EDIFY AND SUBSIDIARIES

Consolidated Financial Statements
With Independent Auditors' Report

September 30, 2023 and 2022

EDIFY
AND SUBSIDIARIES

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CAPINCROUSE LLP

INDEPENDENT AUDITORS' REPORT

Board of Directors
Edify and Subsidiaries
San Diego, California

Opinion

We have audited the accompanying consolidated financial statements of Edify and Subsidiaries, which comprise the consolidated statements of financial position as of September 30, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows 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 financial position of Edify and Subsidiaries as of September 30, 2023 and 2022, and the changes in its net assets and 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 *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are required to be independent of Edify and Subsidiaries 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.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 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 Edify and Subsidiaries' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

409 Camino Del Rio South , Suite 304
San Diego, CA 92108
619.955.5333
capincrouse.com

Board of Directors
Edify and Subsidiaries
San Diego, California

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 risks 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.
- 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 Edify and Subsidiaries' 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Edify and Subsidiaries' 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 LLP

San Diego, California
December 8, 2023

EDIFY
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Consolidated Statements of Financial Position

	September 30, 2023	September 30, 2022
ASSETS:		
Current assets:		
Cash and cash equivalents	$ 1,338,086	$ 3,742,955
Investments	1,876,000	-
Restricted cash from donations	532,083	674,850
Prepaids and other assets	401,552	324,852
	4,147,721	4,742,657
Board designated reserve	3,395,787	2,508,527
Prepaids and other assets, net of current portion	-	1,710
Operating lease–right-of-use assets	73,399	-
Equipment and software–at cost, net	84,687	131,089
Total Assets	$ 7,701,594	$ 7,383,983
LIABILITIES AND NET ASSETS:		
Current liabilities:		
Accounts payable and other liabilities	$ 377,165	$ 392,485
Operating lease liabilities	26,422	-
Deferred revenue	6,650	-
	410,237	392,485
Net assets:		
Without donor restrictions:		
Undesignated	3,363,488	3,808,121
Board designated cash reserve	3,395,787	2,508,527
	6,759,275	6,316,648
With donor restrictions	532,082	674,850
Total net assets	7,291,357	6,991,498
Total Liabilities and Net Assets	$ 7,701,594	$ 7,383,983

See notes to consolidated financial statements

EDIFY
AND SUBSIDIARIES

Consolidated Statements of Activities

	Year Ended September 30,					
	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Contributions	$ 10,233,469	$ 2,635,723	$ 12,869,192	$ 8,792,710	$ 2,161,939	$ 10,954,649
Interest income	96,263	-	96,263	6,075	-	6,075
Contribution of nonfinancial assets	10,042	-	10,042	155,431	-	155,431
Other income	54,997	-	54,997	19,221	-	19,221
	10,394,771	2,635,723	13,030,494	8,973,437	2,161,939	11,135,376
Release of net assets from donor restrictions	2,778,491	(2,778,491)	-	3,174,608	(3,174,608)	-
Total Support and Revenue	13,173,262	(142,768)	13,030,494	12,148,045	(1,012,669)	11,135,376
EXPENSES:						
Program services	10,183,235	-	10,183,235	8,406,836	-	8,406,836
Supporting activities:						
General and administrative	894,439	-	894,439	626,404	-	626,404
Fundraising	1,652,961	-	1,652,961	1,629,189	-	1,629,189
Total Expenses	12,730,635	-	12,730,635	10,662,429	-	10,662,429
Change in Net Assets	442,627	(142,768)	299,859	1,485,616	(1,012,669)	472,947
Net Assets, Beginning of Year	6,316,648	674,850	6,991,498	4,831,032	1,687,519	6,518,551
Net Assets, End of Year	$ 6,759,275	$ 532,082	$ 7,291,357	$ 6,316,648	$ 674,850	$ 6,991,498

See notes to consolidated financial statements

EDIFY
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Consolidated Statements of Functional Expenses

