



LIVING ON THE EDGE MINISTRIES, INC.

Financial Statements
With Independent Auditors' Report

December 31, 2024 and 2023

LIVING ON THE EDGE MINISTRIES, INC.

Table of Contents

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4
Statement of Functional Expense–2024	5
Statement of Functional Expense–2023	6
Statements of Cash Flows	7
Notes to Financial Statements	8

INDEPENDENT AUDITORS' REPORT

Board of Directors
Living on the Edge Ministries, Inc.
Suwanee, Georgia

Opinion

We have audited the accompanying financial statements of Living on the Edge Ministries, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2024 and 2023, 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 financial statements referred to above present fairly, in all material respects, the financial position of Living on the Edge Ministries, Inc. as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of Living on the Edge Ministries, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Living on the Edge Ministries, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Board of Directors
Living on the Edge Ministries, Inc.
Suwanee, Georgia

Auditors' Responsibility 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Living on the Edge Ministries, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Living on the Edge Ministries, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Capin Crouse LLC

Lawrenceville, Georgia
June 25, 2025

LIVING ON THE EDGE MINISTRIES, INC.

Statements of Financial Position

	December 31,	
	2024	2023
ASSETS:		
Cash and cash equivalents	\$ 5,345,630	\$ 4,982,032
Investments	2,999,497	2,927,183
Inventories–net	149,455	176,004
Other assets	201,937	411,603
Operating leases right-of-use assets	1,197,671	1,548,631
Property and equipment–net	785,286	854,741
Total Assets	<u>\$ 10,679,476</u>	<u>\$ 10,900,194</u>
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable and accrued expenses	\$ 407,390	\$ 585,218
Operating leases right-of-use obligations	1,291,412	1,654,967
Total liabilities	<u>1,698,802</u>	<u>2,240,185</u>
Net assets:		
Without donor restrictions:		
Undesignated	7,183,226	7,099,951
Equity in property and equipment	785,286	854,741
	<u>7,968,512</u>	<u>7,954,692</u>
With donor restrictions	1,012,162	705,317
Total net assets	<u>8,980,674</u>	<u>8,660,009</u>
Total Liabilities and Net Assets	<u>\$ 10,679,476</u>	<u>\$ 10,900,194</u>

See notes to financial statements

LIVING ON THE EDGE MINISTRIES, INC.

Statements of Activities

	Year Ended December 31,					
	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Support:						
Contributions	\$ 12,240,446	\$ 1,249,271	\$ 13,489,717	\$ 11,142,921	\$ 1,091,441	\$ 12,234,362
Revenue:						
Product sales and fees	430,258	-	430,258	533,445	-	533,445
Investment income	223,638	-	223,638	354,004	-	354,004
Other	18,544	-	18,544	128,209	-	128,209
Total Support and Revenue	12,912,886	1,249,271	14,162,157	12,158,579	1,091,441	13,250,020
RECLASSIFICATIONS:						
Satisfaction of purpose restrictions	942,426	(942,426)	-	1,109,573	(1,109,573)	-
EXPENSES:						
Program services	10,242,178	-	10,242,178	10,761,062	-	10,761,062
Supporting activities:						
General and administrative	1,700,500	-	1,700,500	1,829,090	-	1,829,090
Fundraising	1,898,814	-	1,898,814	1,342,632	-	1,342,632
	3,599,314	-	3,599,314	3,171,722	-	3,171,722
Total Expenses	13,841,492	-	13,841,492	13,932,784	-	13,932,784
Change in Net Assets	13,820	306,845	320,665	(664,632)	(18,132)	(682,764)
Net Assets, Beginning of Year	7,954,692	705,317	8,660,009	8,619,324	723,449	9,342,773
Net Assets, End of Year	\$ 7,968,512	\$ 1,012,162	\$ 8,980,674	\$ 7,954,692	\$ 705,317	\$ 8,660,009

See notes to financial statements

LIVING ON THE EDGE MINISTRIES, INC.

