GREATER EUROPE MISSION AND AFFILIATES dba GEM USA

Consolidated Financial Statements
With Independent Auditor's Report

June 30, 2026 and 2025

GREATER EUROPE MISSION AND AFFILIATES
dba GEM USA

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CAPINCROUSE
A DIVISION OF Carr, Riggs & Ingram

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Greater Europe Mission and Affiliates
dba GEM USA
Wheaton, Illinois

Opinion

We have audited the accompanying consolidated financial statements of Greater Europe Mission and Affiliates dba GEM USA which comprise the consolidated statements of financial position as of June 30, 2026 and 2025, 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 consolidated financial position of Greater Europe Mission and Affiliates dba GEM USA as of June 30, 2026 and 2025, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are required to be independent of Greater Europe Mission and Affiliates dba GEM USA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the 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, and for 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 Greater Europe Mission and Affiliates dba GEM USA's 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
Greater Europe Mission and Affiliates
dba GEM USA
Wheaton, Illinois

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 Greater Europe Mission and Affiliates dba GEM USA'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Greater Europe Mission and Affiliates dba GEM USA's ability to continue as a going concern for a reasonable period of time.

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

Capin Crouse LLC

Colorado Springs, Colorado
November 4, 2026

GREATER EUROPE MISSION AND AFFILIATES
dba GEM USA

Consolidated Statements of Financial Position

	June 30, 2026	June 30, 2025
ASSETS:		
Current assets:		
Cash and cash equivalents	$ 3,637,136	$ 4,197,149
Investments	12,818,211	12,228,890
Advances and other receivables	583,415	804,965
Prepaid expense and other assets	457,028	670,237
Investments held for others	152,249	135,078
	17,648,039	18,036,319
Board-designated investments	2,506,838	1,406,296
Estate receivables	299,971	365,129
Land, buildings, and equipment–net	120,034	1,145,445
Total Assets	$ 20,574,882	$ 20,953,189
LIABILITIES AND NET ASSETS:		
Current liabilities:		
Accounts payable and accrued expenses	$ 411,663	$ 527,097
Related party payable	927,018	647,392
Investments held for others	152,249	135,078
Note payable–current portion	-	20,570
Deferred compensation liability–current portion	45,629	59,361
	1,536,559	1,389,498
Note payable–net of current portion	-	350,428
Deferred compensation liability–net of current portion	285,893	332,092
Total Liabilities	1,822,452	2,072,018
Net assets:		
Without donor restrictions	8,219,944	8,346,104
With donor restrictions	10,532,486	10,535,067
Total Net Assets	18,752,430	18,881,171
Total Liabilities and Net Assets	$ 20,574,882	$ 20,953,189

See notes to consolidated financial statements

GREATER EUROPE MISSION AND AFFILIATES
dba GEM USA

Consolidated Statements of Activities

	Year Ended June 30,					
	2026			2025		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING:						
SUPPORT AND REVENUE:						
Contributions	$ 3,853,906	$ 28,274,983	$ 32,128,889	$ 2,523,942	$ 26,933,158	$ 29,457,100
Camper registration fees	207,711	-	207,711	179,211	-	179,211
Interest income	82,136	-	82,136	99,129	-	99,129
Other income	76,170	-	76,170	359,675	-	359,675
Adjustment to market value on inherent donation of net assets	872,004	-	872,004	798,879	-	798,879
Total Support and Revenue	5,091,927	28,274,983	33,366,910	3,960,836	26,933,158	30,893,994
NET ASSETS RELEASED:						
Purpose and time restrictions	25,588,070	(25,588,070)	-	23,808,062	(23,808,062)	-
Administrative assessments	2,689,494	(2,689,494)	-	2,632,957	(2,632,957)	-
Total Net Assets Released	28,277,564	(28,277,564)	-	26,441,019	(26,441,019)	-
EXPENSES:						
Program services	29,177,102	-	29,177,102	26,771,063	-	26,771,063
Supporting activities:						
Management and general	2,620,610	-	2,620,610	2,510,003	-	2,510,003
Fundraising	2,789,364	-	2,789,364	1,908,330	-	1,908,330
Total Expenses	34,587,076	-	34,587,076	31,189,396	-	31,189,396
Change in Net Assets From Operations	(1,217,585)	(2,581)	(1,220,166)	(787,541)	492,139	(295,402)

