

OURCALLING, INC. AND SUBSIDIARIES
CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
YEARS ENDED DECEMBER 31, 2024 AND 2023



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OURCALLING, INC. AND SUBSIDIARIES
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INDEPENDENT AUDITORS' REPORT

Board of Directors
OurCalling, Inc. and Subsidiaries
Dallas, Texas

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of OurCalling, Inc. and Subsidiaries (collectively, the Organization) which comprise the consolidated statements of financial position as of December 31, 2024 and 2023, 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 OurCalling, Inc. and Subsidiaries as of December 31, 2024 and 2023, and the changes in 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 (GAAS). 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 the Organization 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 the 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 the Organization's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

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 GAAS 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 GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits 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 the Organization'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 the Organization'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 audits, significant audit findings, and certain internal control related matters that we identified during the audits.



CliftonLarsonAllen LLP

Fort Worth, Texas
September 29, 2025

OURCALLING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and Cash Equivalents	\$ 8,155,622	\$ 3,902,026
Investments in Marketable Securities	-	1,949
Accounts Receivable, Net	50	90
Promises to Give	2,475,000	1,248,500
Prepaid Expenses	86,826	30,488
Internally Developed Software, Net	186,588	-
Property and Equipment, Net	<u>10,351,083</u>	<u>10,338,119</u>
Total Assets	<u>\$ 21,255,169</u>	<u>\$ 15,521,172</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 544,543	\$ 259,719
Total Liabilities	<u>544,543</u>	<u>259,719</u>
NET ASSETS		
Without Donor Restrictions:		
Undesignated	8,121,022	8,907,076
Noncontrolling Interest	(138,975)	(26,374)
With Donor Restrictions	<u>12,728,579</u>	<u>6,380,751</u>
Total Net Assets	<u>20,710,626</u>	<u>15,261,453</u>
Total Liabilities and Net Assets	<u>\$ 21,255,169</u>	<u>\$ 15,521,172</u>

See accompanying Notes to Consolidated Financial Statements.

OURCALLING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	\$ 5,544,230	\$ 6,506,385	\$ 12,050,615
Contributions of Nonfinancial Assets	180,911	-	180,911
Special Events, Net of \$153,572 of Expenses	215,006	-	215,006
Local Grants	192,410	-	192,410
Net Assets Released from Restriction	158,557	(158,557)	-
Total Support and Revenue	6,291,114	6,347,828	12,638,942
OTHER INCOME			
Investment Loss	(1,101)	-	(1,101)
Interest Income	42,948	-	42,948
Other Income	59,856	-	59,856
Total Other Income	101,703	-	101,703
Total Support, Revenue, and Other Income	6,392,817	6,347,828	12,740,645
EXPENSES			
Program Services	5,264,451	-	5,264,451
Management and General	788,239	-	788,239
Fundraising	934,442	-	934,442
OurTechnology	304,340	-	304,340
Total Expenses	7,291,472	-	7,291,472
CHANGE IN NET ASSETS BEFORE NONCONTROLLING INTEREST	(898,655)	6,347,828	5,449,173
LESS: CHANGE IN NET ASSETS ATTRIBUTED TO NONCONTROLLING INTEREST	112,606	-	112,606
CHANGE IN NET ASSETS ATTRIBUTED TO CONTROLLING INTEREST	(786,049)	6,347,828	5,561,779
Net Assets - Beginning of Year	8,880,702	6,380,751	15,261,453
NET ASSETS - END OF YEAR	<u>\$ 7,982,047</u>	<u>\$ 12,728,579</u>	<u>\$ 20,710,626</u>

See accompanying Notes to Consolidated Financial Statements.