Statement of Functional Expenses

Year Ended December 31, 2024

	Supporting Activities			Total Supporting Activities	Total Expenses
	Program Services	General and Administrative	Fundraising		
Payroll and benefits	\$ 3,954,171	\$ 1,011,892	\$ 419,659	\$ 1,431,551	\$ 5,385,722
Professional fees	1,289,420	101,708	429,764	531,472	1,820,892
Advertising and promotion	300,355	-	-	-	300,355
Office expenses	421,169	244,122	641,473	885,595	1,306,764
Information technology	260,191	166,543	41,055	207,598	467,789
Royalties	36,398	-	-	-	36,398
Occupancy	361,757	62,298	61,414	123,712	485,469
Travel and entertainment	323,620	37,976	85,290	123,266	446,886
Conferences and meetings	6,448	2,092	196,863	198,955	205,403
Depreciation	116,481	15,531	23,296	38,827	155,308
Insurance	-	58,338	-	58,338	58,338
Broadcasting	1,395,593	-	-	-	1,395,593
Training and education	1,248,070	-	-	-	1,248,070
Product development	253,530	-	-	-	253,530
Cost of goods sold	274,975	-	-	-	274,975
	\$ 10,242,178	\$ 1,700,500	\$ 1,898,814	\$ 3,599,314	\$ 13,841,492

See notes to financial statements

LIVING ON THE EDGE MINISTRIES, INC.

Statement of Functional Expenses

Year Ended December 31, 2023

	Supporting Activities			Total Supporting Activities	Total Expenses
	Program Services	General and Administrative	Fundraising		
Payroll and benefits	\$ 4,308,156	\$ 984,328	\$ 433,765	\$ 1,418,093	\$ 5,726,249
Professional fees	945,919	145,534	96,502	242,036	1,187,955
Advertising and promotion	160,002	-	-	-	160,002
Office expenses	164,954	347,755	410,230	757,985	922,939
Information technology	275,718	202,718	49,649	252,367	528,085
Royalties	40,213	-	-	-	40,213
Occupancy	278,224	48,837	46,849	95,686	373,910
Travel and entertainment	556,440	42,265	144,540	186,805	743,245
Conferences and meetings	13,516	8,884	141,664	150,548	164,064
Depreciation	97,166	12,955	19,433	32,388	129,554
Insurance	-	35,814	-	35,814	35,814
Broadcasting	1,373,408	-	-	-	1,373,408
Training and education	1,811,939	-	-	-	1,811,939
Product development	437,459	-	-	-	437,459
Cost of goods sold	297,948	-	-	-	297,948
Total expenses	\$ 10,761,062	\$ 1,829,090	\$ 1,342,632	\$ 3,171,722	\$ 13,932,784

See notes to financial statements

LIVING ON THE EDGE MINISTRIES, INC.

Statements of Cash Flows

	Year Ended December 31,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 320,665	\$ (682,764)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	155,308	129,554
Realized and unrealized (gain) loss on investments	14,028	(146,179)
Changes in operating assets and liabilities:		
Inventories	26,549	(17,163)
Other assets	209,666	(154,626)
Operating lease assets and liabilities	(12,595)	(28,162)
Accounts payable and accrued expenses	(177,828)	(19,747)
Net Cash Provided (Used) by Operating Activities	535,793	(919,087)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(85,853)	(359,983)
Purchases of investments	(103,703)	(2,294,013)
Proceeds from sales of investments	17,361	2,225,698
Net Cash Used by Investing Activities	(172,195)	(428,298)
Net Change in Cash and Cash Equivalents	363,598	(1,347,385)
Cash and Cash Equivalents, Beginning of Year	4,982,032	6,329,417
Cash and Cash Equivalents, End of Year	\$ 5,345,630	\$ 4,982,032

See notes to financial statements

LIVING ON THE EDGE MINISTRIES, INC.

