EDIFY AND SUBSIDIARIES

Consolidated Financial Statements
With Independent Auditor's Report

September 30, 2025 and 2024

EDIFY
AND SUBSIDIARIES

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INDEPENDENT AUDITOR'S 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, 2025 and 2024, 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, 2025 and 2024, 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 *Auditor's 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.

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Board of Directors
Edify and Subsidiaries
San Diego, California

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the 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 LLC

San Diego, California
December 12, 2025

EDIFY
AND SUBSIDIARIES

Consolidated Statements of Financial Position

	September 30, 2025	September 30, 2024
ASSETS:		
Current assets:		
Cash and cash equivalents	$ 867,761	$ 1,054,669
Investments	910,414	1,491,014
Restricted assets from donations	1,447,605	693,503
Prepaids and other assets	403,647	377,558
	3,629,427	3,616,744
Board designated reserve	4,090,355	3,769,785
Operating lease–right-of-use assets	144,491	89,746
Equipment and software–at cost, net	19,069	48,801
Total Assets	$ 7,883,342	$ 7,525,076
LIABILITIES AND NET ASSETS:		
Current liabilities:		
Accounts payable and other liabilities	$ 684,171	$ 456,798
Operating lease liabilities–current portion	96,066	20,986
	780,237	477,784
Operating lease liabilities–long-term portion	6,567	31,957
Total liabilities	786,804	509,741
Net assets:		
Without donor restrictions:		
Undesignated	1,558,578	2,552,047
Board designated reserve	4,090,355	3,769,785
	5,648,933	6,321,832
With donor restrictions	1,447,605	693,503
Total net assets	7,096,538	7,015,335
Total Liabilities and Net Assets	$ 7,883,342	$ 7,525,076

See notes to consolidated financial statements

EDIFY
AND SUBSIDIARIES

Consolidated Statements of Activities

	Year Ended September 30,					
	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Contributions	$ 12,393,870	$ 5,240,604	$ 17,634,474	$ 11,543,348	$ 2,297,370	$ 13,840,718
Interest income	178,528	-	178,528	241,122	-	241,122
Vision trip income	165,306	-	165,306	311,719	-	311,719
Contribution of nonfinancial assets	52,250	-	52,250	35,451	-	35,451
Other income	125,726	-	125,726	91,254	-	91,254
	12,915,680	5,240,604	18,156,284	12,222,894	2,297,370	14,520,264
Release of net assets from donor restrictions	4,486,501	(4,486,501)	-	2,135,950	(2,135,950)	-
Total Support and Revenue	17,402,181	754,103	18,156,284	14,358,844	161,420	14,520,264
EXPENSES:						
Program services	14,556,129	-	14,556,129	11,580,510	-	11,580,510
Supporting activities:						
General and administrative	1,032,613	-	1,032,613	950,520	-	950,520
Fundraising	2,486,339	-	2,486,339	2,265,256	-	2,265,256
Total Expenses	18,075,081	-	18,075,081	14,796,286	-	14,796,286
Change in Net Assets	(672,900)	754,103	81,203	(437,442)	161,420	(276,022)
Net Assets, Beginning of Year	6,321,833	693,502	7,015,335	6,759,275	532,082	7,291,357
Net Assets, End of Year	$ 5,648,933	$ 1,447,605	$ 7,096,538	$ 6,321,833	$ 693,502	$ 7,015,335

See notes to consolidated financial statements

EDIFY
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Consolidated Statements of Functional Expenses

	Year Ended September 30,							
	2025				2024			
		Supporting Activities:				Supporting Activities:		
	Program Activities	General and Administrative	Fundraising	Total	Program Activities	General and Administrative	Fundraising	Total
International salaries and benefits	$ 4,466,972	$ 18,252	$ 9,126	$ 4,494,350	$ 3,461,827	$ 15,950	$ 7,979	$ 3,485,756
School leader and teacher training	3,908,509	-	-	3,908,509	2,778,486	-	-	2,778,486
U.S. salaries and benefits	1,253,041	644,826	1,687,039	3,584,906	1,170,860	584,754	1,447,671	3,203,285
Travel	1,350,393	42,112	429,799	1,822,304	1,273,151	67,735	593,929	1,934,815
Grants for revolving loans	1,817,340	-	-	1,817,340	1,305,834	-	-	1,305,834
Services and professional fees	842,285	142,055	253,904	1,238,244	627,478	141,094	102,408	870,980
Office, occupancy, and supplies	891,366	185,368	93,263	1,169,997	938,895	140,987	97,821	1,177,703
Depreciation	26,223	-	13,208	39,431	23,979	-	15,448	39,427
Total Expenses	$ 14,556,129	$ 1,032,613	$ 2,486,339	$ 18,075,081	$ 11,580,510	$ 950,520	$ 2,265,256	$ 14,796,286

