

LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION
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FOR THE YEAR ENDED DECEMBER 31, 2025**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Lausanne Committee for World Evangelization
Orlando, Florida

Opinion

We have audited the accompanying financial statements of Lausanne Committee for World Evangelization dba Lausanne Movement, which comprise the statement of financial position as of December 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lausanne Committee for World Evangelization as of December 31, 2025, 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 (GAAS). 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 Lausanne Committee for World Evangelization 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 Lausanne Committee for World Evangelization's ability to continue as a going concern for one year after the date that the financial statements are 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 GAAS 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 GAAS, 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 Lausanne Committee for World Evangelization'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 Lausanne Committee for World Evangelization'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.



William Harris, CPA
License Number #103005
Arcadia, California
April 24, 2026

LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2025

ASSETS

CURRENT ASSETS

Cash	\$ 1,645,545
Accounts Receivable	165,594
Total Current Assets	<u>1,811,139</u>

NONCURRENT ASSETS

Property and Equipment, net	<u>-</u>
Total Noncurrent Assets	<u>-</u>

OTHER ASSETS

Right-of-Use Assets - Operating Lease	48,037
Prepaid Expenses	55,679
Total Other Assets	<u>103,716</u>

TOTAL ASSETS	\$ <u>1,914,855</u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable	\$ 86,732
Deferred Revenue	40,481
Operating Lease Liability - current	6,109
Total Current Liabilities	<u>133,322</u>

NONCURRENT LIABILITIES

Operating Lease Liability - net of current portion	41,928
Total Noncurrent Liabilities	<u>41,928</u>

Total Liabilities	<u>175,250</u>
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NET ASSETS

Net Assets Without Donor Restrictions	1,543,473
Net Assets With Donor Restrictions	196,132
Total Net Assets	<u>1,739,605</u>

TOTAL LIABILITIES AND NET ASSETS	\$ <u>1,914,855</u>
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LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION
STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Contributions and Grants	\$ 2,488,926	\$ 287,132	\$ 2,776,058
Restrictions Satisfied by Payments	296,588	(296,588)	-
Total Revenue and Support	<u>2,785,514</u>	<u>(9,456)</u>	<u>2,776,058</u>
OPERATING EXPENSE			
Program Expenses	3,734,200	-	3,734,200
Management and General	148,852	-	148,852
Fundraising	171,303	-	171,303
Total Operating Expense	<u>4,054,355</u>	<u>-</u>	<u>4,054,355</u>
CHANGE IN NET ASSETS FROM OPERATING ACTIVITIES	<u>(1,268,841)</u>	<u>(9,456)</u>	<u>(1,278,297)</u>
NONOPERATING ACTIVITIES:			
Interest and Dividend	84,478	-	84,478
Other Income	<u>(564)</u>	<u>-</u>	<u>(564)</u>
CHANGE IN NET ASSETS FROM NONOPERATING ACTIVITIES	<u>83,914</u>	<u>-</u>	<u>83,914</u>
CHANGE IN NET ASSETS	<u>(1,184,927)</u>	<u>(9,456)</u>	<u>(1,194,383)</u>
NET ASSETS - Beginning of the Year	<u>2,728,400</u>	<u>205,588</u>	<u>2,933,988</u>
NET ASSETS - End of the Year	<u><u>\$ 1,543,473</u></u>	<u><u>\$ 196,132</u></u>	<u><u>\$ 1,739,605</u></u>

See Auditor's Report and Notes to Financial Statements

LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Supporting Activities			
	Program Activities	Management & General	Fund-raising	Total Expense
OPERATING EXPENSE				
Contracted Services	\$ 2,598,103	\$ 85,652	\$ 171,303	\$ 2,855,058
Communication	20,084	11,297	-	31,381
Donations	49,086	-	-	49,086
Entertainment and Gifts	59,978	-	-	59,978
Leadership and Development	28,942	-	-	28,942
Office Expenses	77,854	51,903	-	129,757
Rent	7,800	-	-	7,800
Salaries	122,534	-	-	122,534
Technology	122,183	-	-	122,183
Travel and Meetings	647,636	-	-	647,636
TOTAL OPERATING EXPENSE	\$ 3,734,200	\$ 148,852	\$ 171,303	\$ 4,054,355

LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

CASH FROM OPERATING ACTIVITIES:

Change in Net Assets	\$	(1,194,383)
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Adjustments to Reconcile Change in Net Assets to

Net Cash Provided \ (Used) by Operating Activities:

Change in Accounts Receivable		12,532
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Change in Prepaid Expenses		(11,921)
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Change in Accounts Payable		(135,479)
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Change in Deferred Revenue		40,481
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Net Cash Provided \ (Used) by Operating Activities		(1,288,770)
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CASH FROM INVESTING ACTIVITIES:

None		-
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Net Cash Provided \ (Used) by Investing Activities		-
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CASH FROM FINANCING ACTIVITIES:

None		-
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Net Cash Provided \ (Used) by Financing Activities		-
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NET INCREASE \ (DECREASE) IN CASH		(1,288,770)
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CASH - Beginning of the Year		2,934,315
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CASH - Ending of the Year	\$	1,645,545
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Supplement Information

