



2025 ANNUAL REPORT

STEWARDSHIP CONNECTIONS

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What Does Mean?

By Paul A. Miller, Executive Administrator

Today,  encompasses all the stewardship services that we provide—charitable services, financial services, and stewardship education. But this was not always so. Since our founding in 2005, our activities naturally developed into three separate functions and legal entities. Anabaptist Financial handled investments and loans, Anabaptist Foundation offered charitable foundation services, and Stewardship Resources provided educational services.

As these ministries grew, they naturally became less conscious of interdependence upon each other. This could have led them to drift into three separate organizations over time. Eventually our widening divergence led to a key realization: each ministry in its own way enhanced the others. We were truly like “a hand in a glove.” Working together closely would make the sum total stronger than adding up the three separately.

Steps were taken to strengthen our alignment by converging all three services as “AF,” the market identity by which we were already referred to by the public. While “AF” is not an actual legal entity like Anabaptist Financial or Anabaptist Foundation, we are registering the AF logo as our legal trademark. This unified “AF” identity will help us grow more cohesively as a single organization with a consistent stewardship message in the future.

As we enter our third decade of stewardship ministry, AF will continue to be governed as one organization by a single board of directors and management team. For simplification of bookkeeping, Stewardship Education—renamed from Stewardship Resources—was merged into the Anabaptist Financial and Anabaptist Foundation entities. All three serve seamlessly under the AF banner.

In summary, this convergence has brought us together as one organization,  to better serve our churches in conservative Anabaptist communities. We personally value all of our stewardship ministry participants, whether investors, borrowers, donors, charitable registration clients, business advising clients, or seminar and workshop attendees. AF means we are working together to work together with you. 

From the Board of Directors

Surviving Prosperity

Surviving prosperity is a subject you have seen in our recent Stewardship Connections newsletter. A book by that title has also recently been published by AF, authored by Ivan Bender. This book is available at no cost to you from the AF website or by calling 570-800-2191.

Surviving prosperity is an issue that the entire AF team is taking seriously, from the board and administration to the loan reviewers, business advisors, and workshop instructors. The concept may seem contradictory; survival usually refers to continuing existence while others do not, whereas prosperity is commonly defined as experiencing success. For this discussion, prosperity is identified as an abundance of financial resources, wealth, and assets.

As we consider the days we are living in here in America as conservative Anabaptists, we find ourselves in a generation with more wealth and leisure time than perhaps any of the generations before us. What shall our response to these opportunities or threats be? How did our Anabaptist forefathers advise? What does Jesus say in His word about money, wealth, and accumulation of assets?

The world's view of prosperity has a different sense than what we read in the words of Jesus. To them, prosperity is the American Dream, status, opportunity, influence, and leisure time for pleasure. The New Testament leaves us with many warnings for when our hearts become consumed with the pursuit of prosperity. Jesus warns us to "beware of

the deceitfulness of riches" (Matthew 13:22). Paul warns that those who pursue riches will fall into temptation, and snares, hurtful lusts, which drown men in destruction (I Timothy 6:9).

While much more could be said about the two perspectives on wealth and prosperity, the choice is clear: we must decide which one we will follow. As Jesus said, "No man can serve two masters" (Matthew 6:24).

Given the prosperity which we live in today, how should our churches approach the subject? How do we as Anabaptist believers demonstrate and teach our families and the next generation what the truth is about money, wealth, and prosperity?

As we live and observe the times we are living in, regarding money, wealth and prosperity, let us seize this opportunity to follow the teachings of Jesus as conservative Anabaptists and invest into the kingdom of heaven. Let us, as Jesus said, "Watch and pray." Let us be thankful for God's blessings as the Lord gives. We request your prayers and ask that you watch with us as we pursue surviving prosperity until Jesus comes.

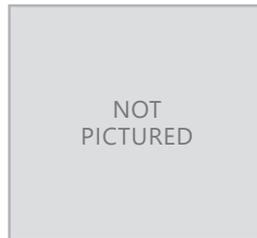
Kenneth Burkholder, Chairman of the Board



KEN BURKHOLDER
Weaverland Conference
Gordonville, PA



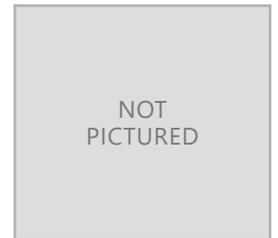
RICHARD HOOVER
Hope Mennonite Fellowship
Narvon, PA



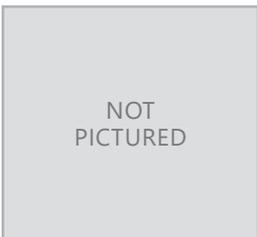
ELAM ESH
Old Order Amish
New Providence, PA



WAYNE KEIM
Anabaptist Disciples of Christ
Berlin, OH



LEON B. MARTIN
Groffdale Old Order Mennonite
Conference Ephrata, PA



STEVE STOLTZFUS
Old Order Amish
New Holland, PA



LARRY TROYER
Midwest Mennonite Fellowship
Dundee, OH



M. DEAN WENGERD
Beachy Amish
Chucky, TN



ANDREW ZIMMERMAN
Hope Mennonite Fellowship
Mifflintown, PA



NATHAN ZIMMERMAN
Weaverland Conference
Reinholds, PA



LOANS PROGRAM

Anabaptist Financial places investments from constituents into our loans pool. We provide financing to the conservative Anabaptist constituency for agricultural, commercial, and residential real estate loans (residential loans are not offered in all states). We do not offer loans for automobiles and other consumer items.

Our goal is to promote brotherhood assistance and good stewardship connections among borrowers and lenders to advance the kingdom of God within the Anabaptist brotherhood. Anabaptist Financial offers loans to members in good standing of churches who adhere to the 1963 Mennonite Confession of Faith or similar earlier confessions.

Fire and Storm Coverage

All loan collateral must be covered by a verified protection plan for fire, storm, and theft. Brotherhood aid plans are acceptable coverage.

Loan Default Plan

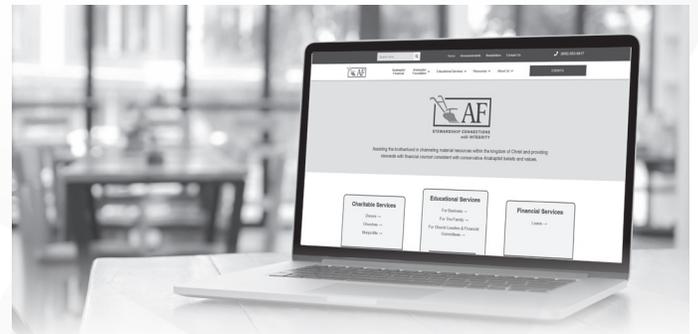
Delinquent loans with no acceptable resolution will require a church-appointed oversight committee.

LOAN CATEGORIES

Commercial Real Estate	\$661,342,384.04
Ag - Cash Crop	\$82,481,627.35
Com - Residential Rentals	\$71,534,601.83
Com - Wood Manufacturing	\$69,118,797.57
Ag - Other	\$51,042,100.09
Com - Other	\$49,984,005.53
Bare Land - Investment	\$47,652,982.27
Ag - Poultry	\$37,066,582.58
Com - Commercial Rentals	\$34,683,502.85
Ag - Dairy	\$33,303,851.90
Com - Other Retail	\$32,075,690.52
Ag - Beef	\$27,587,943.72
Com - Bulk Food/Grocery/Deli	\$18,913,565.79
Construction - Commercial	\$18,089,467.53
Com - Auto Service and Sales	\$14,334,170.24
Com - Construction Contractor	\$13,743,983.53
Com - Metal Working	\$13,640,714.10
Ag - Produce	\$12,686,238.04
Ag - Timber	\$7,233,301.69
Com - Sawmill/Timber/Pallet	\$6,672,916.28
Com - Machine Shop/Metal Working	\$5,003,629.44
Ag - Hog	\$1,804,265.45
Misc.	\$12,688,445.74
Residential Home Mortgage	\$154,028,772.66
*Available in PA, OH, VA, MO, and GA	
Charity	\$23,218,566.57
* Non-profit organizations, churches, and schools	
Other	\$10,756,047.42



**COMMERCIAL
AGRICULTURAL
RESIDENTIAL**



New & Improved

The  website has recently been updated. Explore our charitable, educational, and financial services on the web.

afweb.org

LOANS BY STATE

Pennsylvania	1401
Ohio.....	608
New York.....	252
Virginia	192
Michigan.....	160
Missouri.....	151
Montana	93
Indiana	80
Maryland	72
Kentucky.....	58
Idaho.....	53
Colorado.....	45
Wisconsin	45
North Carolina	44
Oregon	35
Minnesota	35
South Carolina	32
Iowa.....	32
Tennessee.....	31
Georgia.....	29
Illinois.....	28
West Virginia.....	26
Wyoming.....	23
Washington	23
California	20
Oklahoma.....	19
Texas.....	17
Kansas.....	13
Florida.....	13
Arkansas	12
Nevada	11
Delaware.....	10
New Mexico.....	10
Mississippi.....	9
Maine	8
Nebraska.....	8
Massachusetts	8
New Jersey.....	7
Other.....	12
Total.....	3725