OURCALLING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Contributions	\$ 4,557,395	\$ 2,934,496	\$ 7,491,891
Contributions of Nonfinancial Assets	152,993	-	152,993
Special Events, Net of \$204,991 of Expenses	251,976	-	251,976
Grant Revenue from COVID Relief Acts	405,064	-	405,064
Local Grants	64,445	-	64,445
Net Assets Released from Restriction	136,156	(136,156)	-
Total Support and Revenue	5,568,029	2,798,340	8,366,369
OTHER INCOME			
Investment Loss	(640)	-	(640)
Other Income	32,771	-	32,771
Total Other Income	32,131	-	32,131
Total Support, Revenue, and Other Income	5,600,160	2,798,340	8,398,500
EXPENSES			
Program Services	4,793,959	-	4,793,959
Management and General	828,534	-	828,534
Fundraising	694,225	-	694,225
OurTechnology	53,824	-	53,824
Total Expenses	6,370,542	-	6,370,542
CHANGE IN NET ASSETS BEFORE NONCONTROLLING INTEREST	(770,382)	2,798,340	2,027,958
LESS: CHANGE IN NET ASSETS ATTRIBUTED TO NONCONTROLLING INTEREST	26,374	-	26,374
CHANGE IN NET ASSETS ATTRIBUTED TO CONTROLLING INTEREST	(744,008)	2,798,340	2,054,332
Net Assets - Beginning of Year	9,651,079	3,582,411	13,233,490
Capital Contributions	5	-	5
NET ASSETS - END OF YEAR	<u>\$ 8,880,702</u>	<u>\$ 6,380,751</u>	<u>\$ 15,261,453</u>

See accompanying Notes to Consolidated Financial Statements.

OURCALLING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2024

	OurCalling and OurCommunity				
	Program Services	General and Administrative		OurTechnology	Total
		Administrative	Fundraising		
EXPENSES					
Wages and Employee Benefits	\$ 3,249,385	\$ 466,578	\$ 775,008	\$ 153,564	\$ 4,644,535
Program Development	699,444	141,518	51,620	589	893,171
Office Supplies and Expenses	338,135	73,097	57,407	33,789	502,428
Depreciation and Amortization	355,930	18,733	-	23,721	398,384
Facilities and Occupancy	444,325	23,386	-	-	467,711
Vehicle Expenses	69,337	-	-	-	69,337
Professional Fees	100,692	64,425	22,000	92,677	279,794
Event Expenses	7,177	502	28,407	-	36,086
Miscellaneous	26	-	-	-	26
Special Event Cost	-	-	153,572	-	153,572
Total Expenses	<u>5,264,451</u>	<u>788,239</u>	<u>1,088,014</u>	<u>304,340</u>	<u>7,445,044</u>
Less: Costs Included with Revenues in the Statement of Activities	<u>-</u>	<u>-</u>	<u>(153,572)</u>	<u>-</u>	<u>(153,572)</u>
Total Expenses	<u>\$ 5,264,451</u>	<u>\$ 788,239</u>	<u>\$ 934,442</u>	<u>\$ 304,340</u>	<u>\$ 7,291,472</u>

See accompanying Notes to Consolidated Financial Statements.

OURCALLING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2023

	OurCalling and OurCommunity				
	Program Services	General and Administrative	Fundraising	OurTechnology	Total
EXPENSES					
Wages and Employee Benefits	\$ 2,921,800	\$ 496,474	\$ 577,418	\$ 46,341	\$ 4,042,033
Program Development	566,805	80,224	49,628	163	696,820
Office Supplies and Expenses	373,546	68,892	62,330	991	505,759
Depreciation and Amortization	367,316	19,332	-	2,518	389,166
Facilities and Occupancy	406,358	21,387	-	-	427,745
Vehicle Expenses	88,031	-	-	-	88,031
Professional Fees	61,193	141,566	4,000	3,811	210,570
Event Expenses	8,206	622	849	-	9,677
Miscellaneous	704	37	-	-	741
Special Event Cost	-	-	204,991	-	204,991
Total Expenses	<u>4,793,959</u>	<u>828,534</u>	<u>899,216</u>	<u>53,824</u>	<u>6,575,533</u>
Less: Costs Included with Revenues in the Statement of Activities	<u>-</u>	<u>-</u>	<u>(204,991)</u>	<u>-</u>	<u>(204,991)</u>
Total Expenses	<u><u>\$ 4,793,959</u></u>	<u><u>\$ 828,534</u></u>	<u><u>\$ 694,225</u></u>	<u><u>\$ 53,824</u></u>	<u><u>\$ 6,370,542</u></u>

See accompanying Notes to Consolidated Financial Statements.

