INTERNATIONAL FELLOWSHIP OF EVANGELICAL STUDENTS/USA, INC.

Financial Statements
With Independent Auditor's Report

December 31, 2025 and 2024

INTERNATIONAL FELLOWSHIP OF EVANGELICAL STUDENTS/USA, INC.

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CAPINCROUSE
A DIVISION OF Carr, Riggs & Ingram

INDEPENDENT AUDITOR'S REPORT

Board of Directors
International Fellowship of Evangelical Students/USA, Inc.
Madison, Wisconsin

Opinion

We have audited the accompanying financial statements of International Fellowship of Evangelical Students/USA, Inc., which comprise the statements of financial position as of December 31, 2025 and 2024, and the related statements of activities and cash flows 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 International Fellowship of Evangelical Students/USA, Inc. as of December 31, 2025 and 2024, and 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 International Fellowship of Evangelical Students/USA, Inc. 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 these 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 International Fellowship of Evangelical Students/USA, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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Board of Directors
International Fellowship of Evangelical Students/USA, Inc.
Madison, Wisconsin

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 International Fellowship of Evangelical Students/USA, 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 International Fellowship of Evangelical Students/USA, 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.

Capin Crouse LLC

Colorado Springs, Colorado
March 13, 2026

INTERNATIONAL FELLOWSHIP
OF EVANGELICAL STUDENTS/USA, INC.

Statements of Financial Position

	December 31, 2025		December 31, 2024	
ASSETS:				
Cash and cash equivalents	$	373,023	$	327,971
Other miscellaneous receivables		-		56,324
Investments		1,674,709		2,700,733
Pledges receivable–net		376,530		739,203
Operating lease–right of use asset		4,742		13,937
Property and equipment–net		2,838		8,514
Total Assets	$	2,431,842	$	3,846,682
LIABILITIES AND NET ASSETS:				
Liabilities:				
Accounts payable and accrued expenses	$	26,867	$	25,586
Operating lease obligation		4,742		13,937
Contribution payable to affiliated organization		416,781		430,053
Total liabilities		448,390		469,576
Net assets:				
Without donor restrictions		788,375		903,192
With donor restrictions		1,195,077		2,473,914
Total net assets		1,983,452		3,377,106
Total Liabilities and Net Assets	$	2,431,842	$	3,846,682

See notes to financial statements

INTERNATIONAL FELLOWSHIP
OF EVANGELICAL STUDENTS/USA, INC.

Statements of Activities

	Year Ended December 31,					
	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Contributions and grant income	$ 1,366,977	$ 3,273,007	$ 4,639,984	$ 267,605	$ 4,343,427	$ 4,611,032
Investment income–net	90,635	55,270	145,905	113,211	64,664	177,875
Other income	4,882	-	4,882	-	-	-
Total Support and Revenue	1,462,494	3,328,277	4,790,771	380,816	4,408,091	4,788,907
NET ASSETS RELEASED:						
Purpose restrictions	4,222,312	(4,222,312)	-	4,622,490	(4,622,490)	-
Administrative assessments	384,802	(384,802)	-	534,724	(534,724)	-
	4,607,114	(4,607,114)	-	5,157,214	(5,157,214)	-
EXPENSES:						
Program services	5,354,667	-	5,354,667	4,960,948	-	4,960,948
Supporting activities:						
General and administrative	595,922	-	595,922	578,553	-	578,553
Fundraising	233,836	-	233,836	232,718	-	232,718
	829,758	-	829,758	811,271	-	811,271
Total Expenses	6,184,425	-	6,184,425	5,772,219	-	5,772,219
Change in Net Assets	(114,817)	(1,278,837)	(1,393,654)	(234,189)	(749,123)	(983,312)
Net Assets, Beginning of Year	903,192	2,473,914	3,377,106	1,137,381	3,223,037	4,360,418
Net Assets, End of Year	$ 788,375	$ 1,195,077	$ 1,983,452	$ 903,192	$ 2,473,914	$ 3,377,106

See notes to financial statements

INTERNATIONAL FELLOWSHIP
OF EVANGELICAL STUDENTS/USA, INC.