Who We Serve

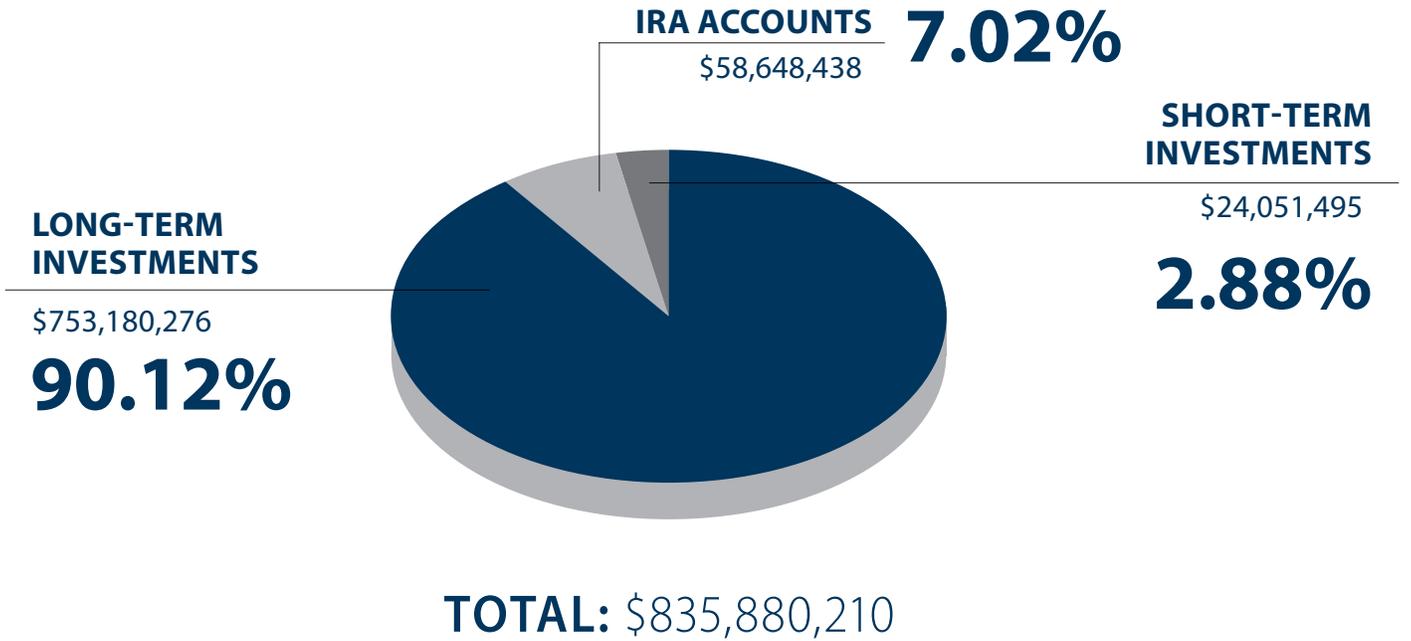
Anabaptist Financial serves conservative Anabaptist families, churches, and communities with stewardship-based educational, financial, and charitable gift services.

Brotherhood accountability and mutual aid are foundational to our existence and operations. Participation is limited to those who adhere to the 1963 Mennonite Confession of Faith or earlier similar confession such as the Garden City Confession (1921), Dordrecht Confession of Faith (1632), and Schleithem Confession (1527).

Church affiliation matters because it is a valid reflection of whom we are structured to serve and the level of accountability we value. In our motto, *Stewardship Connections with Integrity*, our core value of connections assumes shared beliefs and practices, and our core value of integrity is measured by accountability to others. The following list is not comprehensive, but it is representative of the church community we seek to serve.

- Agape Christian Churches
- Appalachian Mennonite Church
- Amish Churches
- Anabaptist Disciples of Christ
- Beachy Amish Churches
- Bethel Fellowship
- Biblical Mennonite Alliance
- Bible Mennonite Fellowship
- Charity Fellowship
- Church of the Brethren (Conservative)
- Conservative Mennonite Churches of York and Adams Counties, PA
- Cumberland Valley Mennonite Churches
- Dunkard Brethren
- Eastern Pennsylvania Mennonite Churches
- Groffdale Old Order Mennonite Conference
- Haven Mennonite Fellowship
- Hope Mennonite Fellowship
- Kleine Gemeinde
- Keystone Mennonite Fellowship
- Little Flock Mennonite Churches
- Meadow Springs Conference
- Mennonite Christian Fellowship
- Mid-Atlantic Mennonite Fellowship
- Midwest Mennonite Fellowship
- Midwest Conference
- Nationwide Fellowship
- Northeastern Mennonite Conference
- Old German Baptist Brethren
- Old Order Mennonite
- Pilgrim Mennonite Conference
- River Brethren
- Snyder County Mennonite Conference
- South Atlantic Mennonite Conference
- Southeastern Mennonite Conference
- Unaffiliated Amish Mennonite Churches
- Unaffiliated Mennonite Churches
- Washington-Franklin Mennonite Conference
- Weaverland Conference
- Western Conservative Mennonite Conference
- Wisler Mennonite

INVESTMENTS BY TYPE



TOTAL INVESTMENTS — FISCAL YEARS ENDING JUNE 30





What Do We Do? Why Do We Do It?

We care for the soul of the donor, the recipient charities, and the gift itself.

Anabaptist Foundation exists to serve conservative Anabaptists with charitable gift services and practical support for donors, churches, and nonprofit organizations. We intentionally limit our own programs so we can focus on serving as a conduit for support to other charities and churches. We simply exist to help donors, churches, and charities achieve their own goals... when and where we can.

In Matthew 6:1-4, Jesus commanded His followers to give anonymously, to the greatest extent possible. To facilitate anonymous giving, we operate the Charitable Gift Fund program. Donors contribute to the Foundation and receive their tax-deductible contribution receipt. A tax deduction should never be our primary reason for giving; instead, we give out of gratitude for God's blessings on our lives and compassion for others. Acting on recommendations from donors, the Foundation then distributes the funds to charities and churches. This enables the donor to remain anonymous, allowing all the credit and thanksgiving to be directed to God.

At present, our Charitable Gift Fund program serves 776 donors from a wide variety of church backgrounds and communities. Participants range from older couples to young businessmen to mature single people. These all donate to the Charitable Gift Fund to support God's Kingdom work without drawing attention to themselves.

The donated funds are distributed to an even wider spectrum of charities and churches. While conservative Anabaptist church alms and deacon funds are major beneficiaries of Charitable Fund gifts, disbursements are also made to a wide variety of missions, relief organizations, clinics, counseling centers, community nonprofits, and schools. Some organizations are larger and others smaller. Even local ambulance services, fire departments, and hospice organizations are included in those who receive support.

A total of 5,943 gifts, totaling nearly \$43 million, were distributed between July 1, 2024, to June 30, 2025.

Charitable Gift Fund			
	2022/2023	2023/2024	2024/2025
Number of accounts	634	758	776
New contributions	\$40,525,062	\$60,261,525	\$46,097,525
Gifts to churches & charities	4,469	5,104	5,943
Amount distributed	\$35,763,957	\$38,405,210	\$42,978,551

CHARITABLE GIFT FUNDS BY CHURCH AFFILIATION

	Count By Affiliation	Percentage By Affiliation
Amish: Old Order	292	38%
Weaverland Conference	68	9%
Beachy: Beachy Amish Mennonite	57	7%
Amish: New Order	57	7%
Mid-Atlantic Mennonite Fellowship	37	5%
Eastern PA Mennonite Church	37	5%
Unaffiliated Mennonite	36	5%
Old Order Mennonite: Groffdale	31	4%
Keystone Mennonite Fellowship	19	3%
Beachy: Midwest Beachy	12	1%
Beachy: Maranatha Amish Mennonite	11	1%
Biblical Mennonite Alliance	10	1%
Other	109	14%

CHARITABLE GIFT FUNDS BY STATE

	Count By State	Percentage By State
Pennsylvania	455	59%
Ohio	98	12%
Indiana	34	4%
Illinois	28	4%
Missouri	22	3%
New York	18	2%
Virginia	14	2%
Kentucky	13	2%
Maryland	13	2%
Michigan	12	1%
Tennessee	10	1%
North Carolina	8	1%
Iowa	7	1%
Kansas	7	1%
Georgia	7	1%
Montana	6	1%
Other	24	3%

Anabaptist Foundation provides additional services to support our church constituency. These services include:

- Family Finance resources
- Speakers to promote stewardship education
- Charity Hardship Loans to churches
- Charitable Solicitation Registration Services
- Amos & Mandy book series for children.

DURING THE PAST YEAR:

- Our staff taught at 18 Youth and Family Finance and Budgeting seminars.
- Our Charity Hardship Fund supported 28 church alms funds by offering short-term, interest-free loans. This enabled churches to pay large medical expenses up front, qualifying for the largest possible discounts from medical providers.
- Our Charitable Solicitation Registration (CSR) program assisted 48 nonprofit organizations with 723 state filings. Our CSR program helps nonprofits become and remain compliant with state-level registration and reporting requirements.
- We added book five, Casting All Your Care, to the Amos & Mandy children's series. These books were distributed free of charge to assist our constituency in passing on financial principles to the next generation.

Charitable Giving Review & Outlook

Over the past number of years, our country has experienced what seemed to be an almost unprecedented wave of prosperity. The plain community was not exempt. Across church circles, business activity increased, families financially prospered, and charities broadly benefited. Donations increased significantly and cash on hand piled up. As a result, new programs were started and long-awaited building projects began. Some charities received more support than they were able to efficiently spend. When a local church experienced an alms fund need, it seemed that all a deacon had to do was make an announcement, and generous donations quickly covered the shortfall.

Across "the slice" of charity work we observe at Anabaptist Foundation, the charitable giving environment has distinctly shifted in the past year and a half. Donations for charities have tightened, and across the church spectrum, most charities now report lower donations and tighter finances. The surpluses accumulated over the past half dozen years are steadily being eroded. Some deacons now report that alms collections are falling short of alms needs. Our Charity Hardship Fund, which provides short-term, interest-free loans to church alms funds, is experiencing record requests for assistance.

Has the economy crashed? No. But there is a vague sense of unease. People are becoming careful with their financial resources. Is the downturn in charitable donations a blip or a

trend? Time will tell. Charities need to respond responsibly, carefully stewarding the resources with which they have been entrusted.

The good news? God never changes. Across the arc of history, it would be unfair to describe our current times as "hard." We have yet a few elders among us who lived through the Great Depression, and as they could testify, God is good in every circumstance and that our times are not "hard." In this age, as in every age, stewards are called to be faithful and generous.

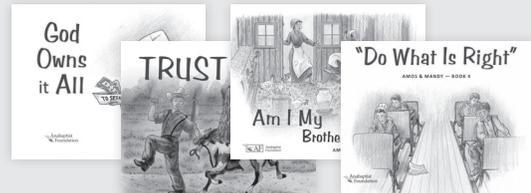
New Charitable Deduction Starting Tax Year 2026

On July 4, 2025, the **One Big Beautiful Bill Act (OBBBA)** was signed into law. The Act brings a remarkable development for charitable giving. U.S. taxpayers who take the standard deduction can claim a deduction for qualified charitable cash donations.

Beginning in 2026, single filers can deduct up to \$1,000 and married couples filing jointly can deduct up to \$2,000, even if they do not itemize deductions. This will continue for a limited time.

Please note that contributions to a donor-advised fund are specifically excluded from this deduction, while direct cash contributions to churches and qualified charities are eligible. To substantiate your contribution, you will need a donation receipt from the recipient organization(s) that meets IRS guidelines.

Consult with a tax professional on how the OBBBA may affect your unique financial position, as Anabaptist Foundation does not provide legal or accounting advice.



