THE DISTRICT BOARD OF THE MID-ATLANTIC DISTRICT OF THE CHURCH OF THE BRETHREN

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

JOHN T. CECIL, JR., P. A.
Certified Public Accountant
Frederick, Maryland

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OF THE CHURCH OF THE BRETHREN

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FOR THE YEAR ENDED DECEMBER 31, 2025

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

Leadership Team
The District Board of the Mid-Atlantic District of the Church of the Brethren
Westminster, Maryland

We have reviewed the accompanying financial statements of the District Board of the Mid-Atlantic District of the Church of the Brethren (a non-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. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility 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; this includes 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Other Matter

The accompanying supplementary information included in the Schedule of Revenues and Expenses by Fund are presented for purposes of additional analysis and is not a required part of the basic 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 financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

John T. Cecil, Jr., CPA

John T. Cecil, Jr., P. A.

August 12, 2026

THE DISTRICT BOARD OF THE MID-ATLANTIC DISTRICT
OF THE CHURCH OF THE BRETHREN
Statement of Financial Position
December 31, 2025

ASSETS

		2025
Current Assets		
Cash and Cash Equivalents	$	193,767
Prepaid Expenses		650
Notes Receivable		925,211
Total Current Assets		1,119,628
Property and Equipment		
Office and Operating equipment		13,909
Accumulated Depreciation		(13,909)
Net Property and Equipment		-
Investments		697,339
TOTAL ASSETS	$	1,816,967

LIABILITIES AND NET ASSETS

Current Liabilities		
Accrued Expenses andLiabilities	$	3,966
Total Current Liabilities		3,966
Long-Term Liabilities		
Total Long-Term Liabilities		-
TOTAL LIABILITIES		3,966
NET ASSETS		
Without Donor Restrictions		1,660,869
Without Donor Restrictions - Board Designated		132,970
With Donor Restrictions		19,162
Total Net Assets		1,813,001
TOTAL LIABILITIES AND NET ASSETS	$	1,816,967

See accompanying notes to financial statements.

THE DISTRICT BOARD OF THE MID-ATLANTIC DISTRICT
OF THE CHURCH OF THE BRETHREN
Statement of Activities
For the Year Ended December 31, 2025

	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
SUPPORT AND REVENUE			
Congregational Support	$ 116,093	$ -	$ 116,093
Benevolent Gifts - Individuals	6,940	-	6,940
Other Income - Legal Fund	-	16,000	16,000
- Myersville Property Proceeds	265,254	-	265,254
- Myersville Treasury Proceeds	240,000	-	240,000
Contributions	-	122,083	122,083
Revenue from Board Designated Activities	29,283	-	29,283
Investment Income - Net	46,930	-	46,930
TOTAL SUPPORT AND REVENUE	704,500	138,083	842,583
Net assets released from restrictions	125,955	(125,955)	-
EXPENSES			
Activity Funds	134,351	4,005	138,356
Support Services	233,242	-	233,242
TOTAL EXPENSES	367,593	4,005	371,598
CHANGE IN NET ASSETS	462,862	8,123	470,985
NET ASSETS			
Beginning of Year	1,330,977	11,039	1,342,016
End of Year	$ 1,793,839	$ 19,162	$ 1,813,001

See accompanying notes to financial statements.

THE DISTRICT BOARD OF THE MID-ATLANTIC DISTRICT
OF THE CHURCH OF THE BRETHREN
Statement of Functional Expenses
For the Year Ended December 31, 2025

	ACTIVITY FUNDS	SUPPORT SERVICES	TOTAL
Administrative Fees	$ 3,924	$ -	$ 3,924
Calling and Credentialing Expense	-	8,592	8,592
Conference Expense	3,128	-	3,128
District General Expense	-	10,854	10,854
Finance and Property Expense	-	4,782	4,782
Insurance expense	-	2,255	2,255
Office expense	1,256	3,571	4,827
Outreach & Services Expense	115,137	-	115,137
Printing Expense	5,918	-	5,918
Professional Services Expense	-	14,435	14,435
Rent Expense	3,700	5,019	8,719
Salaries and Benefits Expense	-	168,897	168,897
Scholarships Expense	470	-	470
Senior High Expense	-	500	500
Training Expense	818	-	818
Travel Expense	-	14,337	14,337
TOTAL FUNCTIONAL EXPENSES	$ 134,351	$ 233,242	$ 367,593

See accompanying notes to financial statements.