(continued)

See notes to consolidated financial statements

GREATER EUROPE MISSION AND AFFILIATES
dba GEM USA

Consolidated Statements of Activities
(continued)

	Year Ended June 30,					
	2026			2025		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
NON-OPERATING:						
Investment income	1,031,494	-	1,031,494	1,057,846	-	1,057,846
Change in value of deferred compensation liability	59,931	-	59,931	11,591	-	11,591
Change in Net Assets From Non-Operating Activities	1,091,425	-	1,091,425	1,069,437	-	1,069,437
Change in Net Assets	(126,160)	(2,581)	(128,741)	281,896	492,139	774,035
Net Assets, Beginning of Year	8,346,104	10,535,067	18,881,171	8,064,208	10,042,928	18,107,136
Net Assets, End of Year	$ 8,219,944	$ 10,532,486	$ 18,752,430	$ 8,346,104	$ 10,535,067	$ 18,881,171

See notes to consolidated financial statements

GREATER EUROPE MISSION AND AFFILIATES
dba GEM USA

Consolidated Statements of Functional Expenses

	Year Ended June 30, 2026			
		Supporting Activities		
	Program Services	Management and General	Fundraising	Total
Salaries and benefits	$16,897,349	$1,629,800	$1,196,210	$ 19,723,359
Grants to others	8,744,338	-	-	8,744,338
Travel and hospitality	2,051,169	58,973	475,159	2,585,301
Professional fees	97,137	770,287	849,903	1,717,327
Office and information technology	626,071	111,364	178,545	915,980
Equipment and facilities	254,574	4,932	1,432	260,938
Conference expense	157,689	4,163	50,621	212,473
Education and training	164,320	6,086	26,645	197,051
Other	133,326	16,065	10,849	160,240
Depreciation and depletion	51,129	18,940	-	70,069
Total Expenses	$ 29,177,102	$ 2,620,610	$ 2,789,364	$ 34,587,076

	Year Ended June 30, 2025			
		Supporting Activities		
	Program Services	Management and General	Fundraising	Total
Salaries and benefits	$ 16,035,943	$ 1,517,187	$ 1,006,251	$ 18,559,381
Grants to others	6,660,534	-	-	6,660,534
Travel and hospitality	2,175,483	74,398	351,910	2,601,791
Professional fees	95,376	769,419	412,165	1,276,960
Office and information technology	628,432	89,347	56,038	773,817
Equipment and facilities	344,239	6,989	2,448	353,676
Conference expense	469,949	3,923	30,907	504,779
Education and training	145,893	2,303	29,556	177,752
Other	136,815	3,282	19,055	159,152
Depreciation and depletion	78,399	43,155	-	121,554
Total Expenses	$ 26,771,063	$ 2,510,003	$ 1,908,330	$ 31,189,396