CHILDREN'S BOOKS

The **Amos & Mandy** series teaches children about money and Christian stewardship.

God Owns It All

In book one of the series, Mandy operates a little cookie business and learns lessons about giving, saving, and spending.

#7696 8.5 x 7, staple bound

Trust in the Lord

In book two of the series, Amos learns the cost and blessing of giving sacrificially to help others.

#4192 8.5 x 7, staple bound

Am I My Brother's Keeper?

In book three of the series, Mandy learns a hard lesson about her selfishness in spending money.

#9002 8.5 x 7, staple bound

Do What Is Right

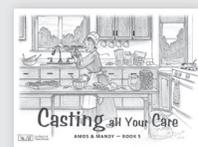
In book four of the series, Amos learns a tough lesson about cheating and dishonesty at school.

#9128 8.5 x 7, staple bound

Casting All Your Care

Read this family story about Mandy Miller and how she learns to cast all her cares on God!

#9265 8.5 x 7, staple bound



Where were Charitable Gift Fund contributions sent?

\$28.7
MILLION

to 411 nonprofit organizations

67%

\$10.9
MILLION

to 374 churches and church districts
(most for alms and deacon funds)

25%

\$3.3
MILLION

to 79 schools
(much of it for building projects)

8%

2025 TAX DEDUCTION REMINDER

If you wish to receive a tax-deductible contribution receipt for a 2025 gift to Anabaptist Foundation, carefully follow these three steps:

1. Write your contribution check payable to **“Anabaptist Foundation.”** Do not write “Anabaptist Financial,” as it is a separate legal entity and does not handle gifts for the Charitable Gift Fund program.
2. Send your contributions to: **Anabaptist Foundation, 55 Whisper Creek Drive, Lewisburg, PA 17837.**
You may yet have an old copy of outdated print materials in your desk, but please do NOT send your contributions to our discontinued New Columbia, PA, address. It will not be delivered to us and will be returned to you, causing you to lose your 2025 tax deduction!
3. To receive a 2025 contribution receipt, your mail must be **postmarked no later than December 31, 2025.** The Internal Revenue Service stipulates that year-end receipt dates are determined by the postmark stamped on the envelope, not by the date on the check.

REMEMBER! Procrastination may cause you to lose a 2025 tax deduction. At year-end, we must date contribution receipts by the date postmarked on the envelope...not by the day on which you say you mailed it. Postal processing machines regularly fail to stamp a postmarked date on mailed envelopes or sometimes stamp a later date from a distant postal processing center. Dates stamped by your in-house postage meter do not qualify as a postmark for these purposes.

If it is essential that your contribution be receipted for 2025, but if you delay mailing your contribution until near the end of the year, please take your envelope inside your post office and ask the clerk at the counter to manually stamp it with a 2025 postmark.

Avoid the pressure of year-end events and make your contribution now to lock in a 2025 contribution receipt!

Note: You can also fund your Gift Fund account with an ACH transfer. Please call us at 800-653-9817 or email giftfund@afweb.org to get this arranged.

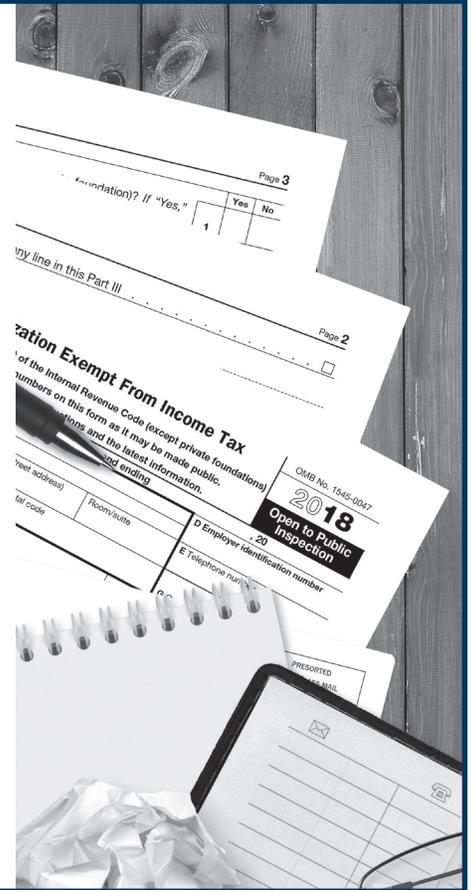
Is your organization at risk?

Did you know that most states require 501(c)(3) organizations to register with a state agency before they solicit residents for charitable contributions? The term "solicitation" is broader than many charities assume. Many of our conservative Anabaptist organizations are out of compliance on this issue. Anabaptist Foundation is in a unique position to help.

Our Charitable Solicitation Registration program (CSR) is available for conservative Anabaptist nonprofit organizations wanting assistance to become compliant with state registration laws and avoid fines. This service enhances awareness of compliance issues and provides an easy-to-use service that enables your organization to engage in nationwide fundraising.

Contact Mark Anthony Peachey at (570) 261-7490 or email markpeachey@afweb.org.

Disclaimer: Anabaptist Foundation is willing to assist you with your paperwork, but we do not offer legal advice. Your ministry is responsible to check with your attorney to make sure you are in compliance with the Charitable Solicitation Registration laws.



Charitable GIFT FUND

A TOOL FOR SIMPLIFIED, TAX-DEDUCTIBLE GIVING TO CHURCHES AND CHARITIES.

The Charitable Gift Fund Program enables donors to:

- Anonymously support the churches and charities of their choice (gifts to individuals NOT permitted)
- Simplify their giving by writing one check to Anabaptist Foundation with disbursements to various charities
- Qualify for an immediate tax deduction for their contribution and track their giving with quarterly statements
- Give gifts of cash, real estate, or stocks



For a FREE information packet, please contact Anabaptist Foundation.



55 Whisper Creek Drive
Lewisburg, PA 17837
800-653-9817 | info@afweb.org



STEWARDSHIP EDUCATION FOR THE BUSINESS AND FAMILY.

Providing stewardship education consistent with conservative Anabaptist beliefs and values serves as the overarching Purpose Statement for the educational programs that AF offers. Using timeless and foundational Biblical truths as our guideposts in teaching stewardship principles and practices remains the focal point of our work.

The Stewardship Education (SE) management team consists of:

- Edward Hershberger – SE Administrator and Business Advising Manager
- Jason Sensenig – Seminars and Family Finance Manager
- Greg Wolf – Workshops and Stewardship Resources Manager

After spending time in 2024 defining the leadership structure within SE, we are developing several new educational initiatives in 2025, most prominently a workshop curriculum designed to draw on Biblical teachings of Business Leadership.



Business Seminars

Anabaptist Financial provides business seminars in fifteen locations. These seminars enable owners, managers, and employees to receive business teaching integrating Biblical values and practical counsel from seasoned Anabaptist businessmen.

Business Seminar - Hutchinson, KS
Tuesday, November 11, 2025
Pleasantview Activity Center
5307 S Dean Rd, Hutchinson, KS 67501

Business Seminar - Seneca Falls, NY
Tuesday, January 20, 2026
Finger Lakes Fellowship Center
3403 NY 414, Seneca Falls, NY 13148

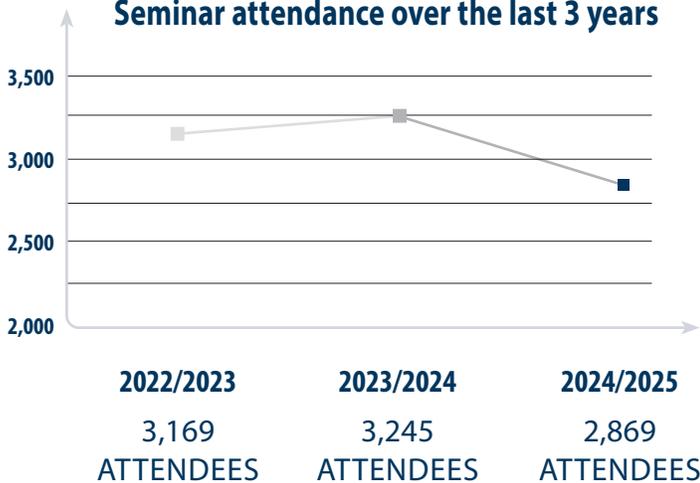
Business Seminar - Harrisonburg, VA
Tuesday, February 3, 2026
Employee Seminar - Harrisonburg, VA
Wednesday, February 4, 2026
4808 S Valley Pike, Harrisonburg, VA 22801

Business Seminar - Arthur, IL
Tuesday, February 17, 2026
Employee Seminar - Arthur, IL
Wednesday, February 18, 2026
2058 CR 1800 E, Arthur, IL 61911

Business Seminar - Belle Rive, IL
Thursday, February 19, 2025
Sugar Camp Event Center
1620 N Ina Ln, Belle Rive, IL 62810

Business Seminar - Millersburg, OH
Tuesday, March 17, 2026
Employee Seminar - Millersburg, OH
Wednesday, March 18, 2026
Heritage Community Center
3558 US-62, Millersburg, OH 44654

Seminar attendance over the last 3 years

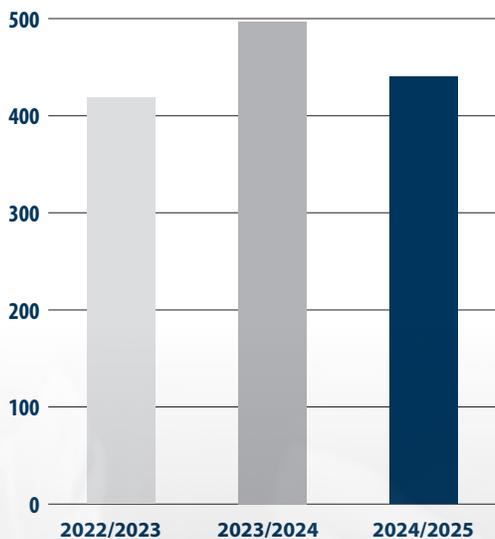


Business Workshops

In 2025 we are working to continue improving our existing workshops, and to deliver them effectively. However, we are also resuming the development of additional topics to build out our spectrum of workshop topics. We are currently in the beginning stages of preparing a workshop topic about Leadership. We are also working hard to recruit and bring on board qualified instructors.

We hosted our fifth annual instructor training day in August; the training sessions offered further teaching and practice on providing an optimal learning experience for our students. Workshop attendance remains strongest in communities with a higher concentration of conservative Anabaptists (IN, OH, and PA); therefore, our focus remains to prioritize our workshops in these states.

