



Battt Morrison
Wales & Lee

CPAs for Nonprofits

Cross International, Inc.

Financial Statements

For The Years Ended June 30, 2025 and 2024



Batts Morrison
Wales & Lee

CPAs for Nonprofits

REPORT OF INDEPENDENT AUDITOR

The Board of Directors
Cross International, Inc.
Pompano Beach, Florida

Opinion

We have audited the accompanying financial statements of Cross International, Inc. (“the Organization”), which consist of the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, cash flows, and functional expenses 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 Cross International, Inc. as of June 30, 2025 and 2024, 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 Financial Statements section of our report. We are required to be independent of the Organization 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 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 Organization’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 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 risk 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.

Batts Morrison Wales & Lee, P.A. • Certified Public Accountants

Offices | Orlando • Dallas
800.960.0803 • www.NonprofitCPA.com
Keeping Watch for Nonprofits Across the United States®

- 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 Organization'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization'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.

Batts Morrison Wales & Lee, P.A.

BATTS MORRISON WALES & LEE, P.A.

Orlando, Florida
November 25, 2025

CROSS INTERNATIONAL, INC.
STATEMENTS OF FINANCIAL POSITION

ASSETS

	June 30,	
	2025	2024
ASSETS		
Cash and cash equivalents	\$ 4,308,538	\$ 3,567,016
Cash restricted for long-term purposes	263,000	263,000
Inventory	80,287	5,166,791
Other assets	149,298	117,515
Total assets	\$ 4,801,123	\$ 9,114,322

LIABILITIES AND NET ASSETS

LIABILITIES		
Accounts payable and accrued expenses	\$ 344,890	\$ 265,311
Goods distributed in transit	—	5,166,791
Note payable	21,521	71,142
Total liabilities	366,411	5,503,244
NET ASSETS		
Without donor restrictions	1,826,456	1,215,118
With donor restrictions	2,608,256	2,395,960
Total net assets	4,434,712	3,611,078
Total liabilities and net assets	\$ 4,801,123	\$ 9,114,322

The Accompanying Notes are an Integral
Part of These Financial Statements

CROSS INTERNATIONAL, INC.
STATEMENTS OF ACTIVITIES

For The Years Ended June 30,

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
PUBLIC SUPPORT AND REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS						
Noncash contributions	\$ 101,947,777	\$ —	\$ 101,947,777	\$ 93,037,296	\$ —	\$ 93,037,296
Cash contributions	5,975,381	4,720,525	10,695,906	5,800,636	4,135,103	9,935,739
Other revenue, net	394,219	—	394,219	111,513	—	111,513
Net assets released from time and use restrictions	4,508,229	(4,508,229)	—	3,520,974	(3,520,974)	—
Total public support and revenue and net assets released from restrictions	112,825,606	212,296	113,037,902	102,470,419	614,129	103,084,548
EXPENSES						
Program activities						
Health, food, and other assistance	102,380,517	—	102,380,517	93,508,588	—	93,508,588
Project development	5,392,853	—	5,392,853	4,455,747	—	4,455,747
Missions education	329,669	—	329,669	340,748	—	340,748
Total program activities	108,103,039	—	108,103,039	98,305,083	—	98,305,083
Supporting activities						
Fundraising	2,655,160	—	2,655,160	2,326,022	—	2,326,022
Management and general	1,456,069	—	1,456,069	1,293,109	—	1,293,109
Total supporting activities	4,111,229	—	4,111,229	3,619,131	—	3,619,131
Total expenses	112,214,268	—	112,214,268	101,924,214	—	101,924,214
CHANGE IN NET ASSETS	611,338	212,296	823,634	546,205	614,129	1,160,334
NET ASSETS - Beginning of year	1,215,118	2,395,960	3,611,078	668,913	1,781,831	2,450,744
NET ASSETS - End of year	\$ 1,826,456	\$ 2,608,256	\$ 4,434,712	\$ 1,215,118	\$ 2,395,960	\$ 3,611,078