See notes to consolidated financial statements

EDIFY
AND SUBSIDIARIES

Consolidated Statements of Cash Flows

	Year Ended September 30, 2025	Year Ended September 30, 2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 81,203	$ (276,022)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	39,431	39,427
Non-cash lease expense	(1,251)	10,174
Accretion of discount on debt securities	(34,214)	(45,317)
Unrealized (gain) or loss on investments	4,279	(7,683)
Net change in:		
Prepaids and other assets	(31,885)	2,212
Accounts payable	227,373	79,633
Accrued interest receivable	15,502	21,782
Performance contract liabilities	-	(6,650)
Net Cash Provided (Used) by Operating Activities	300,438	(182,444)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(6,199,240)	(4,670,339)
Proceeds from sale and maturity of investments	5,206,385	4,745,000
Purchase of equipment and software	(9,873)	(3,540)
Net Cash Provided (Used) by Investing Activities	(1,002,728)	71,121
Effect of exchange rate changes on cash	(3,631)	-
Change in Cash and Cash Equivalents	(705,921)	(111,323)
Cash and Cash Equivalents, Beginning of Year	1,760,659	1,871,982
Cash and Cash Equivalents, End of Year	$ 1,054,738	$ 1,760,659
SUMMARY OF CASH AND CASH EQUIVALENTS:		
Cash and cash equivalents	$ 867,761	$ 1,054,669
Cash held in restricted assets from donations	186,200	693,503
Cash held in board designated reserve	777	12,487
	$ 1,054,738	$ 1,760,659
SUPPLEMENTAL DISCLOSURE AND NON-CASH TRANSACTIONS:		
Right-of-use assets obtained in exchange for operating lease obligations	$ 63,995	$ 64,087

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 eight international entities in Ghana, Rwanda, Liberia, Uganda, Burkina Faso, Sierra Leone, Ethiopia, Ecuador, and the Dominican Republic. Edify also operates under partnership agreements in other countries. Edify Ghana, Edify Rwanda, Edify Liberia, Edify Uganda, Edify Burkina Faso, Edify Sierra Leone, Edify Ethiopia, Fundacion Edify Ecuador, and Edify RD 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, Edify Sierra Leone, Edify Ethiopia, Fundacion Edify Ecuador, and Edify RD 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 and coaching to equip school leaders to develop sustainable Christ-centered schools
2. Providing access to 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, Edify Sierra Leone, Edify Ethiopia, and Edify RD. 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. <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:</u>

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, 2025 and 2024, Edify's cash balances exceeded federally insured limits by approximately $3,852,000 and $4,591,000, 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, 2025 and 2024.

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

INVESTMENTS

Investments consist of money market funds, fixed income US treasuries, and equities. Money markets, equities, and 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. 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

Some of Edify's contracts contain the right to control the use of property or assets and are therefore considered leases. Edify records the right-of-use assets and lease obligations on the consolidated statements of financial position for the rights and obligations created by leases with initial terms of more than twelve months. Edify has elected not to separate lease and non-lease components.

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. <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:</u>

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 use without donor restriction 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 statements 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.

Interest income, vision trip income, and other income is recorded when earned. Expenses are recorded when incurred in accordance with the accrual basis of accounting. Marketable securities are reported at their fair value and the change in unrealized gains/losses on marketable securities are included in interest income.

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. Estimates that are particularly susceptible to significant changes in the near term are related to allocation of expenses on a functional basis and valuation of right-of-use operating lease assets and obligations.

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, 2025	September 30, 2024
Financial assets:		
Cash and cash equivalents	$ 867,761	$ 1,054,669
Investments	910,414	1,491,014
Restricted assets from donations	1,447,605	693,503
Board designated reserve	4,090,355	3,769,785
Accounts receivable (included within prepaids and other assets on the consolidated statements of financial position)	55,274	25,589
Financial assets, at year end	7,371,409	7,034,560
Less those unavailable for general expenditure within one year due to contraction or donor-imposed restrictions		
Restricted by donor with purpose restrictions	(484,605)	(30,243)
Board designated reserve	(4,090,355)	(3,769,785)
	(4,574,960)	(3,800,028)
Financial assets available to meet cash needs for general expenditures within one year	$ 2,796,449	$ 3,234,532

Edify has established a board designated reserve account in order to help with unanticipated cash flow needs, which the board has the authority to release if needed. Edify has donor-restricted net assets of $963,000 and $663,260 that are available for projects within one year of September 30, 2025 and 2024, respectively.

4. INVESTMENTS:

Investments consist of the following:

	September 30, 2025	September 30, 2024
At fair value:		
Money market	$ 4,429,145	$ 3,511,957
Equities	30,647	-
U.S. treasuries	1,801,605	1,736,355
At cost:		
Non-operating cash	186,977	12,487
	$ 6,448,374	$ 5,260,799

	September 30, 2025	September 30, 2024
Summary of investments at September 30, 2025		
Board designated reserve	$ 4,090,355	$ 3,769,785
Restricted assets from donations	1,447,605	-
Investments	910,414	1,491,014
	$ 6,448,374	$ 5,260,799

As of September 30, 2025 and 2024, Edify records its marketable debt and equity securities at fair value; changes in unrealized gains/losses on securities are included in interest income. Below is a list of investments broken out between the historical cost and the fair value at the fiscal year end September 30, 2025.