WORKSHOP STUDENTS

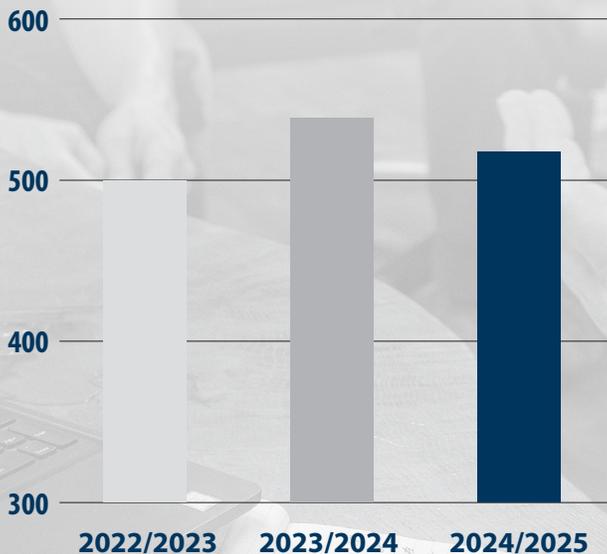


Workshops We Offer:

- Business Succession
- Business Planning
- Human Resources
- Marketing
- Sales
- Accounting

Our business workshops complement our business seminars and advising. They provide a focused two-day learning approach by business topic in a classroom-style setting. Workshops are limited to no more than 30 students to enhance the learning experience through personal interaction. Designed for owners, managers, and key employees, the workshops are built on a curriculum that emphasizes sound business practices in the context of a conservative Anabaptist worldview.

ADVISING CLIENTS PER FISCAL YEAR



Business Advising

AF Business Advising services connect seasoned Anabaptist advisors with Anabaptist business owners to develop best practices based on Biblical principles. Several new advisors are currently undergoing apprenticeship to expand our advising capability. Currently there is a short lead time for clients seeking assistance, but with the additional advisors onboarding, we are aiming to keep that lead time short.

Some advisor/client engagements consist of only a few meetings, while others have gone on for multiple years. Our goal is to offer these services to fit your needs, regardless if you are a small startup business or a well-established business experiencing obstacles.

We are also on the heels of our annual Advisor Training Days where we worked to reinforce a strong kingdom-focused stewardship approach and gear our advising program towards more than just profitability (which is necessary), but also to teach the importance of keeping family and church relationships intact and allow those around us to see Jesus' teachings in action in the workplace.

Family Finance

Anabaptist Financial provides free seminars in collaboration with local committees interested in promoting financial stewardship education in their community. If you would like to host one of these seminars, contact our Family Finance manager: jasonsensenig@afweb.org; phone: 570-468-1357.

Youth & Family Finance Seminar—Prepares youth and young married couples for the major expenses of raising a family and being good stewards of their money. Topics include a scriptural view of giving, debt, saving, and more.

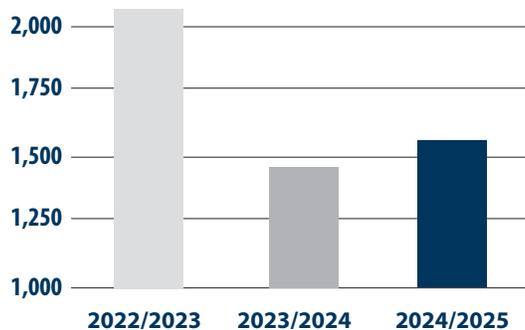
Budgeting Seminar—A budget is a steward's tool not only during financial struggles but also during prosperity. This seminar guides attendees through four steps of making a simple budget.

Seminar Report for the 2024/2025 Fiscal Year:

- 18 seminars (Family Finance and Budgeting)
- 3,385 free resources distributed (books and budgeting resources)

SEMINAR ATTENDEES

PER FISCAL YEAR



Deacon and Trustee Seminar—The local church is responsible to support those who struggle financially, while also providing guidance for those in prosperity. To help equip leaders in this role, AF provides the Deacon and Trustee Seminar. This seminar is for anyone who serves in a leadership or advisory role in the church community, including bishops, ministers, deacons, trustee committees, and financial advisors. The goal is to support the church in working redemptively with those in financial difficulty and inspiring a stewardship mindset for those in prosperity.

Deacon and Trustee Seminars 2025

- Millersburg, OH – 152 attendees
- Arthur, IL – 156 attendees



Stewardship Resources for Family & Business

Stewardship Resources provides Biblical education in family finances and business practices. Our purpose is to provide families and businesspeople with kingdom-focused stewardship materials that inspire and transform our attitudes and practices regarding our God-given resources.

The AF Libraries continue to be valuable resources for business owners and their employees. This includes an audio library with recordings of our last 12 years of seminars and a digital library of articles and booklets. To build these unique libraries, we tap into some of the most knowledgeable Anabaptist businessmen who teach on a broad range of business principle and practice in the context of the conservative Anabaptist worldview.

All of these resources can be picked up at an Anabaptist Financial Seminar or ordered from our office. Visit us online at www.afweb.org or call **570-800-2191** to place your order or to request a catalog.

Seminar Recordings: Recordings of the Family Finance Seminars, the Deacon and Trustee Seminars, and the Business Seminars can be downloaded at no cost from our website. You can also listen to the recordings through a phone conference line by dialing 1-712-432-8788; the conference ID is AF# (23#). Call or write to us for a list of topics and their ID numbers.

Call or write to Anabaptist Financial, 55 Whisper Creek Drive, Lewisburg, PA 17837.



Lewisburg, Pennsylvania

**Financial Statements and Independent Auditor's Report
For the Years Ended June 30, 2025 and 2024**

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PAYNE, WHITE & SCHMUTZ
— CERTIFIED PUBLIC ACCOUNTANTS, PA —
114 West North 1st Street, Seneca, SC 29678 (864) 882-1937 (864) 882-0849

Independent Auditor's Report

Board of Directors
Anabaptist Financial

Opinion

We have audited the financial statements of Anabaptist Financial, which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Anabaptist Financial as of June 30, 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 (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 Anabaptist Financial 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 Anabaptist Financial'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 Anabaptist Financial'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 Anabaptist Financial'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.

Payne, White & Schmutz, CPA, PA

Payne, White & Schmutz, CPA, PA

October 3, 2025

Anabaptist Financial

Statements of Financial Position

June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Assets:		
Cash and cash equivalents	\$ 43,056,612	\$ 76,523,165
Accounts receivable	85,133	69,584
Interest receivable, net of allowance for losses of \$251,105 and \$252,793	4,815,793	4,133,832
Investments	11,216,326	10,726,963
Loans receivable, net of allowance for loan losses of \$1,774,282 and \$1,721,869	847,571,489	709,347,867
Capital assets, net of accumulated depreciation of \$542,164 and \$463,851	3,148,178	3,216,419
Total assets	<u>\$ 909,893,531</u>	<u>\$ 804,017,830</u>
Liabilities:		
Investment agreements payable	\$ 835,880,212	\$ 744,468,619
Accounts payable	56,101	43,336
Accrued expenses	145,282	87,038
Demand note payable - related organization	43,000,000	34,000,000
Total liabilities	<u>879,081,595</u>	<u>778,598,993</u>
Net Assets:		
Net assets without donor restrictions	<u>30,811,936</u>	<u>25,418,837</u>
Total Net Assets	<u>30,811,936</u>	<u>25,418,837</u>
Total liabilities and net assets	<u>\$ 909,893,531</u>	<u>\$ 804,017,830</u>

The notes to financial statements are an integral part of these statements.

Anabaptist Financial

Statements of Activities

For the Years Ended June 30, 2025 and 2024

	Without Donor Restrictions	
	2025	2024
Revenue:		
Interest income on loans	\$ 51,191,307	\$ 43,357,614
Investment income	3,321,744	3,107,891
Loan origination fees	904,900	549,600
Other income	360,893	250,661
Commitment fees	133,291	158,105
Stewardship Education	503,162	-
Total revenue	56,415,297	47,423,871
Expenses:		
Program	48,903,648	41,125,728
General administration	2,053,244	1,873,755
Fund raising	65,306	55,745
Total expenses	51,022,198	43,055,228
Change in net assets	5,393,099	4,368,643
Net assets, beginning of year	25,418,837	21,050,194
Net assets, end of year	\$ 30,811,936	\$ 25,418,837

The notes to financial statements are an integral part of these statements.

Anabaptist Financial

Statements of Functional Expenses

For the Years Ended June 30, 2025 and 2024

2025						
	Program			General Administration	Fund Raising	Total
	Loan Activity	Stewardship Ed	Total			
Interest expense	\$ 45,953,289	\$ -	\$ 45,953,289	\$ -	\$ -	\$ 45,953,289
Payroll and related expenses	1,393,533	296,643	1,690,176	1,301,082	11,027	3,002,285
Office and communications	519,071	107,182	626,253	476,215	24,051	1,126,519
Printing and promotions	30,063	77,014	107,077	69,583	30,228	206,888
Filing and search fees	201,287	-	201,287	-	-	201,287
Travel	42,775	90,505	133,280	42,430	-	175,710
Professional fees	-	-	-	120,096	-	120,096
Event Expense	1,647	96,076	97,723	-	-	97,723
Depreciation	43,838	-	43,838	43,838	-	87,676
Provision for loan losses	50,725	-	50,725	-	-	50,725
Total	\$ 48,236,228	\$ 667,420	\$ 48,903,648	\$ 2,053,244	\$ 65,306	\$ 51,022,198

2024						
	Program			General Administration	Fund Raising	Total
	Loan Activity	Stewardship Ed	Total			
Interest expense	\$ 38,923,465	\$ -	\$ 38,923,465	\$ -	\$ -	\$ 38,923,465
Payroll and related expenses	1,208,221	-	1,208,221	1,118,952	8,479	2,335,652
Office and communications	672,425	-	672,425	522,474	26,555	1,221,454
Printing and promotions	28,167	-	28,167	17,028	20,711	65,906
Filing and search fees	130,335	-	130,335	-	-	130,335
Travel	59,864	-	59,864	79,330	-	139,194
Professional fees	2,053	-	2,053	92,002	-	94,055
Event Expense	-	-	-	-	-	-
Depreciation	43,970	-	43,970	43,969	-	87,939
Provision for loan losses	57,228	-	57,228	-	-	57,228
Total	\$ 41,125,728	\$ -	\$ 41,125,728	\$ 1,873,755	\$ 55,745	\$ 43,055,228

The notes to financial statements are an integral part of these statements.

