



GLOBAL MEDIA OUTREACH, INC.

Financial Statements
With Independent Auditor's Report

August 31, 2025 and 2024

GLOBAL MEDIA OUTREACH, INC.

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Global Media Outreach, Inc.
Plano, Texas

Opinion

We have audited the accompanying financial statements of Global Media Outreach, Inc., which comprise the statements of financial position as of August 31, 2025 and 2024, and the related statements of activities and cash flows for the years 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 Global Media Outreach, Inc. as of August 31, 2025 and 2024, 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 Global Media Outreach, Inc. 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 Financial Statements

Management is responsible for the preparation and fair presentation of these 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 Global Media Outreach, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Board of Directors
Global Media Outreach, Inc.
Plano, Texas

Auditor's 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 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 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 Global Media Outreach, 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 Global Media Outreach, 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.

Capin Crouse LLC

Ontario, California
October 24, 2025

GLOBAL MEDIA OUTREACH, INC.

Statements of Financial Position

	August 31,	
	2025	2024
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 2,863,818	\$ 1,976,477
Investments	141,185	394,736
Prepaid expenses and other assets	263,425	209,709
	<u>3,268,428</u>	<u>2,580,922</u>
 Long lived assets-net	 <u>1,380,706</u>	 <u>1,680,330</u>
 Total Assets	 <u>\$ 4,649,134</u>	 <u>\$ 4,261,252</u>
 LIABILITIES AND NET ASSETS:		
Current liabilities:		
Accounts payable	\$ 224,525	\$ 77,895
Accrued expenses	364,420	236,500
Total liabilities	<u>588,945</u>	<u>314,395</u>
 Net assets:		
Without donor restrictions	2,529,070	2,953,759
With donor restrictions	1,531,119	993,098
Total net assets	<u>4,060,189</u>	<u>3,946,857</u>
 Total Liabilities and Net Assets	 <u>\$ 4,649,134</u>	 <u>\$ 4,261,252</u>

See notes to financial statements

GLOBAL MEDIA OUTREACH, INC.

Statements of Activities

	Year Ended August 31,					
	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT, REVENUE, AND RECLASSIFICATIONS:						
Contributions	\$ 5,707,918	\$ 3,903,600	\$ 9,611,518	\$ 6,439,407	\$ 4,508,103	\$ 10,947,510
Investment income	105,222	-	105,222	154,909	-	154,909
Other income	58,662	-	58,662	4,889	-	4,889
	<u>5,871,802</u>	<u>3,903,600</u>	<u>9,775,402</u>	<u>6,599,205</u>	<u>4,508,103</u>	<u>11,107,308</u>
Release of purpose restrictions	3,365,579	(3,365,579)	-	4,614,196	(4,614,196)	-
Total Support and Revenue	<u>9,237,381</u>	<u>538,021</u>	<u>9,775,402</u>	<u>11,213,401</u>	<u>(106,093)</u>	<u>11,107,308</u>
EXPENSES:						
Program services	7,744,786	-	7,744,786	9,962,761	-	9,962,761
Supporting activities:						
General and administrative	845,462	-	845,462	740,346	-	740,346
Fundraising	1,071,822	-	1,071,822	1,532,772	-	1,532,772
Total Expenses	<u>9,662,070</u>	<u>-</u>	<u>9,662,070</u>	<u>12,235,879</u>	<u>-</u>	<u>12,235,879</u>
Change in Net Assets	(424,689)	538,021	113,332	(1,022,478)	(106,093)	(1,128,571)
Net Assets, Beginning of Year	<u>2,953,759</u>	<u>993,098</u>	<u>3,946,857</u>	<u>3,976,237</u>	<u>1,099,191</u>	<u>5,075,428</u>
Net Assets, End of Year	<u>\$ 2,529,070</u>	<u>\$ 1,531,119</u>	<u>\$ 4,060,189</u>	<u>\$ 2,953,759</u>	<u>\$ 993,098</u>	<u>\$ 3,946,857</u>

See notes to financial statements

GLOBAL MEDIA OUTREACH, INC.

Statements of Cash Flows

	Year Ended August 31,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 113,332	\$ (1,128,571)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	355,836	343,310
Net change in:		
Prepaid expenses and other assets	(53,716)	223,211
Accounts payable	146,630	(29,462)
Accrued expenses	127,920	34,269
Net Cash Provided (Used) by Operating Activities	690,002	(557,243)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of long lived assets-net	(56,212)	(180,010)
Proceeds from sale of investments	253,551	612,688
Net Cash Provided by Investing Activities	197,339	432,678
Change in Cash and Cash Equivalents	887,341	(124,565)
Cash and Cash Equivalents, Beginning of Year	1,976,477	2,101,042
Cash and Cash Equivalents, End of Year	\$ 2,863,818	\$ 1,976,477

See notes to financial statements

GLOBAL MEDIA OUTREACH, INC.