The Accompanying Notes are an Integral
Part of These Financial Statements

CROSS INTERNATIONAL, INC.
STATEMENTS OF CASH FLOWS

	For The Years Ended	
	June 30,	
	2025	2024
OPERATING CASH FLOWS		
Cash received from contributors	\$ 10,695,906	\$ 9,935,739
Cash received from other sources	394,219	111,513
Cash paid for operating activities and costs	(10,258,386)	(8,849,182)
Net operating cash flows	831,739	1,198,070
INVESTING CASH FLOWS		
Purchases of and improvements to property and equipment, net	(40,596)	(26,409)
Net investing cash flows	(40,596)	(26,409)
FINANCING CASH FLOWS		
Repayment of note payable	(49,621)	(100,991)
Net financing cash flows	(49,621)	(100,991)
NET CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	741,522	1,070,670
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - Beginning of year	3,830,016	2,759,346
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH - End of year	\$ 4,571,538	\$ 3,830,016
REPORTED IN THE STATEMENTS OF FINANCIAL POSITION AS FOLLOWS		
Cash and cash equivalents	\$ 4,308,538	\$ 3,567,016
Cash restricted for long-term purposes	263,000	263,000
Total cash, cash equivalents, and restricted cash	\$ 4,571,538	\$ 3,830,016

The Accompanying Notes are an Integral
Part of These Financial Statements

CROSS INTERNATIONAL, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended June 30, 2025

	Program activities				Supporting activities			Total expenses
	Health, food, and other assistance	Project development	Missions education	Total program	Fundraising	Management and general	Total supporting	
Salaries	\$ 137,643	\$ 509,400	\$ 40,531	\$ 687,574	\$ 1,207,380	\$ 783,035	\$ 1,990,415	\$ 2,677,989
Employee benefits	26,520	87,546	10,314	124,380	317,768	144,126	461,894	586,274
Payroll taxes	11,025	40,206	3,470	54,701	95,543	80,102	175,645	230,346
Total personnel-related expenses	175,188	637,152	54,315	866,655	1,620,691	1,007,263	2,627,954	3,494,609
Goods distributed	101,867,490	—	—	101,867,490	—	—	—	101,867,490
Project support costs	—	4,615,204	—	4,615,204	—	—	—	4,615,204
Airtime	—	—	249,644	249,644	249,644	—	249,644	499,288
Contractors and consultants	—	81,515	8,250	89,765	280,267	36,593	316,860	406,625
Shipping expenses	293,643	—	—	293,643	10	—	10	293,653
Other expenses	4,906	16,190	8,938	30,034	72,028	137,134	209,162	239,196
Travel	3,107	25,663	3,432	32,202	74,081	58,194	132,275	164,477
Advertising and solicitation	—	—	—	—	143,349	—	143,349	143,349
Software	216	16,459	5,090	21,765	62,839	48,274	111,113	132,878
Merchant processing and bank fees	—	—	—	—	73,476	12,431	85,907	85,907
Occupancy	—	—	—	—	—	69,392	69,392	69,392
Postage	—	124	—	124	47,585	3,499	51,084	51,208
Professional services	174	—	—	174	2,668	42,831	45,499	45,673
Product acquisition fees	35,750	—	—	35,750	—	—	—	35,750
Property insurance	—	—	—	—	—	30,494	30,494	30,494
Printing	—	259	—	259	24,767	1,508	26,275	26,534
Office supplies	43	287	—	330	3,755	8,456	12,211	12,541
Total expenses	\$ 102,380,517	\$ 5,392,853	\$ 329,669	\$ 108,103,039	\$ 2,655,160	\$ 1,456,069	\$ 4,111,229	\$ 112,214,268

The Accompanying Notes are an Integral
Part of These Financial Statements

CROSS INTERNATIONAL, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For The Year Ended June 30, 2024