OURCALLING, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 5,449,173	\$ 2,027,958
Adjustments to Reconcile Change in Net Assets to Net Cash		
Used by Operating Activities:		
Net Realized Loss on Sale of Investments	1,101	640
Depreciation and Amortization Expense	398,384	389,166
Gain on Sale of Property and Equipment	(3,992)	-
Contributions Restricted for Long-Term Purposes	(6,290,311)	(2,847,739)
Effects of Changes in Assets and Liabilities:		
Accounts Receivable	40	63,328
Promises to Give	(1,226,500)	(578,500)
Prepaid Expenses	(56,338)	36,472
Accounts Payable and Accrued Liabilities	284,824	(233,710)
Net Cash Used by Operating Activities	<u>(1,443,619)</u>	<u>(1,142,385)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(413,819)	(995,484)
Proceeds from Sale of Property and Equipment	28,999	-
Proceeds from Sale of Investments	178,916	148,462
Capitalized Software Additions	(209,124)	-
Donated Securities	(178,068)	(108,560)
Net Cash Used by Investing Activities	<u>(593,096)</u>	<u>(955,582)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Contributions Restricted for Long-Term Purposes	6,290,311	2,847,739
Net Cash Provided by Financing Activities	<u>6,290,311</u>	<u>2,847,739</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,253,596	749,772
Cash and Cash Equivalents - Beginning of Year	<u>3,902,026</u>	<u>3,152,254</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 8,155,622</u></u>	<u><u>\$ 3,902,026</u></u>

See accompanying Notes to Consolidated Financial Statements.

OURCALLING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of OurCalling, Inc. (OurCalling), OurCommunity Ferris, LLC (OurCommunity), and OurTechnology, Inc. (OurTechnology) (collectively, the Organization) is presented to assist in understanding the Organization's consolidated financial statements. The consolidated financial statements and notes are representations of the Organization's management who are responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America (U.S. GAAP) and have been consistently applied in the preparation of the consolidated financial statements.

Organization

OurCalling glorifies God by leading homeless people to Christ and by making disciples on the streets. This is accomplished through programs emphasizing Bible studies and life skills, addiction recovery, mentoring and discipleship and resourcing. The focus of OurCalling is on the unsheltered homeless in Dallas County.

On August 16, 2021 OurCommunity Ferris, LLC, a disregarded entity of OurCalling, Inc. was created. This entity is committed to guiding the Organization's friends experiencing homelessness to a relationship with Jesus and an exit from the streets. OurCommunity is a holistically supportive housing project for individuals with extreme care needs including supported independent living, assisted living, and even hospice care. The vision of OurCommunity is to create a community of integrity where people are cared for with dignity and intentionally connected to the body of Christ.

OurTechnology, Inc., a corporation, was established on November 1, 2023, to develop mobile apps that help municipalities manage homeless programs. As an early-stage tech company, it plans to offer a subscription-based app, with anticipated demand driven by strong initial interest from agencies. A free version of the app, currently offered by OurCalling, is currently used by over 800 cities and agencies. OurCalling, Inc. holds 63% ownership interest in OurTechnology, Inc. with an initial investment in 2023 of \$400,000 and an investment in 2024 of \$250,000.

Consolidated Financial Statements

The accompanying consolidated financial statements include the accounts of OurCalling, Inc. and Subsidiaries (collectively, the Organization) since they are under common control. Significant intercompany transactions and balances have been eliminated in the consolidation. These accounting policies conform to U.S. GAAP and have been consistently applied in the preparation of the consolidated financial statements.

Basis of Accounting

The Organization's consolidated financial statements have been prepared in accordance with U.S. GAAP using the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

OURCALLING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Assets

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

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as Net Assets Released from Restrictions.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the Organization considers any short-term investment convertible to cash within three months or less with little or no change in the principal amount to be a cash equivalent.

Concentration of Credit Risk

During the years ended December 31, 2024 and 2023, the Organization's deposits occasionally exceeded the Federal Deposit Insurance Corporation Insurance (FDIC) limit. The FDIC currently insures the deposits up to \$250,000 per financial institution. The excess above \$250,000 is backed only by the soundness of the financial institution. Management believes the risk of incurring material losses related to this credit risk is remote.

OURCALLING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

The Organization is required by U.S. GAAP to report its investments at fair value. Unrealized gains and losses on appreciation or depreciation in fair value due to market fluctuations are recorded in the consolidated statements of activities.

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) No. 820-10, *Fair Value Measurements*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, and Level 3 inputs have the lowest priority. The Organization uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. The three levels of fair value hierarchy defined by FASB ASC No. 820-10 are as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities. Active markets are those in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. Substantially all of these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data or are supported by observable levels at which transactions are executed in the marketplace.

Level 3 – Pricing inputs include significant inputs that are generally unobservable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value. Level 3 instruments include those that may be more structured or otherwise tailored to the Organization's needs.

