28,764
2026	7,191
Total lease payments	64,719
Less interest	(9,293)
Present value of lease liability	$ 55,426

NOTE 8 PENSION PLAN

The Church maintains a defined benefit retirement plan that provides employer contributions for the Pastor. Employer contributions totaled $29,149 each year for the years ended December 31, 2023 and 2022, respectively.

NOTE 9 SUBSEQUENT EVENTS

In preparing these financial statements, the Church has evaluated events and transactions for potential recognition or disclosure through June 17, 2024 as the date the financial statements were available to be issued.