

**FRANCIS ASBURY SOCIETY, INC.**  
**FINANCIAL STATEMENTS**  
**PERIOD ENDED DECEMBER 31, 2025**

FRANCIS ASBURY SOCIETY, INC.

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## COMPILATON REPORT

To the Executive Board  
Wilmore, KY

Management is responsible for the accompanying financial statements of the Francis Asbury Society, Inc. (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2025 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

*Amick & Company PSC*  
Louisville, Kentucky  
March 31, 2026

**FRANCIS ASBURY SOCIETY, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2025**

ASSETS

Current Assets

Cash and cash equivalents	\$ 241,367
Receivables, net	2,412
Prepaid expenses	7,223
Investments	1,135,397
Inventory	19,780
Other assets	5,162
Total Current Assets	<u>1,411,341</u>

Property and Equipment

Office equipment and furniture	287,495
Lease accumulated depreciation - equipment	(264,465)
Buildings	2,642,889
Less accumulated depreciation - building	(1,184,074)
Land	281,084
Total Noncurrent Assets	<u>1,762,929</u>

TOTAL ASSETS \$ 3,174,270

LIABILITIES AND NET ASSETS

Current Liabilities

Accounts payable	\$ 16,282
Accrued expenses	12,013
Total Current Liabilities	<u>28,295</u>

TOTAL LIABILITIES 28,295

Net Assets

Without donor restrictions	2,809,895
With donor restrictions	336,080
Total Net Assets	<u>3,145,975</u>

TOTAL LIABILITIES AND NET ASSETS \$ 3,174,270

**FRANCIS ASBURY SOCIETY, INC.**  
**STATEMENT ACTIVITIES**  
**DECEMBER 31, 2025**

	Without donor restrictions	With donor restrictions	Total
<b>SUPPORT AND REVENUES</b>			
Contributions	573,221	-	573,221
Program service income	115,795	-	115,795
Development income	-	-	-
Investment income	22,745	-	22,745
Other income	140,334	-	140,334
<b>TOTAL SUPPORT AND REVENUES</b>	852,095	-	852,095
<b>EXPENSES</b>			
Program services	586,677	-	586,677
Supporting services			
Administrative	409,655	-	409,655
Fund raising	12,637	-	12,637
<b>TOTAL EXPENSES</b>	1,008,969	-	1,008,969
<b>NET INCOME</b>			
Changes in net assets	(156,874)	-	(156,874)
Net assets at January 1, 2024	3,435,855	-	3,435,855
<b>NET ASSETS AT END OF YEAR</b>	3,278,981	-	3,278,981

**FRANCIS ASBURY SOCIETY, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**DECEMBER 31, 2025**

	<u>Program</u>	<u>Administrative</u>	<u>Fund Raising</u>	<u>Total</u>
Salaries	\$ 278,659	\$ 245,275	\$ 4,180	\$ 528,114
Payroll tax	10,985	9,497	346	20,828
Employee benefits	40,250	-	-	40,250
Contractual services	-	9,700	-	9,700
Cost of goods sold	16,390	-	-	16,390
Advertising and promotion	-	-	-	-
Office expense	49,957	-	7,834	57,791
Accounting	-	41,251	-	41,251
Other	32,712	137	-	32,849
Conferences and meetings	21,885	-	-	21,885
Legal	-	-	-	-
Depreciation	85,713	-	-	85,713
President's initiative	-	-	-	-
Insurance	-	15,739	-	15,739
Occupancy	38,815	11,247	4,059	54,121
Utilities	12,068	3,497	1,262	16,827
Travel	46,078	17,108	277	63,463
Royalties	4,048	-	-	4,048
Repairs and maintenance	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Expense	<u>\$ 637,560</u>	<u>\$ 353,451</u>	<u>\$ 17,958</u>	<u>\$1,008,969</u>

**FRANCIS ASBURY SOCIETY, INC.**  
**STATEMENT OF CASH FLOWS**  
**DECEMBER 31, 2025**

	2025
Cash Flows from Operating Activities:	
Net Income (loss)	\$ (156,874)
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:	
Depreciation	85,713
(Increase) decrease in accounts receivable	11,407
(Increase) decrease in prepaid expenses	7,719
(Increase) decrease in inventory	12,845
(Increase) decrease in investments	(196,572)
Increase (decrease) in accounts payable	(791)
Increase (decrease) in accrued payroll liabilities	(4,814)
Net Cash Provided (used) by Operating Activities	(241,367)
 Cash Flows from Investing Activities:	
Purchase of property and equipment	-
Net Cash Provided (Used) by Financing Activities	-
 Cash Flows from Financing Activities:	
Principal payments on debt	-
Net Cash Provided (Used) by Financing Activities	-
 Net Increase (Decrease) in Cash & Cash Equivalents	(241,367)
 Cash & Cash Equivalents at January 1, 2024	395,194
Cash at End of Period	\$ 153,827

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE A- NATURE OF ACTIVITIES

The Francis Asbury Society (FAS) was incorporated in the State of Kentucky on May 24, 1983, two hundred and forty-five years from the date of John Wesley's experience at Aldersgate, with a purpose "to spread the message of Scriptural holiness to the ends of the earth in accordance with the Great Commission." Dr. Dennis F. Kinlaw and Dr. Harold Burgess, our co-founders, initially combined two efforts to create the Francis Asbury Society: publishing and evangelism.

