GEORGIA CENTRAL UNIVERSITY

FINANCIAL STATEMENTS

DECEMBER 31, 2022

WITH INDEPENDENT AUDITOR'S REPORT

CONTENTS

Independent Auditor's Report

The Board of Trustees
Georgia Central University

Report on the Financial Statements

Opinion

We have audited the financial statements of Georgia Central University (the Organization), which comprise the balance sheet as of December 31, 2022, and the related statements of income, and cash flows for the year 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 the Organization, as of December 31, 2022, and the results of its operations 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 audit in accordance with auditing standards generally accepted in the United States (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our Responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization, and to meet our other ethical responsibilities, in accordance with the relevant requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriated to provide a basis for our audit opinion.

Management's Responsibility 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 aggregated, that raise substantial doubt the Organization'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 and *Government Auditing Standard*s will always detect a material misstatement when it exist. 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 and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism through the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks.
  Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about the Organization'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Financial Responsibility Supplemental Schedule, as required by 34 C.F.R. Section 668.172 and 34 C.F.R. Appendix A to Subpart L of Part 668, is presented for purposes of additional analysis and is not a required part of the financial statements. The Financial Responsibility Supplemental Schedule is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Financial Responsibility Supplemental Schedule is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated July 12, 2024 on our consideration of Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Organization's internal control over financial reporting and compliance.

Jungjin Accounting & Tax Service, LLC
Duluth, Georgia
July 12, 2024

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on An Audit of Financial Statements Performed in Accordance with Government Auditing Standards

The Board of Trustees
Georgia Central University

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Georgia Central University (a nonprofit organization), which comprise the statement of financial position as of December 31,2022, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated July 12, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Georgia Central University's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Georgia Central University's internal control. Accordingly, we do not express an opinion on the effectiveness of Georgia Central University's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Georgia Central University's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Jungjin Accounting & Tax Service, LLC
Duluth, Georgia
July 12, 2024

Financial Responsibility Supplemental Schedule

Financial Statements and Composite Score Calculation

STATEMENT OF FINANCIAL POSITION

Line		
1	Cash	$370,950
2	Accounts Receivable	$546,500
3	Prepaid Expenses	$319,950
4	Inventories	$0
5	Note Receivable from Affiliate	$0
6	Investments	$0
7	**Total Current Assets**	$1,237,400
8	Property and Equipment, net	$2,198,194
9	Amount Due from Owner	$0
10	Goodwill	$0
11	Organization Costs	$0
12	Deposits	$246,660
13	**Total Assets**	$3,682,254
14	Accounts Payable	$0
15	Accrued Expenses	$12,362
16	Current Portion of Long-Term Debt	$0
17	Deferred Revenue	$36,500
18	**Total Current Liabilities**	$48,862
19	Long-Term Debt, net of Current Portion	$843,552
20	**Total Liabilities**	$892,414
21		
22		
23	**Net Assets without Donor Restrictions**	$2,789,840
24	**Total Liabilities and Net Assets**	$3,682,254

STATEMENT OF ACTIVITIES

Line		
25	Operating Income	$1,774,700
26	Non-Operating Income	$180,500
27	**Total Income**	$1,955,200
28	Cost of Goods Sold	$805,860
29	Administrative Expenses	$803,728
30	Depreciation Expense	$69,594
31	Interest Expense	$10,265
32 A	**Total Operating Expenses**	$1,689,447
32 B	Post-employment & pension non-service expense	$0
37	Other: Net unusual loss	$0
33	Other: Gain on Sale of Investments	$0
34	**Net Income Before Taxes**	$265,753
35	Federal Income Taxes	$0
36	**Net-Income-After-Taxes**	$265,753
37	Accounting Principle	$0
38	**Change in Net Assets**	$265,753
39	Net Assets, Beginning of Year	$2,524,087
22	**Net Assets, End of Year**	$2,789,840

*Long-Term Debt (lines 16+19) cannot exceed Property and Equipment (line 8) in this formula

Primary Reserve Ratio =				
Expandable Net Assets	23-5-9-10-8+(16+19)	1,435,198	=	0.8495
Total Expenses and Losses Without Donor Restrictions	32A + 32B	1,689,447		
Equity Ratio =				
Modified Net Assets	23-5-9-10	2,789,840	=	0.7576
Modified assets	13-5-9-10	3,682,254		
Net Income Ratio =				
Changes in Net Assets Without Donor Restrictions	34	265,753	=	0.1359
Total Revenues and Gains w=Without Donor Restrictions	27 + 33	1,955,200		

