RELIGIOUS FREEDOM COALITION

FINANCIAL STATEMENTS

AND

INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2025

RELIGIOUS FREEDOM COALITION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Religious Freedom Coalition

Opinion

We have audited the accompanying financial statements of Religious Freedom Coalition (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, 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 Religious Freedom Coalition as of December 31, 2025, 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 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 Religious Freedom Coalition 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 Religious Freedom Coalition's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

GB Company LLC - VA

Alexandria, Virginia
February 18, 2026

RELIGIOUS FREEDOM COALITION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025

Assets

Current assets	
Cash and cash equivalents	$ 395,084
Investments	271,132
Prepaid expenses	2,698
Total current assets	668,914
Property and equipment	
Furniture and fixtures	13,134
Equipment	27,397
	40,531
Less accumulated depreciation	(35,041)
Total property and equipment	5,490
Right-of-use lease assets	11,838
Total assets	$ 686,242

Liabilities and Net Assets

Current liabilities	
Accounts payable	$ 36,146
Current portion lease liabilities	11,721
Total current labilities	47,867
Total liabilities	47,867
Net assets	
Without donor restrictions	638,375
Total net assets	638,375
Total liabilities and net assets	$ 686,242

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

RELIGIOUS FREEDOM COALITION
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2025

Revenue	
Contributions	$ 1,600,511
Investment return, net - Note 2	39,492
Total revenue	1,640,003
Expenses	
Program services	1,139,860
Supporting services	
General and administrative	285,160
Fundraising	201,144
Total supporting services	486,304
Total expenses	1,626,164
Change in net assets	13,839
Net assets, beginning of year	624,536
Net assets, end of year	$ 638,375

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

RELIGIOUS FREEDOM COALITION
STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2025

Cash flows from operating activities		
Change in net assets	$	13,839
Adjustment to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation		2,645
Net (appreciation) in fair value of investments		(26,607)
Changes in operating assets and liabilities:		
Prepaid expenses		(637)
Right-of-use assets		23,330
Lease liabilities		(22,562)
Accounts payable		(255)
Net cash provided by (used in) operating activities		(10,247)
Cash flows from investing activities		
Purchase of equipment		(718)
Purchase/sale of investments (net)		8,898
Net cash provided by (used in) investing activities		8,180
Net increase in cash and cash equivalents		(2,067)
Cash and cash equivalents, beginning of year		397,151
Cash and cash equivalents, end of year	$	395,084
Supplemental disclosures of cash flow information:		
Cash paid during the year for interest	$	-

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

RELIGIOUS FREEDOM COALITION
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2025

	Programs	General and Administrative	Fundraising	Total
Missions	$ 537,393	$ -	$ -	$ 537,393
Salaries	216,823	137,404	46,192	400,419
Digital distribution	57,834	34,820	85,515	178,169
Printing and publications	106,313	33	25,106	131,452
Postage and shipping	96,907	13,664	20,200	130,771
Employee benefits	25,224	16,815	5,888	47,927
Occupancy	21,542	7,833	3,264	32,639
Payroll taxes	18,875	9,437	3,146	31,458
Website/IT services/database	15,851	7,256	4,621	27,728
Professional fees	1,641	17,516	703	19,860
Bank and merchant fees	-	17,093	-	17,093
List rental	11,947	-	2,802	14,749
Dues	8,954	1,119	1,119	11,192
State registrations	-	8,630	-	8,630
Office supplies	4,535	1,649	687	6,871
Communication	4,507	1,639	682	6,828
Meals	2,696	2,696	-	5,392
Repairs and maintenance	3,029	1,102	459	4,590
Storage	-	3,107	-	3,107
Depreciation	1,746	635	264	2,645
Rentals	1,665	606	252	2,523
Travel	770	1,521	-	2,291
Insurance	1,108	403	168	1,679
Other expenses	500	182	76	758
	$ 1,139,860	$ 285,160	$ 201,144	$ 1,626,164

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of activities

Religious Freedom Coalition (RFC) (the Organization) is a nonprofit organization that assists persecuted Christians in various areas of the world. The Organization has been in operation since 1982 and is headquartered in Washington D.C.

Description of major programs

Educational Initiatives: Promoting postcards and letters to the president and members of congress in support of aid to, and protection from persecution of middle eastern and African Christian families. The distribution of educational publications and videos exposing persecution of Christians worldwide.

General aid to Christian refugees: The religious freedom coalition continues to support internally displaced persons (IDPs) in Iraq and Nigeria. Iraqi as well as Syrian Christian refugees in Lebanon and Jordan. Aid includes adult diaper programs for elderly and special needs adults. As war rages between Israel, Hamas, and Hezbollah the religious freedom coalition distributes food packages to poor, unemployed Christian. Adult diapers are distributed to special needs adults in Bethlehem and Beit Sahour.

Christmas for refugees: Providing Christmas events and gifts for the children of Christian families who have been driven from their homes in several nations in the Middle East and Nigeria. Children at these events enjoy singing carols, coloring contests, games, puppet shows and receive a hot meal. Age-appropriate gifts and family aid is provided. The program is in its 15th year. The largest group of children served are Syrian Christian refugees in Lebanon.

Diapers for refugees: Through this program, the Religious Freedom Coalition distributes millions of diapers to displaced and persecuted Christian refugee families each year. Years of war in Iraq and Syria caused a lack of medical care, leading to increased need for adult diapers. As fighting continues the need for adult diapers has increased. Adult diapers restore dignity and have a life changing effect. Recipients no longer have to sleep on the floor or on plastic mats. Special needs adults in Christian areas in and around Bethlehem are assisted by this program.