See notes to consolidated financial statements

GREATER EUROPE MISSION AND AFFILIATES
dba GEM USA

Consolidated Statements of Cash Flows

	Year Ended June 30, 2026	Year Ended June 30, 2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ (128,741)	$ 774,035
Adjustments to reconcile to net cash provided (used) by operating activities:		
Depreciation and depletion	70,069	121,554
Reinvested dividends	(451,152)	(384,427)
Net realized and unrealized gains on investments	(473,281)	(570,854)
Adjustment to market value on inherent donation of net assets	(872,004)	(798,879)
Noncash contribution of land, buildings, and equipment	1,905,709	1,404,290
Release from note payable obligation with exit of subsidiaries	(353,030)	-
Change in operating assets and liabilities:		
Advances and other receivables	221,550	(694,792)
Prepaid expenses and other assets	213,209	(395,238)
Investments held for others	(17,171)	(9,855)
Estate receivables	65,158	(175,000)
Accounts payable and accrued expenses	(115,434)	(141,010)
Related party payable	279,626	345,751
Amounts held for others	17,171	9,855
Deferred compensation liability	(59,931)	(11,591)
Net Cash Provided (Used) by Operating Activities	301,748	(526,161)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of investments	(3,897,810)	(1,458,806)
Proceeds from sales of investments	3,115,161	1,489,609
Purchases of land, buildings, and equipment	(61,144)	-
Net Cash Provided (Used) by Investing Activities	(843,793)	30,803
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on note payable	(17,450)	(18,443)
Foreign currency valuation adjustment on note payable	(518)	31,988
Net Cash Provided (Used) by Financing Activities	(17,968)	13,545
Net Change in Cash and Cash Equivalents	(560,013)	(481,813)
Cash and Cash Equivalents, Beginning of Year	4,197,149	4,678,962
Cash and Cash Equivalents, End of Year	$ 3,637,136	$ 4,197,149
SUPPLEMENTAL DISCLOSURES:		
Interest paid	$ 4,630	$ 6,041

See notes to consolidated financial statements

GREATER EUROPE MISSION AND AFFILIATES
dba GEM USA

Notes to Consolidated Financial Statements

June 30, 2026 and 2025

1. NATURE OF ORGANIZATION:

Greater Europe Mission and Affiliates dba GEM USA (GEM USA) is an evangelical and nondenominational missionary fellowship representing churches, societies, and individuals in reaching Europe by multiplying disciples and growing Christ's Church. GEM USA operates in affiliation with other Greater Europe Mission entities incorporated in other countries that share the same vision and mission.

GEM USA is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the U.S Internal Revenue Code (IRC) and comparable state laws. However, GEM USA is subject to federal income tax on any unrelated business taxable income. In addition, GEM USA is not classified as a private foundation within the meaning of Section 509(a) of the IRC. Contributions from the public are deductible for income tax purposes and are the primary source of support and revenue. GEM USA places a high value on financial integrity and is an accredited member of the Evangelical Council for Financial Accountability, demonstrating compliance with established standards for financial stewardship, ethical fundraising, and proper board governance.

GEM USA exists to connect the people of God in the USA to the mission of God in Europe. A primary focus is to send and support workers to engage with GEM USA's wider mission of Discipleship Multiplication Training with areas of focus on the following activities:

Discipleship Multiplication Training - At our core, GEM USA believes that disciple multiplication is the key to transformation in Europe. Multiplying disciples means not only introducing people to the good news of Jesus Christ, but being present with them as they grow in their faith. As such, a movement of multiplying disciples infiltrates all relational networks, ethnic groups, social sectors, and every place in Europe with the transforming presence of God.

Church Planting - Wherever there has been a missional desire in the world, churches were planted. GEM USA mobilizes, equips, trains, and sends out church planters to reach the many unchurched people in Europe. We do this both with local churches to create movements of church multiplication, and in collaboration with other partners and church planting initiatives in Europe.

Biblical Education - GEM USA ministry in theological education seeks to join with God’s Spirit in equipping Europeans to be renewed in heart and mind through Biblical and Theological study. Theological educators in GEM USA work to equip pastors, evangelists, and shepherds to navigate the complexities of ministering in a post-Christian environment and live out the Way of Jesus Christ.

Refugee Ministry - To follow Jesus means to minister to the physical and spiritual needs of those who are hurting. With thousands of refugees daily seeking refuge from war, famine, rape, and murder, GEM USA is positioned to be the hands and feet of Jesus in Europe.

1. NATURE OF ORGANIZATION, continued:

Justice Ministry - "Rescue the weak and the needy; deliver them from the hand of the wicked." (Psalm 82:4). The goal of GEM USA's Justice Ministry work is to not only illuminate the needs of those that are hurting and trapped in modern slavery, but to walk alongside them in the recovery process. GEM USA workers are establishing ministries and partnerships in order to be the hands and feet of Christ and meet the needs of victims of sex trafficking.

Professional Services - We believe that God has equipped all of us with unique gifts and experiences that have the potential to be used for His glory in reaching Europe. Whether that's videography, financial know-how, construction, pottery, or technology, GEM USA has successfully placed workers in Europe to draw on these for the expansion of the Kingdom.