Statements of Cash Flows

	Year Ended December 31,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ (1,393,654)	$ (983,312)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation expense	5,676	4,257
Non-cash lease expense	-	(720)
Realized and unrealized gain on investments	(66,767)	(74,046)
Reinvested interest and dividends	(58,901)	(100,921)
Change in operating assets and liabilities:		
Other miscellaneous receivables	56,324	721
Pledges receivable–net	362,673	579,881
Accounts payable and accrued expenses	1,281	(974)
Contribution payable to affiliated organization	(13,272)	74,399
Net Cash Used in Operating Activities	(1,106,640)	(500,715)
CASH FLOWS FROM INVESTING ACTIVITES:		
Proceeds from sale of investments	2,431,692	2,662,935
Purchases of investments	(1,280,000)	(2,098,952)
Purchases of property and equipment	-	(12,771)
Net Cash Provided by Investing Activities	1,151,692	551,212
Net Change in Cash and Cash Equivalents	45,052	50,497
Cash and Cash Equivalents, Beginning of Year	327,971	277,474
Cash and Cash Equivalents, End of Year	$ 373,023	$ 327,971

See notes to financial statements

INTERNATIONAL FELLOWSHIP OF EVANGELICAL STUDENTS/USA, INC.

Notes to Financial Statements

December 31, 2025 and 2024

1. NATURE OF ORGANIZATION:

   International Fellowship of Evangelical Students/USA, Inc. (IFES/USA) exists to see students built into communities of disciples, which are transformed by the Gospel. IFES/USA seeks to impact the university, the church, and society for the glory of Christ, introducing students to the Gospel of Christ, while engaging the broader higher education community in dialogue about the relevance of the Gospel message and the Christian life as a whole. IFES/USA also exists to support, encourage, and facilitate the spread and growth of the Christian faith throughout the world and to support other organizations, projects, and initiatives that are organized and operated for similar purposes. This includes granting funds to foreign organizations, projects and institutions with purposes similar to those of the IFES/USA for specific projects in furtherance of IFES/USA's Christian religious tax-exempt purposes.

   IFES/USA works closely with a number of affiliated organizations, including InterVarsity Christian Fellowship/USA (InterVarsity), Union Internationale des Groupe Bibliques (IFES Switzerland), and International Fellowship of Evangelical Students, a UK charity (IFES (UK)). These organizations are legally separate from IFES/USA, and each organization is governed by independent boards of directors. Therefore, the assets, liabilities, net assets, and results of their activities have not been included in this report.

   IFES/USA is a nonprofit organization incorporated in the state of Wisconsin and is exempt from income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code (the Code) and comparable state law(s). However, IFES/USA is subject to federal income tax on any unrelated business taxable income. In addition, IFES/USA is not classified as a private foundation under Section 509(a) of the Code.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

   IFES/USA maintains its accounts and prepares its financial statements on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. 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, disclosures of any contingent assets and liabilities at the date of the financial statements, and the reported revenues and expenses during the reporting period. Actual results could differ from the estimates. Estimates includes allocation of functional expenses, fair value of estimates in equity securities, present value of pledges receivable, and estimates used in accounting for operating and finance right-of-use assets and lease obligations. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

   CASH AND CASH EQUIVALENTS

   Cash and cash equivalents include checking, savings, and interest-bearing money market accounts. IFES/USA maintains its cash in bank and other deposit accounts at high credit quality financial institutions. As of December 31, 2025 and 2024, cash balances did not exceed federally insured limits.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

INVESTMENTS
Investments consist of mutual funds. Donated securities are recorded at estimated fair value on the date of the gift and thereafter carried at fair value. Realized and unrealized gains and losses are included in investment income on the statements of activities.

PLEDGES RECEIVABLE–NET
Pledges receivable are recognized as revenue when unconditionally promised. Pledges receivable expected to be collected within one year are recorded at net realizable value. Pledges receivable expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on amounts collectible in greater than one year are computed using risk-adjusted interest rates applicable to the year in which pledges are expected to be received. Management has reviewed the collectability and believes all amounts to be fully collectible.

PROPERTY AND EQUIPMENT–NET
Items capitalized as property and equipment are capitalized at cost. Donated items are recorded at their fair market value on the date of the gift. Depreciation is computed on the straight-line method over the estimated useful lives, which range from three to five years of the related assets. IFES/USA capitalizes fixed asset purchases exceeding $2,500 with lesser amounts expensed in the year purchased. Repairs and maintenance are expensed as incurred.

OPERATING LEASE–RIGHT OF USE ASSET AND OBLIGATION
Some of IFES/USA's contracts contain the right to control the use of property or assets and are therefore considered leases. IFES/USA records right-of-use assets and lease obligations on the statements of financial position for the rights and obligations created by leases with initial terms of more than twelve months. IFES/USA has elected to not separate lease and non-lease components.

CONTRIBUTION PAYABLE TO AFFILIATED ORGANIZATION
Each year, the governing board of IFES/USA approves grants to IFES (UK), contingent that funds are available. The contribution payable to affiliated organization represents donations received in December designated for projects which IFES (UK) administrates, as the board has already pre-approved the grant. Subsequent to year end, the contribution payable was paid in full.