	Program activities				Supporting activities			Total expenses
	Health, food, and other assistance	Project development	Missions education	Total program	Fundraising	Management and general	Total supporting	
Salaries	\$ 113,017	\$ 471,245	\$ 31,495	\$ 615,757	\$ 1,039,763	\$ 534,551	\$ 1,574,314	\$ 2,190,071
Employee benefits	18,240	90,859	455	109,554	271,879	119,589	391,468	501,022
Payroll taxes	7,964	34,588	2,454	45,006	79,034	68,135	147,169	192,175
Total personnel-related expenses	139,221	596,692	34,404	770,317	1,390,676	722,275	2,112,951	2,883,268
Goods distributed	93,047,296	—	—	93,047,296	—	—	—	93,047,296
Project support costs	—	3,644,734	—	3,644,734	—	—	—	3,644,734
Airtime	—	—	283,982	283,982	283,982	—	283,982	567,964
Contractors and consultants	—	77,104	4,320	81,424	251,289	63,730	315,019	396,443
Shipping expenses	276,132	—	—	276,132	—	—	—	276,132
Other expenses	4,614	105,092	9,022	118,728	65,208	80,005	145,213	263,941
Professional services	—	—	—	—	2,523	227,097	229,620	229,620
Travel	6,951	23,830	3,744	34,525	71,049	22,683	93,732	128,257
Occupancy	—	—	—	—	—	102,554	102,554	102,554
Software	102	7,371	3,411	10,884	41,256	32,558	73,814	84,698
Advertising and solicitation	—	—	1,810	1,810	80,628	-	80,628	82,438
Merchant processing and bank fees	—	—	—	—	73,000	2,569	75,569	75,569
Postage	172	695	—	867	46,662	1,884	48,546	49,413
Product acquisition fees	34,100	—	—	34,100	—	—	—	34,100
Property insurance	—	—	—	—	—	30,769	30,769	30,769
Printing	—	30	55	85	16,360	1,577	17,937	18,022
Office supplies	—	199	—	199	3,389	5,408	8,797	8,996
Total expenses	\$ 93,508,588	\$ 4,455,747	\$ 340,748	\$ 98,305,083	\$ 2,326,022	\$ 1,293,109	\$ 3,619,131	\$ 101,924,214

The Accompanying Notes are an Integral
Part of These Financial Statements

CROSS INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE A – NATURE OF ACTIVITIES

Cross International, Inc. (“the Organization”) was established in 2001 as a Florida not-for-profit corporation with its mission to mobilize the global Church to transform the poor and their communities materially and spiritually for the glory of Jesus Christ. Protestant churches located in Africa, the Caribbean, Latin America, and Southeast Asia are key beneficiaries. These ministries have dreams of helping the poor in their communities, but they lack the resources or funds needed to realize their goals. The Organization was created to empower these ministries by funding water and housing projects, providing food to feeding centers, medicines to clinics, educational materials to schools, and other specific commodities to outreaches of various kinds. The Organization also assists with operating expenses, including providing funding for teachers to schools and local crews for building construction. In this way, the Organization makes effective use of existing infrastructure by better utilizing the buildings and staff already in place overseas.

The Organization is an accredited member of the Evangelical Council for Financial Accountability, a national accrediting organization with standards in the areas of financial accountability, transparency, fundraising, and board governance.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

The Organization recognizes cash contributions as revenue when the contributions are received by the Organization. Contributions received are recorded as without or with donor restrictions depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statements of activities as “net assets released from time and use restrictions.” Contributions of noncash assets are recorded at estimated fair value on the date of the gift.

Cash and cash equivalents

The Organization considers investment instruments purchased or donated with original maturities of three months or less to be cash and cash equivalents.

Cash restricted for long-term purposes

Cash restricted for long-term purposes is restricted for an endowment, distributions from which are required to be used for food and medicinal aid.

Inventory

Inventory consists primarily of humanitarian goods which were not yet distributed to beneficiaries as of June 30, 2025 and 2024. Inventory is recorded at estimated fair value on the date of the gift. Inventory which has been shipped, but for which legal title has not yet passed from the Organization to the intended beneficiaries, is included in “goods distributed in transit” liability.

