MOUNTAIN VIEW COMMUNITY CHURCH
OF MURRIETA/TEMECULA VALLEY
dba THE VIEW CHURCH

AUDITED

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30 2024

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T. JAMES WILLIAMS & CO., A.C.
CERTIFIED PUBLIC ACCOUNTANTS

Member of American Institute of Certified Public Accountants
& California Society of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Executive Board of
Mountain View Community Church of Murrieta/Temecula Valley
dba The View Church
Menifee, California

Opinion

We have audited the accompanying financial statements of The View Church (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities 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 The View Church as of June 30, 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 View Church 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 View Church's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

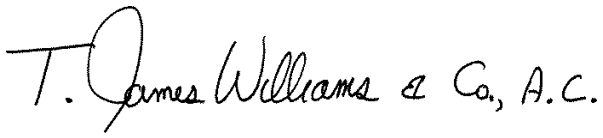
Auditor's Responsibilities for the Audit of the Financial Statements

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, including omissions, 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 View Church'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 View Church'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.



Fresno, California
April 30, 2025

THE VIEW CHURCH
STATEMENT OF FINANCIAL POSITION
June 30, 2024

ASSETS

CURRENTASSETS		
Cash - unrestricted	$	635,294
Cash - restricted		1,685,690
Total Cash and cash equivalents		2,320,984
TOTAL CURRENT ASSETS		2,320,984
PROPERTY AND EQUIPMENT		
Land		990,000
Buildings and improvements		3,200,415
Equipment		164,053
Operating Lease right of use		27,206
		4,381,674
Less: accumulated depreciation		(473,834)
		3,907,840
OTHER ASSETS		
Deposits		14,250
Unamortized loan costs		196,407
Total other assets		210,657
TOTAL ASSETS	$	6,439,481

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$	48,386
Accrued interest		60,209
Operating lease liabilities		27,206
Current portion of long-term debt		108,441
TOTAL CURRENT LIABILITIES		244,242
LONG-TERM LIABILITIES, less current portion		
Notes and bonds payable		3,693,321
TOTAL LIABILITIES		3,937,563
NET ASSETS		
With donor restrictions		-
Without donor restrictions		2,501,918
TOTAL NET ASSETS		2,501,918
TOTAL LIABILITIES AND NET ASSETS	$	6,439,481

See auditor's report and notes to financial statements.

THE VIEW CHURCH
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
Year Ended June 30, 2024

	Net Assets Without Donor Restrictions	Net Assets With Donor Restrictions	Net Assets Total
OPERATING ACTIVITIES			
SUPPORT AND REVENUES			
Tithes and offerings	$ 2,301,026	$ 118,986	$ 2,420,012
Interest and investment income	95,844		95,844
Net assets released from restrictions	118,986	(118,986)	-
	2,515,856	-	2,515,856
Expenses			
Program Expenses			
Missionary and benevolence	121,530		121,530
Ministry	575,106		575,106
Supporting Activities			
General and Administrative	1,485,310		1,485,310
Total expenses	2,181,946	-	2,181,946
CHANGE IN NET ASSETS	333,910	-	333,910
CHANGE IN NET ASSETS	333,910	-	333,910
NET ASSETS, BEGINNING OF YEAR	2,168,008	-	2,168,008
NET ASSETS, END OF YEAR	$ 2,501,918	$ -	$ 2,501,918

See auditor's report and notes to financial statements.

THE VIEW CHURCH
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended June 30, 2024

	PROGRAM EXPENSES		SUPPORT ACTIVITIES	TOTAL FUNCTIONAL EXPENSES
	Missions	Ministry	General and Adminstrative	
Expenses				
Missions	$ 121,530	$	$	$ 121,530
Personnel costs			809,491	809,491
Ministries		575,106	-	575,106
Facilities			162,419	162,419
Administration			164,459	164,459
Rent			27,924	27,924
Amortization			9,945	9,945
Depreciation			62,374	62,374
Interest			248,698	248,698
	$ 121,530	$ 575,106	$ 1,485,310	$ 2,181,946

See auditor's report and notes to financial statements.

THE VIEW CHURCH
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$	333,910
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation		62,374
Amortization of prepaid loan costs		9,945
Changes in operating assets		
Prepaid expenses		1,535
Accounts payable and accrued liabilities		36,538
Net cash provided by operating activities		444,302
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquistion of property and equipment		(290,399)
Disposition of property and equipment		
Net cash used by investing activities		(290,399)
CASH FLOWS FROM FINANCING ACTIVITIES		
Funds from long term borrowings		4,501
Principal payments on long-term borrowing		(92,526)
Net cash used by financing activities		(88,025)
NET INCREASE (DECREASE) IN CASH		65,878
CASH, BEGINNING OF YEAR		2,255,106
CASH, END OF YEAR	$	2,320,984
SUPPLEMENTARY DISCLOSURES		
CASH PAID FOR YEAR ENDED JUNE 30, 2024		
Interest expense	$	248,698

See auditor's report and notes to financial statements.

THE VIEW CHURCH

NOTES TO FINANCIAL STATEMENTS

1. The Church

The View Church, hereafter the Church, is a California not-for-profit religious corporation and exists to spread the gospel of Jesus Christ by preaching and teaching the word and to disciple those who accept the gospel message. The Church conducts numerous activities in accomplishing its purpose, including the public worshiping of God, the preaching of the Gospel, consistent Christian living by its members, personal evangelism, missionary endeavors and Christian education. Legal control of the Church is vested in its pastor and trustees. The Church's primary source of revenue is tithes and offerings received from members and guests.