THE DISTRICT BOARD OF THE MID-ATLANTIC DISTRICT
OF THE CHURCH OF THE BRETHREN
Statement of Cash Flows
For the Year Ended December 31, 2025

		2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$	470,985
Adjustments to reconcile change in net assets		
to net cash provided by (used in) operating activities:		
Investment income -unrealized gains		(15,891)
Net change in operating assets and liabilities:		
Prepaid expenses		(182)
Accrued expenses and liabilities		1,632
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		456,544
CASH FLOWS FROM INVESTING ACTIVITIES		
Note Receivable - Investment		(204,062)
Note Receivable - Proceeds		23,210
Investments - Purchases		(214,176)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		(395,028)
CASH FLOWS FROM FINANCING ACTIVITIES		
NET CASH PROVIVED (USED IN) FINANCING ACTIVITIES		-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		61,516
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		132,251
CASH AND CASH EQUIVALENTS AT END OF YEAR	$	193,767
SUPPLEMENTAL DISCLOSURES		
Income taxes paid	$	-
Interest paid	$	-

See accompanying notes to financial statements.

1 - NATURE OF ORGANIZATION

The District Board of the Mid-Atlantic District of the Church of the Brethren (the "Organization") operates as a religious corporation and serves its member churches within the District, currently totaling 53 member churches, spanning a geographical region which includes portions of Maryland, Pennsylvania, Delaware, Virginia, West Virginia and the District of Columbia. The affairs of the Mid-Atlantic District are managed by the District Leadership Team, and individual congregations are served by the District Executive who assists and gives oversight to the pastors and congregations, and guidance related to pastoral placement, evaluations, etc., in accordance with the denominational policy.

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Organization's financial statements are prepared using the accrual method of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation

The financial statements of The District Board of the Mid-Atlantic District of the Church of the Brethren are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities: Presentation of Financial Statements of Not-for-Profit Entities*, which significantly amended previous standards for the presentation and accompanying disclosures of the financial statements of nonprofit organizations.

In accordance with ASU 2016-14, the Organization reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors - net assets without donor restrictions and net assets with donor restrictions.

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 board of directors.

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 Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the Statement of Activities.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fair Value of Financial Instruments

The Organization has a number of financial instruments, none of which are held for trading purposes. The Organization estimates that the fair value of all financial instruments at December 31, 2025 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position. The estimated fair value amounts have been determined by the Organization using available market information and appropriate valuation methodologies.

Investments

The Organization carries investments in marketable securities with readily determinable fair values and all investments in debt securities at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in investment income in the accompanying Statement of Activities.

Property and Equipment

Acquisitions of property and equipment in excess of $1,000 are capitalized. Computer equipment, which is deemed immaterial, is expensed. Property and equipment are carried at cost and depreciation is computed using primarily the straight-line method. Depreciation expense for the year ended December 31, 2025 was $-0-.

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. Donations to Board Designated activities are recorded as net assets without donor restrictions.

A special event of the Organization that is restricted to raising funds for a specific purpose is reported as net assets with donor restrictions. When a restriction expires, the

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

net asset with donor restriction is reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Contributed Services

The Organization receives a substantial amount of services donated by its members in carrying out the Organization's ministry. No amounts have been reflected in the financial statements for those services since they do no meet the criteria for recognition.