REPORTING ENTITIES

These consolidated financial statements also include the material assets, liabilities, net assets, revenue, and expenses of certain international fields throughout Europe. All intercompany transactions have been eliminated on the consolidated financial statements. GEM USA is also affiliated with certain national ministries throughout Europe. Although GEM USA missionaries in those areas work with the national ministries, the national ministries are not under GEM USA control. Accordingly, expenditures are treated as grants and the related assets and liabilities are not included in these consolidated financial statements.

FOREIGN OPERATIONS

In connection with its worldwide ministry, GEM USA maintains locations in several countries outside the United States. These operations are included in these consolidated financial statements, and include the following: Camp des Cimes (dba Camp of the Peaks), La Ligue Biblique Francaise (dba GEM France) and Greater Europe Mission e.V. (dba GEM Germany). As of April 30, 2026, GEM France and GEM Germany are no longer consolidated. See Note 7.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

GEM USA maintains its accounts and prepares its consolidated financial statements on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP). The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of any contingent assets and liabilities at the date of the consolidated financial statements, and the reported revenues and expenses during the reporting period. Significant estimates include functional allocation of expenses, valuation of estates receivable, depreciation of buildings and equipment, investments recorded at fair value based upon fair value measurements, valuation of deferred compensation liability, and adjustment to market value on inherent donation of net assets. Actual results could differ from the estimates. The 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

Cash and cash equivalents include checking, savings, and money market accounts. These accounts may, at times, exceed federally insured limits. Cash and cash equivalents pending reinvestment or held as a part of GEM USA's overall investment portfolio are classified as investments. As of June 30, 2026 and 2025, GEM USA has cash and cash equivalents on deposit with financial institutions that exceed the federally insured balance by approximately $275,000 and $316,000, respectively. Further, as of June 30, 2026 and 2025, GEM USA held cash and cash equivalents in foreign accounts approximating $130,000 and $558,000, respectively.

ADVANCES AND OTHER RECEIVABLES

Advances and other receivables consist of ministry advances and other miscellaneous receivables. Based on historical collections and management's current analysis, an allowance for credit losses was not recorded as of June 30, 2026 and 2025, because all amounts were considered to be fully collectible.

	June 30,	
	2026	2025
Advances and other receivables, beginning of year	$ 804,965	$ 110,173
Advances and other receivables, end of year	$ 583,415	$ 804,965

ESTATE RECEIVABLES

Estate receivables consist of unconditional receivables recorded at net realizable values, as provided by the estate trustees.

INVESTMENTS HELD FOR OTHERS

Investments held for others consist of an annuity asset held for the Portuguese Bible Institute. This location's control and related assets were transferred from GEM USA to the Portuguese Bible Institute during the year ended June 30, 2011. However, due to foreign tax implications, GEM USA is holding the annuity asset on behalf of the Portuguese Bible Institute. Included in investments held for others on the consolidated statements of financial position with an offsetting liability for the same amounts are $152,249 and $135,078 held for the Portuguese Bible Institute as of June 30, 2026 and 2025, respectively. The investment is included in the cash surrender value in Note 5.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

INVESTMENTS AND BOARD-DESIGNATED INVESTMENTS

Investments and board-designated investments, with the exception of private equity shares and life insurance are recorded at fair value. Donated securities are recorded at fair value on the date of the gift and generally are sold as soon as possible thereafter. Unrealized gains or losses in fair value are recognized in the year in which they occur. Private equity was initially recorded at fair market value on the date of the gift, and is stated at cost less any impairment. Cash surrender value of life insurance is held at contract value.

Investment securities are exposed to various risks, such as changes in interest rates or credit ratings and market fluctuations. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is possible that the value of GEM USA's investments and total net assets could fluctuate materially.

Board-designated investments consist of amounts set aside by the board for investment reserves.

