DENVER SEMINARY

Financial Statements
With Independent Auditor's Report

June 30, 2025 and 2024

DENVER SEMINARY

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Denver Seminary
Littleton, Colorado

Opinion
We have audited the accompanying financial statements of Denver Seminary, which comprise the statements of financial position as of June 30, 2025 and 2024, 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 Denver Seminary 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. 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 Denver Seminary and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Denver Seminary’s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements 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 Denver Seminary'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 Denver Seminary’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

Centennial, Colorado
October 1, 2025

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Statements of Financial Position

	June 30, 2025	June 30, 2024
ASSETS:		
Cash and cash equivalents	$ 474,641	$ 791,947
Accounts receivable–net	171,446	191,714
Prepaid expenses and other assets	557,966	809,115
Investments	56,075,282	52,165,642
Board designated investments	244,076	1,540,694
Beneficial interest in trust	10,549,792	5,151,693
Trust assets	527,757	510,268
Property and equipment–net	11,338,217	11,945,528
Total Assets	$ 79,939,177	$ 73,106,601
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable and other liabilities	$ 959,038	$ 1,000,092
Performance obligation liabilities	1,120,279	944,695
Annuity and trust liabilities	575,308	562,289
Note payable–net	532,701	561,751
Total liabilities	3,187,326	3,068,827
Net assets:		
Without donor restrictions	36,317,777	38,011,688
With donor restrictions:		
Restricted by purpose or time	26,301,696	22,186,062
Restricted in perpetuity	14,132,378	9,840,024
	40,434,074	32,026,086
Total net assets	76,751,851	70,037,774
Total Liabilities and Net Assets	$ 79,939,177	$ 73,106,601

See notes to financial statements

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Statements of Activities

	Year Ended June 30, 2025	Year Ended June 30, 2024
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:		
Operating Revenues and Other Additions:		
Tuition and fees, net of financial aid	$ 6,458,893	$ 6,632,711
Contributions	904,399	2,136,962
Investment income, net of fees	3,464,156	3,626,326
Auxiliary services and other	350,849	481,956
Total Operating Revenue	11,178,297	12,877,955
Net Assets Released from Restrictions:		
Satisfaction of program restrictions	2,263,128	2,725,678
Expiration of time restrictions	883,942	691,749
Purpose and time releases from donor endowments	480,571	397,931
Total Net Assets Released from Restrictions	3,627,641	3,815,358
Total Operating Revenues and Other Additions	14,805,938	16,693,313
Operating Expenses:		
Salaries and benefits	11,736,539	11,694,490
Depreciation and amortization	1,003,316	1,068,129
Travel and entertainment	686,759	371,470
Advertising, marketing and printing	616,688	417,499
Technology	576,562	473,377
Office and supplies	555,875	515,903
Occupancy	509,656	549,621
Professional services	364,306	361,118
Other	220,993	119,635
Utilities and telephone	189,475	201,019
Interest	31,197	40,378
Total Operating Expenses	16,491,366	15,812,639
Change in Net Assets from Operations	(1,685,428)	880,674
Non-Operating Changes in Net Assets Without Donor Restrictions:		
Change in value of split-interest agreements	(8,483)	(9,549)
	(8,483)	(9,549)
Changes in Net Assets Without Donor Restrictions	(1,693,911)	871,125

(continued)

See notes to financial statements

DENVER SEMINARY

Statements of Activities
(continued)

	Year Ended June 30,	
	2025	2024
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS:		
Contributions	9,551,503	7,630,657
Investment income, net of fees	2,009,982	1,967,952
Change in value of split-interest agreements	474,144	254,051
	12,035,629	9,852,660
Net Assets Released from Restrictions:		
Satisfaction of program restrictions	(2,263,128)	(2,725,678)
Expiration of time restrictions	(883,942)	(691,749)
Purpose and time releases from donor endowments	(480,571)	(397,931)
Total Net Assets Released from Restrictions	(3,627,641)	(3,815,358)
Changes in Net Assets with Donor Restrictions	8,407,988	6,037,302
Changes in Net Assets	6,714,077	6,908,427
Net Assets, Beginning of Year	70,037,774	63,129,347
Net Assets, End of Year	$ 76,751,851	$ 70,037,774

See notes to financial statements

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Statement of Functional Expenses