	Year Ended September 30,							
	2023				2022			
		Supporting Activities:				Supporting Activities:		
	Program Activities	Management and General	Fundraising	Total	Program Activities	Management and General	Fundraising	Total
U.S salaries and benefits	$ 1,292,815	$ 426,737	$ 1,183,302	$ 2,902,854	$ 1,000,605	$ 333,959	$ 1,021,171	$ 2,355,735
International salaries and benefits	2,626,506	13,830	6,915	2,647,251	2,066,590	14,091	7,046	2,087,727
School leader and teacher training	2,336,324	-	3,588	2,339,912	2,027,891	36,000	5,602	2,069,493
Grants for revolving loans	1,825,568	-	-	1,825,568	1,464,496	-	-	1,464,496
Travel	1,013,823	49,363	297,622	1,360,808	812,076	36,972	430,262	1,279,310
Office, occupancy, and supplies	757,062	243,638	90,078	1,090,778	497,577	74,145	89,143	660,865
Services and professional fees	300,183	160,871	56,008	517,062	508,934	131,174	59,930	700,038
Depreciation	30,954	-	15,448	46,402	28,667	63	16,035	44,765
Total Expenses	$ 10,183,235	$ 894,439	$ 1,652,961	$ 12,730,635	$ 8,406,836	$ 626,404	$ 1,629,189	$ 10,662,429

See notes to consolidated financial statements

EDIFY
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Consolidated Statements of Cash Flows

	Year Ended September 30, 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 299,859	$ 472,947
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	46,402	44,765
Loss on disposal of equipment	-	750
Realized and unrealized gain on investments	(23,989)	-
Non-cash effect of change in accounting principle	(46,977)	-
Net change in:		
Prepaids and other assets	(74,990)	(48,041)
Accounts payable	(15,320)	287,573
Deferred revenue	6,650	-
Net Cash Provided by Operating Activities	191,635	757,994
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(2,702,011)	-
Proceeds from sale of investments	850,000	-
Net Cash Used in Investing Activities	(1,852,011)	-
Change in Cash and Cash Equivalents	(1,660,376)	757,994
Cash and Cash Equivalents, Beginning of Year	6,926,332	6,168,338
Cash and Cash Equivalents, End of Year	$ 5,265,956	$ 6,926,332
SUMMARY OF CASH AND CASH EQUIVALENTS:		
Cash and cash equivalents	$ 1,338,086	$ 3,742,955
Restricted cash from donations	532,083	674,850
Board designated reserve	3,395,787	2,508,527
	$ 5,265,956	$ 6,926,332
SUPPLEMENTAL DISCLOSURE AND NON-CASH TRANSACTIONS:		
Right-of-use assets obtained in exchange for operating lease obligations	$ 25,107	$ -

See notes to consolidated financial statements

1. NATURE OF ORGANIZATION:

Edify was incorporated in 2009 in California as a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and comparable state laws. However, Edify is subject to federal income tax on any unrelated business taxable income. In addition, Edify is not classified as a private foundation within the meaning of Section 509(a) of the IRC. The primary source of revenue for Edify is contributions which are tax-deductible for income tax purposes.

Edify is a religious organization dedicated to bringing Jesus Christ to children through Christian character development and provision of an excellent academic education, and to bringing children, parents, teachers, and donors to Christ. Edify's activities are undertaken throughout the United States and six international entities in Ghana, Rwanda, Liberia, Uganda, Burkina Faso, and Sierra Leone. Edify also operates under partnership agreements in other countries. Edify Ghana, Edify Liberia, Edify Rwanda, Edify Uganda, Edify Burkina Faso, and Edify Sierra Leone are controlled foreign subsidiaries formed in their respective regions. All of the international entities act as branches of Edify. Edify, Edify Ghana, Edify Liberia, Edify Rwanda, Edify Uganda, Edify Burkina Faso, and Edify Sierra Leone are collectively referred to as Edify in these consolidated financial statements.

Edify is focusing on delivering three key resources to help Christian education entrepreneurs in developing countries lift their communities out of poverty.

1. Training to equip school leaders to develop sustainable Christ-centered schools
2. Loan Capital to expand and improve school facilities
3. Education Technology to enhance learning outcomes and employability

PRINCIPLES OF CONSOLIDATION

Accounting principles generally accepted in the United States of America (US GAAP) requires that if an entity has a controlling financial interest or an economic interest in an organization and control through a majority voting interest in its board, the organization must be consolidated. Due to meeting the consolidation requirements under US GAAP, the following organizations have been consolidated: Edify Ghana, Edify Liberia, Edify Rwanda, Edify Uganda, Edify Burkina Faso, and Edify Sierra Leone. The consolidated financial statements of Edify include the balances of all the aforementioned organizations. All significant intercompany balances and transactions have been eliminated.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The consolidated financial statements for Edify have been prepared on the accrual basis of accounting 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 consolidated financial statements to the reader.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

