

CHRISTIAN SOLIDARITY INTERNATIONAL, INC.

AUDITED FINANCIAL STATEMENTS

Year Ended December 31, 2025

HOZIK & COMPANY, P.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Christian Solidarity International, Inc.
Westlake Village, California

Opinion

We have audited the accompanying financial statements of Christian Solidarity International, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2025, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Christian Solidarity International, Inc. as of December 31, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Christian Solidarity International, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Christian Solidarity International, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Christian Solidarity International, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Christian Solidarity International, Inc.'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.

Emphasis of Matter - Change in Basis of Accounting

As discussed in Note 8 to the financial statements, during the year ended December 31, 2025, the Organization changed its basis of accounting from the cash basis of accounting to the accrual basis of accounting. The cumulative effect of this change has been reflected as an adjustment to net assets at the beginning of the year ended December 31, 2025. Our opinion is not modified with respect to this matter.

Herzik & Company, P.L.C.

Vienna, Virginia
July 10, 2026

CHRISTIAN SOLIDARITY INTERNATIONAL, INC.
STATEMENT OF FINANCIAL POSITION
December 31, 2025

ASSETS

Cash	\$	548,946
Contributions receivable		3,736
Prepaid expenses		<u>11,222</u>
TOTAL ASSETS	\$	<u><u>563,904</u></u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	\$	143,163
Accrued compensation and related liabilities		<u>1,936</u>
TOTAL LIABILITIES		145,099

NET ASSETS

Without donor restrictions		
Undesignated		161,632
With donor restrictions		<u>257,173</u>
TOTAL NET ASSETS		<u>418,805</u>
TOTAL LIABILITIES AND NET ASSETS	\$	<u><u>563,904</u></u>

See accompanying notes and independent auditors' report

CHRISTIAN SOLIDARITY INTERNATIONAL, INC.
STATEMENT OF ACTIVITIES
Year ended December 31, 2025

	Without donor <u>restrictions</u>	With donor <u>restrictions</u>	<u>Total</u>
REVENUE AND SUPPORT			
Contributions and grants	\$ 1,047,145	\$ 637,553	\$ 1,684,698
 TOTAL REVENUE AND SUPPORT	 1,047,145	 637,553	 1,684,698
 NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of donation restrictions	<u>579,574</u>	<u>(579,574)</u>	<u>-</u>
 TOTAL REVENUE AND SUPPORT AND NET ASSETS RELEASED FROM RESTRICTIONS	 1,626,719	 57,979	 1,684,698
 EXPENSES			
Program services	1,347,192	-	1,347,192
Supporting services			
General and administrative	203,026	-	203,026
Fundraising	<u>108,046</u>	<u>-</u>	<u>108,046</u>
 TOTAL EXPENSES	 <u>1,658,264</u>	 <u>-</u>	 <u>1,658,264</u>
 TOTAL (DECREASE) INCREASE IN NET ASSETS	 (31,545)	 57,979	 26,434
NET ASSETS AT BEGINNING OF YEAR	<u>193,177</u>	<u>199,194</u>	<u>392,371</u>
NET ASSETS AT END OF YEAR	<u>\$ 161,632</u>	<u>\$ 257,173</u>	<u>\$ 418,805</u>

See accompanying notes and independent auditors' report

CHRISTIAN SOLIDARITY INTERNATIONAL, INC.
STATEMENT OF CASH FLOWS
Year ended December 31, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 26,434
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Changes in operating assets and liabilities	
Contributions receivable	(3,736)
Prepaid expenses	(4,496)
Accounts payable and accrued expenses	67,489
Accrued compensation and other liabilities	<u>(16,663)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>69,028</u>

	NET INCREASE IN CASH	69,028
CASH AT BEGINNING OF THE YEAR		<u>479,918</u>
	CASH AT END OF YEAR	<u>\$ 548,946</u>

See accompanying notes and independent auditors' report

CHRISTIAN SOLIDARITY INTERNATIONAL, INC
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION

Christian Solidarity International, Inc. (the Organization) is a human rights organization founded in 1977 and incorporated in the State of California. The Organization's mission-programs work to promote religious liberty and human dignity by assisting victimized children, victims of religious persecution, and victims of catastrophic events.