For the Year Ended June 30, 2025

	Program Services				Supporting Activities			
	Academic & Student Programs	Public Services	Auxiliary Services	Program Total	Institutional Support	Fund-raising	Supporting Total	Total
Salaries and benefits	$ 8,026,400	$ 1,381,004	$ 57,453	$ 9,464,857	$ 1,351,780	$ 919,902	$ 2,271,682	$ 11,736,539
Depreciation and amortization	910,281	-	-	910,281	79,853	13,182	93,035	1,003,316
Travel and entertainment	131,152	111,869	71	243,092	92,346	351,321	443,667	686,759
Advertising, marketing, and printing	43,944	4,203	-	48,147	422,619	145,922	568,541	616,688
Office and supplies	383,590	47,788	166	431,544	65,647	58,684	124,331	555,875
Technology	373,488	41,168	2,164	416,820	101,558	58,184	159,742	576,562
Occupancy	353,657	7,113	122,592	483,362	21,877	4,417	26,294	509,656
Professional services	58,706	24,289	1,129	84,124	204,929	75,253	280,182	364,306
Other	113,055	50,477	-	163,532	34,449	23,012	57,461	220,993
Utilities and telephone	157,066	2,724	9,602	169,392	16,614	3,469	20,083	189,475
Interest	-	-	-	-	31,197	-	31,197	31,197
Total Expenses	$ 10,551,339	$ 1,670,635	$ 193,177	$ 12,415,151	$ 2,422,869	$ 1,653,346	$ 4,076,215	$ 16,491,366

See notes to the financial statements

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Statement of Functional Expenses

For the Year Ended June 30, 2024

	Program Services				Supporting Activities			
	Academic & Student Programs	Public Services	Auxiliary Services	Program Total	Institutional Support	Fund-raising	Supporting Total	Total
Salaries and benefits	$ 8,587,301	$ 1,089,213	$ 55,813	$ 9,732,327	$ 1,204,970	$ 757,193	$ 1,962,163	$ 11,694,490
Depreciation and amortization	969,053	-	-	969,053	85,038	14,038	99,076	1,068,129
Travel and entertainment	100,857	105,355	77	206,289	76,434	88,747	165,181	371,470
Advertising, marketing, and printing	10,868	1,108	5	11,981	366,462	39,056	405,518	417,499
Office and supplies	380,495	49,655	218	430,368	47,418	38,117	85,535	515,903
Technology	319,409	39,729	1,606	360,744	70,777	41,856	112,633	473,377
Occupancy	310,549	1,874	212,876	525,299	20,201	4,121	24,322	549,621
Professional services	106,769	36,082	760	143,611	199,699	17,808	217,507	361,118
Other	61,233	30,625	-	91,858	8,256	19,521	27,777	119,635
Utilities and telephone	160,964	3,574	20,200	184,738	10,857	5,424	16,281	201,019
Interest	27,784	4,144	224	32,152	6,852	1,374	8,226	40,378
Total Expenses	$ 11,035,282	$ 1,361,359	$ 291,779	$ 12,688,420	$ 2,096,964	$ 1,027,255	$ 3,124,219	$ 15,812,639

See notes to the financial statements

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Statements of Cash Flows

	Year Ended June 30,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 6,714,077	$ 6,908,427
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	1,003,316	1,068,129
Amortization of capitalized loan fees	1,627	1,627
Bad debt	26,089	9,097
Net realized and unrealized gains on investments and trusts	(3,258,709)	(3,679,890)
Reinvested interest and dividends on investments and trusts	(1,812,667)	(1,570,054)
Change in value of split-interest agreements	(465,661)	(244,502)
Recognition of charitable lead annuity trust	(5,773,955)	(1,000,189)
Collection of charitable lead annuity trust	850,000	500,000
Change in operating assets and liabilities:		
Accounts receivable–net	(5,821)	119,975
Prepaid expenses and other assets	251,149	(22,274)
Accounts payable and other liabilities	(41,054)	89,947
Performance obligation liabilities	175,584	(35,388)
Net Cash Provided (Used) by Operating Activities	(2,336,025)	2,144,905
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(4,374,416)	(4,151,177)
Proceeds from sale of investments	6,831,203	1,781,301
Purchases of property and equipment	(396,005)	(118,731)
Net Cash Provided (Used) by Investing Activities	2,060,782	(2,488,607)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on financing lease obligation	-	(25,030)
Payments on note payable	(30,677)	(28,817)
Payments of annuities	(11,386)	(11,741)
Net Cash Used by Financing Activities	(42,063)	(65,588)
Change in Cash and Cash Equivalents	(317,306)	(409,290)
Cash and Cash Equivalents, Beginning of Year	791,947	1,201,237
Cash and Cash Equivalents, End of Year	$ 474,641	$ 791,947
SUPPLEMENTAL DISCLOSURE AND NON-CASH ITEMS:		
Cash paid for interest	$ 31,197	$ 40,378

See notes to financial statements

DENVER SEMINARY

Notes to Financial Statements

June 30, 2025 and 2024

1. NATURE OF ORGANIZATION:

Denver Seminary (the Seminary) offers Master of Divinity (MDiv), Master of Arts (MA), Master of Theology (ThM), Doctor of Ministry (DMin), and Doctor of Philosophy (PhD) in Counselor Education degrees from its campuses in Littleton, Colorado and Landover, Maryland. The Seminary offers classes and degrees on campus and online in a variety of modalities.