Anabaptist Financial

Statements of Cash Flows

For the Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Change in net assets	\$ 5,393,099	\$ 4,368,643
Noncash expenses included in change in net assets:		
Interest expense added to investment agreements	38,525,539	32,249,841
Provision for loan losses	50,725	57,228
Depreciation	87,676	87,939
Changes in assets and liabilities:		
(Increase)/decrease in accounts receivable	(15,549)	(61,754)
(Increase)/decrease in interest receivable	(680,283)	(1,196,073)
Increase/(decrease) in accounts payable and accrued expenses	71,009	(1,284)
Net cash provided (used) by operating activities	<u>43,432,216</u>	<u>35,504,540</u>
Cash flows from investing activities:		
Acquisition of capital assets	(19,435)	(14,453)
Purchase of investments	(489,363)	(323,509)
Principal repayments on loans	173,194,958	123,276,413
Loans proceeds disbursed	<u>(311,470,983)</u>	<u>(165,914,390)</u>
Net cash provided (used) by investing activities	<u>(138,784,823)</u>	<u>(42,975,939)</u>
Cash flows from financing activities:		
Sale of investment agreements	156,373,755	148,549,175
Redemption of investment agreements	(103,487,701)	(93,107,984)
Proceeds from demand note payable	9,000,000	-
Net cash provided (used) by financing activities	<u>61,886,054</u>	<u>55,441,191</u>
Net increase (decrease) in cash and cash equivalents	(33,466,553)	47,969,792
Cash and cash equivalents, beginning	<u>76,523,165</u>	<u>28,553,373</u>
Cash and cash equivalents, ending	<u>\$ 43,056,612</u>	<u>\$ 76,523,165</u>
Supplemental disclosure of cash flow information		
Cash payments for interest on investments agreements	<u>\$ 7,427,750</u>	<u>\$ 6,673,624</u>
Schedule of non-cash financing activities:		
Interest expense added to investment agreements	<u>\$ 38,525,539</u>	<u>\$ 32,249,841</u>

The notes to financial statements are an integral part of these statements.

Anabaptist Financial

Notes to Financial Statements

June 30, 2025 and 2024

Note 1 - Summary of Significant Accounting Policies:

Nature of Business

Anabaptist Financial (AF) was incorporated September 16, 2005, under the Pennsylvania Non-Profit Corporation Law. AF operates with a purpose to advance the religious beliefs, cultural traditions and lifestyles of the Anabaptist faith by providing loans for home mortgages, business real estate, and business operations to individuals, businesses, churches, and other charitable entities affiliated or associated with the Anabaptist faith. Consumer loans are not offered. The revenue of AF is generated primarily from the interest received on these loans.

Entity Status

AF is organized on a non-stock basis and does not contemplate pecuniary gain or profit, incidental or otherwise. No part of the net earnings of AF shall inure to the benefit of or be distributable to its directors, officers, or other private persons, except that AF shall be authorized to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth above. AF has no members and is governed by a ten member board. AF is recognized by the Internal Revenue Service as an exempt organization under Section 501(c) (3) of the Internal Revenue Code.

Basis of Accounting and Presentation

AF recognizes revenue and expenses on the accrual basis of accounting. The financial statement presentation follows the recommendation of the Financial Accounting Standards Board for exempt organizations. AF is required to report information regarding its financial practice and activities according to two classes of net assets consisting of net assets without donor restrictions and net assets with donor restrictions.

Cash Equivalents

Cash and cash equivalents consist of cash held in checking and savings accounts. Cash and cash equivalents include investments in highly liquid debt instruments with an original maturity of three months or less at the time of purchase. It is AF's policy not to treat cash deposits and money market funds held in its investment account as cash and cash equivalents.

Estimates

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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. A material estimate that is particularly susceptible to significant change in the near term relates to the determination of the allowance for loan losses.

Investments

Investments in equity securities with readily determinable fair values and all debt securities are reported at fair value. Investment income or loss (including gains and losses on investments, interest, and dividends) is included in the change in net assets. Realized gains or losses on investments are determined by comparison of specific cost of acquisition to proceeds at the time of sale. Unrealized gains or losses are calculated by comparing cost to market values at the statement of financial position date.

Loans and Allowances for Loan Losses

Loans are stated at the unpaid principal balance. It is the policy of AF to collateralize its loans to the maximum extent possible and to maintain a loan-to-value ratio of not greater than 85%. Loans generally carry a variable interest rate, adjusted quarterly, based upon the six-month Treasury Bill rate plus 1-2% with a minimum rate of 6.125% and 7.00% as of June 30, 2025 and 2024, respectively. Interest rates on loans cannot increase or decrease by more than .50% per calendar quarter. Loans require monthly principal and interest payments or monthly interest payments with balloon payments at loan maturity. Loan terms can extend up to 25 years.

Anabaptist Financial

Notes to Financial Statements

June 30, 2025 and 2024

Note 1 - Summary of Significant Accounting Policies (continued):

Loans and Allowances for Loan Losses (continued)

Loans are made available to individuals who might not possess the credit history required to qualify for bank financing. Accordingly, AF's credit policies may be riskier than those traditionally used by banks and other financial institutions. A higher than average rate of loan losses may result from AF's adherence to such credit policies. AF's management evaluates the collectability of the loan portfolio to determine the level of allowance for loan losses required. This evaluation includes using a four-point rating system to assess each loan's probability of default. The four-points considered are equity, whether there is a co-signer, payment history, and income. Each point is given a score, and then the average score is utilized to set the overall loan rating.

Equity, or the value of loan collateral, is used to determine the potential offset to credit risk if the loan were to default. Accrued loan value is divided by collateral value to determine the percentage coverage. Equity is rated on a scale from one to four, with four representing the most risk coverage, and one representing the least risk coverage through collateral.

Having a co-signer reduces the risk of loss in that it provides another source of collection in the case of default. If no co-signer is present, a risk rating of three is used. If a cosigner is present, a risk rating of four is used.

Payment history is considered a good indicator of future payment, and thus provides a data point for the likelihood of loss. A newly established loan is given a rating of three. If payments are not kept current, the rating can drop as low as zero.

A certain level of income is required to obtain a loan, and thus all borrowers start with an income score of three. This level can drop down as low as zero, if income levels deteriorate during the life of the loan.

The rating system described above is evaluated at least annually. Based on this rating system, each loan is placed into categories of acceptable, substandard, or doubtful. An acceptable rating represents loans that are expected to be fully collectible and represent the highest quality. A substandard rating represents loans that exhibit some serious weakness in repayment capacity, equity, and/or collateral pledged on the loan. A doubtful rating represents loans that exhibit similar weaknesses to a substandard rating. However, a doubtful rating has additional weaknesses in existing facts, conditions, and values that make collection in full highly questionable. Loans that receive a substandard or doubtful rating are further evaluated for impairment using additional qualitative and quantitative measures.

The credit risk rating methodology is a key component of AF's allowance for loan losses evaluation and is generally incorporated into AF's loan approval process. The allowance for loan losses is maintained at a level considered adequate by management to provide for probable and estimable losses inherent in the loan portfolio as of year-end. As the entire loan portfolio is with those affiliated or associated with the Anabaptist faith, AF believes that risk characteristics are consistent between portfolio segments. The allowance, in regards to both loans and accrued interest, is increased by provisions charged to operating expense and decreased by charge-offs net of recoveries. A review of individual loans in AF's loan portfolio is performed periodically to determine the appropriateness of risk ratings and to ensure loss exposure to AF has been identified. The allowance for loan losses is a valuation account used to reasonably estimate loan losses as of the financial statement date. Determining the appropriate allowance for loan losses balance involves significant judgment about when a loss has been incurred and the amount of that loss. AF considers such factors as credit risk classification, collateral values, risk concentrations, economic conditions, and prior loan loss experience when determining the allowance for loan losses. Loans determined to be uncollectible are charged to the allowance during the period in which such determination is made. The allowance for loan losses, including the allowance against interest receivable, was \$2,025,387 and \$1,974,662 at June 30, 2025 and 2024, respectively. AF recorded a provision for loan losses of \$50,725 for the current year and recorded a \$57,228 charge in the prior reporting period. Management believes the balance in the allowance for loan losses is sufficient to cover future loan losses. No loans were charged off for either audit year. Management considers that a loan is delinquent when a payment is sixty days past due.

Anabaptist Financial

Notes to Financial Statements

June 30, 2025 and 2024

Note 1 - Summary of Significant Accounting Policies (continued):

Loans and Allowances for Loan Losses (continued)

A specific allowance may be established for impaired loans under Financial Accounting Standards Board (FASB) guidance on accounting by creditors for impairment of a loan. A general allowance may also be established under FASB guidance on accounting for contingencies to reflect estimated probable and expected credit losses incurred in the remainder of the loan portfolio at the financial statement date which excludes loans included under the specific allowance. A general allowance can be evaluated on a pool basis for those loans with similar characteristics. The level of the general allowance may be based on management's best estimate of the likelihood of default adjusted for other factors reflecting the current environment.

Loans are defined as impaired when, based on current information and events, it is probable that AF will be unable to collect all amounts due according to the contractual terms of the loan agreement. Management does not consider an insignificant delay or insignificant shortfall in amount of payments to impair loans. Also, management does not consider a loan impaired during a period of delay in payment if it expects to collect all amounts due, including interest accrued at the contractual interest rate for the period of delay. Impaired loans are measured by the present value of expected future cash flows or the fair value of the collateral of the loan, if collateral dependent. The accrual of interest on impaired loans is discontinued when, in management's opinion, the borrower may be unable to fully meet the contractual interest obligation under the original loan agreement. Interest income is subsequently recognized only to the extent cash payments are received. If the financial condition of a borrower that has a loan on nonaccrual status significantly improves, management may decide to remove that loan from nonaccrual status. Management believes it had eleven and thirteen impaired loans as of June 30, 2025 and 2024, respectively.

In cases where a borrower experiences financial difficulties and AF makes certain monetary concessions to the borrower through modifications to the contractual terms of the loan, the loan is classified as a restructured loan. A restructured loan constitutes a troubled debt restructuring if for economic or legal reasons related to the debtor's financial difficulties, AF grants a concession to the debtor that it would not otherwise consider. AF did not have any loans that met these conditions at June 30, 2025 and 2024.