Property and equipment

Property and equipment are stated at cost, if purchased, or estimated fair value on the date of donation, if donated. Depreciation is computed using either the straight-line method or accelerated methods over the estimated useful lives of the respective assets. Property and equipment are included in “other assets” in the accompanying statements of financial position.

Leases

The Organization is party to certain lease agreements granting it the right to use certain facilities and office equipment granted under the lease agreements. The Organization assesses whether an arrangement qualifies as a lease at inception and only reassesses its determination if the terms and conditions of the arrangement are changed. Leases with an initial term of greater than twelve months which are immaterial to the overall financial statements or leases of twelve months or less are not

CROSS INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

recorded in the accompanying statements of financial position. Lease expense is recognized for those leases on a straight-line basis over the lease term.

Net assets

Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes. Net assets with donor restrictions consist of funds held for an endowment and amounts held by the Organization for use toward specific projects.

Noncash contributions

The Organization receives donations of medicines, medical supplies, food, water, disaster relief supplies, and other supplies and utilizes such donations for use in relieving suffering and poverty throughout the world through its various program activities. Noncash contributions are not monetized. Unless otherwise noted, noncash contributions do not have donor-imposed restrictions. Noncash contributions are recognized as revenue at estimated fair value on the date the gifts are received, and are recognized as expenses when the related gifts are distributed to the end user or the date upon which the Organization no longer exercises practical control over the gifts. Pharmaceutical noncash contributions are generally valued using “wholesale acquisition cost” when available or 80% of the “average wholesale price” according to Red Book, a well-known industry pricing guide for pharmaceuticals sold in the United States. Non-pharmaceutical noncash contributions, such as clothing, building supplies, food, and water, are generally valued at 65% of the retail price for new items and 25% of the retail price for used items. The Organization considers the valuation practices used for noncash contributions to be consistent with industry standards.

Functional allocation of expenses

The statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. Indirect costs that benefit multiple functional areas are allocated among the various functional areas based primarily on employee time and space utilization.

Income taxes

The Organization is exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code and is generally exempt from applicable state income taxes. The Organization is further classified as a public charity and not a private foundation for federal tax purposes. The Organization has not incurred unrelated business income taxes. As a result, no income tax provision or liability has been provided for in the accompanying financial statements.

Use of estimates

Management uses estimates and assumptions in preparing the accompanying financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Significant estimates used in preparing these financial statements include the estimated fair value of noncash contributions. Actual results could differ from the estimates.

Reclassifications

Certain amounts included in the June 30, 2024 financial statements have been reclassified to conform to classifications adopted during the year ended June 30, 2025. The reclassifications had no material effect on the accompanying financial statements.

Subsequent events

The Organization has evaluated for possible financial reporting and disclosure subsequent events through November 25, 2024, the date as of which the accompanying financial statements were available to be issued.

CROSS INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE C – LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure within one year of the date of the statements of financial position are as follows:

Category	June 30,	
	2025	2024
Cash and cash equivalents	\$ 4,308,538	\$ 3,567,016
Cash restricted for long-term purposes	263,000	263,000
Total financial assets available within one year	4,571,538	3,830,016
Less:		
Amounts unavailable for general expenditure within one year, due to donor imposed restrictions	(263,000)	(263,000)
Net financial assets available within one year	\$ 4,308,538	\$ 3,567,016

The Organization is primarily supported by contributions. As part of the Organization’s liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Organization has certain donor-restricted net assets that are available for general expenditure within one year, because the restrictions on the net assets are expected to be met by conducting the normal activities of the Organization’s programs in the coming year. Accordingly, the related resources have been included in the quantitative information detailing the financial assets available to meet general expenditures within one year. The Organization also has assets limited to use for long-term donor-restricted purposes. Because a donor’s restriction requires resources to be used in a specific manner or in a future period, the Organization must maintain sufficient resources to meet its responsibilities to its donors. Thus those financial assets may not be available for general expenditure within one year, and are excluded from net financial assets available to meet general expenditures within one year. Management believes the Organization has sufficient financial assets available for general operations that may be drawn upon in the event of unanticipated financial distress or immediate liquidity need.