The PhD in Counselor Education and Supervision is a 4-year, relational, cohort-based, online doctoral degree program. This in-depth and integrated experience results in CES professionals who are informed, sophisticated practitioners, ready to engage critical mental health needs. Graduates are enabled to teach, supervise, and counsel in ways that address the complex questions of integrating the faith they believe with the skills they perform. Graduates are recognized as leaders in counseling, counselor education, supervision, and research, able to integrate Christian biblical foundations with counseling theory and practice to engage in issues of advocacy and leadership on local, national, and international levels.

The DMin degree is an applicational degree. Students learn how to apply knowledge effectively in their ministry. Men and women in ministry improve their skills and enlarge their vision in order to be effective in ministry at the doctoral level. Research is carried through to action.

The MDiv degree program provides foundational biblical and theological studies and practical skills to prepare you for faithful and effective ministry. The MDiv degree is designed primarily to prepare students for church ministries requiring ordination. It also prepares students for doctoral-level studies in many theological schools. As the standard ministerial degree program, its depth and scope equip students for varied church and mission vocations. The MDiv degree program consists of core courses (with some flexibility built into that core), and the balance of hours are either open electives or a combination of an optional concentration and open electives for a total of 78 semester hours. Students may customize their experience in an area of concentration. MDiv concentrations include Apologetics and Ethics, Biblical Preaching, Biblical Studies, Chaplaincy, Christian Formation and Spiritual Direction, Leadership, New Testament, Old Testament, Pastoral Care and Counseling and Theology.

The Seminary's MA programs are intended primarily for students who plan to engage in Christian service requiring training different from the MDiv degree. By studying intensively in an area of specialization, the student will be equipped to serve in a specific capacity needed in the Christian community. All MA degrees include a basic 27-hour core curriculum giving students a solid biblical and theological foundation for their specialization. A dozen specialized majors and concentrations are offered in the MA program to enable students to achieve their career goals. MA programs range from 50 hours to 60 hours in length. MA specializations include Apologetics and Ethics, Biblical and Theological Studies, Christian Formation, Christian Studies, Counseling Ministries, Cultural Engagement, Leadership, New Testament, Old Testament, and Theology.

1. NATURE OF ORGANIZATION, continued:

The Seminary's Master of Arts in Counseling degree offers concentrations that prepare our alumni for work in multiple counseling fields. Each program infuses solid counseling foundations with sound biblical and theological teaching. We also offer dual degrees that allow for a deeper exploration of the Bible and the faith dimension of counseling. The Seminary's program includes 60 hours of counseling core courses and 4 hours of New Testament and Old Testament survey. The program allows for concentrations in clinical mental health, school counseling, or both. Our curriculum helps prepare students for success to pursue licensure in other states already requiring 60 credits of counseling courses, which means reducing or eliminating the need for supplemental coursework. The Council for Accreditation of Counseling and Related Educational Programs (CACREP) accredited degree concentrations include: Clinical Mental Health, Clinical Mental Health and School Counseling and School Counseling.

The Master of Theology (ThM) degree is a theologically rich, historically rooted, and contemplatively engaged approach to apprenticeship to Jesus as the essence of life. Typically, this degree is an academic step towards getting a PhD. Students learn to think theologically about all of life and effectively grapple with theological issues and trends in the contemporary church.

The Seminary also offers a number of master's level certificate programs ranging in length from 10 to 24 hours.

The Seminary is accredited by the Association of Theological Schools and the Higher Learning Commission of the North Central Association of Colleges and Schools. Its MA counseling (licensure) program is further accredited by CACREP. The Seminary is also accredited to offer Clinical Pastoral Education (CPE) training by the Association of Clinical Pastoral Education and has been approved by the same organization as a CPE training center. The center offers CPE Level 1, Level II, and supervisory education CPE units for matriculated Seminary students.

The Seminary is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC) and comparable state law(s). However, the Seminary is subject to federal income tax on any unrelated business taxable income. In addition, the Seminary is not classified as a private foundation within the meaning of Section 509(a) of the IRC. The primary source of support and revenue for the Seminary is tuition and fees and contributions.

2. SIGNIFICANT ACCOUNTING POLICIES:

The financial statements have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the statements to the reader. The Seminary uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP). These estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of any contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

CASH AND CASH EQUIVALENTS
Cash consists of petty cash and checking and money market accounts. As of June 30, 2025 and 2024, cash and cash equivalents exceeded federally insured limits by approximately $891,000 and $326,000, respectively.

ACCOUNTS RECEIVABLE
Accounts receivable primarily consists of amounts due from students for tuition. Receivables are recorded net of an allowance for credit loss of $20,000, as of June 30, 2025 and 2024, which is based on the aging of the accounts receivable at year-end and future economic conditions that could impact collectability. The allowance for credit losses are continually reviewed by management and adjusted to maintain expected credit losses at a level considered adequate to cover future losses. Accounts over $400 are forwarded to collections within 90 days of the account being deemed uncollectible. These amounts are written off as bad debt at the time they are forwarded to collections.