CASH AND CASH EQUIVALENTS, RESTRICTED CASH FROM DONATIONS, AND BOARD DESIGNATED RESERVE

For consolidated statements of financial position and cash flow purposes, cash and cash equivalents include cash on hand, cash on deposit, money market accounts, and certificates of deposit with an original maturity of 90 days or less. These accounts may, at times, exceed federally insured limits. Edify has not experienced any losses in such accounts. At September 30, 2023 and 2022, Edify's cash balances exceeded federally insured limits by approximately $3,313,000 and $6,245,000, respectively. In addition, Edify maintains its cash in bank deposit and money market accounts that are insured by Securities Investor Protection Corporation (SIPC) which insures an additional $500,000 of deposits as of September 30, 2023 and 2022.

Edify keeps a separate bank account for all contributions with donor restrictions. See Note 8 for more information.

INVESTMENTS

Investments consist of fixed income US treasuries and certificates of deposit. Fixed income US treasuries are reported at fair value based on quoted market prices in active markets for identical assets, which is Level 1 of the fair value hierarchy. Certificates of deposit are recorded at cost. Unrealized gains and losses are included in the change in net assets. Donated securities are recorded at fair value on the date of the gift and thereafter carried in accordance with the above provision.

OPERATING LEASE RIGHT-OF-USE ASSETS AND OBLIGATIONS

Edify adopted Accounting Standards Update (ASU) 2016-02 (see recently adopted accounting standard below) and its related amendments as of October 1, 2022, which resulted in the recognition of operating lease right-of-use assets totaling $73,399 as of September 30, 2023, as well as operating lease obligations totaling $26,422. Edify elected to adopt the transition relief provisions from ASU 2018-11 and recorded the impact of adoption as of October 1, 2022 without restating prior-year amounts. The additional lease disclosures can be found in Note 6.

EQUIPMENT AND SOFTWARE

Expenditures over $3,000 for equipment are capitalized at cost. Depreciation is computed on the straight-line method over the estimated useful lives of the assets, which ranges from three to ten years.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

NET ASSETS
The consolidated financial statements report amounts by class of net assets:

Net assets without donor restrictions are those currently available at the discretion of the board for use in Edify's operations.

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

All contributions are considered available for unrestricted use unless specifically restricted by the donor.

PUBLIC SUPPORT, REVENUE, AND EXPENSES
Contributions are recorded when cash or unconditional promises-to-give have been received or when ownership of donated assets are transferred to the ministry. Edify 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. 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 consolidated statements of activities as release of donor restrictions.

Contributions of nonfinancial assets include donated services, software and technology, and other miscellaneous gifts. Donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by the individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at fair value in the period received in the consolidated statement of activities. Edify receives skilled services by professional educators for training services and accounting services. Fair value estimates for donated services are based on current rates provided by equivalent industry professionals. Software and technology estimates are based on wholesale prices of identical products as provided by donors and retailer's pricing schedules. The fair value is determined by comparison to retail markets for products in like-new condition, adjusted for various costs that may reduce the value of the item. Contributions of nonfinancial assets are used within Edify's program without donor restriction.

Revenue is recorded when earned. Expenses are recorded when incurred in accordance with the accrual basis of accounting.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing the various program services and supporting activities have been summarized on a functional basis in the consolidated statements of activities and consolidated statements of functional expenses. International staff, school leader and teacher training, and grants for revolving loans are direct program expenses and not allocated. U.S. salaries and benefits, and depreciation are allocated on the basis of direct expenses and estimated time by department. Travel, services and professional fees, are allocated by direct expenses and functional usage. Office, occupancy and supplies are allocated by direct expenses, functional usage, and square footage. Currently, there are no joint costs that have been allocated among program, general and administrative, and fundraising.

USE OF ESTIMATES

The preparation of consolidated 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.

RECENTLY ADOPTED ACCOUNTING STANDARDS

In 2016, FASB issued ASU No. 2016-02, *Leases* (Topic 842 of the ASC). The amendments in this update require organizations that lease assets to recognize on the statement of financial position the assets and liabilities for the rights and obligations created by the leases. The amendments are effective for fiscal years beginning after December 15, 2021. Edify adopted this update for the year ended September 30, 2023. Some of Edify's contracts contain the right to control the use of property or assets and are therefore considered leases. Edify elected to adopt the transition relief provisions from ASU 2018-11, *Leases* (Topic 842)*: Targeted Improvements* and recorded the impact of adoption as of October 1, 2022, without restating any prior-year amounts. Edify also elected the practical expedient to not separate lease and non-lease components and the accounting policy election to exclude short-term leases with lease terms of 12 months or less. The additional lease disclosures can be found in Note 6.