Interest Paid During the Year	\$	-
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Taxes Paid During the Year	\$	-
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SCHEDULE OF NONCASH INVESTING AND FINANCING TRANSACTIONS:

Right-of-Use Asset	\$	48,037
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Operating Lease Liabilities for Right-of-Use Asset	\$	48,037
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**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 1 NATURE OF MINISTRY

Lausanne Committee for World Evangelization dba Lausanne Movement (“the Ministry”) is incorporated in California under the Nonprofit Corporation Law. It is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

The Ministry's global fourfold vision is the gospel for every person; disciple-making churches for every people and place; Christ-like leaders for every church and sector; and Kingdom impact in every sphere of society.

The Ministry exists to encourage and stimulate the involvement of churches, denominations, ministries, networks, and individuals in the cause of world evangelization by providing a forum for theological discussion and the development of practical strategies to address crucial issues facing the church in spreading the Gospel of Jesus Christ. The Ministry seeks to be a faithful steward of God's calling to connect influencers and ideas for global mission. The Ministry desires to serve the global church with a spirit of humility, friendship, prayer, study, partnership, and hope, which Billy Graham called the spirit of Lausanne.

The Ministry connects influencers across three spheres:

Ideas: The Movement has twenty-eight diverse issue networks, each led by Lausanne catalysts and centered around a pressing missional opportunity or challenge. These diverse groups of thought leaders and practitioners focus on a critical mission topic like the Least Reached Peoples, Children at Risk, and Business as Mission.

Regions: From East Asia to Latin America and Francophone Africa to the Oceania, regional directors help facilitate connections for mission and give leadership to Lausanne's initiatives across 12 continental or subcontinental regions.

Generations: Younger Leaders Gatherings (“YLG”) bring together influential evangelical leaders between the ages of 25 and 35, connecting participants with each other and with other senior global leaders to build up the next generation of influencers.

The Ministry maintains a robust catalog of information on its website (www.lausanne.org), including over 50 years of missional content, access to printed publications, opportunities to connect with Ministry networks, identification of upcoming regional and issues-based gatherings, and opportunities to financially support the Ministry's activities.

**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Ministry have been prepared on the accrual basis of accounting which is in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets, revenue, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

Accordingly, the net assets of the Ministry and changes therein are classified as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Ministry. The Ministry's Board of Directors may designate assets without restrictions for specific operational purposes from time to time.

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

Measure of Operations

The statements of activities report all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to Lausanne Committee for World Evangelization ongoing activities. Nonoperating activities are limited to resources that generate return from investments, endowment contributions, financing costs, and other activities considered to be of a more unusual or nonrecurring nature.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported time could differ from the actual results.

**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents include time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less. If excess funds are available, the Ministry places its temporary cash investments with high-credit, quality financial institutions. At times during the year, the Ministry maintains cash balances in excess of the FDIC-insurance limits. The Ministry has not incurred losses related to these investments and management believes it is not exposed to any significant credit risk on cash.

Accounts Receivable

Contribution revenue is recognized when a donor makes a pledge to give to the Ministry that is, in substance, unconditional. Unconditional pledges expected to be collected within one year are reported at net realizable value. Those expected to be collected in more than one year are reported at the present value of their estimated future cash flows.

Allowance for Doubtful Accounts

Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Based on management's evaluation, the Ministry believes that an allowance for doubtful accounts is not considered necessary as of December 31, 2025.

Property and Equipment

Property and equipment are recorded at cost. The Ministry's policy is to capitalize assets with a cost of \$5,000 or more, and with estimated useful lives in excess of one year.

Expenditures for major renewal and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. When property and equipment is sold or otherwise disposed of, the asset and related accumulated depreciation accounts are relieved, and any gain or loss is included in the statement of activities as a change in restricted or unrestricted net assets, as appropriate. The cost of property and equipment is depreciated over the estimated useful lives of the related assets. The cost of leasehold improvements is depreciated (amortized) over the lesser of the lengths of the related leases or the estimated useful lives of the assets. Depreciation expense is computed using the straight-line method over the respective estimated useful lives of assets, as follows:

Vehicles	5 years
Furniture & Equipment	5 years

**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

Lausanne Committee for World Evangelization adopted Accounting Standards Update (ASU) No. 2018-08, *Not-For-Profit Entities (Topic 958): Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*. The guidance helps distinguish if grants and contracts with resource providers are exchange transactions or contributions. Once a transaction is deemed to be a contribution, the ASU also provides guidance to help determine when a contribution is conditional and evaluates the possibility that a condition will not be met is remote. Unconditional contributions are recognized immediately and classified as either net assets with or without donor restrictions, while conditional contributions received are accounted for a liability until the barriers to entitlement are overcome, at which point the transaction is recognized as unconditional and classified as either net assets with or without restrictions.

Under ASU 2018-08, revenue from grants and contracts are considered contributions because the resource provider does not receive commensurate value for the consideration received by the Ministry. The resource provider receives value indirectly through societal benefits. Revenue is recognized when Lausanne Committee for World Evangelization has overcome the right of return/release and barriers which entitle it to the assets.

