

**THE VOICE OF THE MARTYRS, INC.**

Financial Statements

Year Ended December 31, 2024

With Comparative Information

As of December 31, 2023

With Independent Auditor's Report



**THE VOICE OF THE MARTYRS, INC.**  
**TABLE OF CONTENTS**

	<u>PAGE</u>
Independent Auditor's Report	1 - 2
Financial Statements:	
Statement of Financial Position - December 31, 2024, with Comparative Totals for 2023	3
Statement of Activities - Year Ended December 31, 2024, with Comparative Totals for 2023	4
Statement of Cash Flows - Year Ended December 31, 2024, with Comparative Totals for 2023	5
Statement of Functional Expenses - Year Ended December 31, 2024, with Comparative Totals for 2023	6
Notes to Financial Statements	7 - 22



## Independent Auditor's Report

To the Board of Directors  
The Voice of the Martyrs, Inc.  
Bartlesville, Oklahoma

### **Opinion**

We have audited the accompanying financial statements of The Voice of the Martyrs, Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities, cash flows, and functional expenses 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 The Voice of the Martyrs, Inc. as of December 31, 2024, 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Voice of the Martyrs, 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 The Voice of the Martyrs, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **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 The Voice of the Martyrs, 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 The Voice of the Martyrs, 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.

#### **Report on Summarized Comparative Information**

We have previously audited The Voice of the Martyrs, Inc.'s 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 3, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

MORSE & CO., PLLC

Tulsa, Oklahoma  
April 23, 2025

**THE VOICE OF THE MARTYRS, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**DECEMBER 31, 2024**  
**(With Comparative Totals for 2023)**

	<b>ASSETS</b>	
	<b>2024</b>	<b>2023</b>
Current assets		
Cash and cash equivalents	\$ 3,000,000	\$ 4,958,884
Cash held for donor-restricted ministry purposes	18,199,695	19,574,746
Accounts receivable, net of an allowance of \$2,000 and \$1,500 in 2024 and 2023, respectively	222,462	647,339
Pledge receivable	13,114	19,417
Prepaid expenses	2,808,373	2,715,302
Inventory	4,540,833	5,050,364
Other assets	52,971	1,163,784
Short-term investments	5,075,276	10,643,028
Short-term investments held for donor-restricted ministry purposes	5,215,587	-
Total current assets	<u>39,128,311</u>	<u>44,772,864</u>
Noncurrent assets		
Pledge receivable - noncurrent	272,578	345,771
Investments	2,516,737	2,302,536
Other assets	4,104,639	1,951,898
Intangible assets, net	866,556	714,923
Property and equipment - held for use, net	42,139,806	39,319,111
Total noncurrent assets	<u>49,900,316</u>	<u>44,634,239</u>
Total assets	<u><u>\$ 89,028,627</u></u>	<u><u>\$ 89,407,103</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable	\$ 1,375,457	\$ 1,373,293
Accrued expenses	640,721	592,186
Planned giving agreements, current portion	96,743	91,681
Line of credit	-	5,000,000
Note payable, current portion	1,469,796	483,853
Total current liabilities	<u>3,582,717</u>	<u>7,541,013</u>
Noncurrent liabilities		
Planned giving agreements, less current maturities	1,851,999	1,698,713
Note payable, less current maturities	16,055,927	17,178,861
Total noncurrent liabilities	<u>17,907,926</u>	<u>18,877,574</u>
Total liabilities	<u>21,490,643</u>	<u>26,418,587</u>
Net assets		
Without donor restriction		
Undesignated	33,530,690	30,469,389
Board designated for contingent operating expenses	8,643,270	10,641,845
Board designated for charitable gift annuities	1,948,742	2,302,536
With donor restriction	23,415,282	19,574,746
Total net assets	<u>67,537,984</u>	<u>62,988,516</u>
Total liabilities and net assets	<u><u>\$ 89,028,627</u></u>	<u><u>\$ 89,407,103</u></u>

See independent auditor's report and accompanying notes to financial statements.

**THE VOICE OF THE MARTYRS, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2024**  
**(With Comparative Totals for 2023)**

	2024			2023
	Without Donor Restriction	With Donor Restriction	Total	Total
Support and revenue				
Contributions and bequests	\$ 54,597,711	\$ 35,916,806	\$ 90,514,517	\$ 88,474,023
Contributions in-kind	-	71,325	71,325	128,337
Ministry related resources	489,964	-	489,964	463,230
Investment income (loss), net	839,088	-	839,088	520,827
Interest income	458,537	-	458,537	224,700
Gain (loss) on sale of fixed assets	(221,162)	-	(221,162)	(100,265)
Other income	79,202	-	79,202	89,692
Total support and revenue	56,243,340	35,988,131	92,231,471	89,800,544
Reclassifications				
Satisfaction of program restrictions	32,147,595	(32,147,595)	-	-
Expenses				
Program services	70,654,439	-	70,654,439	69,893,432
General and administrative	11,303,921	-	11,303,921	11,306,287
Fund-raising	5,723,643	-	5,723,643	5,925,485
Total expenses	87,682,003	-	87,682,003	87,125,204
Increase (decrease) in net assets	708,932	3,840,536	4,549,468	2,675,340
Net assets, beginning of year	43,413,770	19,574,746	62,988,516	60,313,176
Net assets, end of year	\$ 44,122,702	\$ 23,415,282	\$ 67,537,984	\$ 62,988,516

See independent auditor's report and accompanying notes to financial statements.