INVESTMENTS AND TRUST ASSETS
Investments and trust assets are held in mutual funds, exchange trade funds, bonds, US treasury bills, and alternative investments and are stated at fair value. Unrealized and realized gains and losses are included in the statements of activities in investment income. Donated investments and trust assets are initially reported at fair value on the date of the gift, and then for donated investments that are held and not sold, reported at fair value at the end of each fiscal year.

BENEFICIAL INTEREST IN TRUST
The Seminary is the beneficiary of three charitable lead annuity trusts (CLAT) in which the funds are held outside of the Seminary. The Seminary has the irrevocable right to receive a total of $1,100,000 for eight to twenty years. The Seminary's estimate of fair value is based on the net present value of funds to be received over the remaining payments using a discount rate of 6.5%. The fair value for the CLAT's are recognized as an asset and as a contribution with donor restrictions on the date the trusts were established.

PROPERTY AND EQUIPMENT
Property and equipment is stated at cost if acquired or at fair market at the date of gift, if donated. The Seminary capitalizes fixed assets greater than $5,000. Repairs and maintenance are expensed as incurred. Land and construction in progress are not depreciated. Depreciation and amortization is computed on a straight-line basis over the following estimated useful lives of the assets:

Buildings and improvements	10 to 40 years
Land improvements	10 to 20 years
Equipment and furnishings	3 to 10 years
Library books	10 years

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

ANNUITY PAYABLE
Annuity contracts are recorded as liabilities at the present value of the aggregate payments due to annuitants, based upon acceptable life expectancy tables. Remainder interests to the Seminary are reported in net assets based on purpose and intent of the donor.

REVOCABLE TRUSTS
As trustee, the Seminary administers revocable (grantor) trusts that provide for a beneficial interest to the Seminary at the grantor's death. Because the trusts are revocable at the discretion of the grantor, the principal amounts provided are recorded as liabilities. The remaining trust assets will be recorded in the statements of activities as contributions when the agreements become irrevocable or when the assets are distributed to the Seminary for its unconditional use.

NET ASSETS
The financial statements report amounts separately by class of net assets.

Net assets without donor restrictions are those resources currently available at the direction of the board for use in the Seminary's operations and board designated funds.

Net assets with donor restrictions are those resources which are stipulated by donors for specific purposes and resources provided through irrevocable trusts subject to the expiration of the time restrictions on beneficial interests to other parties and those resources contributed with donor restrictions requiring they be held in perpetuity. Net assets with donor restrictions which are restricted by time and purpose also include cumulative earnings on endowments restricted in perpetuity that have not been appropriated for expenditure, as well as term endowments that will be distributed over a 15 to 20 year period.

REVENUE AND SUPPORT
Tuition and fees revenue is recognized when earned, which is when classes occur. Scholarships and financial assistance are awarded to students, which reduce the amount of revenue recognized. Scholarships and financial assistance awarded was $1,814,340 and $1,908,789, for the years ended June 30, 2025 and 2024, respectively. Tuition payments made in advance are deferred as a liability and are included in performance obligation liabilities on the statements of financial position. Revenue is recognized as the performance obligations are satisfied. The performance obligations for tuition and fees are generally satisfied over time during the academic terms. The Seminary measures the performing obligation from the start to the end of the class term. Performance obligations satisfied at a point in time generally relate to non-refundable fees provided at the beginning of the term. The services are recognized when the fees are received or due to the Seminary.

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

REVENUE AND SUPPORT, continued
Contributions are recorded when made, which may be when cash is received, unconditional promises are made, or ownership of other assets is transferred to the Seminary. Gifts of cash and other assets are recognized as contributions without donor restrictions unless they are received with donor stipulations that limit the use of the donated assets and are recorded as fair value as of the date of the gift. When a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

The Seminary reports gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used and are recorded as fair value as of the date of the gift. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how those long-lived assets must be maintained, the Seminary reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service. Due to immateriality, gift-in-kind contributions are not broken out on the statements of activities.

Auxiliary services and other income consist primarily of housing fees. These amounts are recorded when earned.

ADVERTISING COSTS
Advertising costs for the years ended June 30, 2025 and 2024, of $441,396 and $336,800, respectively, are expensed as incurred and included in the statements of activities.

FUNCTIONAL ALLOCATION OF EXPENSES
The statements of functional expenses presents expenses by functional classification in accordance with the overall mission of the Seminary. Expenses are captured throughout the fiscal year in cost centers. Each cost center relates to a specific department or function of the Seminary. The direct expenses posted to these departments are allocated directly to the functional categories which they support. Allocations of certain overhead and depreciation costs are also allocated to program services and supporting activities proportionally based on the percentage of full-time employees and percentage of total space occupied by each service. The Seminary had not identified joint costs for the years ended June 30, 2025 and 2024.