All investments of the Organization are in publicly traded securities and therefore level one inputs are readily available to determine the fair value of the underlying investments.

OURCALLING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

The Organization capitalizes equipment purchases in excess of \$2,500. Repairs and maintenance that improve or extend the life of the asset are capitalized and depreciated over their estimated useful lives. Repairs are charged to expense as incurred.

Equipment is recorded at cost if purchased or estimated fair value if donated. Depreciation is computed using the straight-line method. The estimated lives used to calculate depreciation are as follows:

Buildings	40 Years
Building Improvements	15 Years
Computer Equipment	3 to 5 Years
Furniture and Fixtures	5 to 7 Years
Vehicles	5 Years
Leasehold Improvements	5 Years

Income Taxes

OurCalling has been approved by the Internal Revenue Service (IRS) as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986 and is not considered a private foundation. This section exempts the OurCalling from taxes on income. Accordingly, no provision for income taxes has been made in the consolidated financial statements. Taxes are paid on net income earned from sources unrelated to the exempt purposes. There was no net income from unrelated business for the years ended December 31, 2024 and 2023. OurCalling has recognized no liability for uncertain tax positions.

OurCalling files as a tax-exempt organization. OurCommunity is disregarded for federal income tax purposes. There was no net income from unrelated business income with respect to its activity. OurTechnology is a taxable entity, and its net income is subject to income tax. The Organization's tax returns are subject to review and examination by federal and state authorities.

Impairment of Long-Lived Assets

Management evaluates its long-lived assets for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. An impairment loss is recognized when the estimated undiscounted future cash flows from the assets are less than the carrying value of the assets. Assets to be disposed of are reported at the lower of their carrying amount or fair value, less cost to sell. Management is of the opinion that the carrying amount of its long-lived assets does not exceed their estimated recoverable amount.

OURCALLING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions and Promises to Give

Contributions are recognized when received or a donor makes a pledge to give to the Organization that is, in substance, unconditional. Unconditional promises to give expected to be collected within one year, are recorded at estimated net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their net realizable value, using interest rates applicable to the years in which the promises are to be received and adjusted for the credit risk of the donor based on management assessment. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. Conditional promises to give total \$252,000 and \$2,252,000 as of December 31, 2024 and 2023, respectively. All other donor-restricted contributions (primarily restrictions as to purpose and/or time) are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Management evaluates collectability of promises to give based on an assessment of the credit history with those having outstanding balances and current relationships with them. The allowance for uncollectible pledges was \$-0- as of December 31, 2024 and 2023.

Contributions of Nonfinancial Assets

Donated goods are recognized as revenue at their estimated fair value during the period received. Donated services are recognized as revenue at their estimated fair value, if both of the following criteria are met: the services require special skills and the services are provided by individuals possessing those skills; and the services would typically need to be purchased, if not donated. Although the Organization may utilize the services of outside volunteers, the fair value of these services has not been recognized in the accompanying financial statements since they do not meet the criteria for recognition under GAAP. The Organization records donated professional services at the respective fair values of the services received.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising

Advertising costs are expensed as incurred. Total advertising expenses for the years ended December 31, 2024 and 2023 were \$27,286 and \$63,600, respectively.

Internally Developed Software, Net

Accounting Standards Codification (ASC) 350-40, *Internal-Use Software*, specifies that capitalization of purchased or internally developed software occurs during the application development stage. Once a project has reached application development, direct and incremental, internal and external costs are capitalized and ready to be placed in service.

OURCALLING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Internally Developed Software, Net (Continued)

Once a development project is substantially complete, the Organization amortizes these costs on a straight-line basis over the internal-use software's estimated useful life. The estimated useful life of capitalized internal-use software is three years.

Capitalized internal-use software costs consists of salaries and payroll-related costs for employees and fees paid to third-party consultants who are directly involved in the software development efforts. Costs related to preliminary project activities and post-implementation activities, including training and maintenance, are expensed as incurred. Costs incurred for upgrades and enhancements that are considered to be probable to result in additional functionality are capitalized.

NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following:

	2024	2023
Cash and Cash Equivalents	\$ 8,155,622	\$ 3,902,026
Investments in Marketable Securities	-	1,949
Accounts Receivable, Net	50	90
Promises to Give	2,175,000	1,098,500
Less: Net Assets With Donor Restrictions	(8,881,050)	(2,666,749)
Total	<u>\$ 1,449,622</u>	<u>\$ 2,335,816</u>

The Organization has implemented a well-balanced development plan consisting of income from small donors, large donors, foundations/grants, and corporations. The income from these sources is derived from mailings, meetings, telephone calls, the governing board, special events. These year-round fundraising activities keep liquid resources available in line with the Organization's strategic goals, enabling the Organization to execute programs as budgeted throughout the year. The diversified sources of donations ensure that the Organization is not reliant on one or two sources for funds but have backup sources if one source should suddenly become unavailable.

OURCALLING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 3 PROPERTY AND EQUIPMENT

Fixed assets consist of the following at December 31:

	2024	2023
Land	\$ 1,685,788	\$ 1,685,788
Buildings	4,369,164	4,369,164
Computer Equipment	1,038,888	1,006,507
Furniture and Fixtures	585,093	566,227
Vehicles	386,922	437,240
Leasehold Improvements	7,650	7,650
Building Improvements	1,409,089	1,280,043
Construction in Progress	3,797,529	3,564,002
Total Cost	13,280,123	12,916,621
Less: Accumulated Depreciation	(2,929,040)	(2,578,502)
Property and Equipment, Net	<u>\$ 10,351,083</u>	<u>\$ 10,338,119</u>

Depreciation expense was \$373,479 and \$381,845 for the years ended December 31, 2024 and 2023, respectively.

Construction in Progress relates to the OurCommunity housing project, a residential community with all-inclusive onsite services designed to provide long-term, comprehensive, and relational care for the homeless. When fully built out, it will feature 500 homes nestled into neighborhoods and a support service building featuring several on-site services. The estimated cost of the project is \$75 million. Currently the estimated completion date of the entire project depends on funding. The first neighborhood will be completed by December 2025.

NOTE 4 FUNCTIONALIZED EXPENSE ALLOCATION METHODOLOGY

The Organization has costs that related both directly to one functional category and also certain categories of expenses that are attributed to more than one program or supporting function. Costs which are directly related to a functional allocation are charged directly without allocation to their respective functional category. Expenses which require allocation are analyzed before recorded into the accounting system and allocated to functional categories based on the allocation base that most accurately correlates with the nature of that expense. The expenses that are primarily allocated include salaries, payroll taxes, contract services, telephone, occupancy, and other. These costs are primarily allocated on the basis of estimates of time and effort of personnel and square footage by use of building space.

OURCALLING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 5 INVESTMENTS

There were no investments as of December 31, 2024. Investments as of December 31, 2023 consisted of the following:

	2023		
	Fair Value	Cost	Cumulative Unrealized Gain (Loss)
Equities - Stocks	\$ 1,996	\$ 1,993	\$ 3
Total Investments - Level 1 Inputs	<u>\$ 1,996</u>	<u>\$ 1,993</u>	<u>\$ 3</u>

These investments consist of marketable securities that were obtained by contributions from donors.

NOTE 6 INTANGIBLE ASSETS

The Organization has \$549,306 of intangible assets related to the OurCalling App included in property and equipment on the consolidated statements of financial position. The intangible asset is included in Computer Equipment in note 3. Of that amount, \$465,000 was an in-kind donation received from AT&T during the year ended December 31, 2019. The app is considered a finite-lived intangible and is amortized over a useful life of three years. This is recorded at cost or fair market value for donated amounts, and tested annually for impairment, or more frequently if an event occurs or circumstances change that would indicate an impairment in accordance with ASC 350, *Intangibles-Goodwill and Other*.

Amortization of intangible assets is \$2,368 and \$7,321 as of December 31, 2024 and 2023, respectively. Accumulated amortization of intangible assets is \$548,995 and \$546,627 as of December 31, 2024 and 2023, respectively.

NOTE 7 PROMISES TO GIVE

The Organization recognizes unconditional promises to give as support in the period the promise to give is made and reports them as contributions in the statements of activities. Contributions that are expected to be collected in future years are recorded at the present value of the amount expected to be collected. Promises to give consist of the following at December 31:

	2024	2023
Receivable in One Year or Less	\$ 2,175,000	\$ 1,098,500
Receivable in Two to Five Years	300,000	150,000
Total Promises to Give	<u>\$ 2,475,000</u>	<u>\$ 1,248,500</u>

OURCALLING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 8 NET ASSETS WITH DONOR RESTRICTIONS

At December 31 net assets with donor restrictions are available for:

	2024	2023
Inclement Weather	\$ 96,688	\$ 44,170
OurCommunity Housing	12,513,631	6,223,321
South Parking Lot Door Replacement	5,000	-
App Development	113,260	113,260
Net Assets With Donor Restrictions	<u>\$ 12,728,579</u>	<u>\$ 6,380,751</u>

NOTE 9 CONCENTRATIONS OF REVENUE AND OTHER SUPPORT

For the years ended December 31, 2024 and 2023, the Organization had one donor who represented 16% and 13% of total contributions recognized, respectively.