**THE VOICE OF THE MARTYRS, INC.**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED DECEMBER 31, 2024**  
**(With Comparative Totals for 2023)**

	2024	2023
Cash flows from operating activities		
Change in net assets	\$ 4,549,468	\$ 2,675,340
Adjustments to reconcile change in net assets to net cash provided by (used for) operating activities:		
Depreciation and amortization	2,773,150	2,369,333
Unrealized investment (gains) losses	(194,988)	65,539
Dividends and interest	(646,610)	(586,371)
(Gain) loss on disposal of fixed and intangible assets	91,162	100,265
Asset impairment	130,000	-
Stock contributions	(1,148,966)	(617,878)
Changes in assets and liabilities:		
Accounts receivable	424,877	(283,364)
Pledge receivable	79,496	18,992
Prepaid expenses	(93,071)	608,240
Inventory	509,531	851,088
Other assets	(1,108,400)	(780,038)
Accounts payable	2,164	(485,684)
Accrued expenses	48,535	269,311
Deferred revenue	-	(5,587)
Net cash provided by (used for) operating activities	5,416,348	4,199,186
Cash flows from investing activities		
Purchases of property and equipment and other assets	(5,567,671)	(461,595)
Proceeds from sale of property and equipment	9,500	10,400
Purchases of investments	(1,343,889)	(1,167,946)
Proceeds from sale of investments	3,472,417	1,145,252
Capitalized interest	(341,997)	(490,923)
Net cash provided by (used for) investing activities	(3,771,640)	(964,812)
Cash flows from financing activities		
Planned giving agreements	158,348	(62,247)
Proceeds from note payable	337,286	3,330,885
Payments on note payable	(474,277)	-
Payments on line of credit	(5,000,000)	1,000,000
Net cash provided by (used for) financing activities	(4,978,643)	4,268,638
Change in cash and cash equivalents	(3,333,935)	7,503,012
Cash and cash equivalents at beginning of year	24,533,630	17,030,618
Cash and cash equivalents at end of year	\$ 21,199,695	\$ 24,533,630
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ 551,773	\$ 58,469
Purchase of property and equipment with debt	\$ -	\$ 14,331,829

See independent auditor's report and accompanying notes to financial statements.

**THE VOICE OF THE MARTYRS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED DECEMBER 31, 2024**  
**(With Comparative Totals for 2023)**

	2024				2023			
	Program Services	General and Administrative	Fund-Raising	Total	Program Services	General and Administrative	Fund-Raising	Total
Foreign aid	\$ 32,168,265	\$ -	\$ -	\$ 32,168,265	\$ 31,640,173	\$ -	\$ -	\$ 31,640,173
Staffing and benefits	14,011,477	6,401,132	1,000,020	21,412,629	12,987,910	6,765,038	1,451,443	21,204,391
Advertising	4,612,463	530,850	1,539,992	6,683,305	5,967,798	501,114	1,374,110	7,843,022
Postage	4,596,244	578,468	1,102,105	6,276,817	4,559,833	835,127	840,798	6,235,758
Printing and production	3,898,705	385,656	1,062,745	5,347,106	4,353,771	315,559	1,127,571	5,796,901
International operations	4,037,265	-	-	4,037,265	3,653,876	-	-	3,653,876
Depreciation and amortization	2,052,976	506,948	213,226	2,773,150	1,626,436	522,881	220,015	2,369,332
Office expense	1,491,967	773,966	341,156	2,607,089	1,402,426	645,261	354,300	2,401,987
Other	1,718,283	518,310	96,082	2,332,675	1,899,120	292,225	113,563	2,304,908
Contract services	1,064,250	401,622	271,914	1,737,786	1,246,684	393,932	361,849	2,002,465
Occupancy cost	1,002,544	277,715	96,403	1,376,662	555,405	124,346	81,836	761,587
Bank fees	-	929,254	-	929,254	-	910,804	-	910,804
Total expenses	<u>\$ 70,654,439</u>	<u>\$ 11,303,921</u>	<u>\$ 5,723,643</u>	<u>\$ 87,682,003</u>	<u>\$ 69,893,432</u>	<u>\$ 11,306,287</u>	<u>\$ 5,925,485</u>	<u>\$ 87,125,204</u>
As a percentage of total expenses	80.6%	12.9%	6.5%		80.2%	13.0%	6.8%	

See independent auditor's report and accompanying notes to financial statements.