Basis of accounting

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

Classes of net assets

The financial statements report amounts by class of net assets:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; these restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

When donor stipulations expire, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities and changes in net assets as net assets released from restrictions.

Use of estimates

In preparing financial statements, in accordance with U.S. GAAP, management makes certain estimates and assumptions, where applicable, that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as reported amounts of revenues and expenses during the reported period. While actual results could differ from those estimates, management does not expect such variances, if any, to have a material effect on the financial statements.

Promises to give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Organization uses the allowance method to determine uncollectible promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made.

Contributions

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions.

Cash and cash equivalents

Cash and cash equivalents consist of cash held in checking and savings (all with maturity dates of less than three months). The Organization maintains accounts with various financial institutions. Accounts are guaranteed by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. From time to time throughout the year, the amount on deposit with institutions may have exceeded the federally insured limits. The Organization has not experienced any losses through the date when the financial statements were available to be issued.

Investments

Investments are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in net assets without donor restrictions if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Short-term investments consist of debt securities with original maturities of twelve months or less. Long-term investments consist of debt securities with original maturities greater than twelve months.

Property and equipment

Property and equipment are stated at cost when purchased or fair value when donated, less accumulated depreciation. Expenditures for maintenance and repairs are expensed as incurred while major replacements and improvements are capitalized. Depreciation is calculated using the straight-line depreciation method over the estimated useful lives of the asset. Property and equipment are depreciated using the straight-line method over estimated useful lives ranging from three to seven years.

Cost allocation

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Directly identifiable expenses are charged to their applicable functional category. Expenses attributable to more than one program or supporting function are allocated in reasonable ratios determined by management.

Income tax status

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

The Organization has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Organization has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Fair value measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It prioritizes the inputs to the valuation techniques used to measure fair value by giving the highest priority to unadjusted quoted or published prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The three levels in the fair value hierarchy are as follows:

> Level 1 – inputs are quoted or published prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date.
>
> Level 2 – inputs are inputs other than quoted or published prices included in Level 1 that are either directly or indirectly observable for the assets or liabilities.
>
> Level 3 – inputs are unobservable inputs for the assets or liabilities.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement.

Leases

Pursuant to GAAP, a contract contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset.

Operating leases are included in operating lease right-of-use assets and operating lease liabilities within the Organization's accompanying statement of financial position.

Right-of-use assets represent the Organization's right to use an underlying asset for the lease term, and lease liabilities represent the Organization's obligation to make lease payments. Operating lease right-of-use assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The Organization uses the implicit rate when it is readily determinable. If the Organization's leases do not provide an implicit rate, the Organization elects the practical expedient to utilize the risk-free rate to determine the present value of lease payments. Operating lease right-of-use assets also include any lease payments made and exclude any lease incentives.

NOTE 2 INVESTMENTS AND FAIR VALUE MEASUREMENTS

The following table presents the Organization's fair value hierarchy for investments as of December 31, 2025:

	Fair Value	Level 1
Equity securities	$ 271,132	$ 271,132
Total	$ 271,132	$ 271,132

Investment income from these investments consists of the following as of December 31, 2025:

Interest and dividends	$ 12,885
Unrealized gains	26,607
Total	$ 39,492

NOTE 3 LEASE COMMITMENTS

The Organization has a lease agreement for its office space that expires on June 30, 2026.

The following summarizes the line items in the accompanying statement of financial position which include amounts for the operating lease as of December 31, 2025:

Operating lease:

Right-of-use lease assets	$	11,838
Current portion lease liabilities	$	11,721
Total lease liabilities	$	11,721

The maturity of the lease liabilities as of December 31, 2025, was as follows:

2026	$	11,838
Total undiscounted cash flows		11,838
Less: present value discount		(117)
Total lease liabilities	$	11,721

Total lease expense for the year ended December 31, 2025, was $29,246.

NOTE 4 CONTINGENCIES

In the usual course of carrying out its mission, the Organization may be a party to litigation and other claims. The Organization carries insurance that, generally, covers costs of defending and settling such litigation and claims. While it is not feasible to predict the ultimate outcomes of such matters, the Organization’s management is not aware of any pending litigation or claims that would have a material adverse effect on the Organization’s financial position.

NOTE 5 EFFECTS OF CURRENT ECONOMIC CONDITIONS ON CONTRIBUTIONS

The Organization is highly dependent on contributions for its revenue to carry out its programs. The ability of the Organization’s contributors to continue giving amounts comparable with prior years may be dependent upon current and future economic conditions.

NOTE 6 FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF RISK

Financial instruments that potentially subject the Organization to concentrations of risk consist primarily of cash and cash equivalents, and investments. The Organization places its cash with what it believes to be quality financial institutions. Investments are exposed to various risks, such as interest rate, liquidity, credit, and overall market volatility. Due to the level of risk associated with certain investments; it is reasonably possible that changes in the values of investments will occur in the near-term and that such changes could be material.

NOTE 7 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

Financial assets available for general expenditure within one year of December 31, 2025, included the following:

Cash and cash equivalents	$	395,084
Investments		271,132
	$	666,216

As part of the Organization's liquidity management plan, the Organization continuously monitors liquidity to ensure resources are available for general expenditures, liabilities, and other obligations as they come due.

NOTE 8 ALLOCATION OF JOINT COSTS

During 2025, as part of its public awareness activities, the Organization has incurred joint costs of $416,510 for informational activities that included a fundraising appeal. These costs have been allocated as following: $273,316 to program services, $7,256 to general and administrative and $135,938 to fundraising.

NOTE 9 SUBSEQUENT EVENTS

Subsequent events were evaluated through February 18, 2026, the date the financial statements were available to be issued. Management concluded that no subsequent events have occurred that would require recognition or disclosure in the financial statements.