LAND, BUILDINGS, AND EQUIPMENT

Land, buildings, and equipment are recorded at cost at the date of acquisition. Purchases of long-lived assets in excess of $5,000 with a useful life in excess of one year are capitalized. Repairs and maintenance are expensed as incurred. Depreciation, excluding land and construction-in-process, is computed on a straight-line basis over the estimated useful lives of the assets. The estimated useful lives of property and equipment are:

Buildings and improvements	7 - 30 years
Furniture, equipment, and other	3-10 years
Vehicles	5 years

NET ASSETS

The net assets of GEM USA are reported in the following classes:

Net assets without donor restrictions consist of resources that are available for current operations and those designated by the board for investment reserves.

Net assets with donor restrictions include contributions designated by donors for specific purposes, as well as amounts received with implicit time restrictions. Significant programs supported by donors included in net assets with donor restrictions are primarily support of field ministry staff and related projects.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

SUPPORT, REVENUE, AND EXPENSES

Contributions are recorded when made, which may be when cash and other assets are received or unconditionally promised. Gifts of cash and other assets are reported as restricted support if they are received with donor stipulations that limit the use of the donated amounts. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. All contributions are considered available for unrestricted use unless specifically restricted by the donor.

GEM USA reports gifts of property and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how those long-lived assets must be maintained, GEM USA reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Contributed services are reflected in the consolidated financial statements only if they meet appropriate recognition criteria. Accordingly, the value of the contributed services not meeting the requirements for recognition are not reflected in the consolidated financial statements.

Camper registration fees are related to the operation of GEM USA–sponsored conferences and camps. The revenue is recognized over time when earned. Any funds collected prior to the event are recorded as performance obligation liabilities which are included with accounts payable and accrued expenses.

Other income consists of rental income and miscellaneous fees, and is recorded when earned. Interest and investment income are recorded when earned and include realized and unrealized gains and losses on investments, net of investment expenses.

During the year ended June 30 2026, the $872,004 adjustment to market value on inherent donation of net assets is the gain recorded to adjust the property net book value to estimated fair market value as of April 30, 2026, the date of deconsolidation of GEM France and GEM Germany. GEM USA granted total assets less liabilities with a fair market value of $2,144,122 to the organizations on their exit, and is included in grants to others on the consolidated statements of functional expenses for the year ended June 30, 2026. The net book value of the assets and liabilities is described in Note 7.

During the year ended June 30 2025, the adjustment to market value on inherent donation of net assets is the gain recorded to adjust the property net book value to estimated fair market value as of December 20, 2024, the date the legal work was completed to complete the transfer of two lots of land and three buildings to the Greek Bible Institute. Therefore, with the transfer legally completed by the Greek authorities, GEM USA granted total assets of $1,404,290 to the Greek Bible Institute, and is included in grants to others on the consolidated statements of functional expenses for the year ended June 30, 2025.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

SUPPORT, REVENUE, AND EXPENSES, continued:
Expenses are recorded when incurred in accordance with the accrual basis of accounting.

FUNCTIONAL ALLOCATION OF EXPENSES
The consolidated statements of functional expenses report certain categories of expenses that are attributable to program services or support activities of GEM USA. Accordingly, certain costs relating to more than one function, such as salaries and benefits, travel and hospitality, and professional fees have been allocated among the program and supporting activities. Depreciation is allocated based on square footage. All other expenses, such as salaries and benefits, are allocated based on estimates of time and effort.

ADMINISTRATIVE ASSESSMENTS
Donor restricted contributions are subject to an assessment, generally between 5% - 12%, based on the type of gift given. The assessments are reclassified from net assets with donor restrictions to net assets without donor restrictions at the time the contribution is received and are used for management and general and fundraising expenses for both GEM USA and Greater Europe Mission International. See Note 12.

OPERATING AND NON-OPERATING ACTIVITIES
The activity of GEM USA has been reported in the consolidated statements of activities in the following two categories: operating and non-operating. Operating includes the core activities of the organization and interest income. Non-operating includes all other activity that is not considered to be part of GEM USA's core activities, such as investment income and changes in the deferred compensation liability.