Notes to Financial Statements

December 31, 2024 and 2023

1. NATURE OF ORGANIZATION:

Living on the Edge Ministries, Inc. (LOTE) was incorporated under the Nonprofit Corporation Act of the state of Georgia on July 17, 2024 (originally LOTE was established as Living on the Edge with Chip Ingram, Inc. under the Nonprofit Corporation Act of the state of California on June 2, 2002, and then renamed and reincorporated in Georgia in 2024). LOTE is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code (Code) and comparable state law, and contributions to it are tax deductible within the limitations prescribed by the Code. LOTE has been classified as a public charity, which is not a private foundation under Section 170(b)(1)(A)(vi) of the Code. LOTE exists to help Christians live like Christians. Founded by pastor and author Chip Ingram, LOTE provides Biblical teaching and practical tools that help believers live out their faith on a daily basis by fulfilling God's calling on their life. LOTE fulfills its mission by:

Practical teaching—over 1 million people a week watch, listen, or stream the Biblical teaching of LOTE. Chip is heard on 900 radio outlets throughout the U.S. and LOTE TV is broadcast on NRB-TV and numerous overseas outlets. LOTE's largest growth by far is in digital listeners, with an average of 24,000 daily users listening online via the Web and podcasts.

Life-changing tools—the Biblical, life-changing resources created by LOTE equip everyday believers to live out their faith in truly transformational ways. To date, over 1.4 million people have experienced a LOTE group study. All resources are aimed at helping people move from being spiritual spectators to actively engaging their faith every day.

Spiritual training—with an online community of just over 2 million people, LivingontheEdge.org and r12 Online deliver Biblical truth and discipleship resources that help people grow in their relationship with God and each other. LOTE's free online resources are easy to find and share, and help people apply God's truth to their lives in practical, transformational ways.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

USE OF ESTIMATES

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

LIVING ON THE EDGE MINISTRIES, INC.

Notes to Financial Statements

December 31, 2024 and 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

CASH AND CASH EQUIVALENTS

LOTE considers cash and cash equivalents to be cash held in checking and money market accounts with original maturities of less than 90 days. While deposits may be in excess of federally insured limits, LOTE has not experienced any losses in such accounts. At December 31, 2024 and 2023, cash balances in excess of federally insured limits totaled approximately \$3,500,000 and \$3,520,000, respectively.

INVESTMENTS

Investments in marketable securities with readily determinable fair values and all debt securities are recorded at fair market value based on the last reported sales price on the valuation date. Donated investments are recorded at market value at the date of donation and thereafter carried in conformity with the stated policy. Interest and dividend income and the realized and unrealized gains and losses on marketable securities and other investments are included in investment income (loss) in the accompanying statements of activities.

INVENTORIES—NET

Inventories are stated at the lower of cost (based on the first-in, first-out (FIFO) basis) or net realizable value and consists of ministry resource materials such as books, compact discs, and digital video discs. Management has determined the allowance for obsolescence by reviewing product sales history and current market performance. Special consideration is given to products that are new or deemed by management to be long-lived. Actual losses are recorded as a charge to the allowance as incurred, and additions to the allowance are charged to cost of goods sold.

OTHER ASSETS

Other assets consists of various assets, as well as prepaid expenses and other miscellaneous deposits.

PROPERTY AND EQUIPMENT—NET

Items capitalized as property and equipment are stated at cost or, if donated, at market value on the date of donation. LOTE generally capitalizes and reports property and equipment acquisitions in excess of \$2,000. Expenditures for repairs and maintenance are charged to expense as incurred, and additions and improvements that significantly extend the lives of assets are capitalized at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 10 years.

CLASSES OF NET ASSETS

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

Nets assets without donor restrictions are currently available for ministry purposes under the direction of the board, designated by the board for specific use, or resources invested in property and equipment.

Net assets with donor restrictions are currently contributed with donor stipulations for specific operating purposes or programs, time restrictions, or not currently available for use until commitments regarding their use have been fulfilled.

LIVING ON THE EDGE MINISTRIES, INC.

Notes to Financial Statements

December 31, 2024 and 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

SUPPORT AND REVENUE, RECLASSIFICATIONS, AND EXPENSES

Product sales are recognized at a point in time when goods are shipped to customers. Contributions are recognized when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interest is received. Conditional promises to give—that is, those with a measurable performance or other barrier and a right of return—are not recognized until the conditions on which they depend have been met. All contributions are considered available for use without donor restrictions, unless specifically restricted by the donor or subject to legal restrictions.