## **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### ***Description of Organization***

The Voice of the Martyrs, Inc. (the “Ministry”) is a not-for-profit ministry whose five purposes are based on Hebrews 13:3:

- 1) To encourage and empower Christians to fulfill the Great Commission in areas of the world where they are persecuted for sharing the gospel of Jesus Christ.
- 2) To provide practical relief and spiritual support to the families of Christian martyrs.
- 3) To equip persecuted Christians to love and win to Christ those who are opposed to the gospel in their part of the world.
- 4) To undertake projects of encouragement, helping believers rebuild their lives and Christian witness in countries where they have formerly suffered oppression.
- 5) To promote the fellowship of all believers by informing the world of the faith and courage of persecuted Christians, thereby inspiring believers to a deeper level of commitment to Christ and involvement in His Great Commission.

The Voice of the Martyrs, Inc. was founded in 1967 by Pastor Richard Wurmbrand, who spent a total of 14 years in communist prisons in Romania for his Christian witness. When he and his family were ransomed to the West for \$10,000, he traveled the world, sharing his story and awakening the free world to Christian persecution worldwide. In so doing, he encouraged Christians in free countries to remember their persecuted Christian family (Heb. 13:3). The Ministry continues in this mission today. We provide help to those persecuted or in prison for their faith, give Bibles to Christians in countries where they are illegal or extremely difficult to obtain, equip local believers in hostile countries to share the gospel, and tell their stories to Christians in the U.S. in order to bring them into fellowship with their persecuted brothers and sisters in Christ.

The Voice of the Martyrs, Inc. is a 501(c)(3) exempt organization that has been classified as a mission society. Under Treasury regulation section 1.6033-2(g)(1)(iv), a mission society affiliated with or sponsored by one or more churches or church denominations and with more than one-half of the activities of such society conducted in, and directed at persons in foreign countries, is not required by the Internal Revenue Service to complete and file Form 990.

### ***What We Do***

Serve persecuted Christians through practical and spiritual assistance and lead other members of the body of Christ into fellowship with them.

Total number of staff (approximately forty different nationalities in approximately forty countries)	318
Total number of volunteers	1,980

(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Basis of Accounting***

The accompanying financial statements of the Ministry are prepared on the accrual basis of accounting in accordance with the accounting principles generally accepted in the United States of America ("GAAP"). Net assets are classified in the financial statements based on the existence or absence of donor-imposed restrictions, as follows:

***Net Assets Without Donor Restriction***

Net assets for which no donor has imposed a restriction. Net assets currently available at the discretion of the Board of Directors for use in the Ministry's mission projects and for operations.

***Net Assets With Donor Restriction***

Net assets which are restricted by donors for a particular purpose. When a donor's restriction is satisfied by using the resources in the manner specified by the donor, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from with donor restrictions to without donor restrictions.

***Revenue Recognition***

Contributions are recorded when the donor makes a promise to give the Ministry that is, in substance, unconditional. Donor-restricted contributions are reported as net assets with donor restrictions depending on the nature of the restrictions. All contributions are considered available for use without donor restriction unless specifically restricted by the donor or subject to other legal restrictions.

The Ministry recognizes contributions after analyzing each agreement and performing the following procedures:

- 1) Determine whether the transaction is an exchange or contribution
- 2) Identify any donor-imposed conditions or restrictions regarding its use
- 3) Distinguish between barriers and donor-imposed restrictions
- 4) Conclude that all conditions are resolved prior to recognizing the contribution as revenue

The Ministry considers customer purchases to be contracts with a customer. Revenue is recognized at the point at which control of the products are transferred to the customer. The Ministry takes control of the products when shipped by the manufacturer and then recognizes revenue when control of the product transfers to the customer.

Revenue is measured as the amount of consideration the Ministry expects to receive in exchange for transferring products. The Ministry estimates different forms of variable consideration at the time of sale based on historical experience, current conditions and contractual obligations. Revenue is recorded net of customer discounts. When the Ministry offers the right or has a history of accepting returns of product, historical experience is utilized to establish a liability for the estimate of expected returns and an asset for the right to recover the product expected to be returned. These adjustments are made in the same period as the underlying sales transactions.

(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Revenue Recognition (Continued)***

Sales and other tax amounts collected from customers for remittance to governmental authorities are included in revenue. The Ministry has elected to include shipping and handling of product with sales. The practical expedient not to disclose information about remaining performance obligations has also been elected as these contracts have an original duration of one year or less. The Ministry does not have any payment terms that exceed one year from the point it has satisfied the related performance obligations.