OPERATING AND NON-OPERATING ACTIVITIES
The activity of the Seminary has been reported in the statements of activities in the following two categories: operating and non-operating. Operating includes the core educational activities of the Seminary. Non-operating includes all other activities that are not considered to be "core educational," such as change in value of split-interest agreements.

3. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:

The following reflects the Seminary's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions.

	June 30, 2025	June 30, 2024
Financial assets:		
Cash and cash equivalents	$ 474,641	$ 791,947
Accounts receivable–net	171,446	191,714
Investments	56,075,282	52,165,642
Board designated investments	244,076	1,540,694
Beneficial interest in trust	10,549,792	5,151,693
Trust assets	527,757	510,268
Financial assets, year-end	68,042,994	60,351,958
Less those unavailable for general expenditure within one year, due to:		
Funds designated by the board	(244,076)	(1,540,694)
Trust assets not expected to be received within one year	(527,757)	(510,268)
Beneficial interest in trust not expected to be received within one year	(9,449,792)	(4,551,693)
Perpetual or term endowments and accumulated earnings subject to appropriation beyond one year	(22,776,550)	(19,697,296)
Funds restricted by donor for specific purposes and/or with time restrictions beyond one year	(3,128,658)	(3,386,212)
Financial assets available to meet cash needs for general expenditures within one year	$ 31,916,161	$ 30,665,795

The Seminary has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. As part of the Seminary's liquidity management, it invests cash in excess of daily requirements in appropriate short-term interest bearing accounts. The Seminary also has an unsecured line of credit, which may be drawn upon in the event of an anticipated liquidity need.

The Seminary has certain donor-restricted net assets that are available for general expenditures within one year of June 30, 2025 and 2024, as the restrictions are expected to be met by conducting the normal activities of the Seminary in the coming year.

4. INVESTMENTS AND BOARD DESIGNATED INVESTMENTS:

Investments and board designated investments consist of:

	June 30, 2025	June 30, 2024
Cash and cash equivalents	$ 1,978,008	$ 2,104,213
Mutual funds and exchange traded funds	44,482,906	42,384,071
Bonds	5,511,113	5,207,628
Alternative investments	4,241,954	3,848,226
US treasury bills	105,377	162,198
	$ 56,319,358	$ 53,706,336

Investments and board designated investments consist of:

	June 30, 2025	June 30, 2024
Investments	$ 56,075,282	$ 52,165,642
Board designated investments	244,076	1,540,694
	$ 56,319,358	$ 53,706,336

Investment income, net of fees consists of:

	Year Ended June 30, 2025	Year Ended June 30, 2024
Investments and trust assets:		
Net realized and unrealized gains on investments and trusts	$ 3,258,709	$ 3,679,890
Reinvested interest and dividends on investments and trusts	1,812,667	1,570,054
	5,071,376	5,249,944
Land lease income	402,762	344,334
	$ 5,474,138	$ 5,594,278

DENVER SEMINARY

Notes to Financial Statements

June 30, 2025 and 2024

5. TRUST ASSETS:
   Trust assets consist of:

	June 30, 2025	June 30, 2024
Cash and cash equivalents	$ 17,093	$ 12,584
Mutual funds and exchange traded funds	510,664	497,684
	$ 527,757	$ 510,268

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

	June 30, 2025	June 30, 2024
Land and land improvements	$ 2,723,986	$ 2,723,986
Building and improvements	18,300,555	18,113,928
Equipment and furnishings	4,763,893	4,772,403
Library books	3,566,589	3,548,220
Art collection	187,143	187,143
	29,542,166	29,345,680
Less accumulated depreciation and amortization	(18,203,949)	(17,400,152)
	$ 11,338,217	$ 11,945,528

7. PERFORMANCE OBLIGATION LIABILITIES:
   Performance obligation liabilities consists of:

	June 30, 2025	June 30, 2024
Performance obligation liabilities for tuition and fees, beginning of the year:	$ 944,695	$ 980,083
Revenue recognized included in beginning balance	(944,695)	(980,083)
Cash received in advance of class performance	1,120,279	944,695
Performance obligation liabilities for tuition and fees, end of the year	$ 1,120,279	$ 944,695

8. ANNUITY AND TRUST LIABILITIES:

Annuity and trust liabilities consist of:

	June 30, 2025	June 30, 2024
Revocable trust	$ 527,756	$ 510,268
Annuities payable	47,552	52,021
	$ 575,308	$ 562,289

9. LINE OF CREDIT:

The Seminary has entered into a line of credit agreement with a financial institution, and it is available to the Seminary for a maximum amount of $750,000. The stated interest rate is Wall Street Journal Prime rate plus 0.25%, with a floor of 3.5%. The agreement matures in March 2026. During the years ended June 30, 2025 and 2024, there were no draws on this line of credit.