LOTE reports gifts of cash and other assets as support with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as reclassifications.

Gifts-in-kind that can be used or sold are measured at fair value on the date of donation.

LOTE reports gifts of property and equipment as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as support with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, LOTE reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Expenses, including promotion and marketing expenses of \$300,355 and \$160,002 incurred for the years ended December 31, 2024 and 2023, respectively, are reported when costs are incurred. The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of LOTE. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. These expenses include salaries and benefits, depreciation, facilities operations, and other expenses. Depreciation is allocated based on square footage and the programmatic purpose of the asset being depreciated. Costs of other categories were allocated based on programmatic purpose of the employees directly affected by the expense.

LIVING ON THE EDGE MINISTRIES, INC.

Notes to Financial Statements

December 31, 2024 and 2023

3. LIQUIDITY AND FUNDS AVAILABLE:

The following reflects LOTE's financial assets as of December 31, 2024 and 2023, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable when illiquid or not convertible to cash within one year.

	December 31,	
	<u>2024</u>	<u>2023</u>
Financial assets, at year-end:		
Cash and cash equivalents	\$ 5,345,630	\$ 4,982,032
Accounts receivable	17,977	29,753
Investments	<u>2,999,497</u>	<u>2,927,183</u>
	<u>8,363,104</u>	<u>7,938,968</u>
Less those not available for general expenditure within one year, due to:		
Board-designated for:		
Reserves	(1,000,000)	(1,000,000)
Future projects	<u>(1,500,000)</u>	<u>(1,500,000)</u>
	<u>(2,500,000)</u>	<u>(2,500,000)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 5,863,104</u>	<u>\$ 5,438,968</u>

As part of the LOTE's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Board-designated reserves can be released upon resolution of the board and used for general expenditures. At December 31, 2024 and 2023, LOTE has \$1,012,162 and \$705,317, respectively, in net assets with donor restrictions for project support. These funds are considered available to meet needs for general expenditures as funds are used for their donor restricted purpose.

LIVING ON THE EDGE MINISTRIES, INC.

Notes to Financial Statements

December 31, 2024 and 2023

4. INVESTMENTS:

Investments reported at fair value consists of:

	December 31,	
	2024	2023
At fair value:		
Exchange-traded funds	\$ 1,633,304	\$ 1,431,462
Mutual funds	778,774	917,203
	<u>2,412,078</u>	<u>2,348,665</u>
At net asset value:		
Private credit fund	587,419	578,518
	<u>\$ 2,999,497</u>	<u>\$ 2,927,183</u>

5. INVENTORIES—NET:

Inventories—net, consists of the following:

	December 31,	
	2024	2023
Resource materials	\$ 167,178	\$ 193,727
Reserve for excess and obsolete items	(17,723)	(17,723)
	<u>\$ 149,455</u>	<u>\$ 176,004</u>

6. OTHER ASSETS:

Other assets consists of:

	December 31,	
	2024	2023
Prepaid expenses and other miscellaneous deposits	\$ 183,960	\$ 381,850
Accounts receivable	17,977	29,753
	<u>\$ 201,937</u>	<u>\$ 411,603</u>

LIVING ON THE EDGE MINISTRIES, INC.

Notes to Financial Statements

December 31, 2024 and 2023

7. OPERATING LEASES RIGHT-OF-USE ASSETS AND OBLIGATIONS:

The Organization has operating leases of buildings for corporate offices. Leases have a remaining lease term of less than five years with no option to extend the leases. The leases requires monthly payments of approximately \$34,000. The following summarizes the line items in the statements of financial position which include amounts for operating leases as of December 31, 2024 and 2023:

	December 31,	
	2024	2023
Operating leases right-of-use assets	\$ 1,197,671	\$ 1,548,631
Operating leases right-of-use obligations	\$ 1,291,412	\$ 1,654,967
Operating lease costs	\$ 440,192	\$ 424,711
Weighted average remaining lease term	39 months	50 months
Weighted average discount rate	3.20%	3.06%

Future minimum lease payments required under operating leases with an initial or remaining noncancelable lease term in excess of one year are as follows:

Years Ending December 31,	Amounts
2025	\$ 451,815
2026	466,430
2027	277,703
2028	185,203
Total lease payments	1,381,151
Less imputed interest	(89,739)
Present value of lease liabilities	\$ 1,291,412

LIVING ON THE EDGE MINISTRIES, INC.