Factors that could impact the nature, amount, timing, and uncertainty of revenue and cash flows are as follows: (1) overall economic conditions; (2) demand for the Ministry's products and publications; (3) the timing of purchases are outside of the Ministry's control.

The Ministry recognizes revenue upon the transfer of promised benefit to its customers in an amount that reflects the consideration to which the Ministry expects to be entitled by applying the following five-step process:

- 1) Identify the contract(s) with a customer
- 2) Identify the performance obligations
- 3) Determine the transaction price
- 4) Allocate the transaction price
- 5) Recognize revenue when the performance obligations are met

***Donated Assets, Services and In-Kind Contributions***

Donated investments, materials, and other noncash donations are recorded as contributions at their fair values at the date of donation.

The Ministry receives various types of donated items which are sent to aid persecuted Christians in various countries. During the years ended December 31, 2024 and 2023, the Ministry received contributed care package materials of \$71,325 and \$128,337, respectively. These materials are included as in-kind contributions in the statement of activities for the years ended December 31, 2024 and 2023.

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by the Ministry. During the years ended December 31, 2024 and 2023, the Ministry received an estimated 20,444 and 19,341 hours of donated services from domestic volunteers, respectively. These performed services are not reflected in the financial statements as the services did not require specialized skills as specified by GAAP.

***Cash and Cash Equivalents***

The Ministry defines cash and cash equivalents to be all cash on hand and cash in bank accounts with original maturities of three months or less. Cash and cash equivalents include donor restricted deposits that are readily available and will be consumed during the next operating cycle.

(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Accounts Receivable***

Accounts receivable are short-term, non-interest bearing, and uncollateralized. The ministry provides an allowance for uncollectible accounts based upon management's assessment of existing specific accounts. An allowance of \$2,000 and \$1,500 has been established for the years ended December 31, 2024, and 2023, respectively.

In accordance with Accounting Standards Update ("ASU") 2016-13 *Financial Instruments – Credit Losses* (Topic 326): Measurement of Credit Losses on Financial Instruments, at management's discretion, certain receivables may be written off through an "allowance for credit losses" over a period that management deems appropriate. Management has determined no allowance was necessary at December 31, 2024 and 2023, respectively.

***Pledges Receivable***

Contributions are recognized when the donor makes a promise to give to the Ministry that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

The Ministry has elected the fair value option for valuing pledges receivable. Pledges are recorded at their estimated fair value when received, and they are revalued annually. The Ministry discounts significant multi-year pledges using a U.S. Treasury bond rate plus a commensurate risk factor (0.405% at December 31, 2024).

The Ministry uses the allowance method to determine uncollectible pledges receivable. The allowance is based on historical experience and management's analysis of specific promises made. Management believes all pledges receivable as of December 31, 2024 and 2023 to be fully collectible; no allowance for doubtful accounts is considered necessary.

***Inventory***

Inventory consists of ministry-related resources held for future distribution. These are valued at lower of cost or net realizable value using the average cost method.

***Investments***

Investments consist of equity securities with readily determinable fair market value and all investments in debt securities are measured at fair value in the statement of financial position. Dividends, interest, and other investment income are reported in the period earned as increases in unrestricted net assets unless the use of the assets received is limited by donor-imposed restrictions, in which case earnings are reported in the same category as the donations.

***Fair Value Measurement***

Fair value is defined under GAAP as an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Ministry utilizes market data or assumptions that market participants would use in pricing the asset or liability.

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Fair Value Measurement (Continued)***

GAAP establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers are: Level 1, defined as observable inputs such as quoted market prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions.

***Other Assets***

The Ministry acquired the rights to two works of art which are included in other assets. The acquired rights give the Ministry permission to use the images in Ministry endeavors in perpetuity and have no expiration. As a result, these rights are not subject to amortization. The Ministry produces films and books, and accordingly, implemented ASC 926-20-25-1 which requires all costs associated with a film or book in production to be capitalized. The Ministry expects to earn all material revenues in the same year as their release and will fully amortize the costs in the same year. Also included in other assets are security deposits and work in process for productions.

***Property and Equipment***

Property and equipment are stated at cost if purchased by the Ministry. Donations of property and equipment are recorded as support at the estimated fair market value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Unless the donor has stipulated how long donated assets must be maintained, the Ministry reports the expiration of donor restrictions when the donated or acquired assets are placed in service. At that time, the assets are transferred from restricted net assets to unrestricted net assets. Property and equipment are depreciated using the straight-line method. Useful lives of assets range from three to thirty years. The Ministry follows the practice of capitalizing all expenditures for property and equipment in excess of \$5,000 if their useful lives exceed one year.

The Ministry records impairment to property and equipment when it becomes probable that the carrying value of the assets will not be fully recovered over their estimated lives. Impairments are recorded to reduce the carrying value of the assets to their estimated fair values determined by the Ministry based on facts and circumstances in existence at the time of determination, estimates of probable future economic conditions, and other information. No impairment loss was deemed necessary for the years ended December 31, 2024 and 2023.