ALLOCATION OF JOINT COSTS
GEM USA incurs joint costs relating to printing, media, and the expenses of furloughing missionaries. These expenses have been allocated as follows:

	Year Ended June 30,	
	2026	2025
Program services	$ 2,729,626	$ 2,657,779
Supporting activities:		
Management and general	19,698	31,212
Fundraising	722,714	592,444
	$ 3,472,038	$ 3,281,435

RECLASSIFICATIONS
Certain reclassifications were made to prior year balances to conform with current year presentation.

3. LIQUIDITY AND FUNDS AVAILABLE:

The following table reflects GEM USA's financial assets reduced by amounts not available for general expenditures within one year as of June 30, 2026 and 2025, respectively. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, designated by the board of directors for specific projects not expected to be released within one year, or long-term receivables and not available for general expenditure.

	June 30, 2026	June 30, 2025
Financial assets:		
Cash and cash equivalents	$ 3,637,136	$ 4,197,149
Investments	12,818,211	12,228,890
Advances and other receivables	583,415	804,965
Investments held for others	152,249	135,078
Board-designated investments	2,506,838	1,406,296
Estate receivables	299,971	365,129
Financial assets, at year-end	19,997,820	19,137,507
Less those unavailable for general expenditure within one year, due to:		
Investments held for others	(152,249)	(135,078)
Estate receivables	(299,971)	(365,129)
Donor restrictions not intended to be used within one year	(842,000)	(500,000)
Board-designated funds	(2,506,838)	(1,406,296)
Financial assets available to meet cash needs for general expenditures within one year	$ 16,196,762	$ 16,731,004

GEM USA has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Management monitors cash flows through board meetings and detailed financial analysis. Because a donor's restriction requires resources to be used in a particular manner or in a future period, GEM USA must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As of June 30, 2026 and 2025, GEM USA had $10,532,486 and $10,535,067 in net assets with donor restrictions of which $9,390,515 and $9,669,938 are considered available to meet the needs for general expenditures within one year, all respectively.

4. INVESTMENTS AND BOARD-DESIGNATED INVESTMENTS:

Investments and board-designated investments consist of:

	June 30, 2026	June 30, 2025
Investments	$ 12,818,211	$ 12,228,890
Board-designated investments	2,506,838	1,406,296
Investments held for others	152,249	135,078
	$ 15,477,298	$ 13,770,264

5. FAIR VALUE MEASUREMENTS:

Fair value is the exchange price that would be received for an asset (exit price) in the principal or most advantageous market for the asset 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 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 in active markets;
- Quoted prices for identical or similar assets in inactive markets;
- Inputs, other than quoted prices, that are:
  - observable; or
  - can be corroborated by observable market data.

If the asset has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement. GEM USA held no Level 3 assets as of June 30, 2026 or 2025.

The asset'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 in the methodologies used as of June 30, 2026 and 2025.

5. FAIR VALUE MEASUREMENTS, continued:

Money market funds: Money market funds held by GEM USA are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily NAV and to transact at that price. The money market funds held by GEM USA are deemed to be actively traded.

U.S. Treasury Notes, Exchange-Traded Funds and Equity Mutual Funds: U.S. Treasury notes, exchange-traded funds and equity mutual funds are valued based on quoted market prices in active markets for identical instruments.

Corporate bonds: Corporate bonds are valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although GEM USA believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements at the reporting date.

Fair values of assets measured on a recurring basis as of June 30, 2026 and 2025 are:

		Fair Value Measurements Using:		
	June 30, 2026	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments:				
Corporate bonds	$ 10,706,132	$ -	$ 10,706,132	$ -
U.S Treasury notes	397,405	397,405	-	-
Money market funds	121,137	121,137	-	-
Exchange-traded funds	1,710,960	1,710,960	-	-
	12,935,634	$ 2,229,502	$ 10,706,132	$ -
Private equity shares held at cost less impairment	52,937			
Cash surrender value held at contract value	2,488,727			
	$ 15,477,298			

5. FAIR VALUE MEASUREMENTS, continued:

		Fair Value Measurements Using:		
	June 30, 2025	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments:				
Corporate bonds	$ 9,272,341	$ -	$ 9,272,341	$ -
U.S Treasury notes	300,899	300,899	-	-
Exchange-traded funds	1,424,237	1,424,237	-	-
Equity mutual funds	551,235	551,235	-	-
	11,548,712	$ 2,276,371	$ 9,272,341	$ -
Private equity shares held at cost less impairment	70,156			
Cash surrender value held at contract value	2,151,396			
	$ 13,770,264			

CHANGES IN FAIR VALUE LEVELS

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfer between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. For the years ended June 30, 2026 and 2025, there were no significant transfers in or out of Levels 1, 2 or 3.