3. LIQUIDITY AND AVAILABILITY OF RESOURCES:

The following reflects Edify's financial assets as of the date of the consolidated statements of financial position, reduced by amounts not available for general use because of board designation or due to restrictions by donors not expected to be used within one year of the balance sheet date.

	September 30,	
	2023	2022
Financial assets:		
Cash and cash equivalents	$ 1,338,086	$ 3,742,955
Investments	1,876,000	-
Restricted cash from donations	532,083	674,850
Board designated reserve	3,395,787	2,508,527
Accounts receivable (included within prepaids and other assets on the consolidated statements of financial position)	38,585	4,757
Financial assets, at year end	7,180,541	6,931,089
Less those unavailable for general expenditure within one year due to contraction or donor-imposed restrictions		
Restricted by donor with purpose restrictions	(25,913)	(15,000)
Board designated reserve	(3,395,787)	(2,508,527)
	(3,421,700)	(2,523,527)
Financial assets available to meet cash needs for general expenditures within one year	$ 3,758,841	$ 4,407,562

Edify has established a board designated cash reserve account in order to help with unanticipated cash flow needs, which the board has the authority to release if needed.

4. INVESTMENTS:

Investments consist of the following:

	September 30, 2023	September 30, 2022
At fair value:		
Money market	$ 1,997,114	$ -
U.S. treasuries	1,659,859	-
Certificates of deposit	1,125,000	-
Non-operating cash	489,814	-
	$ 5,271,787	$ -

Summary of investments at September 30, 2023

Board designated reserve	$ 3,395,787
Investments	1,876,000
	$ 5,271,787

As of September 30, 2023, Edify classifies their assets as held-for-sale. Below is a list of their investments broken out between the historical cost and the fair value at fiscal year end.

	Cost	Fair Value
Money market	$ 1,997,115	$ 1,997,114
U.S. treasuries	1,662,076	1,659,859
Certificates of deposit	1,125,000	1,125,000
Non-operating cash	489,814	489,814
	$ 5,274,005	$ 5,271,787

5. FAIR VALUE MEASUREMENTS:

Edify follows the provisions of the Fair Value Measurements and Disclosure topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). These standards establish a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This standard provides a consistent definition of fair value, which focuses on an exit price between market participants in an orderly transaction. The standard also prioritizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The hierarchy is broken down into three levels based on the transparency of inputs as follows:

Level 1–Quoted prices are available in active markets for identical assets or liabilities as of the measurement date. A quoted price for an identical asset or liability in an active market provides the most reliable fair value measurement because it is directly observable to the market.

Level 2–Pricing inputs other than quoted prices in active markets, are either directly or indirectly observable as of the measurement date. The nature of these securities includes investments for which quoted prices are available but traded less frequently, and investments that are valued using other securities, the parameters of which can be directly observed.

Level 3–Inputs that have little to no pricing observability as of the measurement date. These assets or liabilities are measured using management's best estimate of fair value, where the inputs into the determination of fair value are not observable and require significant management judgment or estimation.

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Notes to Consolidated Financial Statements

September 30, 2023 and 2022

5. FAIR VALUE MEASUREMENTS, continued:

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics, and other factors. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. However, the determination of what constitutes observable data requires significant judgment by Edify. Edify considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to Edify's perceived risk of that instrument.

Edify uses appropriate valuation techniques to determine fair value based on inputs available. When available, Edify measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available. As of September 30, 2023, Edify had no Level 2 or Level 3 assets or liabilities.

Corporate equities and mutual funds are based on quoted market prices.

Fair values of assets measured on a recurring basis at September 30, 2023, are as follows:

		Fair Value Measurements Using:		
	September 30, 2023	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets				
Investments:				
Money market	$ 1,997,114	$ 1,997,114	$ -	$ -
U.S. Treasuries	1,659,859	1,659,859	-	-
Total investments subject to fair value	3,656,973	$ 3,656,973	$ -	$ -
Reconciling items held at cost				
Non-operating cash	489,814			
Certificates of deposit	1,125,000			
Total investments	$ 5,271,787			

6. OPERATING LEASE–RIGHT OF USE ASSETS AND OBLIGATIONS:

Edify leases office space in the Dominican Republic, Uganda, Liberia, Sierra Leone, and Ghana under noncancelable operating leases expiring at various times through October 2027 with a final payment being due in November 2025, which is a prepayment for remainder of the lease term. The discount rate represents the risk-free discount rate using a period comparable with that of the individual lease term on the inception date of the lease.