The publishing effort has been centered in the Francis Asbury Press (FAP), organized in May 1980 by Harold Burgess, Dennis F. Kinlaw and Richard Edwards, which preceded the organization of FAS. Pentecostal Grace, by Laurence Wood, was the first book published. From 1984 to 1991, FAP was an extension of Zondervan Publishing Company. Over the years, the imprint has been managed by Evangel Press and by Warner Press as well. In 2016, the imprint returned fully to FAS management.

More than 50 books of theological and devotional nature, as well as reprints of older holiness material, have been published through FAP. Thousands of pamphlets and books have been given away annually for the edification and encouragement of the body of Christ. Throughout its ministry, the Francis Asbury Society has made available to its members audio and video recordings, especially providing videos of FAS retreats and Bible studies.

As our membership grew, we started sending a bi-monthly publication, The High Calling, to exhort, enlighten, and encourage readers to live happy and holy lives, fully devoted to God. Though it was subscription-based for several years in the past, this popular, engaging publication is now a free expression of our ministry.

More recently, due to the popularity and lesser expense of emailed communications, FAS has sent Ministry Matters, at first monthly and now a bi-monthly electronic newsletter emailed in between issues of The High Calling. Intentionally a double entendre, this newsletter seeks to nurture our covenant relationships by informing our Society about ministry happenings as well as by inspiring and supporting those in Christian ministry, whether pastors or laity.

Thus, the Francis Asbury Press, as the publishing arm of the Francis Asbury Society, continues to produce material that is scholarly, ministerial, and popular.

At the time of its incorporation, FAS's other substantial effort was in evangelism, initially focused on supporting Dr. Kinlaw's speaking ministry and commitment to Christian education. The evangelistic ministry quickly expanded into a group of itinerant evangelists who conduct revivals, retreats, and pastors' conferences, specifically calling the church, both laity and leadership, into a deeper commitment of Christian Holiness.

Understanding the need for discipleship ministry that follows evangelism, FAS expanded its ministry to give significant attention to Bible studies, mentoring relationships, and retreat ministries geared toward pastors, lay leaders, missionaries, and educators. Many Society members, especially the Covenant Fellowship, a recognized network of FAS supporters who fully subscribe to the discipleship essentials promoted by FAS, faithfully return every year to our annual retreat held at The Hemlock Inn in North Carolina. These retreats have become an essential and spiritually beneficial getaway for many.

Through the Francis Asbury Institute, FAS also has sponsored conferences designed for theological educators to encourage, edify, and address issues of the Christian life. FAS has been committed to

## **NOTE A- NATURE OF ACTIVITIES (CONTINUED)**

taking the message of a pure heart to students in theological and undergraduate schools of North America, as well as internationally.

Our most recent initiative is Empower the Nations, a collaborative objective to start an international discipleship program to raise reproducing discipleship groups who covenant to live transformed, holy lives among the nations. The goal of this initiative is to train international covenant leaders to go throughout the world and start covenant discipleship groups among their own nations so that more lives are transformed by the self-giving love of God to be wholly devoted to God.

## **NOTE B- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **Basis of Presentation**

The financial statements of the Organization have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide").

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified as follows:

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. The Organization's board may designate assets without restrictions for specific operational purposes from time to time.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Non-Profit Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

### **Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

### **Support and Revenue Recognition**

Contributions, which include unconditional promises to give, are recognized as support in the period the contribution is received or the promise is made.

## **NOTE B- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Support that is not restricted by the donor is reported as an increase in unrestricted net assets. All donor-restricted support is reported as an increase in net assets with donor restrictions.

When a restriction expires, assets are reclassified to net assets without donor restrictions.

### **Use of Estimates**

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

### **Income Taxes**

The Organization is exempt from income taxes under the Internal Revenue Code Section 501(c)(3) and has made no provision for income taxes. The Organization has no unrelated business income. Furthermore, the Organization has been determined not to be a private foundation under Code Section 509(a). As of December 31, 2025, the tax years that remain subject to examination by taxing authorities begin with 2022.

### **Expense Allocation**

The cost of providing the Organization's various programs and supporting services have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

### **Property and Equipment**

Property and equipment is recorded at cost or estimated fair market value if donated. Donated assets are recorded as unrestricted support unless the donor has restricted it for a specific purpose. Depreciation is computed using straight-line methods over the estimated useful lives of the assets, which is three to forty years. Depreciation expense for the period ended December 31, 2025, was \$85,713.

## **NOTE C- INVESTMENTS**

The Organization's investments are reported at fair value in the Statement of Financial Position in accordance with ASC 958-320, Investments — Debt and Equity Securities, and ASC 820, Fair Value Measurement. Investment income, including realized and unrealized gains and losses, interest, and dividends, is reported in the Statement of Activities and is included in net assets without donor restrictions unless restricted by donor stipulation.

## **NOTE C- INVESTMENTS (CONTINUED)**

### **Fair Value Measurement**

The Organization uses a three-level hierarchy to prioritize the inputs used to measure fair value:

Level 1: Quoted prices in active markets for identical assets

Level 2: Observable inputs other than quoted prices

Level 3: Unobservable inputs (e.g., valuation models, appraisals)

All investments held by the Organization at year-end were classified as Level 1, as they consist of publicly traded mutual funds and marketable securities with quoted market prices.

## **NOTE D- LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. Donor-restricted amounts that are available for use within one year for general purposes.

December 31, 2025

Financial assets available to meet cash needs for general  
expenditure within one year

\$ 1,383,046