***Intangible Assets***

Intangible assets include various rights, licenses and capitalized interest. The capitalized interest is amortized over the life of the loan on the building placed into service during 2024.

The Ministry records impairment to intangible assets when it becomes probable that the carrying value of the assets will not be fully recovered over their estimated lives. Impairments of \$130,000 were recorded during the year ended December 31, 2024. The Ministry determined that image usage rights held in perpetuity were no longer useful from an operation standpoint. No impairments were recorded during the year ended December 31, 2023.

(Continued)

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Advertising***

The Ministry expenses advertising costs, which are primarily offering free ministry resources, as incurred. Advertising was \$6,683,305 and \$7,843,022 for the years ended December 31, 2024 and 2023, respectively.

***Leases***

The Ministry recognizes material leases exceeding 12 months as right-of-use assets and lease liabilities. As most leases do not provide an implicit rate, the Ministry uses its incremental borrowing rate, or the historical prime rate (7.5% at December 31, 2024) based on the information available at the commencement date in determining the present value of lease payments. At December 31, 2024 and 2023 the Ministry had no material leases that met the requirements to record a right-of-use asset.

***Allocation of Expenses***

The costs of providing various programs and supporting activities of the Ministry have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated based on the following: directly on the activity benefited, an estimate of the time and effort spent by personnel, or an estimate of the proportional use of the overall square feet of usable space.

***Income Taxes***

The Ministry is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and comparable state law, and contributions to it are tax deductible within the limitations prescribed by the Code. The Ministry has been classified as a publicly supported ministry which is not a private foundation under Section 509(a) of the Code.

In accordance with FASB ASC 740-10-25, Accounting for Uncertainty in Income Taxes, the Ministry will record a liability for uncertain tax positions when it is more likely than not that a tax position would not be sustained if examined by the taxing authority.

The Ministry's evaluation on December 31, 2024 revealed no uncertain tax positions that would have a material impact on the financial statements. The Ministry will recognize future interest and penalties related to unrecognized tax benefits in income tax expense, if incurred. The Ministry is no longer subject to examinations by taxing authorities subsequent to their recognition as a mission society.

***Accounting Estimates***

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses and related disclosures during the reporting period. Actual results could differ from those estimates. Management periodically evaluates estimates used in the preparation of the financial statements for continued reasonableness. Appropriate adjustments, if any, to the estimates used are made prospectively based upon such periodic evaluation. It is reasonably possible that changes may occur in the near term that would affect management's estimates with respect to depreciation, allowance for doubtful accounts, fair value measurements, planned giving agreements, and accrued expenses.

(Continued)

**THE VOICE OF THE MARTYRS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**  
**(With Comparative Totals for 2023)**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Comparative Data***

The financial statements include certain summarized prior year comparative information in total but not by net asset classification. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Ministry's financial statements for the year ended December 31, 2023, from which the summarized information is derived.

**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 statement of financial position date, comprise the following:

Cash and cash equivalents	\$ 3,000,000
Accounts receivable, net	222,462
Inventory	4,540,833
Total	<u>\$ 7,763,295</u>

At year-end, the Ministry maintained short-term cash and cash equivalent reserves for the following purposes:

- 1) Rapid response to persecution events
- 2) Fulfilling commitments on international projects with planned first quarter needs
- 3) Contingent operating expenses
- 4) Meet requirements on gift annuity agreements

The cash and cash equivalents held at year-end are generally expected to be utilized within three months of the statement of financial position date.

The Ministry utilized a number of different investment options and financial institutions to mitigate risk while also maintaining quick access to the funds for ministry needs. Those options included fully insured certificates of deposit with maturities of ninety days or less as well as partially insured cash and cash equivalents held at financially stable and reputable financial institutions that are available on demand.

(Continued)

**THE VOICE OF THE MARTYRS, INC.**  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024  
(With Comparative Totals for 2023)

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**NOTE 3 - INVESTMENTS**

Investments are presented in the financial statements at fair market value and are summarized as follows:

	2024	
	Market Value	Cost
Cash and cash equivalents	\$ 127,523	\$ 127,523
Mutual funds	6,916,408	6,771,248
Other investments	5,763,669	5,756,602
Total	<u>\$ 12,807,600</u>	<u>\$ 12,655,373</u>

  

	2023	
	Market Value	Cost
Cash and cash equivalents	\$ 186,978	\$ 186,978
Equities	21,143	21,143
Mutual funds	7,567,515	7,374,215
Other investments	5,169,928	5,563,602
Total	<u>\$ 12,945,564</u>	<u>\$ 13,145,938</u>

Investment income and gains and losses on investments consist of the following for the years ended December 31:

	2024	2023
Dividends and interest	\$ 723,957	\$ 658,395
Net change in unrealized gain (loss) on investments	192,487	(65,457)
Investment fees	(77,356)	(72,111)
Total	<u>\$ 839,088</u>	<u>\$ 520,827</u>

(Continued)



**THE VOICE OF THE MARTYRS, INC.**  
NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2024  
(With Comparative Totals for 2023)

**NOTE 4 - FAIR VALUE MEASUREMENTS**

Fair values of assets and liabilities measured at December 31, 2024 and 2023, were as follows:

Fair Value Measurements Using			
	Quoted Prices in Active Markets of Identical Assets/Liabilities Level (1)	Significant Other Observable Inputs Level (2)	Significant Unobservable Inputs Level (3)
<u>December 31, 2024</u>			
Investments	\$ 12,807,600	\$ -	\$ -
Pledge receivable	-	-	285,692
Planned giving agreements	-	-	1,872,252
Donor commitments	-	-	76,490
Total	<u>\$ 12,807,600</u>	<u>\$ -</u>	<u>\$ 2,234,434</u>

Fair Value Measurements Using			
	Quoted Prices in Active Markets of Identical Assets/Liabilities Level (1)	Significant Other Observable Inputs Level (2)	Significant Unobservable Inputs Level (3)
<u>December 31, 2023</u>			
Investments	\$ 12,945,564	\$ -	\$ -
Pledge receivable	-	-	365,188
Planned giving agreements	-	-	1,711,359
Donor commitments	-	-	79,035
Total	<u>\$ 12,945,564</u>	<u>\$ -</u>	<u>\$ 2,155,582</u>

For all investment balances, fair value is determined by reference to quoted market prices and other relevant information generated by market transactions. For planned giving arrangements and donor commitments, fair value is determined by the present value of future cash flows as of the statement of financial position date.

(Continued)

**THE VOICE OF THE MARTYRS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**  
(With Comparative Totals for 2023)

**NOTE 5 - PROPERTY AND EQUIPMENT**

Property and equipment - held for use at December 31, consist of the following:

	2024	2023
Land	\$ 418,606	\$ 418,606
Land improvements	5,607,505	5,592,268
Buildings	50,085,904	45,694,372
Office furniture and equipment	10,084,245	9,248,065
Automobiles	337,863	337,863
	66,534,123	61,291,174
Accumulated depreciation	(24,394,317)	(21,972,063)
Property and equipment - held for use, net	<u>\$ 42,139,806</u>	<u>\$ 39,319,111</u>

Depreciation in the amount of \$2,708,786 and \$2,333,333 in 2024 and 2023, respectively, has been allocated to program services and supporting activities in the statement of activities.

**NOTE 6 - INTANGIBLE ASSETS**

The following table provides the balance of intangible assets for the year ended December 31. The balance consists of the rights the Ministry purchased to their published work.

Intangible assets at December 31, consist of the following:

	2024	2023
Capitalized interest	\$ 832,920	\$ 490,923
Intangible assets	184,000	310,000
Accumulated amortization	(150,364)	(86,000)
Intangible assets, net	<u>\$ 866,556</u>	<u>\$ 714,923</u>

Amortization in the amount of \$64,364 and \$36,000 in 2024 and 2023, respectively, has been recognized in the statement of activities.

(Continued)

**THE VOICE OF THE MARTYRS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**  
**(With Comparative Totals for 2023)**

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**NOTE 7 - SUPPLEMENTAL CASH FLOW INFORMATION**

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported in the balance sheet that equal the total of the same such amounts shown in the statement of cash flows.

	2024	2023
Cash and cash equivalents	\$ 3,000,000	\$ 4,958,884
Restricted cash	18,199,695	19,574,746
Total cash, cash equivalents, and restricted cash shown in the statement of cash flows	<u>\$ 21,199,695</u>	<u>\$ 24,533,630</u>

**NOTE 8 - PLANNED GIVING AGREEMENTS**

The Ministry's planned giving agreements with donors consist of charitable gift annuities ("CGA"). Assets are invested, and payments are made to donors or other beneficiaries in accordance with the respective agreements, commencing on a specified date and continuing for their lifetime.

Contribution revenue for CGA is recognized at the date the agreement is established and is classified as either with or without donor restrictions, depending on donor instructions. A liability is also recorded on the date the agreement is established, using the current IRS mortality table and discount rate. Annually, the present value of the estimated future liability is calculated using the more conservative IAR mortality table (updated in 2012) used by the American Council on Gift Annuities, with the original discount rate. The gain or loss resulting from this annual present value adjustment is recorded as the change in the value of planned giving agreements. The loss on change in value of planned giving agreements was \$95,468 and \$8,529 in 2024 and 2023, respectively.

Contributions of \$259,216 and \$35,075 were recognized relating to CGA during 2024 and 2023, respectively.