The Organization is an affiliate of Christian Solidarity International, an association registered in Zurich, Switzerland (CSI-Switzerland). The Organization pays the expenses related to the programs below to CSI-Switzerland, which then expends the funds to fulfill the program's mission.

Slave Liberation - The Organization has been working on the ground in Sudan since 1995 to liberate Christians and other non-Muslims forced into slavery by Islamist militiamen armed and directed by the Khartoum regime. Working through a local underground network, the Organization has rescued more than 100,000 people from slavery.

Field Projects - The Organization is committed to providing tangible, immediate aid to Christians and others suffering violence, displacement, and enslavement for their faith. The Organization's teams regularly travel to the front lines of persecution to meet with threatened Christians and religious minorities, assess their needs, and provide aid. In addition, the Organization partners with local Organization workers and civil society organizations to provide continual support for religious communities struggling for survival.

The Organization is primarily funded through contributions and grants.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The accompanying financial statements are presented in accordance with the accrual basis of accounting, whereby revenue is recognized when earned and expenses are recognized when incurred.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates that affect certain reported amounts and disclosures. Accordingly, actual results differ from those estimates.

Basis of Presentation: In accordance with the *Not-For-Profit Entities-Presentation of Financial Statements* sub topic of the FASB Accounting Standards Codification, the Organization reports information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

CHRISTIAN SOLIDARITY INTERNATIONAL, INC
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued):

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors that will be satisfied by action of the Organization or by the passage of time.

Contributions: Contributions are accounted for in accordance with the *Not-For-Profit Entities - Revenue Recognition* topic of the FASB Accounting Standards Codification. Contributions are recognized in the period received or promised. Conditional contributions are recorded when the conditions are met. Contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished) net assets are reclassified from net assets with donor restrictions to net asset without donor restrictions in the statements of activities as net assets released from restrictions.

Cash: Cash consists of deposits in checking accounts.

Financial and Credit Risks: The Organization maintains cash in bank deposit accounts, which at times may exceed Federally insured limits. The Organization has not experienced any losses in such accounts. The Organization believes it is not exposed to any significant credit risk on cash.

Contributions Receivable: Unconditional contributions are recognized as revenues in the period received. Conditional contributions are recognized only when the condition on which they depend are substantially met and the contributions becomes unconditional. Contributions receivable are reported in the statements of financial position at the outstanding balance adjusted for any write-offs and an allowance for doubtful accounts. No allowance for doubtful accounts was necessary at December 31, 2025. Contributions anticipated to be received beyond one year are discounted to their net present value at a risk adjusted rate, unless clearly insignificant. At December 31, 2025, all contributions receivable are expected to be collected in the following year.

Property and Equipment: Acquisitions of property and equipment over \$2,500 are capitalized. The Organization has not had any purchases of property and equipment over this threshold.

Functional Allocation of Expenses: The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Expenses directly attributable to a specific functional area of the Organization are reported as expenses of those functional areas. Salaries and benefits, professional fees, and travel have been allocated among program and supporting services based on the estimated time and effort spent by employees in each area. Certain activities include both a program component and fundraising appeals; costs associated with those activities have been allocated between program services and fundraising as described in Note 6.

Income Taxes: The Organization is exempt from the payment of income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code. As of December 31, 2025, the federal and state statute of limitations remains open for the 2022 through the 2025 tax years.

CHRISTIAN SOLIDARITY INTERNATIONAL, INC
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Event: In preparing these financial statements, management has evaluated events and transactions that occurred after the statement of financial position date for potential recognition or disclosure through July 10, 2026, the date the financial statements were available to be issued. None were noted.

NOTE 3 - AVAILABILITY AND LIQUIDITY

The following represents the Organization's financial assets at December 31, 2025:

Financial assets at year end:	
Cash	\$548,946
Contributions receivable	<u>3,736</u>
Total financial assets	552,682
Less amounts not available to be used within one year:	
Net assets with donor restrictions	<u>(257,173)</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$295,509</u>

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due.