Cash and Cash Equivalents

The Organization defines its cash and cash equivalents to include all monies in banks and highly liquid investments with original maturity dates of less than 3 months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

3 – AVAILABILITY AND LIQUIDITY

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

Financial Assets at Year-End:	**2025**
Cash and Cash Equivalents	$ 193,767
Notes Receivable	925,211
Investments	697,339
Total Financial Assets	1,816,317
Less Amounts Not Available to be Used Within One Year:	
Notes Receivable	888,572
Net Assets With Board Designations	132,970
Net Assets With Donor Restrictions	19,162
	1,040,704
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	$ 775,613

4 – NOTES RECEIVABLE

During June 2018 the Organization sold the property known as Good Shepherd to Greater Grace Christian Fellowship, Inc. (GGCF) for the sum of $1,000,000. The Organization received $100,000 in cash and a $900,000 note from GGCF. The note bears interest at 4% per annum for the first five years, requiring monthly payments of $4,751. After the fifth year GGCF has an option to pay off the loan in full or in part. If not paid in full, interest will be renegotiated every five years until the loan is paid in full. The balance of the loan as of December 31, 2025 is $721,149.

During December 2025 the Organization sold the property known as Myersville Church of the Brethren to Saint John the Baptist Antiochian Orthodox Church, Inc. (SJB) for the sum of $280,000. The Organization received proceeds of cash (net of closing costs) and a $204,062 mortgage note from SJB. The note bears interest at 5.5% per annum with a maturity date of February, 2051. The balance of the loan as of December 31, 2025 is $204,062.

5 – PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2025 consists of the following:

Asset Category	Estimated Life		2025 Amount
Office Furniture & Equipment	5 - 7 years	$	13,909
Less: Accumulated Depreciation			(13,909)
Net Property and Equipment		$	-

6 – INVESTMENTS

The Organization’s investments at December 31, 2025 are as follows:

		2025 Cost Basis		2025 Market Value
Brethren Foundation:				
Balanced Fund	$	140,110	$	299,131
Short Term Bond Fund		24,248		28,508
Treasury Money Market Fund		369,700		369,700
	$	534,057	$	697,339

6 – INVESTMENTS (continued)

The Organization applies Accounting Standards Codification (ASC) 820, Fair Value Measurements and Disclosures, which defines fair value, establishes a framework for measuring fair value, and requires certain disclosures about fair value measurements. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to observable inputs (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three tiers of the fair value hierarchy under FASB ASC 820-10 are described as follows:

Level 1: Quoted prices for identical assets or liabilities in active markets.

Level 2: Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions that market participants would use in pricing an asset or liability.

The Organization's investments are considered as Level 1 in the fair value hierarchy.

The following schedule summarizes the investment return and its classification in the Statement of Activity for the year ended December 31, 2025:

	2025
Interest and Dividends	$ 32,905
Investment Fees	(1,866)
Unrealized Gains (Losses)	15,891
Total Investment Income - Unrestricted	$ 46,930

7 – COMMITMENTS AND CONTINGENCIES

Effective June 1, 2016, the Organization entered into a lease agreement with the Westminster Church of the Brethren with adjusted current monthly payments of $410. Upon expiration of the initial term, the lease automatically renews each year unless either party gives written notice of intent not to renew. Total rent for the year ended December 31, 2025 was $4,200.

8 – RESTRICTIONS ON NET ASSETS

Net assets available for the following purposes at December 31, 2025:

		2025
Without Donor Restrictions:		
Church Extension Fund	$	53,144
Congregation Departing Fund		17,206
Continuing Education Scholarship Fund		2,041
Disaster Fund		20,482
District Conference Fund		4,450
District Habitat Fund		150
Don Rowe Student Development Fund		91,323
Equipment and Secretary Fund		14,633
Greater Grace Fund		236,847
Junior High Conference Fund		1,682
Ministerial Training Events Fund		1,626
Myersville Closing Fund		109,213
National Youth Conference Fund		4,457
Operating Reserve		1,231,397
Peace and Justice Fund		124
Senior High Program Fund		1,996
Special Ministries Fund		2,421
Staff Sabatical Fund		500
Young Adult Program Fund		147
	$	1,793,839
With Donor Restrictions:		
Auction Fund	$	2,274
Legal Fund		11,995
Meat Canning Fund		3,964
NOAC Activity Fund		111
Pastor Retreat Fund		424
Salt & Light Ministry Fund		100
Leadership Team Book Fund		294
	$	19,162
Release From Restrictions:		
Auction Fund	$	108,446
Meat Canning Fund		17,509
	$	125,955