Annuity assets are maintained in a separate account and are invested in various mutual funds. At December 31, 2024 and 2023, the fair market value of assets invested related to annuities payable were \$2,516,737 and \$2,302,536, respectively.

In accordance with Sec. 31.09.07.03, Required Reserves, as part of the code of Maryland regulations, the Ministry is required to be in compliance with certain reserve regulations, including holding the reserves in a segregated account. Management has demonstrated compliance with all regulations as of December 31, 2024 and 2023. In addition to compliance in Maryland, the Ministry is licensed to issue annuity contracts in many states and is in compliance with those state laws which require a minimum reserve amount be maintained.

(Continued)

**THE VOICE OF THE MARTYRS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**  
**(With Comparative Totals for 2023)**

**NOTE 9 - ALLOCATION OF JOINT COST**

The Ministry conducts numerous activities that include elements of program services, general and administrative information, and fundraising components. The costs of those activities included joint costs not directly attributable to any single function. Those costs were allocated among the following functional expense categories as follows as of December 31:

	2024	2023
Fellowship and inspiration	\$ 12,890,763	\$ 13,042,164
General and administrative	1,292,086	1,100,482
Fundraising	4,649,702	2,963,729
Total	<u>\$ 18,832,551</u>	<u>\$ 17,106,375</u>

**NOTE 10 - RETIREMENT PLAN**

The Ministry provides a Tax Deferral Savings - Section 403(b) Retirement Plan (the Plan) for its employees. Under the Plan, each eligible employee is allowed to contribute up to the lesser of 100% of their annual compensation, or \$23,000 and \$22,500 for the years ended December 31, 2024 and 2023, respectively. "Catch up" contributions are allowed for employees over age 50. Each employee has the option to contribute funds as a pre-tax salary deferral or after-tax Roth deferral. The Ministry matches 125% of employee contributions up to an annual discretionary employer percent of employee wages. Contributions of \$643,801 and \$653,672 were made to the Plan for the years ended December 31, 2024 and 2023, respectively.

**NOTE 11 - LONG-TERM DEBT**

Long-term debt at December 31, 2024 consists of one bank loan which requires monthly payments of \$187,997. The note bears interest at 4.6% per annum. Property and equipment serve as collateral.

Future maturities of long-term debt at December 31, 2024, are as follows:

Years Ending December 31,	Amount
2025	\$ 1,469,796
2026	1,539,830
2027	1,613,201
2028	1,688,397
2029	1,770,518
Thereafter	9,443,981
Total	<u>\$ 17,525,723</u>

**NOTE 12 - LINE OF CREDIT**

The Ministry entered into a line of credit agreement with a financial institution on August 1, 2023 for \$5,000,000. The current line of credit expires August 1, 2026, and bears interest at 5.5%. Borrowings as of December 31, 2024 and 2023 were \$0 and \$5,000,000, respectively.

(Continued)

**THE VOICE OF THE MARTYRS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**  
**(With Comparative Totals for 2023)**

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**NOTE 13 - CONCENTRATION OF CREDIT AND MARKET RISK**

The Ministry's financial instruments exposed to concentrations of credit risk consist primarily of cash equivalents and investments. The Ministry maintains its cash balances at high-quality financial institutions. At times, the balances may be in excess of \$250,000, the amount insured by the Federal Deposit Insurance Corporation ("FDIC"). At December 31, 2024 and 2023, the Ministry had balances in excess of the FDIC limit. The Ministry performs an ongoing evaluation of the financial institution to limit its concentration of credit risk exposure. The Ministry utilizes two sweep accounts to manage the risk within bank accounts. The operating account balance is limited to a balance to meet operational needs and the balance sweeps to a Treasury Obligations Fund. The remaining cash balance is held in a restricted-in-use account to minimize risk.

The Ministry maintains its investment balances at a financial institution. The balances are insured by the Securities Investor Protection Corporation up to \$500,000 coverage for cash and securities held by a firm that is forced into bankruptcy. Cash coverage is limited at \$250,000. At times, the Ministry's deposits may exceed insured amounts. Management believes the funds are not exposed to any significant risks due to the diversity of high - grade financial instruments held by the fund and management's routine assessment of the portfolio.

**NOTE 14 - RESTRICTIONS ON ASSETS**

All of the restrictions on assets at December 31, 2024 and 2023, relate to funds contributed to support certain mission projects.

Net assets with donor restrictions are available for the following purposes:

	2024	2023
Persecution Response	\$ 7,871,560	\$ 7,694,409
Bibles	15,204,247	11,812,935
Front Line Ministry	26,632	1,325
Other	312,843	66,077
Total	<u>\$ 23,415,282</u>	<u>\$ 19,574,746</u>

(Continued)

**THE VOICE OF THE MARTYRS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**  
**(With Comparative Totals for 2023)**

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**NOTE 15 - NET ASSETS RELEASED FROM RESTRICTIONS**

Net assets were released from donor restrictions by incurring expenses satisfying the restrictions or by the occurrence of events specified by the donors. The following amounts reflect only donor-restricted contributions expended on the listed programs.