Notes to Financial Statements

August 31, 2025 and 2024

1. NATURE OF ORGANIZATION:

Global Media Outreach, Inc. was formerly Internet Outreach 2100, Inc. In 2010, the name was changed to Global Media Outreach, Inc. and operations began. Global Media Outreach, Inc. is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and comparable state laws. However, the organization is subject to federal income tax on any unrelated business taxable income. In addition, the organization is not classified as a private foundation within the meaning of Section 509(a) of the IRC. The primary source of support and revenue for Global Media Outreach, Inc. is contributions which are tax-deductible for income tax purposes.

Global Media Outreach, Inc. is a religious organization dedicated to the advancement of the gospel of Jesus Christ by the evangelism of unbelievers and the discipleship of believers.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements for Global Media Outreach, Inc. have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to depreciation and amortization, estimated useful lives and allocation of functional expenses. A summary of significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

CASH AND CASH EQUIVALENTS

GMO considers all highly liquid instruments with maturities less than three months to be cash and cash equivalents. These cash and cash equivalent accounts may, at times, exceed federally insured limits. At August 31, 2025 and 2024, GMO's cash and cash equivalents exceeded federally insured limits by approximately \$2,503,000 and \$1,654,000, respectively.

INVESTMENTS

GMO's investments consist of certificates of deposit with an original maturity of over 90 days, which are stated at amortized cost. GMO's policy is to sell donated securities to convert them to cash as soon as it is administratively feasible. Donated securities are recorded as contributions at fair value on the date of the gift. Interest income is reported in the period it is earned. GMO had no securities held as of August 31, 2025 and 2024.

LONG LIVED ASSETS-NET

Software assets and equipment is capitalized at cost on the date of purchase. Donated long lived assets are capitalized at its fair value on the date of the gift. GMO capitalizes long lived assets with a cost or fair value of \$3,000 or greater. GMO capitalizes certain internal use software development costs associated with creating and enhancing internally developed software related to its platforms.

GLOBAL MEDIA OUTREACH, INC.

Notes to Financial Statements

August 31, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

LONG LIVED ASSETS-NET, continued:

Software development activities generally consist of three stages (i) the research and planning stage, (ii) the application and development stage, and (iii) the post-implementation stage. Costs incurred in the planning and post-implementation stages of software development are expensed as incurred. Costs incurred in the application and infrastructure development stage, including significant enhancements and upgrades, are capitalized. Depreciation and amortization are computed on the straight-line method over the estimated useful lives of the assets ranging from three to seven years.

NET ASSETS

The net assets of GMO are reported according to class as follows:

Net assets without donor restrictions are those currently available for general purposes under the direction of the board.

Net assets with donor restrictions are those contributed with donor stipulations for specific operating purposes or time periods. Net assets with donor restrictions were purpose restricted by the donor for the evangelism of unbelievers and the discipleship of believers around the world through internet websites and mobile devices targeting geographic regions or specified time periods.

SUPPORT, REVENUE, AND EXPENSES

Contributions and unconditional promises to give are recorded when received. Contributions restricted by the donor for a specific purpose or time period are recorded as support in the net assets with donor restrictions class. Upon satisfaction of the restriction, 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. Donated assets are recorded at their fair value on the date of donation. Investment income consists of interest and dividends and gains and losses earned on investments. Other income consists of miscellaneous receipts and is recorded when earned.

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

GLOBAL MEDIA OUTREACH, INC.

Notes to Financial Statements

August 31, 2025 and 2024

3. LIQUIDITY AND FUNDS AVAILABLE:

GMO maintains its financial assets primarily in cash and cash equivalents to provide liquidity to ensure funds are available as GMO's expenditures come due. The following reflects GMO's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions. Financial assets are considered unavailable when illiquid or not convertible to cash within one year.

	August 31,	
	<u>2025</u>	<u>2024</u>
Financial assets:		
Cash and cash equivalents	\$ 2,863,818	\$ 1,976,477
Investments	141,185	394,736
Total financial assets	<u>3,005,003</u>	<u>2,371,213</u>
Less those unavailable for general expenditure within one year, due to:		
Donor restricted funds not expected to be spent within one year	<u>(248,823)</u>	<u>(112,688)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 2,756,180</u>	<u>\$ 2,258,525</u>

GMO's donor-restricted amounts are limited to use for programs and specific purposes which are ongoing, major, and central to its annual operations; therefore, net assets with donor restrictions are considered available for general expenditure within one year. GMO structures its financial assets to be available as its general expenditures, liabilities, and other obligations become due. Management monitors cash flows closely through board meetings and detailed financial analysis.