Capital Assets

Property and equipment are recorded at cost for items purchased. It is AF's policy to capitalize equipment which costs at least \$5,000 per unit item. Depreciation is provided over the estimated useful lives of the related assets. Maintenance and repairs are charged to operations when incurred. Renewals and betterments of a nature considered to materially extend the useful lives of the assets are capitalized. When assets are retired or otherwise disposed of, the assets and related allowances for depreciation and amortization are eliminated from the accounts and any resulting gain or loss is reflected in income. Depreciation is based on the following policy:

<u>Description</u>	<u>Useful Life</u>	<u>Method</u>
Buildings	40 years	Straight line
Equipment	3-5 years	Straight line

Fair Value Measurements

Fair value is defined under GAAP as an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. AF uses market information or assumptions that participants would use in pricing the asset or liability. GAAP establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tier include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs about which little or no market information exists, therefore requiring an entity to develop its own assumptions.

Anabaptist Financial

Notes to Financial Statements

June 30, 2025 and 2024

Note 1 - Summary of Significant Accounting Policies (continued):

Interest Income on Loans

Interest income on loans is computed daily based on the principal amount of the loans outstanding.

Loan Origination Fees

Loan origination fees are recognized as revenue in the year earned. Unamortized loan origination fees are not recorded since management has concluded that any such fees are trivial to its financial statements.

Commitment Fees

Commitment fees are recognized as income in the year received. Deferred commitment fees are not recorded since management has determined that they are trivial to its financial statements.

Net Assets

The financial statements report amounts separately by class of net assets:

- a) Net assets without restrictions are those available at the discretion of the board for use in AF's programs and other functions, and those resources invested in land, buildings and equipment.
- b) Net assets with donor restrictions are those restricted by donors for specific operating purposes or for use in a future reporting period. Also included in this category are net assets subject to donor-imposed restrictions to be held in perpetuity such as endowments or irrevocable trusts.

Revenue and Support with or without Donor Restrictions

Contributions are recorded with or without donor restrictions depending on the expressed intentions of the donors. Support or revenue is recognized as it is received or as it is earned.

Advertising Costs

Advertising costs are expensed as incurred.

Income Taxes

Anabaptist Financial is recognized as a tax-exempt organization under Section 501(c) (3) of the Internal Revenue Code. Accordingly, its income is not subject to federal or state income tax.

AF has adopted accounting principles related to accounting for uncertainty in income tax positions. AF's policy is to record a liability for any tax position taken that is beneficial to AF, including any related interest and penalties, when it is more likely than not the position taken by management with respect to a transaction or class of transactions will be overturned by a taxing authority upon examination. Penalties and interest related to underpayment of income taxes are not recorded as income taxes but as penalties and interest expense. Management has determined that it does not have any material unrecognized tax benefits or obligations as of June 30, 2025 and 2024.

Functional Allocation of Expenses

Natural expenses attributable to more than one functional expense category are allocated to the appropriate functional category based upon reasonable estimates made by management. Administrative expenses are supporting activities that are not directly identifiable with program activities. Fund raising expenses promote the solicitation of support from current and potential donors for its program and other functional activities. Administrative and fund raising expenses are funded from net assets without donor restrictions.

Subsequent Events Evaluation

Subsequent events have been evaluated through October 3, 2025, which is the date the financial statements were available to be issued.

Anabaptist Financial

Notes to Financial Statements

June 30, 2025 and 2024

Note 2 – Financial Assets and Liquidity Resources:

AF's operations are primarily funded by interest earned on loans made from funds received from investment agreements of qualified investors. AF must maintain adequate resources to meet its responsibilities to its investors and certain financial assets may not be available for general expenditure within one year. As part of its liquidity management, AF has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due. AF is required to maintain a minimum of \$2,500,000 in liquid cash reserves. Two states prefer that AF maintain 6% to 8% of its outstanding investment agreements in liquid cash reserves. The governing board may consider authorizing the borrowing of funds should it be deemed necessary to do so.

AF maintains various deposit accounts with banks. At June 30, 2025 and 2024, \$43,533,550 and \$77,896,645, respectively, of AF's deposits were not covered by FDIC insurance. Management believes that any credit risk related to these uninsured deposits is minimal.

The following schedule reflects AF's financial assets as of its fiscal years ended in 2025 and 2024, reduced by amounts that are not available for general use due to contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts that are not available also include board designated amounts, if any, that could be utilized if the board of directors approved their use.

	<u>2025</u>	<u>2024</u>
Cash and cash equivalents	\$ 43,056,612	\$ 76,523,165
Accounts receivable	85,133	69,584
Interest receivable, net of allowance for losses	4,815,793	4,133,832
Investments	11,216,326	10,726,963
Loans receivable, net of allowance for loan losses	<u>847,571,489</u>	<u>709,347,867</u>
Total financial assets	906,745,353	800,801,411
Less those unavailable for general expenditures within one year due to:		
Estimated loan receivable principal expected to be received after one year	<u>(789,558,797)</u>	<u>(632,443,403)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 117,186,556</u>	<u>\$ 168,358,008</u>

Anabaptist Financial

Notes to Financial Statements

June 30, 2025 and 2024

Note 3 – Investments:

Investments are recorded at fair value and consist of the following:

	<u>2025</u>	<u>2024</u>
Money Market Funds	\$ 6,766,075	\$ 10,477,221
Tradable CDs	4,450,251	249,742
Total investments	<u>\$ 11,216,326</u>	<u>\$ 10,726,963</u>

Investment income consisted of the following:

Interest income	<u>\$ 3,321,744</u>	<u>\$ 3,107,891</u>
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Note 4 – Loans and Allowance for Loan Losses:

AF's loan portfolio has been segmented into the following types:

- Business Real Estate Loans – generally used to purchase rental property, farm real estate, and commercial real estate, or to refinance existing mortgages on such property. These loans may be made only in amounts up to 85 percent of the value of the property.
- Business Operating Loans – generally used to finance current business operations including inventory and cash flow. These loans generally require real estate or other collateral.
- Home Mortgage Loans – used to purchase a primary home residence. These loans may be made only in amounts up to 85 percent of the value of the property.
- Nonprofit Entity Loans – generally used to purchase real estate owned by exempt organizations. These loans may be made only in amounts up to 85 percent of the value of the property.
- Community Assistance – Various loans purchased to assist the Anabaptist community.

Loans at June 30, 2025 and 2024, consist of the following:

	<u>2025</u>	<u>2024</u>
Business real estate	\$ 661,342,384	\$ 551,703,647
Business operating	9,901,818	10,583,000
Home mortgages	154,028,773	127,545,824
Nonprofit entities	23,218,567	19,209,464
Community Assistance	854,229	2,027,801
Total	<u>\$ 849,345,771</u>	<u>\$ 711,069,736</u>

Business real estate, home mortgage, and nonprofit entity loans are secured primarily by first mortgages on the related real estate. Business operating loans are also secured primarily by first mortgages on real estate, and in some instances, security interests. Interest receivable represents the amount of accrued, but uncollected, interest on all loans at June 30, 2025 and 2024.

Anabaptist Financial

Notes to Financial Statements

June 30, 2025 and 2024

Note 4 – Loans and Allowance for Loan Losses (continued):

A significant source of AF's liquidity is the repayments and maturities of the loans. The following table presents the contractual maturity distribution of loans by loan type at June 30, 2025 and 2024:

2025	Due Less than 1 Year	Due 1 thru 5 Years	Due after 5 Years	Total
Business real estate	\$ 48,959,606	\$ 166,587,082	\$ 445,795,696	\$ 661,342,384
Business operating	2,486,354	4,508,599	2,906,866	9,901,819
Home mortgages	6,812,921	26,661,457	120,554,395	154,028,773
Nonprofit entities	3,130,780	9,477,226	10,610,561	23,218,567
Community Assistance	849,949	1,776,227	680,688	3,306,864
Total	<u>\$ 62,239,610</u>	<u>\$ 209,010,591</u>	<u>\$ 580,548,206</u>	<u>\$ 851,798,407</u>
				Less discount on purchase of community assistance loans (2,452,635)
				<u>\$ 849,345,772</u>
2024	Due Less than 1 Year	Due 1 thru 5 Years	Due after 5 Years	Total
Business real estate	\$ 60,781,307	\$ 133,932,610	\$ 356,989,730	\$ 551,703,647
Business operating	3,304,490	5,061,549	2,216,961	10,583,000
Home mortgages	11,191,860	18,613,762	97,740,202	127,545,824
Nonprofit entities	4,689,953	7,607,114	6,912,397	19,209,464
Community Assistance	1,111,358	2,676,621	692,457	4,480,436
Total	<u>\$ 81,078,968</u>	<u>\$ 167,891,656</u>	<u>464,551,747</u>	<u>\$ 713,522,371</u>
				Less discount on purchase of community assistance loans (2,452,635)
				<u>\$ 711,069,736</u>

The above maturities indicate that approximately 7.31% and 11.36% of loans had maturities of one year or less for years ended June 30, 2025 and 2024, respectively.

Anabaptist Financial

Notes to Financial Statements

June 30, 2025 and 2024

Note 4 – Loans and Allowance for Loan Losses (continued):

The following table shows loans and related accrued interest according to AF's credit quality rating system as of June 30, 2025 and 2024:

<u>2025</u>	<u>Acceptable</u>	<u>Substandard</u>	<u>Doubtful</u>	<u>Total</u>
Business real estate	\$ 657,181,315	\$ 6,962,714	\$ 1,003,418	\$ 665,147,447
Business operating	8,208,800	834,346	1,168,092	10,211,238
Home mortgages	152,139,125	2,486,792	53,754	154,679,671
Nonprofit entities	23,320,521	-	-	23,320,521
Community Assistance	1,053,792	-	-	1,053,792
Total	<u>\$ 841,903,553</u>	<u>\$ 10,283,852</u>	<u>\$ 2,225,264</u>	<u>\$ 854,412,669</u>
<u>2024</u>	<u>Acceptable</u>	<u>Substandard</u>	<u>Doubtful</u>	<u>Total</u>
Business real estate	\$ 545,512,643	\$ 8,539,494	\$ 920,414	\$ 554,972,551
Business operating	9,165,589	522,356	1,172,692	10,860,637
Home mortgages	126,914,285	1,125,288	53,954	128,093,527
Nonprofit entities	19,354,939	-	-	19,354,939
Community Assistance	2,174,706	-	-	2,174,706
Total	<u>\$ 703,122,162</u>	<u>\$ 10,187,138</u>	<u>\$ 2,147,060</u>	<u>\$ 715,456,360</u>

The following table provides an aging analysis of past due loans and the related accrued interest as of June 30, 2025 and 2024:

<u>2025</u>	<u>60-89 Days Past Due</u>	<u>90-120 Days Past Due</u>	<u>More than 120 Days Past Due</u>	<u>Total Past Due</u>	<u>Current</u>	<u>Total Loans</u>	<u>Recorded Investment > 90 Day and Accruing</u>
Business real estate	\$ 2,385,665	\$ 623,742	\$ 17,155,584	\$ 20,164,991	\$ 644,982,456	\$ 665,147,447	\$ 15,028,717
Business operating	279,160	-	3,549,308	3,828,468	6,382,770	10,211,238	1,972,163
Home mortgages	705,473	363,058	2,718,390	3,786,921	150,892,750	154,679,671	3,027,694
Nonprofit entities	-	-	-	-	23,320,521	23,320,521	-
Community Assistance	41,365	-	3,127,049	3,168,414	338,013	3,506,427	1,187,246
Total	<u>\$ 3,411,663</u>	<u>\$ 986,800</u>	<u>\$ 26,550,331</u>	<u>\$ 30,948,794</u>	<u>\$ 825,916,510</u>	<u>\$ 856,865,304</u>	<u>\$ 21,215,820</u>
Less discount on purchase of community assistance loans						<u>(2,452,635)</u>	
						<u>\$ 854,412,669</u>	
<u>2024</u>	<u>60-89 Days Past Due</u>	<u>90-120 Days Past Due</u>	<u>More than 120 Days Past Due</u>	<u>Total Past Due</u>	<u>Current</u>	<u>Total Loans</u>	<u>Recorded Investment > 90 Day and Accruing</u>
Business real estate	\$ 771,434	\$ 270,921	\$ 14,331,856	\$ 15,374,211	\$ 539,598,340	\$ 554,972,551	\$ 13,555,426
Business operating	-	174,463	2,005,769	2,180,232	8,680,406	10,860,638	1,007,539
Home mortgages	287,644	265,243	1,438,251	1,991,138	126,102,389	128,093,527	1,649,540
Nonprofit entities	-	-	1,668,485	1,668,485	17,686,454	19,354,939	1,668,485
Community Assistance	-	-	-	-	4,627,340	4,627,340	-
Total	<u>\$ 1,059,078</u>	<u>\$ 710,627</u>	<u>\$ 19,444,361</u>	<u>\$ 21,214,066</u>	<u>\$ 696,694,929</u>	<u>\$ 717,908,995</u>	<u>\$ 17,880,990</u>
Less discount on purchase of community assistance loans						<u>(2,452,635)</u>	
						<u>\$ 715,456,360</u>	

Anabaptist Financial

Notes to Financial Statements

June 30, 2025 and 2024

Note 4 – Loans and Allowance for Loan Losses (continued):

Nonperforming assets including accrued interest and related credit quality statistics are as follows:

<u>Nonaccrual Loans</u>	<u>2025</u>	<u>2024</u>
Business real estate	\$ 2,750,610	\$ 1,047,351
Business operating	1,826,593	1,172,692
Home mortgage	53,754	53,954
Nonprofit entities	-	-
Community assistance	1,981,168	-
Total nonaccrual loans	<u>\$ 6,612,125</u>	<u>\$ 2,273,997</u>
Nonaccrual loans as a % of total loans	0.78%	0.32%
Nonaccrual loans as a % of net assets	21.46%	8.95%
<u>Accruing Loans 90 Days or More Past Due</u>	<u>2025</u>	<u>2024</u>
Business real estate	\$ 15,028,717	\$ 13,284,505
Business operating	1,972,163	833,077
Home mortgage	3,027,694	1,384,297
Nonprofit entities	-	1,668,485
Community assistance	1,187,246	-
Total accruing loans 90 days or more past due	<u>\$ 21,215,820</u>	<u>\$ 17,170,364</u>
Accruing loans as a % of total loans	2.50%	2.41%
Accruing loans as a % of net assets	68.86%	67.55%

The following table presents information relating to impaired loans including accrued interest as defined in Note 1:

<u>2025</u>	<u>Recorded Investment</u>	<u>Unpaid Principal Balance</u>	<u>Related Loan Allowance</u>	<u>Related Loan Interest Allowance</u>	<u>Average Recorded Investment</u>	<u>Interest Income Recognized</u>	<u>Number of Loans</u>
Business real estate	\$ 429,754	\$ 335,430	\$ 155,242	\$ 94,323	\$ 482,635	\$ -	5
Business operating	1,168,092	1,011,311	418,219	156,781	1,170,392	2,500	5
Home Mortgage	53,754	53,754	50,000	-	53,854	-	1
Total	<u>\$ 1,651,600</u>	<u>\$ 1,400,495</u>	<u>\$ 623,461</u>	<u>\$ 251,104</u>	<u>\$ 1,706,881</u>	<u>\$ 2,500</u>	<u>11</u>
<u>2024</u>	<u>Recorded Investment</u>	<u>Unpaid Principal Balance</u>	<u>Related Loan Allowance</u>	<u>Related Loan Interest Allowance</u>	<u>Average Recorded Investment</u>	<u>Interest Income Recognized</u>	<u>Number of Loans</u>
Business real estate	\$ 920,414	\$ 826,902	\$ 350,000	\$ 93,512	\$ 979,270	\$ 788	7
Business operating	1,172,692	1,013,411	525,000	159,281	1,174,167	-	5
Home Mortgage	53,954	53,954	25,000	-	54,954	-	1
Total	<u>\$ 2,147,060</u>	<u>\$ 1,894,267</u>	<u>\$ 900,000</u>	<u>\$ 252,793</u>	<u>\$ 2,208,391</u>	<u>\$ 788</u>	<u>\$ 13</u>

Anabaptist Financial

Notes to Financial Statements

June 30, 2025 and 2024

Note 4 – Loans and Allowance for Loan Losses (continued):

Each of the impaired loans is 90 days or more past due in principal and interest payments. Although some impaired loans may be considered collateral dependent, management considers collateral dependent loans, in the aggregate, to be insignificant.

The allowance for loan losses includes an allowance against loans receivable and against interest receivable, as follows:

Allowance on loans receivable	\$ 1,774,282
Allowance on interest receivable	<u>251,105</u>
Total allowance for loan losses	<u>\$ 2,025,387</u>

A summary of changes in the allowance for loan losses and the June 30, 2025, recorded investment in loans is as follows:

2025	Business Real Estate	Business Operating	Home Mortgage	Nonprofit Entities	Community Assistance	Total
Allowance for credit losses:						
Balance at June 30, 2024	\$ 1,140,643	\$ 607,411	\$ 203,877	\$ 21,556	\$ 1,175	\$ 1,974,662
Charge-offs	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-
Provision for loan losses	<u>(41,146)</u>	<u>50,910</u>	<u>38,788</u>	<u>2,079</u>	<u>94</u>	<u>50,725</u>
Balance at June 30, 2025	<u>\$ 1,099,497</u>	<u>\$ 658,321</u>	<u>\$ 242,665</u>	<u>\$ 23,635</u>	<u>\$ 1,269</u>	<u>\$ 2,025,387</u>

June 30, 2025, allowance ending balance:

Loans individually evaluated for impairment	<u>\$ 249,564</u>	<u>\$ 575,000</u>	<u>\$ 50,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 874,564</u>
Loans collectively evaluated for impairment	<u>\$ 849,933</u>	<u>\$ 83,321</u>	<u>\$ 192,665</u>	<u>\$ 23,635</u>	<u>\$ 1,269</u>	<u>\$ 1,150,823</u>

Recorded investment in loans outstanding at June 30, 2025, is as follows:

2025	Business Real Estate	Business Operating	Home Mortgage	Nonprofit Entities	Community Assistance	Total
Balance at June 30, 2025	<u>\$ 665,147,447</u>	<u>\$ 10,211,238</u>	<u>\$ 154,679,671</u>	<u>\$ 23,320,521</u>	<u>\$ 1,053,792</u>	<u>\$ 854,412,669</u>
Loans individually evaluated for impairment	<u>\$ 7,966,132</u>	<u>\$ 2,002,437</u>	<u>\$ 2,540,546</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,509,115</u>
Loans collectively evaluated for impairment	<u>\$ 657,181,315</u>	<u>\$ 8,208,801</u>	<u>\$ 152,139,125</u>	<u>\$ 23,320,521</u>	<u>\$ 1,053,792</u>	<u>\$ 841,903,554</u>

Anabaptist Financial

Notes to Financial Statements

June 30, 2025 and 2024

Note 4 – Loans and Allowance for Loan Losses (continued):

A summary of changes in the allowance for loan losses and the June 30, 2024, recorded investment in loans is as follows:

2024	Business Real Estate	Business Operating	Home Mortgage	Nonprofit Entities	Community Assistance	Total
Allowance for credit losses:						
Balance at June 30, 2023	\$ 1,096,252	\$ 606,542	\$ 193,631	\$ 20,008	\$ 1,001	\$ 1,917,434
Charge-offs	-	-	-	-	-	-
Recoveries	-	-	-	-	-	-
Provision for loan losses	44,391	869	10,246	1,548	174	57,228
Balance at June 30, 2024	<u>\$ 1,140,643</u>	<u>\$ 607,411</u>	<u>\$ 203,877</u>	<u>\$ 21,556</u>	<u>\$ 1,175</u>	<u>\$ 1,974,662</u>

June 30, 2024, allowance ending balance:

Loans individually evaluated for impairment	<u>\$ 350,000</u>	<u>\$ 525,000</u>	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 900,000</u>
Loans collectively evaluated for impairment	<u>\$ 790,643</u>	<u>\$ 82,411</u>	<u>\$ 178,877</u>	<u>\$ 21,556</u>	<u>\$ 1,175</u>	<u>\$ 1,074,662</u>

Recorded investment in loans outstanding at June 30, 2024, is as follows:

2024	Business Real Estate	Business Operating	Home Mortgage	Nonprofit Entities	Community Assistance	Total
Balance at June 30, 2024	<u>\$ 554,972,551</u>	<u>\$ 10,860,637</u>	<u>\$ 128,093,527</u>	<u>\$ 19,354,939</u>	<u>\$ 2,174,706</u>	<u>\$ 715,456,360</u>
Loans individually evaluated for impairment	<u>\$ 9,459,908</u>	<u>\$ 1,695,048</u>	<u>\$ 1,179,242</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,334,198</u>
Loans collectively evaluated for impairment	<u>\$ 545,512,643</u>	<u>\$ 9,165,589</u>	<u>\$ 126,914,285</u>	<u>\$ 19,354,939</u>	<u>\$ 2,174,706</u>	<u>\$ 703,122,162</u>

Note 5 – Capital Assets:

Property and equipment consisted of the following:

Description	2025	2024
Land	\$ 641,198	\$ 641,198
Buildings and improvements	2,885,362	2,885,362
Office equipment and software	<u>163,782</u>	<u>153,710</u>
Total	3,690,342	3,680,270
Less accumulated depreciation	<u>(542,164)</u>	<u>(463,851)</u>
Property and equipment, net	<u>\$ 3,148,178</u>	<u>\$ 3,216,419</u>

Anabaptist Financial

Notes to Financial Statements

June 30, 2025 and 2024

Note 6 – Fair Value Measurements:

The carrying amount of cash and cash equivalents, accounts and interest receivable approximate fair value because of the short-term maturities of those instruments. The fair value of investments is based on market prices obtained from financial institutions. Loans receivable are carried at the unpaid principal balance which approximates fair value since the loans re-price frequently with no significant change in credit risk.