2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Church have been prepared in accordance with U.S. generally accepted accounting principles, which require the Church to report information regarding its financial position and activities according to the following net asset classifications:

> Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and maybe expended for any purpose in performing the primary objectives of the Church. These net assets may be used at the discretion of the Church's management and the executive board.
>
> 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 Church, or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.
>
> Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

Property and Equipment

Property and equipment include land, building, and equipment. Property and equipment additions over $5,000 are recorded at cost. Property acquired by gift is sold immediately and the sale proceeds are recorded as income. Estimated useful lives are thirty-nine years for buildings and five to seven years for furniture and equipment. Repair and maintenance items are charged to expense as incurred. When property and equipment are retired, sold, or otherwise disposed of, the asset's carrying amount and related accumulated depreciation are removed from the accounts and any gain or loss is included in operations.

Depreciation of $62,374 in year ended June 30, 2024 was calculated on the straight-line method over the estimated useful lives of the assets.

Intangible Assets

Intangible assets subject to amortization include bond issuance costs. Amortization is computed using the straight-line method over the life of the related loan. Amortization was $9,945 for the year ended June 30, 2024.

2. Summary of Significant Accounting Policies (continued)

Contributions

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. 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 statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Contributed Services

The Church receives a substantial number of services donated by its members in carrying out the Church's ministry. No amounts have been reflected in the financial statements for those services since they do not meet the criteria for recognition under U.S. generally accepted accounting principles.

Compensated Absences

The Church has not accrued vacation or sick pay. The Church’s policy is to recognize these costs when actually paid.

Income Taxes

The Church is exempt from income taxes under Section 501(c)3 of the Internal Revenue Code. The Church is not required to file tax returns with the Internal Revenue Service and other taxing authorities. Accordingly, these financial statements do not reflect a provision for income taxes and the Church has no tax positions which must be considered for disclosure. In addition, the Church qualifies for the charitable contributions deduction under Section 170(b)(1)(A) and has been classified as an Church other than a private foundation under Section 509(a)(2).

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among program and general and administration. Such allocations are determined by management on an equitable basis.

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, disclosure of contingent assets and liabilities at the date of financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could vary from the estimates that were used.

2. Summary of Significant Accounting Policies (continued)

Revenue and Revenue Recognition

Revenue is recognized when earned. Contributions are recognized when cash, other assets, or an unconditional promise to give is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Fair Value of Financial Instruments

The carrying value of the Church's cash and credit cards payable approximates fair value because of the short-term maturity of those instruments. The Church's estimate of the fair value of the long-term debt is based on the current rates available for loans of the same remaining maturities and their estimated fair values approximate their recorded values at June 30, 2024.

3. Availability and Liquidity of Financial Assets

The following reflects the Church's financial assets as of June 30, 2024, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year.

Cash and cash investments		$ 635,294
Escrow and trust funds		1,685,690
Total financial assets at June 30, 2024		2,320,984
Less those unavailable for general expenditures within one year due to:		
Reserve Fund restricted for the purposes of debt retirement	$ 140,708	
Sinking Fund restricted for the purposes of debt retirement	90,898	
Special Escrow Fund restricted for the purposes of capital improvements and debt retirement	1,454,084	
Total restricted funds		(1,685,690)
Financial assets available to meet cash needs for general expenditures within one year:		$ 635,294

As part of the Church's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. It is the policy of the Church to regularly review and assess the need for funds to meet operating obligations and to ensure the availability of cash or collateral to fulfill those requirements.

4. Bonds and Notes Payable

First Mortgage Bonds, 2019 Series, secured by Deed of Trust with varying rates (3.15% to 6.75%) maturing in various amounts through March 22, 2044.	$ 3,545,000
Secured promissory note due to The Baptist Foundation of California, a California nonprofit corporation, secured by deposit account held by the Foundation. Monthly payments of $554 include 5% interest and the note matures June 2036.	59,028
SBA Economic Injury Disaster Loan of $150,000, dated May 22, 2020, is a 30-year loan with an interest rate of 2.75%. Though no payments are required during the first year of the loan, interest still accrues during this deferment period. Monthly payments of $641 due monthly began during January 2023. The note is secured by all tangible and intangible personal properties of the Church.	167,734
Unsecured note payable bearing no interest and having no specific due date.	30,000
Total Bonds and Notes Payable:	$ 3,801,762

Future scheduled payments and annual maturities are as follows:

Year Ending June 30:	
2025	$ 108,441
2026	105,413
2027	111,712
2028	118,025
2029	124,350
Thereafter	3,233,819
	$ 3,801,762

The Church paid $248,698 for interest during the year ended June 30, 2024.

5. Lease Commitments

The Church currently leases various office equipment. The current equipment leases are classified as operating leases and the terms call for monthly lease payments of $1,195 until the lease commitment concludes during January 2027 and there are no additional lease commitments. Listed below are the present value of those lease payments:

		2024
Operating Leases		
Operating Lease right-of-use-assets	$	27,206
Total operating lease right-of-use-assets		27,206
Operating lease liabilities		27,206
Total operating lease liabilities	$	27,206

The following summarizes the weighted average remaining lease term and discount rate as of December 31, 2024:

	2024
Weighted Average Remaining Lease Term	
Operating Leases	2.50
Weighted Average Discount Rate	
Operating Leases	5.25%

The present value of the future minimum lease payments are as follows:

Year Ending June 30,:		Operating
2025	$	11,304
2026		11,304
2027		6,594
2028		-
2029		-
Total Lease Payments	$	29,202
Less: Interest		(1,996)
Present value of lease liabilities	$	27,206

The total rent expense was $13,251 for the year ended June 30, 2024.

6. Subsequent Events

Management has evaluated subsequent events through April 30, 2025, the date on which the financial statements were available to be issued and has no material subsequent event items identified requiring recognition or disclosure.