		September 30, 2023
Operating lease right-of-use assets	$	73,399
Operating lease liabilities	$	26,422
Operating lease costs	$	35,545
Weighted-average discount rate		2.16%
Weighted-average remaining lease term		3.58 years

Future minimum lease payments required under the operating leases that have an initial or remining non-cancelable lease term in excess of one year are as follows:

Year ending September 30,		
2024	$	9,864
2025		3,300
2026		40,740
		53,904
Less imputed interest		(27,482)
	$	26,422

Prior to the adoption of ASUs 2016-02 and 2018-11 under Topic 842 as described in Note 2, Edify was applying Topic 840 in relation to leases. Edify had lease expenses of $40,201 during the year ended September 30, 2022.

7. EQUIPMENT AND SOFTWARE:

Equipment and software consists of:

	September 30, 2023	September 30, 2022
Computer equipment and software	$ 282,512	$ 257,289
Furniture	35,491	38,820
Less accumulated depreciation	(233,316)	(165,020)
Equipment, net of depreciation	$ 84,687	$ 131,089

8. NET ASSETS WITH DONOR RESTRICTIONS:

Donor-restricted funds consist of:

	September 30, 2023	September 30, 2022
Africa designated projects	$ 130,537	$ -
Latin America designated projects	112,574	-
Christian Transformation	90,754	4,190
Liberia designated projects	83,160	-
Uganda designated projects	42,175	114,111
Panama designated projects	40,000	110,601
Rwanda designated projects	20,846	3,073
Education Technology designated projects	12,036	-
Edify information systems integration	-	191,570
Edify staff leadership development	-	114,235
Ethiopia designated projects	-	103,833
Guatemala designated projects	-	27,244
El Salvador designated projects	-	5,993
	$ 532,082	$ 674,850

9. CONTRIBUTION OF NONFINANCIAL ASSETS:

Edify receives donations of professional services, software and technology, and other nonfinancial assets for use in program, fundraising, and management activities.

Contribution of nonfinancial assets recorded within the consolidated statements of activities include:

	Year Ended September 30,	
	2023	2022
Donated services	$ 9,100	$ 121,564
Donated software & technology	492	12,875
Other contributed nonfinancial assets	450	20,992
	$ 10,042	$ 155,431

10. GRANTS FOR REVOLVING LOANS:

During the years ended September 30, 2023 and 2022, Edify granted a net total of $1,825,568 and $1,464,496 to ministry partners in developing countries who provide small and medium enterprise Christian education loans. In conjunction with these grants, Edify entered into repayment agreements with the intent of holding the partners accountable for using the funds in accordance with the agreed upon terms. Since the primary purpose of these funds is to provide capital for small and medium enterprise lending with more favorable terms than standard lending conditions, the amounts are reported as grants for revolving loans on the consolidated statements of functional expenses and are not reflected as notes receivable on the consolidated statements of financial position.

11. EMPLOYEE BENEFIT PLANS:

Edify participates in a 403b retirement plan (the Plan) implemented October 1, 2021. All regular full-time US based staff members are eligible to participate upon beginning service. Edify's contributions are based on employee's W-2 wages and increased by elective deferrals made by the employee up to 4% of their gross compensation. Edify's contributions to the Plan for the years ended September 30, 2023 and 2022 were $45,557 and $7,643, respectively.

12. RELATED PARTY:

The spouse of Edify's CEO volunteered to lead spiritual retreats and other ministry activities for Edify staff and donors as part of the organization's 360 degrees of transformation initiative. Edify paid travel expenses of $5,378 and $7,771 directly related to these activities during the years ended September 30, 2023 and 2022, respectively. Children of the CEO participated in a donor vision trip during fiscal year 2022. Edify paid for their travel expenses related to this activity totaling $3,773 during the year ended September 30, 2022.

13. CONCENTRATION:

For the years ended September 30, 2023 and 2022, the top five donors provided approximately 35% and 31% of total revenue, respectively.

14. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through December 8, 2023, which is the date the consolidated financial statements were available to be issued.