NOTE D – CONCENTRATIONS

The Organization maintains its cash and cash equivalents in deposit accounts which may not be federally insured, may exceed federally insured limits, or may be insured by an entity other than an agency of the federal government. The Organization has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk related to cash and cash equivalents. During the years ended June 30, 2025 and 2024, approximately 97% and 96% of total noncash contribution revenue was sourced from the Organization’s largest four donors and three donors, respectively.

NOTE E – NOTE PAYABLE

Note payable consisted of the following:

	June 30,	
	2025	2024
Note payable to Cross Catholic Outreach, a cooperating ministry, in varying quarterly installments per the terms of the agreement; unsecured; final payment due upon maturity in July, 2025; subsequent to the year under audit, the note was paid in full	\$ 21,521	\$ 71,142
Total	\$ 21,521	\$ 71,142

CROSS INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE F – RESTRICTIONS ON NET ASSETS

Net assets were restricted by donors for the following purposes during the year ended June 30, 2025:

	<u>Balance</u> <u>July 1</u>	<u>Contributions</u>	<u>Releases</u>	<u>Balance</u> <u>June 30</u>
Aid to orphans and vulnerable children	\$ 1,271,710	\$ 4,551,229	\$ (4,145,506)	\$ 1,677,433
Reach25	473,454	—	(30,000)	443,454
Endowment	263,000	—	—	263,000
Other	325,482	141,623	(265,409)	201,696
Disaster, educational, and other aid	<u>62,314</u>	<u>27,673</u>	<u>(67,314)</u>	<u>22,673</u>
Total	<u>\$ 2,395,960</u>	<u>\$ 4,720,525</u>	<u>\$ (4,508,229)</u>	<u>\$ 2,608,256</u>

Net assets were restricted by donors for the following purposes during the year ended June 30, 2024:

	<u>Balance</u> <u>July 1</u>	<u>Contributions</u>	<u>Releases</u>	<u>Balance</u> <u>June 30</u>
Aid to orphans and vulnerable children	\$ 574,564	\$ 3,071,678	\$ (2,374,532)	\$ 1,271,710
Reach25	439,767	67,200	(33,513)	473,454
Other	139,035	708,229	(521,782)	325,482
Endowment	263,000	—	—	263,000
Disaster, educational, and other aid	<u>365,465</u>	<u>287,996</u>	<u>(591,147)</u>	<u>62,314</u>
Total	<u>\$ 1,781,831</u>	<u>\$ 4,135,103</u>	<u>\$ (3,520,974)</u>	<u>\$ 2,395,960</u>

NOTE G – NONCASH CONTRIBUTIONS

Noncash contributions recognized in the statements of activities included:

<u>Category</u>	<u>For the Year Ended</u> <u>June 30,</u>	
	<u>2025</u>	<u>2024</u>
Medicines and medical supplies	\$ 99,350,758	\$ 92,015,303
Food	1,472,966	694,732
Other	<u>1,124,053</u>	<u>327,261</u>
Total noncash contributions	<u>\$ 101,947,777</u>	<u>\$ 93,037,296</u>

NOTE H – RETIREMENT PLAN

The Organization has adopted a 401(k) Profit Sharing Plan (“the Plan”) for the benefit of the Organization’s employees. All employees meeting the Plan’s eligibility requirements may participate in the Plan. The Organization contributed approximately \$85,000 and \$78,000 to the Plan during the years ended June 30, 2025 and 2024, respectively.

CROSS INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – FUNDRAISING ACTIVITIES

The Organization incurred joint costs in the approximate amounts of \$499,000 and \$568,000 during the years ended June 30, 2025 and 2024, respectively, for informational activities which included fundraising appeals in connection with the Organization’s exempt purposes. Of those costs, approximately \$250,000 and \$284,000, respectively, were allocated to “program activities” expense, and approximately \$249,000 and \$284,000, respectively, were allocated to “fundraising” expense in the accompanying statements of activities.