9 – SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through August 12, 2026, the date which the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

THE DISTRICT BOARD OF THE MID-ATLANTIC DISTRICT OF THE CHURCH OF THE BRETHREN
Schedule of Revenues and Expenses by Funds – Continued
Year Ended December 31, 2025

	Without Donor Restrictions	W/O Donor Rest Board Designated	Total Without Donor Restrictions	With Donor Restrictions	Total
TOTAL SUPPORT AND REVENUE	$ 801,172	$ 29,283	$ 830,455	$ 12,128	$ 842,583
Expenses and Losses					
Calling and Credentialing	8,592	-	8,592	-	8,592
District General	10,854	-	10,854	-	10,854
Finance and Property	4,782	-	4,782	-	4,782
Spirituality and Fellowship	500	-	500	-	500
Staff Services and Office Operation	208,514	-	208,514	-	208,514
Expenses for Board Designated Activities					
Disaster Fund	-	1,782	1,782	-	1,782
District Conference Fund	-	3,128	3,128	-	3,128
Don Rowe Student Endowment Fund	-	1,031	1,031	-	1,031
Equipment and Secretary Fund	-	919	919	-	919
Junior High Conference Fund	-	125	125	-	125
Ministerial Training Events Fund	-	818	818	-	818
Senior High Program Fund	-	125	125	-	125
Special Ministries Fund	-	468	468	-	468
Expenses for Donor Restricted Activities					
Auction Fund	108,446	-	108,446	-	108,446
Meat Canning Fund	17,509	-	17,509	-	17,509
Legal Fees Fund	-	-	-	4,005	4,005
Total Expenses	359,197	8,396	367,593	4,005	371,598
Change in Net Assets from Operations	441,975	20,887	462,862	8,123	470,985
Net Assets at Beginning of Year	1,218,894	112,083	1,330,977	11,039	1,342,016
Net Assets at End of Year	1,660,869	132,970	1,793,839	19,162	1,813,001

See independent accountants' review report.

THE DISTRICT BOARD OF THE MID-ATLANTIC DISTRICT OF THE CHURCH OF THE BRETHREN
Schedule of Revenues and Expenses by Funds
Year Ended December 31, 2025

	Without Donor Restrictions	W/O Donor Rest Board Designated	Total Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE					
Congregational Support	$ 116,093	$ -	$ 116,093	$ -	$ 116,093
Benevolent Gifts - Individuals	6,940	-	6,940	-	6,940
Other Income	-	-	-	16,000	16,000
Total Congregational Support	123,033	-	123,033	16,000	139,033
Investment Income - Net	46,930	-	46,930	-	46,930
Other Income - Myersville Property Proceeds	265,254	-	265,254	-	265,254
- Myersville Treasury Proceeds	240,000	-	240,000	-	240,000
Revenue from Board Designated Activities					
Church Extension Fund	-	14,252	14,252	-	14,252
Disaster Fund	-	212	212	-	212
District Conference Fund	-	4,705	4,705	-	4,705
Don Rowe Student Endowment Fund	-	5,838	5,838	-	5,838
Equipment and Secretary Fund	-	3,176	3,176	-	3,176
Ministerial Training Events Fund	-	100	100	-	100
National Youth Conference Fund	-	500	500	-	500
Staff Sabatical Fund	-	500	500	-	500
Revenue From Temporarily Restricted Activities					
Auction Fund	-	-	-	108,346	108,346
Meat Canning Fund	-	-	-	13,737	13,737
Total Support and Revenue Before Release From Restrictions	675,217	29,283	704,500	138,083	842,583
Release from Restrictions	125,955	-	125,955	(125,955)	-
TOTAL SUPPORT AND REVENUE	$ 801,172	$ 29,283	$ 830,455	$ 12,128	$ 842,583

See independent accountants' review report.