10. NOTE PAYABLE–NET:

During the year ended June 30, 2019, the Seminary entered into an agreement with Petros PACE Finance, LLC to finance certain capital assets qualifying for the Colorado C-Pace (C-PACE) program in Arapahoe County (codified at C.R.S. 32-20- 101 et seq. - collectively, the C-PACE Statute). C-PACE programs enable owners of commercial or nonprofit buildings to use private-sector money to finance qualifying energy efficiency improvements that will improve energy or water use. The Colorado C-PACE program is spearheaded by the Colorado Energy Office and overseen by the New Energy Improvement District, also known as NEID or the District.

C-PACE project financing is secured by a voluntary special purpose property tax assessment and corresponding lien on the subject property. This lien is senior to all commercial liens, even if filed earlier in time, including mortgages and deeds of trust. It is equal (pari passu) in priority to other special assessments on the property and junior to general tax liens. If a payment is in default, the remedies available to capital providers are the same as are available to holders of other special assessments, including penalty interest and, in extreme cases, foreclosure and sale of the property at a tax lien sale.

Unlike traditional financing, repayment of C-PACE assessment financing is made via payments on the property tax bill. Each county that participates in C-PACE has agreed to collect the C-PACE assessments from participating property owners via the property tax collection system and to remit those funds to the District (or its designated fiduciary) for distribution to capital providers. The District or its designated fiduciary will remit funds to the respective investor within ten business days of receiving them from the county.

10. NOTE PAYABLE–NET, continued:

If the property is sold prior to the end of the agreed-upon special assessment period, the new owner will assume the C-PACE assessment obligation, unless otherwise negotiated. Ownership of any authorized improvements on the subject property will transfer to the new owner at the close of the real estate sale. Authorized improvements financed through the program may not be removed from the property until the C-PACE assessment has been fully repaid. In connection with any sale, program participants agree to make all legally required disclosures about the existence of the special C-PACE assessment lien on the property.

Depending on the date that a project financing closes, it may not be possible to place the special assessment on the property tax bill until the following tax roll cycle. When such delay occurs, the interest payments that the property owner would have paid in the first tax year are capitalized in the principal amount. Capitalized interest in the amount of $11,443 was included in the total amount financed reflected below.

The total amount financed was $1,595,861. Principal and interest payments of $32,838 are due biannually at an interest rate of 5.95%. During the year ended June 30, 2022, a large payment was made on this note as property and equipment was sold and the related portion of the note was paid off. The financing matures June 2037.

Future minimum principal payments are:

Year Ending June 30,	
2026	$ 32,551
2027	34,538
2028	36,564
2029	38,877
2030	41,250
Thereafter	368,447
	$ 552,227

Capitalized loan fees of $65,230 are recorded and are amortized over the term of the note payable agreement using the straight-line method, which approximates the effective-interest method. As of June 30, 2025 and 2024, accumulated amortization related to the capitalized loan fees was $45,704 and $44,076, respectively. Capitalized loan fees are netted against note payable on the statements of financial position.

10. NOTE PAYABLE–NET, continued:

Note payable–net consist of:

	June 30, 2025	June 30, 2024
Note payable	$ 552,227	$ 582,905
Less capitalized loan fees	(19,526)	(21,154)
	$ 532,701	$ 561,751

11. NET ASSETS:

Net assets without donor restrictions:

	June 30, 2025	June 30, 2024
Undesignated funds	$ 36,073,701	$ 36,470,994
Board designated funds:		
Comprehensive campaign	44,076	1,130,230
Project Any	200,000	410,464
	244,076	1,540,694
	$ 36,317,777	$ 38,011,688

11. NET ASSETS, continued:

Net assets with donor restrictions are available for the following purpose:

	June 30,	
	2025	2024
Subject to expenditure for specified purpose or passage of time:		
Projects	$ 5,369,700	$ 5,675,682
Endowment funds	4,070,323	3,274,830
Term endowments	7,482,663	8,389,449
Beneficial interest in trust	9,379,010	4,846,101
	26,301,696	22,186,062
Subject to restriction in perpetuity:		
Endowment funds	12,961,596	9,534,432
Beneficial interest in trust	1,170,782	305,592
	14,132,378	9,840,024
	$ 40,434,074	$ 32,026,086

12. ENDOWMENT FUNDS:

The Seminary's endowments consist of various individual funds established for a variety of purposes. Endowment funds include board-designated, term endowments, and donor-restricted endowment funds for scholarships, lectureships, academic chairs, and other purposes. As required by generally accepted accounting principles, net assets associated with endowment funds, including board-designated, are classified and reported based on the existence or absence of donor-imposed restrictions.