6. LAND, BUILDINGS, AND EQUIPMENT–NET:

Land, buildings, and equipment–net consist of:

	June 30, 2026		
	U.S. Assets	Field Assets	Total
Land, buildings, and equipment–net:			
Land	$ -	$ 17,000	$ 17,000
Buildings and improvements	-	1,201,901	1,201,901
Furniture, equipment, and other	68,007	64,642	132,649
Vehicles	-	53,817	53,817
	68,007	1,337,360	1,405,367
Accumulated depreciation	(68,007)	(1,217,326)	(1,285,333)
	$ -	$ 120,034	$ 120,034

	June 30, 2025		
	U.S. Assets	Field Assets	Total
Operating land, buildings, and equipment–net:			
Land	$ -	$ 377,703	$ 377,703
Buildings and improvements	-	2,547,729	2,547,729
Furniture, equipment, and other	79,472	65,617	145,089
Vehicles	-	51,138	51,138
	79,472	3,042,187	3,121,659
Accumulated depreciation	(77,751)	(1,898,463)	(1,976,214)
	$ 1,721	$ 1,143,724	$ 1,145,445

Management has reviewed the assets in other countries and, in its opinion, determined they are under the control and ownership of the ministry or meet the requirements for consolidation as set forth by the Not-for-Profit-Entities Topic of the Financial Accounting Standards Board Accounting Standards Codification. While such items are recognized as assets of the ministry, it should be noted that the political situation in many other countries is subject to rapid change. Therefore, the reader should be aware that while the ministry believes the assets are properly stated at the date of this report, subsequent changes could occur that would adversely affect the realizable value of the assets in other countries. In addition, it should be understood the carrying value of the assets in other countries may not be representative of the amount that could be realized should the assets be sold.

7. EXIT OF SUBSIDIARIES:

Effective April 30, 2026, the board composition of La Ligue Biblique Francaise (dba GEM France) and of Greater Europe Mission e.V (GEM Germany) changed, and GEM USA no longer had majority voting interest in either of these boards. As a result, the consolidated statements of financial position as of June 30, 2026 no longer consolidate the assets, liabilities, or net assets of these organizations, and the consolidated statements of activities has reported ten months of activity of these organizations during the year ended June 30, 2026.

The following net book value of assets and liabilities of these two organizations were transferred to them on April 30, 2026, the deconsolidation date.

Assets:		
Cash and cash equivalents	$	588,578
Receivables		19,386
Land, buildings, and equipment-net		1,033,705
Total assets		1,641,669
Liabilities:		
Accrued expenses		16,521
Note payable		353,030
Total liabilities		369,551
Transfer of net assets on exit of subsidiaries	$	1,272,118

8. NOTE PAYABLE:

Due to the deconsolidation of GEM Germany, the note payable is no longer an obligation of GEM US as of April 30, 2026. The note payable consisted of:

	June 30, 2026	June 30, 2025
Note payable to a German financial institution, monthly principal and interest payments of 1,900€ ($2,033) as of June 30, 2025, with an interest rate of 1.7% and maturity date of November 2027, at which time the interest rate will be adjustable until the note matures in May 2041. The note is secured by real property in Kandern, Germany with a net book value of approximately $921,000.	$ -	$ 370,998
Less current portion	-	(20,570)
	$ -	$ 350,428

9. NET ASSETS:

Net assets without donor restrictions consist of:

	June 30, 2026	June 30, 2025
Operating	$ 5,713,106	$ 6,939,808
Board-designated	2,506,838	1,406,296
	$ 8,219,944	$ 8,346,104