	Cost	Fair Value
Money market	$ 4,429,145	$ 4,429,145
Equities	30,647	30,647
U.S. treasuries	1,800,418	1,801,605
	$ 6,260,209	$ 6,261,397

5. FAIR VALUE MEASUREMENTS:

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1–Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2–Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
  - observable; or
  - can be corroborated by observable market data.

Level 3–Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes to the methodologies used at September 30, 2025 and 2024.

Equities, money market, and U.S. treasuries are based on quoted market prices.

5. FAIR VALUE MEASUREMENTS, continued:

Fair values of assets measured on a recurring basis at September 30, 2025, are as follows:

		Fair Value Measurements Using:		
	September 30, 2025	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	$ 4,429,145	$ 4,429,145	$ -	$ -
Equities	30,647	30,647	-	-
U.S. Treasuries	1,801,605	1,801,605	-	-
Total investments subject to fair value	6,261,397	$ 6,261,397	$ -	$ -
Reconciling items held at cost				
Non-operating cash	186,977			
Total investments	$ 6,448,374			

5. FAIR VALUE MEASUREMENTS, continued:

Fair values of assets measured on a recurring basis at September 30, 2024, are as follows:

		Fair Value Measurements Using:		
	September 30, 2025	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	$ 3,511,957	$ 3,511,957	$ -	$ -
U.S. Treasuries	1,736,355	1,736,355	-	-
Total investments subject to fair value	5,248,312	$ 5,248,312	$ -	$ -
Reconciling items held at cost				
Non-operating cash	12,487			
Total investments	$ 5,260,799			

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

Edify leases office space in the Dominican Republic, Ecuador, Ethiopia, Ghana, Liberia, Peru, Sierra Leone, and Uganda under noncancelable operating leases expiring at various times through April 2028 with a final payment being due in July 2027, 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, 2025	September 30, 2024
Operating lease right-of-use assets	$ 144,491	$ 89,746
Operating lease liabilities	$ 102,633	$ 52,943
Operating lease costs	$ 56,803	$ 42,626
Cash paid for operating leases	$ 58,054	$ 32,452
Weighted-average discount rate	3.50%	4.52%
Weighted-average remaining lease term	1.92 years	2.45 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,	
2026	96,066
2027	24,992
	121,058
Less imputed interest	(18,425)
	$ 102,633

7. EQUIPMENT AND SOFTWARE:

Equipment and software consists of:

	September 30, 2025	September 30, 2024
Computer equipment and software	$ 227,130	$ 226,967
Furniture	41,569	28,222
Less accumulated depreciation	(249,630)	(206,388)
Equipment, net of depreciation	$ 19,069	$ 48,801

8. NET ASSETS WITH DONOR RESTRICTIONS:

Donor-restricted funds consist of:

	September 30, 2025	September 30, 2024
Nigeria designated projects	$ 1,414,605	$ -
Funds for school loans	33,000	-
Ethiopia designated projects	-	213,732
Christian Transformation	-	127,928
Latin America designated projects	-	100,000
Impact Assessment Tools	-	68,229
Uganda designated projects	-	66,524
Education Technology designated projects	-	51,000
Panama designated projects	-	40,000
Rwanda designated projects	-	26,090
	$ 1,447,605	$ 693,503

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,	
	2025	2024
Donated services	$ 21,400	$ 32,350
Donated software & technology	-	3,101
Other contributed nonfinancial assets	30,850	-
	$ 52,250	$ 35,451

10. GRANTS FOR REVOLVING LOANS:

During the years ended September 30, 2025 and 2024, Edify granted a net total of $1,817,340 and $1,305,834, respectively, 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 provides retirement planning for all regular full-time employees, both US and non-US based. After six months of employment, Edify makes an annual contribution of 2% annual salary. Edify US-based staff members participate in a 403b retirement plan, where contributions are based on employee's W-2 wages. US staff can elect deferrals, which Edify will match up to 4% of gross compensation. Edify's contributions towards US and non-US based retirement planning for the years ended September 30, 2025 and 2024 were $267,371 and $211,945, 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 $6,164 and $1,508 directly related to these activities during the years ended September 2025 and 2024, respectively. Children of the CEO participated in a service capacity at the annual staff conference and a donor vision trip during fiscal year 2024. Edify paid for their expenses related to this activity totaling $6,066 during the year ended September 30, 2024. The daughter of Edify's CEO was paid as a literacy consultant, totaling $9,851 during the year ending September 30, 2024.

During the years ended September 30, 2025 and 2024, Edify received contributions from the board of directors of $160,586 and $136,243, respectively.

13. CONCENTRATION:

For the years ended September 30, 2025 and 2024, the top five donors provided approximately 44% and 37% of total revenue, respectively.

14. SUBSEQUENT EVENTS:

Management evaluated all events or transactions that occurred after September 30, 2025 through December 12, 2025, the date Edify's consolidated financial statements were available to be issued. There were no subsequent event items that occurred. No subsequent events occurring after this date have been evaluated for inclusion in these consolidated financial statements.