NOTE 4 - NET ASSETS WITH DONOR RESTRICTIONS AND NET ASSETS RELEASED FROM RESTRICTIONS

Net assets with donor restrictions were as follows at December 31, 2025:

Subject to restriction for a specific purpose or passage of time:	
Slave liberation	\$112,569
Food seeds	94,020
Nigeria	28,384
Armenia	15,152
Ukraine	4,613
Middle East	<u>2,435</u>
	<u>\$257,173</u>

Net assets released from restrictions, during the years ended December 31, 2025, were released due to the passage of time.

Purpose or period restrictions accomplished:	
Slave liberation	\$553,242
Nigeria	19,370

CHRISTIAN SOLIDARITY INTERNATIONAL, INC
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 4 - NET ASSETS WITH DONOR RESTRICTIONS AND NET ASSETS RELEASED
FROM RESTRICTIONS (CONTINUED)

Asia	<u>6,962</u>
	<u>\$579,574</u>

NOTE 5 - RELATED PARTY TRANSACTIONS

The function of the Organization is to support the international action plan of CSI – Switzerland. The Organization raises funds in the United States of America and pays either through CSI – Switzerland or directly to the project partners for slave liberation and field project expenses.

The Organization’s acting chief financial officer was also the chief financial officer of CSI – Switzerland through August 31, 2025. The Organization’s president of the board of directors is the president of CSI – Switzerland.

During the year ended December 31, 2025, the Organization paid approximately \$503,089 to Odyssey Marketing, a company owned by the Organization's Chief Executive Officer, for media campaign services. Of the total amount paid, approximately 85% representing media placement costs was passed through directly to third-party broadcasters and media outlets, with the remaining approximately 15% representing fees retained by Odyssey Marketing. As of December 31, 2025, the Organization had a payable to Odyssey Marketing of \$125,000. By a Board decision on March 10, 2026, the collaboration with Odyssey Marketing was terminated, and the contract was awarded to Mission Activate, an unrelated entity.

NOTE 6 - FUNCTIONAL EXPENSES

The functional allocation of expenses for the year ended December 31, 2025 is as follows:

		<u>Supporting Services</u>		
	<u>Program Activities</u>	<u>General and administrative</u>	<u>Fundraising</u>	<u>Total expenses</u>
Broadcasting and newsletters	\$ 487,108	\$ 18,447	\$ 77,509	\$ 583,064
Salaries and benefits	407,910	29,497	13,456	450,863
Slave liberation programs	334,863	-	-	334,863
Professional fees	33,498	80,728	3,470	117,696
Other programs	61,370	-	-	61,370
Bank and merchant fees	-	38,907	7,069	45,976
Travel	22,371	3,794	569	26,734
Other business expenses	72	23,676	547	24,295
Licenses and permits	-	5,929	5,426	11,355
Insurance	-	2,048	-	2,048
	<u>\$ 1,347,192</u>	<u>\$ 203,026</u>	<u>\$ 108,046</u>	<u>\$ 1,658,264</u>

CHRISTIAN SOLIDARITY INTERNATIONAL, INC
NOTES TO FINANCIAL STATEMENTS (CONTINUED)

NOTE 7 - ALLOCATION OF JOINT COSTS

The Organization conducts activities that include appeals for contributions as well as a program component. Those activities include awareness campaigns and media outreach. For the year ended December 31, 2025, total joint costs of \$539,089 were allocated as follows: \$460,026 to program services and \$79,063 to fundraising.

NOTE 8 - CHANGE IN BASIS OF ACCOUNTING

Effective January 1, 2025, the Organization changed its basis of accounting from the cash basis to the accrual basis of accounting in connection with its application for accreditation by the Evangelical Council for Financial Accountability (ECFA), which requires financial statements prepared in accordance with generally accepted accounting principles. The cumulative effect of this change has been reflected as an adjustment to net assets at the beginning of the year ended December 31, 2025. The total adjustment to beginning net assets was \$(87,547), which was comprised of the following:

Accounts payable and accrued expenses	\$(75,674)
Accrued compensation	(18,599)
Prepaid expenses	<u>6,726</u>
Net decrease in beginning net assets	<u>\$(87,547)</u>