Net assets with donor restrictions consist of:

	June 30, 2026	June 30, 2025
Missionary support	$ 8,207,720	$ 7,977,716
International projects	1,928,795	2,192,222
Time restrictions	395,971	365,129
	$ 10,532,486	$ 10,535,067

10. DEFERRED COMPENSATION BENEFITS:

Pursuant to ongoing efforts to provide deferred compensation benefits for certain missionaries in prior years, GEM USA agreed to an arrangement whereby benefits were paid to certain missionaries with at least 30 years of service upon retirement. During fiscal year 1994, due to an increase in benefit payments and a decision to officially adopt and freeze benefits under this nonqualified deferred compensation arrangement effective December 31, 1995, GEM USA decided to change its method of accounting and accrue all existing benefits.

Using group annuity and mortality tables and a discount rate of 5.60% and 5.61% for the years ended June 30, 2026 and 2025, respectively, GEM USA has estimated the present value of benefits, based on credit for past service, that will be payable under the plan to be $331,522 and $391,453, as of June 30, 2026 and 2025, respectively. Payments recorded as expenses were $51,715 and $59,158 for the years ended June 30, 2026 and 2025, respectively. Currently, no assets are set aside to fund the benefits.

11. RETIREMENT PLAN:

GEM USA sponsors an ERISA-exempt 403(b) defined contribution plan for all full-time employees. GEM USA contributes 4% of eligible salary to an employee-directed plan. Total contributions were $621,269 and $597,495, for the years ended June 30, 2026 and 2025, respectively.

12. RELATED PARTY TRANSACTIONS:

GEM USA's operations are conducted under the terms of a joint ministries agreement between GEM USA and Greater Europe Mission in Canada (GEM Canada). While there is representation on each board, GEM USA and GEM Canada have independent boards and are primarily affiliated through the joint ministries agreement. Two GEM USA missionaries are currently voting members of the GEM Canada Board. Accordingly, only the financial position and activity of GEM USA has been included in these consolidated financial statements. As part of the joint ministries agreement, GEM Canada provided contributions of $222,380 and $206,470, (in U.S. dollars) to GEM USA during the years ended June 30, 2026 and 2025, respectively. GEM USA provided contributions of $326,685 and $258,913 to GEM Canada during the years ended June 30, 2026 and 2025, respectively.

Greater Europe Mission International (GEMi), a separate legal entity, began financial operations on July 1, 2019. GEMi is incorporated in the United States of America for the purpose of coordinating and supporting the efforts of the various national GEM entities around the world, including GEM USA, toward reaching Europe by multiplying disciples and growing Christ's Church. GEM USA operates under the terms of an affiliation agreement between GEM USA and GEMi. During the year ended June 30, 2026, five GEM board members also served on the board of GEMi, with six serving during the year ended June 30, 2025. The GEM USA board members do not have the ability to appoint or ratify the GEMi board members. This board overlap is intended to be temporary, and accordingly, the financial position and activity of GEMi have not been included in these consolidated financial statements. As part of the joint ministries agreement, GEM USA paid $3,036,947 and $2,804,975, respectively, to GEMi during the years ended June 30, 2026 and 2025, which included assessment fees due to the international entity of $680,601 and $662,943, respectively, a percent of general fund contributions of $2,077,108 and $1,453,639, respectively, and contributions of $279,238 and $688,393, respectively. This is recorded as grants to others in the consolidated statements of functional expenses. During the years ended June 30, 2026 and 2025, GEMi reimbursed GEM USA for $988,534 and $997,344, respectively, of salary expense, which is netted against salaries and benefits in the consolidated statements of functional expenses. A related party payable of $927,018 and $647,392, respectively, is included in the consolidated statements of financial position as of June 30, 2026 and 2025, which represents the amount due from GEM USA to GEMi.

During the years ended June 30, 2026 and 2025, GEM USA board members contributed approximately $2,143,000 and $1,376,000, respectively, to GEM USA.

13. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through the date that the financial statements were available to be issued, November 4, 2026, and determined there were no events that occurred that required disclosure. Subsequent events after that date have not been evaluated.