GLOBAL MEDIA OUTREACH, INC.

Notes to Financial Statements

August 31, 2025 and 2024

4. LONG LIVED ASSETS:

Long lived assets consist of:

	August 31,	
	2025	2024
Software	\$ 2,520,442	\$ 2,464,230
Computer equipment	3,735	3,735
	<u>2,524,177</u>	<u>2,467,965</u>
Less accumulated depreciation and amortization	<u>(1,143,471)</u>	<u>(787,635)</u>
	<u>\$ 1,380,706</u>	<u>\$ 1,680,330</u>

Depreciation expense totaled approximately \$356,000 and \$351,000 for the years ended August 31, 2025 and 2024, respectively.

5. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions consist of:

	August 31,	
	2025	2024
Digital ministry and other	\$ 641,804	\$ 205,373
Growth initiatives	522,892	371,606
Life's greatest questions	366,423	204,342
International missions	-	11,776
Other	-	200,001
	<u>\$ 1,531,119</u>	<u>\$ 993,098</u>

6. RELATED PARTY TRANSACTIONS AND CONCENTRATION RISK:

During the years ended August 31, 2025 and 2024, GMO received contributions from board members totaling approximately \$2,874,000 and \$2,967,000, respectively, which comprised approximately 29% and 27%, respectively, of total revenue for the years then ended. Organizational implications of these concentrations are recognized by GMO and reported to the board on an annual basis.

GLOBAL MEDIA OUTREACH, INC.

Notes to Financial Statements

August 31, 2025 and 2024

7. EMPLOYEE BENEFIT PLAN:

GMO sponsors a 403(b) plan (the Plan) covering employees who work more than 20 hours per week and who have been with the organization more than 30 days. Participants in the Plan vest immediately upon initial contribution. GMO contributed up to \$100 per month for every eligible employee until January 2023, at which time, the contribution was increased to \$200 per month. During the years ended August 31, 2025 and 2024, GMO's contributions to the Plan totaled approximately \$64,000 and \$52,000, respectively.

8. FUNCTIONAL ALLOCATION OF EXPENSES:

The costs of providing the various program services and supporting activities have been summarized on a functional basis below. Accordingly, certain categories of expenses are attributable to one or more program or supporting functions of GMO. Allocation expenses include compensation, advertising, professional fees, supplies, and travel, which are allocated based on time and effort, as well as depreciation and amortization, and facilities, which are allocated based on square footage. The major program services of GMO consist of sharing the gospel through digital advertising, online missionaries, and outreach activities.

The following table presents expenses by both their nature and function for the year ended August 31, 2025:

	Program Services	Supporting Activities:		Total
		General and Administrative	Fundraising	
Salaries and benefits	\$ 2,526,696	\$ 692,804	\$ 855,816	\$ 4,075,316
Project expenses	2,638,912	-	-	2,638,912
Professional fees	966,437	83,515	58,102	1,108,054
Office and supplies	695,559	55,286	33,844	784,689
Depreciation and amortization, and facilities	355,836	6,758	-	362,594
Distribution costs	339,508	-	-	339,508
Travel	175,528	1,035	115,493	292,056
Other	46,310	6,064	8,567	60,941
	<u>\$ 7,744,786</u>	<u>\$ 845,462</u>	<u>\$ 1,071,822</u>	<u>\$ 9,662,070</u>

GLOBAL MEDIA OUTREACH, INC.

Notes to Financial Statements

August 31, 2025 and 2024

8. FUNCTIONAL ALLOCATION OF EXPENSES, continued:

The following table presents expenses by both their nature and function for the year ended August 31, 2024:

	Program Services	Supporting Activities:		Total
		General and Administrative	Fundraising	
Salaries and benefits	\$ 2,330,591	\$ 563,853	\$ 864,574	\$ 3,759,018
Project expenses	4,185,041	-	-	4,185,041
Professional fees	1,129,065	73,019	418,932	1,621,016
Office and supplies	805,169	79,125	74,343	958,637
Depreciation and amortization, and facilities	352,142	9,545	-	361,687
Distribution costs	907,690	-	-	907,690
Travel	89,187	4,481	120,014	213,682
Other	163,876	10,323	54,909	229,108
	\$ 9,962,761	\$ 740,346	\$ 1,532,772	\$ 12,235,879

9. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through the date that the financial statements were available to be issued, October 24, 2025, and determined there were no events that occurred that required disclosure.