Ratio	Ratio	Strength Factor	Weight	Composite Scores
Primary Reserve Ratio	0.8495	3	0.4	1.2
Equity Ratio	0.7576	3	0.4	1.2
Net Income Ratio	0.1359	1.0680	0.2	0.2136
				2.6136
TOTAL Composite Score - Rounded				2.6

"Financial Responsibility Supplemental Schedule"

Primary Reserve Ratio:			
	Adjusted Equity:		
23	Net Assets without Donor Restrictions		$2,789,840
	Net Assets with Donor Restrictions		$0
10	Intangible assets		$0
5 + 9	Unsecured related party receivables		$0
8	Net property, plant and equipment (PP&E)	*	$2,198,194
	Post-employment and pension liabilities		$0
	Lease obligations	*	$0
	Long-term lines of credit		$0
	Long-term debt		$320,000
16 and 19	Total debt obtained for long-term purposes		$843,552
	Total Expenses:		
32 A	Total operating expenses		$1,689,447
32 B	Post-employment & pension non-service expense		$0
	Total expenses		$1,689,447
Equity Ratio:			
	Modified Equity		
23	Net Assets without Donor Restrictions		$2,789,840
	Net Assets with Donor Restrictions		$0
10	Intangible assets		$0
5 + 9	Unsecured related party receivables		$0
	Modified Assets:		
13	Total assets		$3,682,254
10	Intangible assets		$0
5 + 9	Unsecured related party receivables		$0
Net Income Ratio:			
	Change in Net Assets without Donor Restrictions		
34	Change in Net Assets without Donor Restrictions		$265,753
	Total Revenues:		
25	Total operating revenue		$1,774,700
26 + 33	Non-operating revenues and gains		$180,500
*	Existing operating leases included in net PP&E as a result of ASU 2016-02		$0
*	Related liability: existing operating leases included in PP&E as a result of ASU 2016-02		$0

STATEMENT of FINANCIAL POSITION

GEORGIA CENTRAL UNIVERSITY **AS OF DEC. 31, 2022**

ASSETS

		2022
CURRENT ASSETS		
CASH AND CASH EQUIVALENTS	$	370,950
CONTRIBUTIONS RECEIVABLE		546,500
CURRENT OTHER ASSETS		319,950
TOTAL CURENT ASSETS		1,237,400
PROPERTY AND EQUIPMENT, AT COST		
AUTOMOBILES		101,162
BUILDING AND LAND		2,834,932
EQUIPMENTS		518,767
LEASEHOLD IMPROVEMENTS		62,028
(LESS ACCUMULATED DEPRECIATION)		(1,318,695)
NET PROPERTY AND EQUIPMENT		2,198,194
OTHER ASSETS		246,660
TOTAL ASSETS	**$**	**3,682,254**

See the independent auditor's report and accompanying notes to financial statements

STATEMENT of FINANCIAL POSITION

GEORGIA CENTRAL UNIVERSITY **AS OF DEC. 31, 2022**

LIABILITIES AND STOCKHOLDER'S EQUITY

	2022
CURRENT LIABILITIES	
MORTGAGE PAYABLE- *current portion*	0
NOTE PAYABLE - *current portion*	0
LOAN PAYABLE	0
UNEARNED TUITION	36,500
CURRENT OTHER LIABILITIES	12,362
TOTAL CURRENT LIABILITIES	48,862
NON-CURRENT LIABILITIES	
MORTGAGE PAYABLE	832,199
NOTE PAYABLE	11,353
TOTAL NON CURRENT LIABILITIES	843,552
TOTAL LIABILITIES	892,414
NET ASSTS	
WITHOUT DONOR RESTRICTIONS	2,789,840
TOTAL NET ASSETS	2,789,840
TOTAL LIABILITIES AND NET ASSETS	**$ 3,682,254**

See the independent auditor's report and accompanying notes to financial statements