NOTE 10 CONTRIBUTIONS OF NONFINANCIAL ASSETS

In-kind contributions recorded consist of food, clothing, and various resources distributed to the Organization's clients. The values assigned to the donated goods are based on the valuation guide for donors as published by Goodwill in 2024 and 2023. The Organization receives other donated materials and equipment and are reflected as contributions in the accompanying consolidated statements at their estimated retail prices of identical or similar products. All donated goods are used by the organization, not monetized, and did not have donor-imposed restrictions associated with them. The Organization received the following contributions of goods and services for the years ended December 31:

	2024	2023
Food	\$ 44,819	\$ 36,218
Resources	136,051	103,298
Supplies	41	-
AV Equipment	-	5,785
Kitchen Equipment	-	7,692
Total	<u>\$ 180,911</u>	<u>\$ 152,993</u>

NOTE 11 RELATED PARTY TRANSACTIONS

The Organization received \$147,543 and \$143,035 in contributions from board members, employees, and other related party organizations in the years ended December 31, 2024 and 2023, respectively.

OURCALLING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 12 EMPLOYEE BENEFIT PLAN

The Organization sponsors a 403(b) plan for all qualified employees. At its discretion, the Organization may match a portion of employee contributions, up to the maximum amounts set by the Internal Revenue Service (IRS). Employer contributions to the plan amounted to \$202,337 and \$192,748 during the years ended December 31, 2024 and 2023, respectively.

NOTE 13 GRANT REVENUE FROM COVID RELIEF ACTS

Certain funding programs from the government under certain Covid Relief Acts are recognized when all conditions of such programs are fulfilled or there is reasonable assurance that they will be fulfilled. The Organization determined it was eligible for Employee Retention Tax Credit (ERC) funding, which is a refundable tax credit against certain employment taxes. During the year ended December 31, 2023, the Organization determined it met the compliance requirements and conditions of the ERC program and filed for ERC credits totaling \$178,696 for the applicably eligible quarters in 2021 and \$185,475 for the applicably eligible quarters in 2020. The Organization received an additional \$40,893 in interest related to the eligible quarters. These refundable credits are recorded to revenue during the year ended December 31, 2023. Grants related to the Employee Retention Tax Credit are classified as Grant Revenue from Covid Relief Acts in the consolidated statement of activities and Employee Retention Credit Receivable in the consolidated statement of financial position.

There is possibility that upon subsequent review, the Internal Revenue Service could reach a different conclusion regarding the Organization's eligibility. That could result in repayment of the credits, interest, and potential penalties. The amount of liability, if any, from the potential ineligibility cannot be determined with certainty. These refundable credits are subject to audit by the Internal Revenue Service for a period of five years.

NOTE 14 INTERNALLY DEVELOPED SOFTWARE, NET

Internally developed software consists of the following at December 31, 2024:

Neighbor Solutions	\$ 209,124
Total Internally Developed Software	<u>209,124</u>
Less: Accumulated Amortization	<u>(22,536)</u>
Net Internally Developed Software	<u><u>\$ 186,588</u></u>

Amortization expense for the year ended December 31, 2024 totaled approximately \$23,000.

OURCALLING, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024 AND 2023

NOTE 14 INTERNALLY DEVELOPED SOFTWARE, NET (CONTINUED)

Estimated amortization for the next three years at December 31, 2024 is as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 67,850
2026	67,850
2027	<u>50,888</u>
Total	<u><u>\$ 186,588</u></u>

NOTE 15 SUBSEQUENT EVENTS

On March 5, 2025, OurCalling purchased 318,755 in OurTechnology shares at a purchase price of \$250,000.

The Organization evaluated all events or transactions that occurred after December 31, 2024 through September 29, 2025, the date these consolidated financial statements were available to be issued.



INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Board of Directors
OurCalling, Inc. and Subsidiaries
Dallas, Texas

We have audited the consolidated financial statements of OurCalling, Inc. and Subsidiaries as of and for the year ended December 31, 2024, and have issued our report thereon date September 29, 2025, which contained an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statement of financial position and consolidating statement of activities are presented for the purpose of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Fort Worth, Texas
September 29, 2025

OURCALLING, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

	<u>OurCalling</u>	<u>OurCommunity</u>	<u>OurTechnology</u>	<u>Eliminations</u>	<u>Total</u>
ASSETS					
Cash and Cash Equivalents	\$ 8,046,798	\$ -	\$ 108,824	\$ -	\$ 8,155,622
Investment in Subsidiary	13,791,167	-	-	(13,791,167)	-
Accounts Receivable, Net	50	-	-	-	50
Accounts Receivable - Affiliated Entity	-	6,139,981	-	(6,139,981)	-
Promises to Give	275,000	2,200,000	-	-	2,475,000
Prepaid Expenses	86,826	-	-	-	86,826
Internally Developed Software, Net	-	-	186,588	-	186,588
Property and Equipment, Net	5,326,248	5,019,394	5,441	-	10,351,083
	<u>5,326,248</u>	<u>5,019,394</u>	<u>5,441</u>	<u>-</u>	<u>10,351,083</u>
Total Assets	<u>\$ 27,526,089</u>	<u>\$ 13,359,375</u>	<u>\$ 300,853</u>	<u>\$ (19,931,148)</u>	<u>\$ 21,255,169</u>
LIABILITIES AND NET ASSETS					
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 536,507	\$ -	\$ 8,036	\$ -	\$ 544,543
Accounts Payable - Affiliated Entity	6,139,981	-	-	(6,139,981)	-
Total Liabilities	6,676,488	-	8,036	(6,139,981)	544,543
NET ASSETS					
Without Donor Restrictions:					
Undesignated	8,121,022	845,742	431,792	(1,277,534)	8,121,022
Noncontrolling Interest	-	-	(138,975)	-	(138,975)
With Donor Restrictions	12,728,579	12,513,633	-	(12,513,633)	12,728,579
Total Net Assets	<u>20,849,601</u>	<u>13,359,375</u>	<u>292,817</u>	<u>(13,791,167)</u>	<u>20,710,626</u>
Total Liabilities and Net Assets	<u>\$ 27,526,089</u>	<u>\$ 13,359,375</u>	<u>\$ 300,853</u>	<u>\$ (19,931,148)</u>	<u>\$ 21,255,169</u>

OURCALLING, INC. AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2024
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

	OurCalling	OurCommunity	OurTechnology	Eliminations	Total
SUPPORT AND REVENUE					
Contributions	\$ 5,760,304	\$ 6,290,311	\$ -	\$ -	\$ 12,050,615
Contributions of Nonfinancial Assets	180,911	-	-	-	180,911
Special Events, Net of \$153,572 of Expenses	215,006	-	-	-	215,006
Local Grants	192,410	-	-	-	192,410
Total Support and Revenue	6,348,631	6,290,311	-	-	12,638,942
OTHER INCOME					
Income from Subsidiary	5,990,254	-	-	(5,990,254)	-
Investment Loss	(352)	(749)	-	-	(1,101)
Interest Income	42,948	-	-	-	42,948
Other Income	58,527	1,329	-	-	59,856
Total Other Income	6,091,377	580	-	(5,990,254)	101,703
Total Support, Revenue, and Other Income	12,440,008	6,290,891	-	(5,990,254)	12,740,645
EXPENSES					
Program Services	5,232,080	32,371	-	-	5,264,451
Management and General	788,149	90	-	-	788,239
Fundraising	858,000	76,442	-	-	934,442
OurTechnology	-	-	304,340	-	304,340
Total Expenses	6,878,229	108,903	304,340	-	7,291,472
CHANGE IN NET ASSETS	5,561,779	6,181,988	(304,340)	(5,990,254)	5,449,173
Net Assets - Beginning of Year	15,287,822	7,177,387	346,181	(7,549,937)	15,261,453
Capital Contributions	-	-	250,976	(250,976)	-
NET ASSETS - END OF YEAR	<u>\$ 20,849,601</u>	<u>\$ 13,359,375</u>	<u>\$ 292,817</u>	<u>\$ (13,791,167)</u>	<u>\$ 20,710,626</u>



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