The carrying amount of accounts and grants payable and accrued expenses approximates fair value because of the short-term maturities of those instruments. Investment agreements and demand notes payable are carried at the amount payable upon demand by the investors, which approximates fair value.

Prices for U.S. government agency instruments which are readily available in the active markets in which those securities are traded, are categorized as Level 1. Prices for non-U.S. government agency fixed income instruments are based on inputs that are readily available in public markets or can be derived from information available in publicly quoted markets and are categorized as Level 2. Prices for privately held stocks are based on assumptions developed by management and are categorized as Level 3.

There were no changes during the year ended June 30, 2025 and 2024, to AF's valuation techniques used to measure asset and liability fair values on a recurring basis.

The following table sets forth by level within the fair value hierarchy AF's assets accounted for at fair value on a recurring basis as of June 30, 2025 and 2024. Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. AF's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

As of June 30, 2025				
Description	Level 1	Level 2	Level 3	Total
Fixed income				
Insured Deposit Account	\$ 6,766,075	\$ -	\$ -	\$ 6,766,075
Certificates of deposit	-	4,450,251	-	4,450,251
Total	<u>\$ 6,766,075</u>	<u>\$ 4,450,251</u>	<u>\$ -</u>	<u>\$ 11,216,326</u>

As of June 30, 2024				
Description	Level 1	Level 2	Level 3	Total
Fixed income				
Insured Deposit Account	\$ 10,477,221	\$ -	\$ -	\$ 10,477,221
Certificates of deposit	-	249,742	-	249,742
Total	<u>\$ 10,477,221</u>	<u>\$ 249,742</u>	<u>\$ -</u>	<u>\$ 10,726,963</u>

Cash and cash equivalents, money market deposit accounts, and certificates of deposit carried at cost are not defined within the levels as prescribed in ASC 820, *Fair Value Measurements and Disclosures*. At June 30, 2025 and 2024, \$43,056,612 and \$76,523,165, respectively, of cash and cash equivalents, money market account deposits, and certificates of deposit carried at cost are not included in the table.

Anabaptist Financial

Notes to Financial Statements

June 30, 2025 and 2024

Note 7 – Investment Agreements Payable:

AF has entered into issuing investment agreements to provide working capital and to fund its lending activities. These agreements are made available to qualified investors (members of the Anabaptist faith) whose bona fide principal residence is in Pennsylvania, Maryland, Ohio, New York and numerous other states. The minimum initial investment is \$2,500 (\$1,000 for minors) and each subsequent investment must be in the minimum amount of \$1,000 (\$500 for minors). The interest rate is based on the six-month Treasury Bill as of December 1, March 1, June 1, and September 1 plus 0-1%. The interest rate was 5.125% and 6.00% at June 30, 2025 and 2024, respectively. Rates are adjusted quarterly on January 1, April 1, July 1, and October 1. The interest rate cannot increase or decrease by more than .50% in any calendar quarter, unless the governing board determines otherwise. Interest is paid to investors on a quarterly basis with payments due on March 31, June 30, September 30, and December 31 of each calendar year. Except for South Carolina, a demand rate option exists. Interest is based upon the six-month Treasury Bill rate minus 1-2% adjusted quarterly in the same manner as mentioned previously. The demand rate was 3.125% and 4.00% at June 30, 2025 and 2024, respectively. Investors may elect to have their quarterly interest payments added to their outstanding investment in lieu of receiving cash payments. The majority of investors generally elect this option. The agreements are unsecured and will be due on demand plus 60 days and are redeemable by AF upon 30 days prior written notice, except for South Carolina where a 90 day maturity exists with an option to automatically renew. Requests by investors to have their securities redeemed will be handled on a first-come, first-serve basis, and AF provides no assurance to investors that sufficient funds will be available to redeem securities. Investment agreements payable totaled \$835,880,212 and \$744,468,619 at June 30, 2025 and 2024, respectively.

Note 8 – Demand Note Payable:

Anabaptist Financial owed Anabaptist Foundation, a related organization, \$43,000,000 and \$34,000,000 as of June 30, 2025 and 2024, respectfully. The loan is due on demand with an interest rate of 5.125% and 6.00% as of June 30, 2025 and 2024, respectively. Interest expense on this loan for the current year totaled \$1,955,404 and \$1,850,279 for the prior year.

Note 9 – Related Party and Related Party Transactions:

At June 30, 2025 and 2024, AF had made loans to officers, board members, and their close relatives. These loans had outstanding principal balances totaling \$14,088,224 and \$12,101,586, respectively. Normal lending policies were followed in the issuance of these loans. Related party interest income earned during the years ended June 30, 2025 and 2024, totaled \$843,018 and \$730,358 respectively.

At June 30, 2025 and 2024, AF owed to officers, board members, and their close relatives through investment agreements \$28,804,760 and \$19,057,554, respectively. Related party interest expense incurred for the years ended June 30, 2025 and 2024, totaled \$1,433,294 and \$895,228, respectively.

Note 10 – Commitments:

At June 30, 2025 and 2024, AF had loan commitments of \$119,961,138 and \$99,903,074, respectively.

Note 11 – Simple IRA Plan:

AF offers its employees the opportunity to participate in a Simple IRA plan. Employees qualify to participate whenever they have compensation of at least \$5,000 in a prior year and expect to earn \$5,000 in the current plan year. AF matches up to 3% of employee salary deferrals. During the fiscal years ended June 30, 2025 and 2024, AF made matching contributions totaling \$34,131 and \$26,745, respectively.

Anabaptist Foundation**Consolidated Statement of Financial Position****June 30, 2025**

Assets:

Cash and cash equivalents	\$ 24,463,383
Accounts receivable	75,473
Interest receivable	16,153
Investments	3,404,956
Real estate held for sale	3,647,000
Demand note receivable - related organization	43,000,000
Loans receivable	5,355,685
Less allowance for loan losses	(74,715)
Net loans receivable	<u>48,280,970</u>
Future interest in real estate	390,000
Property and equipment net of accumulated depreciation of \$193,028	<u>1,497,380</u>
Total assets	<u><u>\$ 81,775,315</u></u>

Liabilities:

Accounts payable	\$ 12,245
Accrued expenses	59,247
Life estate liability	103,850
Discount for future interest - pooled income fund	<u>174,287</u>
Total liabilities	<u>349,629</u>

Net assets:

Without donor restrictions	79,061,485
With donor restrictions	<u>2,364,201</u>
Total net assets	<u>81,425,686</u>
Total liabilities and net assets	<u><u>\$ 81,775,315</u></u>

Anabaptist Foundation

Consolidated Statement of Activities

For the Year Ended June 30, 2025

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support:			
Contributions of cash and other financial assets	\$ 40,353,979	\$ 613,687	\$ 40,967,666
Contributions of nonfinancial assets	5,246,569	-	5,246,569
Investment income	2,860,836	104,529	2,965,365
CSR program income	125,559	-	125,559
Other income	90,000	-	90,000
Imputed interest on hardship loans	248,638	-	248,638
Rent income	48,041	-	48,041
Income from business interests	371,145	-	371,145
Interest income from loans	192,780	-	192,780
Change in value of split-interest agreements	-	13,869	13,869
Gain/(loss) on sale of donated real estate	(164,961)	-	(164,961)
Total revenue and support	<u>49,372,586</u>	<u>732,085</u>	<u>50,104,671</u>
Reclassifications:			
Satisfaction of program restrictions	<u>668,521</u>	<u>(668,521)</u>	<u>-</u>
Total reclassifications	<u>668,521</u>	<u>(668,521)</u>	<u>-</u>
Expenses:			
Program services	<u>43,889,615</u>	<u>-</u>	<u>43,889,615</u>
Total program expenses	<u>43,889,615</u>	<u>-</u>	<u>43,889,615</u>
Supporting activities:			
General administration	606,072	-	606,072
Fundraising	87,450	-	87,450
Rental expense	130,094	-	130,094
Total supporting activities	<u>823,616</u>	<u>-</u>	<u>823,616</u>
Total expenses	<u>44,713,231</u>	<u>-</u>	<u>44,713,231</u>
Change in net assets	5,327,876	63,564	5,391,440
Net assets, beginning of year	<u>73,733,609</u>	<u>2,300,637</u>	<u>76,034,246</u>
Net assets, end of year	<u>\$ 79,061,485</u>	<u>\$ 2,364,201</u>	<u>\$ 81,425,686</u>



2025 ANNUAL REPORT

STEWARDSHIP CONNECTIONS

55 Whisper Creek Drive
Lewisburg, PA 17837

* * Address service requested * *

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Website: www.afweb.org ▪ Phone: 800-653-9817 ▪ Fax: 866-230-6253 ▪ Email: info@afweb.org

Editorial Team: Edward Hershberger, Floyd Miller, Paul A. Miller, Mark Anthony Peachey, Tim Thomas

Reviewers: Wayne Keim

Newsletter Manager: Jason Sensenig; Editor: Rachel Bontrager; Proofreader: Maria Stutzman

Dean Wengerd

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- If you are considering the sale of a property and expect to owe capital gains taxes on the appreciated value, don't delay calling us for more information.
- You must start this process before selling the property or placing it under a sales agreement.
- The most common reason a gift of real estate cannot be accomplished is because the donor waited too long to begin the process.

For a FREE information packet, please contact Anabaptist Foundation.

Barnabas... having land, sold it, brought the money and laid it at the apostles' feet. Acts 4:37



55 Whisper Creek Drive
Lewisburg, PA 17837
800-653-9817 | info@afweb.org