Purpose of restrictions:

	2024	2023
Persecution Response	\$ 17,183,001	\$ 16,237,008
Bibles	8,964,557	9,067,083
Front Line Ministry	4,878,830	5,492,158
Other	1,121,207	555,813
Total	<u>\$ 32,147,595</u>	<u>\$ 31,352,062</u>

**NOTE 16 - SUBSEQUENT EVENTS**

The Ministry has evaluated subsequent events through April 23, 2025, the date the financial statements were available to be issued.

**NOTE 17 - LEASE COMMITMENTS**

The Ministry leases various equipment and facilities through operating leases. The leases vary in length from monthly to long-term. Total rental expense for the years ending December 31, 2024 and 2023, was \$70,860 and \$80,560, respectively. Long-term lease commitments are as follows: 2025 - \$53,514, 2026 - \$33,978, and 2027 \$22,352.

**NOTE 18 - OTHER COMMITMENTS**

The Ministry has entered into various contracts with vendors for security, janitorial, production, and information technology services. The contracts vary in length. The contract commitments are as follows: 2025 - \$10,455,487, 2026 - \$6,278,231, and 2027 - \$4,944,481.

(Continued)

**THE VOICE OF THE MARTYRS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**  
(With Comparative Totals for 2023)

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**NOTE 19 - CURRENT BOARD MEMBERS AND PRINCIPAL EXECUTIVES**

<u>Name</u>	<u>Title</u>	<u>Compensation</u>	<u>Employer Provided Benefits</u>
Harvey Little	Board Chair	\$ -	\$ -
Marshal H. Wright	Board Vice Chair	-	-
Thomas Holland	Secretary/Treasurer	-	-
Ann-Marie Constable	Member	-	-
Greg Davis	Member	-	-
David Dyson	Member	-	-
Ben Montanez	Member	-	-
Paul Peterson	Member	-	-
Tammy Schneider	Member	-	-
C. Mark Shumaker	Member	-	-
David Todd	Member		
Cole Richards	Member, President & CEO	213,779	37,819
Principal Executives			
Corey Odden	Executive Vice President & CFO	\$ 194,341	\$ 15,085
Aaron Miller	VP International Ministry	170,205	31,040

(Continued)

**THE VOICE OF THE MARTYRS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2024**  
**(With Comparative Totals for 2023)**

**NOTE 20 - PROGRAM SERVICE ACCOMPLISHMENTS**

	2024	2023
Persecution Response:	\$ 20,911,568	\$ 16,910,224

When a pastor, evangelist or other Christian worker is imprisoned or killed because of his or her witness, the immediate family is often left with little means of financial support. The Ministry helps sustain these believers until a job or other financial provision can be obtained. The Ministry also provides immediate support to those who have suffered persecution themselves according to their needs, including living expenses, relocation, medical assistance or vocational training. The Ministry responded to instances of persecution in more than 70 countries in 2024.

Bibles:	\$ 11,327,503	\$ 10,998,768
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Christians in restricted nations and hostile areas are often denied access to Bibles. They are considered illegal or can be extremely difficult to obtain. The Ministry prints Bibles in the languages of the countries where we work and smuggles them to believers who would otherwise never have an opportunity to read God's Word. The Ministry also provides New Testaments, children's Bibles, study Bibles and digital Bibles. Audio Bibles are distributed to those who cannot read. Each year the Ministry distributes more than one million bibles in the world's most difficult and dangerous missions fields.

Front-Line Ministry:	\$ 12,009,407	\$ 12,695,567
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The Ministry directly assists pastors, evangelists and Christian workers who carry out their ministry in the face of hostility and persecution. Assistance includes supplies that allow them to minister in remote villages, evangelistic materials, and training. In addition, The Ministry may provide support to workers and their families, helping them meet daily needs such as food, clothing, and housing. The Ministry provided support to front-line workers in more than 70 countries in 2024.

Fellowship and Inspiration:	\$ 26,405,961	\$ 29,288,873
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The Ministry is committed to informing the world of the persecution endured by their Christian family worldwide in order to create fellowship in the Body of Christ and inspire all believers to make a deeper commitment to Christ and His Great Commission. The Ministry uses various forms of media to publicize stories of hope, faith and courage as persecuted Christians stand boldly for Jesus Christ, but our flagship communication piece is our free, monthly magazine. The magazine was sent to more than 580,000 households and churches in 2024. The Ministry also publishes books, videos and related material and utilizes several online tools.

Total	<u>\$ 70,654,439</u>	<u>\$ 69,893,432</u>
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