INTERNATIONAL FELLOWSHIP
OF EVANGELICAL STUDENTS/USA, INC.

Notes to Financial Statements

December 31, 2025 and 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

CLASSES OF NET ASSETS
The financial statements report amounts by class of net assets:

Net assets without donor restrictions include resources that are available for current operations under direction of the board or resources invested in property and equipment.

Net assets with donor restrictions are comprised of donor-restricted contributions for specific operating purposes, support of projects and worldwide ministry training, or are time-restricted.

SUPPORT, REVENUE, AND EXPENSES
Contributions and grant income are recorded when made, which may be when cash and other assets are received or unconditionally promised. Gifts of cash and other assets are reported with a donor restriction if they are received with donor stipulations that limit the use of the donated amounts. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. All contributions are considered available for unrestricted use unless specifically restricted by the donor.

Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or law. All other income is recorded when earned. Expenses are recorded when incurred in accordance with the accrual basis of accounting. All expenses are reported as reductions in net assets without donor restrictions.

ADMINISTRATIVE ASSESSMENTS
In an effort to cover overhead costs, IFES/USA charges an administrative assessment of 10% for specific designations, and 25% for gifts for broader ministry activity.

RECLASSIFICATIONS
Certain reclassifications were made to prior year balances to conform with current year presentation. During the year ended December 31, 2025, IFES/USA reclassified $30,930 from office and other to professional services. Additionally, IFES/USA reclassified $30,930 from general and administrative expenses to fundraising expenses. The reclassification had no effect on change in net assets nor total net assets as of December 31, 2024.

3. LIQUIDITY AND AVAILABILITY OF RESOURCES:

The following table reflects the IFES/USA's financial assets as of December 31, 2025 and 2024, reduced by amounts not available for general use within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year. IFES/USA's policy is to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

	December 31, 2025	December 31, 2024
Financial assets, at year-end:		
Cash and cash equivalents	$ 373,023	$ 327,971
Other miscellaneous receivables	-	56,324
Investments	1,674,709	2,700,733
Pledge receivable–net	376,530	739,203
	2,424,262	3,824,231
Less those unavailable for general expenditure within one year, due to:		
Pledge receivables	(281,255)	(376,530)
Net assets with time-restrictions for greater than one year	(75,304)	(468,428)
Net assets with donor restrictions not expected to be used within one year	(566,626)	(614,132)
	(923,185)	(1,459,090)
Financial assets available to meet cash needs for general expenditures within one year	$ 1,501,077	$ 2,365,141

IFES/USA's donor-restricted amounts are limited to use for programs and specific purposes which are ongoing, major, and central to its annual operations; therefore, net assets with donor restrictions of $271,892 and $1,014,824 are considered available for general expenditure within one year as of December 31, 2025 and 2024, respectively. IFES/USA structures its financial assets to be available as its general expenditures, liabilities, and other obligations become due. Management monitors cash flows closely through board meetings and detailed financial analysis.

4. PLEDGES RECEIVABLE–NET:

Pledges receivable–net consists of:

	December 31, 2025	December 31, 2024
Unconditional pledges receivable	$ 400,000	$ 766,626
Less discount for present value of cash flows	(23,470)	(27,423)
	$ 376,530	$ 739,203

Estimated collections as of December 31, 2025, consist of:

Less than one year	$ 95,275
One to five years	281,255
	$ 376,530

5. INVESTMENTS:

Investments consist of:

	December 31, 2025	December 31, 2024
Mutual funds	$ 1,674,709	$ 2,700,733

6. FAIR VALUE MEASUREMENTS:

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that IFES/USA has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as:
- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
    - observable; or
    - can be corroborated by observable market data.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2025 and 2024.

Mutual funds : Valued at the daily closing price as reported by the fund. Mutual funds held by IFES/USA are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by IFES/USA are deemed to be actively traded.

6. FAIR VALUE MEASUREMENTS, continued:

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although IFES/USA believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements at the reporting date.

The fair value hierarchy in which the fair value measurements fall at December 31, 2025:

		Fair Value Measurements Using		
	Total	Level 1	Level 2	Level 3
Mutual funds	$ 1,674,709	$ 1,674,709	$ -	$ -

The fair value hierarchy in which the fair value measurements fall at December 31, 2024:

		Fair Value Measurements Using		
	Total	Level 1	Level 2	Level 3
Mutual funds	$ 2,700,733	$ 2,700,733	$ -	$ -

7. PROPERTY AND EQUIPMENT–NET:

Property and equipment–net, consist of:

	December 31,	
	2025	2024
Leasehold improvements	$ 12,771	$ 12,771
Less accumulated depreciation	(9,933)	(4,257)
	$ 2,838	$ 8,514

8. OPERATING LEASE–RIGHT OF USE ASSET AND OBLIGATION:

IFES/USA leases office space under an operating lease with the lease ending in June 2026. The lease requires monthly payments of $800. The discount rate represents the risk-free discount rate using a period comparable with that of the lease term.

