REALITY MINISTRIES, INC.

COMPILED FINANCIAL STATEMENTS

JUNE 30, 2026 AND 2025

BALANCE & STRATEGY
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors
Reality Ministries, Inc.

Management is responsible for the accompanying financial statements of Reality Ministries, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2026 and 2025, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the years then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all disclosures required in financial statements prepared in accordance with accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Organization's financial position, changes in net assets, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Chapel Hill, North Carolina
October 30, 2026

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REALITY MINISTRIES, INC.

STATEMENTS OF FINANCIAL POSITION

EXHIBIT A

June 30, 2026 and 2025

ASSETS

	2026	2025
CURRENT ASSETS:		
Cash	$ 516,116	$ 709,348
PROPERTY AND EQUIPMENT:		
Land	785,314	785,314
Buildings	2,044,142	2,041,415
Recording studio equipment	-	14,717
Computer and equipment	28,435	14,450
Furniture and fixtures	1,329	1,329
Less: accumulated depreciation	(607,191)	(564,437)
NET PROPERTY AND EQUIPMENT	2,252,029	2,292,788
TOTAL ASSETS	$ 2,768,145	$ 3,002,136

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Security deposits payable	$ 9,987	$ 12,237
NET ASSETS:		
Net assets without donor restrictions	2,711,061	2,893,736
Net assets with donor restrictions	46,896	96,163
TOTAL NET ASSETS	2,758,158	2,989,899
TOTAL LIABILITIES AND NET ASSETS	$ 2,768,145	$ 3,002,136

REALITY MINISTRIES, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

EXHIBIT B

For the Years Ended June 30, 2026 and 2025

	2026			2025
	Without Donor Restrictions	With Donor Restrictions	Total	Total
PUBLIC SUPPORT AND REVENUE				
Public support:				
Contributions	$ 1,319,305	$ -	$ 1,319,305	$ 1,242,620
Contributions - camp scholarships	-	48,532	48,532	19,994
Contributions - Accessibility Projects	-	10,112	10,112	-
Reality Café Donations	-	661	661	2,307
Total public support	1,319,305	59,305	1,378,610	1,264,921
Other revenue:				
Camp fees	21,461	-	21,461	17,229
Program service fees	63,114	-	63,114	68,299
Building usage	37,692	-	37,692	50,838
Rental Income - Corner House	28,080	-	28,080	41,899
Rental Income - Friendship House	82,590	-	82,590	73,917
Rental Income - Isaac House	29,253	-	29,253	21,000
Sale of merchandise, net of cost of sales	1,896	-	1,896	1,584
Sales, net of cost of sales	-	-	-	4,836
Net investment return	(35)	-	(35)	(459)
Interest income	15,310	-	15,310	21,412
Gain/Loss on Sale of Asset	(14,118)	-	(14,118)	
Other Income	4,377	-	4,377	81,989
Total other revenue	269,620	-	269,620	382,544
Net assets released from restrictions	108,572	(108,572)	-	-
TOTAL PUBLIC SUPPORT AND REVENUE	1,697,497	(49,267)	1,648,230	1,647,465
EXPENSES				
Program services	1,537,815	-	1,537,815	1,384,071
Support services:				
Management and general	241,858	-	241,858	225,647
Fundraising	100,499	-	100,499	85,807
Total support services	342,357	-	342,357	311,454
TOTAL EXPENSES	1,880,172	-	1,880,172	1,695,525
CHANGES IN NET ASSETS	(182,675)	(49,267)	(231,942)	(48,060)
NET ASSETS - BEGINNING OF PERIOD	2,893,736	96,163	2,989,899	3,037,954
NET ASSETS - END OF PERIOD	$ 2,711,061	$ 46,896	$ 2,758,158	$ 2,989,899

REALITY MINISTRIES, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

EXHIBIT B

For the Years Ended June 30, 2026 and 2025

	2025		
	Without Donor Restrictions	**With Donor Restrictions**	**Totals**
PUBLIC SUPPORT AND REVENUE			
Public support:			
Contributions - without donor restrictions	$ 1,242,620	$ -	$ 1,242,620
Contributions - camp scholarships	-	19,994	19,994
Contributions - Reality Café Donations	-	2,307	2,307
Total public support	1,242,620	22,301	1,264,921
Other revenue:			
Camp fees	17,229	-	17,229
Program service fees	68,299	-	68,299
Building usage	50,838	-	50,838
Rental Income - Corner House	41,899	-	41,899
Rental Income - Friendship House	73,917	-	73,917
Rental Income - Isaac House	21,000	-	21,000
Sale of merchandise, net of cost of sales	1,584	-	1,584
Sales, net of cost of sales	4,836	-	4,836
Net investment return	(459)	-	(459)
Interest income	21,412	-	21,412
Other Income	81,989	-	81,989
Total other revenue	382,544	-	382,544
Net assets released from restrictions	31,221	(31,221)	-
TOTAL PUBLIC SUPPORT	1,656,385	(8,920)	1,647,465
EXPENSES			
Program services	1,384,071	-	1,384,071
Support services:			
Management and general	225,647	-	225,647
Fundraising	85,807	-	85,807
Total support services	311,454	-	311,454
TOTAL EXPENSES	1,695,525	-	1,695,525
CHANGES IN NET ASSETS	(39,140)	(8,920)	(48,060)
NET ASSETS - BEGINNING OF PERIOD	2,932,871	105,083	3,037,954
NET ASSETS - END OF PERIOD	$ 2,893,736	$ 96,163	$ 2,989,899

REALITY MINISTRIES, INC.