Notes to Financial Statements

December 31, 2024 and 2023

8. PROPERTY AND EQUIPMENT–NET:
Property and equipment–net, consists of:

	December 31,	
	2024	2023
Office equipment and furniture	\$ 928,799	\$ 822,251
Production and recording equipment	115,439	120,439
	1,044,238	942,690
Less accumulated depreciation	(574,952)	(464,776)
	469,286	477,914
Construction in process	316,000	376,827
	\$ 785,286	\$ 854,741

9. NET ASSETS:
Net assets consists of:

	December 31,	
	2024	2023
Without donor restrictions:		
Undesignated	\$ 4,683,226	\$ 4,599,951
Equity in property and equipment	785,286	854,741
Board-designated for:		
Reserves	1,000,000	1,000,000
Future projects	1,500,000	1,500,000
	7,968,512	7,954,692
With donor restrictions:		
China project	761,647	-
Middle East project	241,469	686,271
Veterans project	9,046	19,046
	1,012,162	705,317
	\$ 8,980,674	\$ 8,660,009

10. EMPLOYEE BENEFIT PLAN:

LOTE offers its employees the opportunity to participate in a Section 403(b) retirement plan (the Plan). The Plan allows voluntary employee contributions and includes employer matching contributions equal to the participants contribution but not to exceed 5% of compensation based on staff position. For the years ended December 31, 2024 and 2023, LOTE made contributions of \$146,650 and \$155,945, respectively, to the Plan.

LIVING ON THE EDGE MINISTRIES, INC.

Notes to Financial Statements

December 31, 2024 and 2023

11. FAIR VALUE MEASUREMENTS:

Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) topic 820, *Fair Value Measurements and Disclosure*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and have the highest priority, Level 2 inputs, other than the quoted prices in active markets, are observable either directly or indirectly, and Level 3 consists of unobservable inputs in which there is little or no market data, which requires LOTE to develop its own assumptions. LOTE uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, LOTE measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available. There were no changes in methods or assumptions from prior year.

The following tables present the fair value measurements of assets and liabilities recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2024 and 2023:

	Fair Value Measurements at			
	December 31, 2024			
	Total	Level 1	Level 2	Level 3
Investments, at fair value:				
Mutual funds	\$ 778,774	\$ 778,774	\$ -	\$ -
Exchange-traded funds	1,633,304	1,633,304	-	-
Investments, measured at net asset value:		\$ 2,412,078	\$ -	\$ -
Private credit fund	587,419			
	<u>\$ 2,999,497</u>			

	Fair Value Measurements at			
	December 31, 2023			
	Total	Level 1	Level 2	Level 3
Investments, at fair value:				
Mutual funds	\$ 917,203	\$ 917,203	\$ -	\$ -
Exchange-traded funds	1,431,462	1,431,462	-	-
Investments, measured at net asset value:		\$ 2,348,665	\$ -	\$ -
Private credit fund	578,518			
	<u>\$ 2,927,183</u>			

LIVING ON THE EDGE MINISTRIES, INC.

Notes to Financial Statements

December 31, 2024 and 2023

11. FAIR VALUE MEASUREMENTS, continued:

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2024 and 2023.

Mutual funds and exchange-traded funds: the fair value of these financial instruments is based upon quoted market prices or dealer quotes in an open market.

Private credit funds: LOTE uses net asset value (NAV) to determine the fair value of underlying investments which (a) do not have a readily determinable fair value and (b) prepare their financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. LOTE's investments in funds that calculate NAV per share (or its equivalent) consist of funds held in private credit funds. Units may be redeemed at NAV on a quarterly basis. There are no other significant restrictions on the ability to sell the investments other than what is listed above. The investments in funds that calculate NAV per share have no unfunded commitments as of December 31, 2024 and 2023.

12. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through June 25, 2025, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.