	Year Ended December 31, 2025	Year Ended December 31, 2024
Operating lease right-of-use asset	$ 4,742	$ 13,937
Operating lease liability	$ 4,742	$ 13,937
Operating lease costs	$ 9,600	$ 8,172
Cash paid for operating lease	$ 9,600	$ 7,452
Weighted-average discount rate	4.16%	4.16%
Weighted-average remaining lease term	0.5 years	1.3 years

Future minimum lease payments required under the operating lease that has an initial or remaining non-cancelable lease term in excess of one year are as follows:

Year Ending December 31,	
2027	$ 4,800
Less imputed interest	(58)
	$ 4,742

9. NET ASSETS WITH DONOR RESTRICTIONS:

Net assets with donor restrictions consist of:

	December 31, 2025	December 31, 2024
Worldwide ministry training and training events	$ 651,954	$ 689,683
Subject to the passage of time	475,526	854,792
Projects	67,597	929,439
	$ 1,195,077	$ 2,473,914

10. FUNCTIONAL ALLOCATION OF EXPENSES:

The costs of providing the various program services and supporting activities of IFES/USA have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited. These expenses require allocation on a reasonable basis that is consistently applied. Expenses that are allocated include salaries and benefits, travel and meetings, publications and events, office supplies and other expenses. Salaries and benefits are allocated based on average estimates of time and effort by employees. Travel and meetings, publications and events, office supplies and other expenses are allocated based on estimates of department time and costs utilized. The following tables present the functional allocation of expenses for the years ended December 31, 2025 and 2024.

	For the Year Ended December 31, 2025			
		Supporting Activities:		
	Program Services	General and Administrative	Fundraising	Total
Grants	$ 5,254,195	$ -	$ -	$ 5,254,195
Salaries and benefits	90,859	503,822	143,230	737,911
Professional services	-	33,818	52,284	86,102
Travel and meetings	-	17,129	24,296	41,425
Office and other	-	35,830	4,242	40,072
Publications and events	9,613	5,323	9,784	24,720
	$ 5,354,667	$ 595,922	$ 233,836	$ 6,184,425

	For the Year Ended December 31, 2024			
		Supporting Activities:		
	Program Services	General and Administrative	Fundraising	Total
Grants	$ 4,846,043	$ -	$ -	$ 4,846,043
Salaries and benefits	102,905	442,594	156,007	701,506
Professional services	-	44,989	70,182	115,171
Travel and meetings	-	17,416	18,683	36,099
Office and other	-	35,521	2,474	37,995
Publications and events	12,000	7,103	16,302	35,405
	$ 4,960,948	$ 547,623	$ 263,648	$ 5,772,219

11. RETIREMENT PLAN:

IFES/USA sponsors a 403(b) defined contribution plan for all employees. IFES/USA provides a direct contribution of 5% as well as a matching contribution of up to 5% of eligible salary for all employees who are over the age of 21 and have worked at least six months. Total employer contributions for the years ended December 31, 2025 and 2024, were approximately $59,000 and $57,000, respectively.

12. AFFILIATE AGREEMENT:

During the years ended December 31, 2025 and 2024, the following financial activity occurred between IFES/USA and IFES (UK):

- IFES/USA granted IFES (UK) $5,254,195 and $4,846,043, respectively.
- IFES/USA reimbursed IFES (UK) $30,180 and $159,318 for costs IFES (UK) incurred on IFES/USA's behalf, respectively.
- IFES (UK) reimbursed IFES/USA $84,816 and $47,072 for costs IFES/USA incurred on IFES (UK)'s behalf, respectively.
- IFES/USA has recorded a $416,781 and $430,053 contribution payable to IFES (UK). See Note 2 for more information.

13. RELATED PARTIES:

In addition to the activity described in Note 12, IFES/USA entered into other related party transactions. Contributions received from board members and key employees totaled approximately $198,000 and $98,000, during the years ended December 31, 2025 and 2024, respectively. In December 2021, IFES/USA entered into an operating lease agreement with InterVarsity for office space. Expenses incurred under this lease agreement during the years ended December 31, 2025 and 2024, totaled approximately $10,000 and $8,000, respectively.

14. CONCENTRATION:

For the years ended December 31, 2025 and 2024, the top five donors provided approximately 42% and 48% of total revenue, respectively.

15. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 13, 2026, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.