The management of the Seminary has interpreted the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Seminary classifies as net assets with donor restrictions restricted in perpetuity (a) the original value of the gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions restricted in perpetuity is classified as net assets with donor restrictions restricted by time and purpose until those amounts are appropriated for expenditure by the Seminary in a manner consistent with the standard of prudence prescribed by UPMIFA.

12. ENDOWMENT FUNDS, continued:

In accordance with UPMIFA, the Seminary considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the Seminary and the specific donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Seminary
- The investment policies of the Seminary

Return objectives and risk parameters: The Seminary has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowments' assets. Endowment assets include those assets of donor-restricted funds that the Seminary must hold in perpetuity or for a donor-specified period(s). Under this policy, as approved by the board, the endowment assets are invested to provide safety through diversification in a portfolio of money market funds, securities, and bonds, which may reflect varying risks and rates of return. The Seminary expects its endowment funds, over time, to provide an average rate of return matching the Consumer Price Index plus 3.25%, after all management, trustee, and custodian fees. Actual returns in any given year may vary from this amount.

Strategies employed for achieving objectives: To satisfy its long-term rate-of-return objectives, the Seminary relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Seminary targets a diversified asset allocation that places a greater emphasis on equity-based and alternative investments to assist in achieving its long-term return objectives within prudent risk constraints.

Spending policies and how the investment objectives relate to spending policy: The Seminary has a policy of appropriating for distribution each year no more than 5% of the trailing three-year average of each fund's total asset value. The approved spending policy was 4.5% for the years ended, June 30, 2025 and 2024. In establishing this policy, the Seminary considered the long-term expected return on its endowments. Accordingly, over the long-term, the Seminary expects the current spending policy to allow its endowments to grow at an average of 3% annually. This is consistent with the Seminary's objective to maintain the purchasing power of the endowments' assets held in perpetuity, or for a specified term, as well as provide additional real growth through new gifts and investment return.

12. ENDOWMENT FUNDS, continued:

Funds with deficiencies: From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Seminary to retain as a fund of perpetual duration. In accordance with GAAP, there were no deficiencies as of June 30, 2025 and 2024.

Endowment net asset composition by type of fund as of June 30, 2025:

	With Donor Restrictions:			
	Restricted via Term Endowments	Restricted by Purpose and/or Time	Restricted in Perpetuity	Total
Donor restricted for:				
Scholarships	$ 3,909,865	$ 2,029,415	$ 6,324,984	$ 12,264,264
Academic Chairs	-	1,261,542	4,327,031	5,588,573
Lectureships	-	302,112	383,028	685,140
Other	3,572,798	477,254	1,926,553	5,976,605
	$ 7,482,663	$ 4,070,323	$ 12,961,596	$ 24,514,582

Changes in endowment net assets for the year ended June 30, 2025:

	With Donor Restrictions:			
	Restricted via Term Endowments	Restricted by Purpose and/or Time	Restricted in Perpetuity	Total
Endowment net assets, July 1, 2024	$ 8,389,449	$ 3,274,830	$ 9,534,432	$ 21,198,711
Investment income	641,813	1,368,169	-	2,009,982
Contributions	252,264	-	2,148,169	2,400,433
Transfer of restriction	(916,922)	(92,106)	1,278,995	269,967
Appropriation of endowment assets for expenditure	(883,941)	(480,570)	-	(1,364,511)
Endowment net assets, June 30, 2025	$ 7,482,663	$ 4,070,323	$ 12,961,596	$ 24,514,582

12. ENDOWMENT FUNDS, continued:

Endowment net asset composition by type of fund as of June 30, 2024:

	With Donor Restrictions:			
	Restricted via Term Endowments	Restricted by Purpose and/or Time	Restricted in Perpetuity	Total
Donor restricted for:				
Scholarships	$ 4,618,978	$ 1,595,174	$ 5,001,952	$ 11,216,104
Academic Chairs	-	1,100,983	2,626,419	3,727,402
Lectureships	-	247,290	308,028	555,318
Other	3,770,471	331,383	1,598,033	5,699,887
	$ 8,389,449	$ 3,274,830	$ 9,534,432	$ 21,198,711

Changes in endowment net assets for the year ended June 30, 2024:

	With Donor Restrictions:			
	Restricted via Term Endowments	Restricted by Purpose and/or Time	Restricted in Perpetuity	Total
Endowment net assets, July 1, 2023	$ 4,762,257	$ 2,347,827	$ 9,294,751	$ 16,404,835
Investment income	648,500	1,319,452	-	1,967,952
Contributions	3,474,968	-	407,091	3,882,059
Transfer of restriction	195,473	6,937	(167,410)	35,000
Appropriation of endowment assets for expenditure	(691,749)	(399,386)	-	(1,091,135)
Endowment net assets, June 30, 2024	$ 8,389,449	$ 3,274,830	$ 9,534,432	$ 21,198,711

13. FAIR VALUE MEASUREMENTS:

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

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

Level 2: Significant other observable inputs other than Level 1 prices, such as:

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

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

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

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2025 and 2024.