STATEMENTS OF CASH FLOWS

EXHIBIT C

For the Years Ended June 30, 2026 and 2025

	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	$ (231,942)	$ (48,060)
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	69,308	62,357
Realized loss (gain) on investments	46	490
Donated investments	(30,100)	(62,138)
Loss on Sale of Asset	14,118	-
Changes in assets and liabilities:		
Security deposits payable	(2,250)	875
NET CASH (USED IN) OPERATING ACTIVITIES	(180,820)	(46,476)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(42,666)	-
Proceeds from sale of investments	30,065	61,653
CASH FLOWS FROM FINANCING ACTIVITIES		
NET INCREASE (DECREASE) IN CASH	(193,421)	15,177
CASH - BEGINNING OF PERIOD	709,348	694,171
CASH - END OF PERIOD	$ 516,116	$ 709,348
SUPPLEMENTAL DISCLOSURES		
Donated investments	$ 30,100	$ 62,138

REALITY MINISTRIES, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

EXHIBIT D

For the Years Ended June 30, 2026 and 2025

	2026				2025
	Program Services	Management and General	Fundraising	Total	Total
Regular salaries and wages	$ 849,944	$ 99,994	$ 49,997	$ 999,935	$ 884,633
Employee benefits	156,847	23,527	15,685	196,059	142,067
Friendship House	50,622	-	-	50,622	94,213
Payroll taxes	69,213	10,382	6,921	86,516	76,467
Directors salary	17,694	46,004	7,078	70,776	65,595
Depreciation	69,308	-	-	69,308	62,357
Daytime at the Reality Center	48,419	-	-	48,419	47,045
Insurance	40,877	10,219	-	51,096	44,091
Accounting fees	-	24,476	-	24,476	34,111
Special needs ministry	30,158	-	-	30,158	30,349
Corner House	28,235	-	-	28,235	35,335
Camp expenses	38,545	-	-	38,545	27,841
Other program expenses	22,851	-	-	22,851	21,464
Facilities and equipment	15,012	-	-	15,012	13,538
Cleaning service	12,501	4,167	-	16,668	16,680
Fundraising	-	-	18,873	18,873	15,721
Utilities	11,614	3,872	-	15,486	11,497
Conference, convention, and meetings	24,848	-	-	24,848	10,311
Building maintenance	6,535	2,179	-	8,714	6,983
Isaac House	7,513	-	-	7,513	9,357
Bank service charges	-	9,258	-	9,258	8,892
Community care	5,302	-	-	5,302	6,770
Contract services	1,380	5,518	-	6,898	6,487
Supplies	4,967	1,242	-	6,209	4,785
Business expenses	5,183	-	-	5,183	4,046
Volunteer care	1,504	-	-	1,504	3,446
Operations	1,042	347	-	1,389	3,054
Reality Cafe	3,397	-	-	3,397	2,622
Printing and copying	962	481	481	1,924	2,029
Vehicles expenses	13,260	-	-	13,260	1,963
Postage and mailing service	82	81	1,464	1,627	1,450
Other costs	-	111	-	111	221
Books, subscriptions, and reference	-	-	-	-	105
	$ 1,537,815	$ 241,858	$ 100,499	$ 1,880,172	$ 1,695,525

REALITY MINISTRIES, INC.

STATEMENTS OF FUNCTIONAL EXPENSES

EXHIBIT D

For the Years Ended June 30, 2026 and 2025

	2025			
	Program Services	Management and General	Fundraising	Total
Regular salaries and wages	$ 751,938	$ 88,463	$ 44,232	$ 884,633
Employee benefits	113,654	17,048	11,365	142,067
Friendship House	94,213	-	-	94,213
Payroll taxes	61,174	9,176	6,117	76,467
Directors salary	16,398	42,637	6,560	65,595
Depreciation	62,357	-	-	62,357
Daytime at the Reality Center	47,045	-	-	47,045
Insurance	35,273	8,818	-	44,091
Accounting fees	-	34,111	-	34,111
Special needs ministry	30,349	-	-	30,349
Corner House	35,335	-	-	35,335
Camp expenses	27,841	-	-	27,841
Other program expenses	21,464	-	-	21,464
Facilities and equipment	13,538	-	-	13,538
Cleaning service	12,510	4,170	-	16,680
Fundraising	-	-	15,721	15,721
Utilities	8,623	2,874	-	11,497
Conference, convention, and meetings	10,311	-	-	10,311
Building maintenance	5,237	1,746	-	6,983
Isaac House	9,357	-	-	9,357
Bank service charges	-	8,892	-	8,892
Community care	6,770	-	-	6,770
Contract services	1,297	5,190	-	6,487
Supplies	3,828	957	-	4,785
Business expenses	4,046	-	-	4,046
Volunteer care	3,446	-	-	3,446
Operations	2,290	764	-	3,054
Reality Cafe	2,622	-	-	2,622
Printing and copying	1,015	507	507	2,029
Vehicles expenses	1,963	-	-	1,963
Postage and mailing service	72	73	1,305	1,450
Othe costs	-	221	-	221
Books, subscriptions, and reference	105	-	-	105
	$ 1,384,071	$ 225,647	$ 85,807	$ 1,695,525