Lausanne Committee for World Evangelization received a total of \$2,776,058 of donations and contributions for the year ended December 31, 2025.

Funds raised in 2024 were deployed in 2025 to steward the momentum of the Fourth Lausanne Congress and to accelerate global mission through collaborative action and Lausanne's regions, networks and generations alongside preparing for the Younger Leaders Gathering in early 2027.

Donated Services and Materials

The Ministry utilizes the services of many volunteers throughout the year. This contribution of services by the volunteers is not recognized in the financial statements unless the services received (a) create or enhance nonfinancial assets or (b) require specialized skills which are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. The donated services for the year ended December 31, 2025 did not meet the requirements above; therefore, no amounts were recognized in the financial statements.

Concentration of Revenue

The Ministry received 97% of its revenue from a small group of donors. The Ministry hopes and expects to continue its relationship with these significant donors and may be adversely impacted financially if support from these donors were to diminish significantly or cease.

**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Classification of Expenses

The costs of providing various programs and activities have been summarized on a functional basis in the accompanying statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses that can be specifically identified as program services or management and general or fundraising are charged directly to that classification. Other expenses that are common to both classifications are allocated based on various relationships.

Advertising Costs

The cost of advertising is expensed when incurred or when the first advertising takes place. The Ministry does not participate in direct-response advertising, which requires the capitalization and amortization of related costs.

Income taxes

The Ministry is exempt from federal income tax as an Organization described in Section 501(c)(3) of the Internal Revenue Code and from state income tax pursuant to California law. The Ministry is further classified as a public charity and not a private foundation for federal tax purposes. The Ministry 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.

Leases

The Organization determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) asset operating lease and operating lease liabilities on the statement of financial position. ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. The lease liability is measured as the present value of the unpaid lease payments and the right-of-use asset is derived from the calculation of the lease liability. As most leases do not provide an implicit rate, the Organization uses the risk-free rate based on information available at the commencement date in determining the present value of lease payments. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 3 LIQUIDITY

Lausanne Committee for World Evangelization's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash and cash equivalents	\$ 1,645,545
Accounts receivable, net	<u>165,594</u>
	<u>\$ 1,811,139</u>

Lausanne Committee for World Evangelization's financial assets are all available for general use as of December 31, 2025. The Ministry does not have a donor-restricted endowment fund account.

NOTE 4 ACCOUNT RECEIVABLE

Accounts receivable consists of the following at December 31, 2025:

Account Receivable	<u>\$ 165,594</u>
Total	<u>\$ 165,594</u>

NOTE 5 LEASE COMMITMENT

The ministry has one operating lease agreement for the Executive Officer's office space for \$650 a month, and is set to expire in December 2032. As of December 31, 2025, the right-of-use (ROU) asset had a balance of \$48,037, as shown in other assets on the statement of financial position; the lease liability is included in other current liabilities \$6,109 and other non-current liabilities \$41,928. The lease asset and liabilities were calculated using present value discount rate of 3.79%, the risk-free rate at the time of inception.

LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

NOTE 5 **LEASE COMMITMENT (Continued)**

The maturities of lease liabilities as of December 31, 2025, are as follows:

2026	\$ 7,800
2027	7,800
2028	7,800
2029	7,800
2030	7,800
2031 and thereafter	15,600
Total lease commitments	<u>\$ 54,600</u>
Imputed interest	<u>(6,563)</u>
Total lease liability	<u>\$ 48,037</u>

Rent expense for the year ended December 31, 2025 was \$7,800.

NOTE 6 **NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions represent unspent contributions received with donor-imposed stipulations. These restrictions are removed when funds are expended for the purposes specified. The restrictions consist of the following at December 31, 2025:

	Beginnng Balance	Contribution	Expenses	Ending Balance
Initiatives	\$ 196,894	\$ 285,400	\$ (289,855)	\$ 192,439
Missional Balances	<u>8,694</u>	<u>1,732</u>	<u>(6,733)</u>	<u>3,693</u>
	<u>\$ 205,588</u>	<u>\$ 287,132</u>	<u>\$ (296,588)</u>	<u>\$ 196,132</u>

The Ministry is primarily supported by contributions. As part of the Ministry's liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Ministry has certain donor-restricted net assets that are available for general expenditure within one year of December 31, 2025, because the restrictions on the net assets are expected to be met by conducting the normal activities of the Ministry'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 Ministry maintains other net assets for the use of certain missionaries, which are not included. Furthermore, management believes the Ministry has sufficient financial assets available for general operations that may be drawn upon in the event of unanticipated financial distress or an immediate liquidity need.

**LAUSANNE COMMITTEE FOR WORLD EVANGELIZATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025**

NOTE 7 SUBSEQUENT EVENTS

Events subsequent to December 31, 2025 have been evaluated through April 24, 2026, the date at which the Ministry's audited financial statements were available to be issued. No events requiring disclosure have occurred through this date April 24, 2026.