Money market funds, mutual funds, and exchange traded fund: Valued at the closing price reported on the active market on which the individual securities are traded.

Bonds and US treasury bills: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

Beneficial interest in trust: Valued based on the net present value of funds to be received over the remaining payments using a discount rate.

13. FAIR VALUE MEASUREMENTS, continued:

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

Assets measured at fair value on a recurring basis as of June 30, 2025 and 2024, consists of the following:

		Fair Value Measurements Using:		
	Total	Level 1	Level 2	Level 3
June 30, 2025:				
Investments, beneficial interest in trust, and trust assets:				
Money market funds	$ 1,059,993	$ 1,059,993	$ -	$ -
Mutual funds and exchange traded funds:				
Equity	28,677,007	28,677,007	-	-
Fixed income	9,366,506	9,366,506	-	-
Real estate	4,530,429	4,530,429	-	-
Other	2,419,627	2,419,627	-	-
Bonds	5,511,113	-	5,511,113	-
US treasury bills	105,378	-	105,378	-
Beneficial interest in trust	10,549,792	-	-	10,549,792
	62,219,845	$ 46,053,562	$ 5,616,491	$ 10,549,792
Reconciling items held at net asset value:				
Low-correlated hedge funds	4,241,954			
Reconciling items held at cost:				
Cash and cash equivalents	935,108			
Total Investments, Board Designated Investments, Beneficial Interest in Trust, and Trust Assets	$ 67,396,907			

13. FAIR VALUE MEASUREMENTS, continued:

	Total	Fair Value Measurements Using: Level 1	Level 2	Level 3
June 30, 2024:				
Investments, beneficial interest in trust, and trust assets:				
Money market funds	$ 1,161,244	$ 1,161,244	$ -	$ -
Mutual funds and exchange traded funds:				
Equity	27,559,729	27,559,729	-	-
Fixed income	8,874,371	8,874,371	-	-
Real estate	3,826,538	3,826,538	-	-
Other	2,621,117	2,621,117	-	-
Bonds	5,207,628	-	5,207,628	-
US treasury bills	162,198	-	162,198	-
Beneficial interest in trust	5,151,693	-	-	5,151,693
	54,564,518	$ 44,042,999	$ 5,369,826	$ 5,151,693
Reconciling items held at net asset value:				
Low-correlated hedge funds	3,848,226			
Reconciling items held at cost:				
Cash and cash equivalents	955,553			
Total Investments, Board Designated Investments, Beneficial Interest in Trust, and Trust Assets	$ 59,368,297			

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfer between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. For the year ended June 30, 2025, there were no significant transfers in or out of Levels 1, 2 or 3.

13. FAIR VALUE MEASUREMENTS, continued:

The Seminary uses the net asset value (NAV) to determine the value for all 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 attributes of an investment company. Investments in certain entities that calculate NAV per share are as follows:

Fund Description	June 30, 2025 NAV	June 30, 2024 NAV	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Ironwood:					
Low Correlated Hedge Fund	$ 4,241,954	$ 3,848,226	None	Semi-Annually	95 days

These funds employ a strategy to achieve capital appreciation by investing in a range of trading strategies, including equity and debt funds, in order to diversify risk and reduce volatility.

14. LAND LEASE INCOME:

In May 2009, the Seminary entered into a land lease agreement with a third party that allows the third party to have drilling rights on the land. Drilling is complete and the Seminary is paid one-sixth of the net proceeds received by the Seminary's third party from the sale of oil and gas extracted from the land. The Seminary received proceeds under the agreement of $402,762 and $344,334, for the years ended June 30, 2025 and 2024, respectively, which is reported within investment income, net of fees on the statements of activities without donor restrictions. Income from this agreement is expected to continue, however, an asset has not been recorded as future amounts are not able to be calculated.

15. RETIREMENT PLAN:

The Seminary has established a defined contribution plan (the Plan), which operates under Section 403(b) of the Internal Revenue Code. All non-student Seminary employees working over 1,000 hours per year are eligible to participate in the Plan. The Seminary matches all full-time employee contributions up to 5% of compensation. All contributions to the Plan are fully vested. Employer contributions were $337,487 and $304,359, for the years ended June 30, 2025 and 2024, respectively.

16. RELATED PARTY TRANSACTION:

During the years ended June 30, 2025 and 2024, board of trustees members made contributions totaling approximately $7,058,136 and $1,274,000, respectively. During the year ended June 30, 2025 and 2024, the Seminary received CLATs, which were established by a board member and were recognized as contributions with donor restrictions in the statements of activities for $5,773,955 and $1,000,190, respectively, and are included in board of trustees contributions.

17. SUBSEQUENT EVENTS:
Management has evaluated subsequent events have been evaluated through October 1, 2025, which represents the date the financial statements were available to be issued, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.