STATEMENT of ACTIVITIES

GEORGIA CENTRAL UNIVERSITY — **FOR THE YEAR ENDED DEC. 31, 2022**

	2022		
	WITHOUT DONOR RESTRICTIONS	**DONOR RESTRICTIONS**	**TOTAL**
REVENUE AND SUPPORT:			
TUITIONS & FEES	$ 1,244,200	$0	$ 1,244,200
CONTRIBUTIONS	530,500	0	530,500
TOTAL REVENUE AND SUPPORT	1,774,700	0	1,774,700
OTHER INCOME:			
CAPITAL GAIN(LOSS)	0	0	0
OTHER INCOME	180,500	0	180,500
TOTAL OTHER INCOME	180,500	0	180,500
TOTAL REVENUE	1,955,200	0	1,955,200
EXPENSES:			
PROGRAM SERVICES	805,860	0	805,860
SUPPORTING SERVICES			
MANAGEMENT AND GENERAL	883,587	0	883,587
TOTAL EXPENSES	1,689,447	0	1,689,447
CHANGE IN NET ASSETS	**265,753**	**0**	**265,753**
NET ASSETS - *beginning of the year*	2,524,087	0	2,524,087
PRIOR YEAR ADJUSTMENT	0	0	0
CHANGE IN NET ASSETS	265,753	0	265,753
NET ASSETS - *end of the year*	**$ 2,789,840**	**$0**	**$ 2,789,840**

See the independent auditor's report and accompanying notes to financial statements

STATEMENT OF CASH FLOWS

GEORGIA CENTRAL UNIVERSITY **FOR THE YEAR ENDED DEC. 31, 2022**

	2022
OPERATING ACTIVITIES	
NET INCOME	265,753
DEPRECIATION	69,594
NET CASH PROVIDED BY OPERATION ACTIVITIES	
CHANGES IN PAYROLL LIABILITIES	(37,138)
CHANGES IN ACCOUNTS RECEIVABLE	78,000
CHANGES IN UNEARNED REVENUE	17,900
CHANGES IN OTHERS	(39,819)
NET CASH PROVIDED BY OPERATING ACTIVITIES	**354,290**
INVESTING ACTIVITIES	
ACQUISITION OF FIXED ASSETS	-
NET CASH PROVIDED BY INVESTING ACTIVITIES	**-**
FINANCING ACTIVITIES	
CHANGES IN LONG TERM DEBT, *current portion*	-
REDEMPTION OF LONT TERM DEBT	(277,982)
NET CASH PROVIDED BY FINANCING ACTIVITIES	**(277,982)**
NET CASH INCREASE FOR PERIOD	76,308
CASH AT BEGINNING OF PERIOD	294,642
CASH AT THE END OF PERIOD	**370,950**

*** Supplemental Information :**

- interest paid in cash during the year	10,265

See the independent auditor's report and accompanying notes to financial statements

GEORGIA CENTRAL UNIVERSITY
Notes to Financial Statements
For the Year Ended December 31, 2022

1. Description of Organization

Georgia Central University (the Organization) is a Georgia corporation organized under the General Not-For-Profit Corporation Act, which provides postsecondary educational programs. Education programs are offered in a reformed Christian setting with a variety of disciplines for students leading to a baccalaureate, master and doctorate degrees in Theological Studies, Christian Education, Mission Studies, Music, Business Administration, Computer Science, and ESOL.

The Organization's Student and Exchange Visitor Information System (SEVIS) access for F-1 is active now, same as J-1. So, the Organization is able to issue any I-20 forms, "Certificate of Eligibility for Nonimmigrant Student Status".

Its main campus is located in Atlanta, Georgia. Its principal revenue sources are tuition, student fees, contributions and federal grants.

General and administrative activities include the functions necessary to provide support the organization's program activities. General administrative activities include those that provide governance (Board of Trustees), oversight, business management, financial recordkeeping, budgeting, legal services, human resource management, and similar activities that ensure an adequate working environment and an equitable employment program.

Fundraising activities include publicizing and conducting fundraising campaigns; conducting special fundraising events; and other activities involved with soliciting contributions.

2. Significant Accounting Policies

-Basis of Accounting

The Organization prepares its financial statements in accordance with generally accepted accounting principles promulgated in the United States of America (U.S. GAAP) for NFPs. The significant accounting

and reporting policies used by the organization are described subsequently to enhance the usefulness and understandability of the financial statements.

- ***Reporting Entity***

The Organization is an academic institution fully authorized by State of Georgia Nonpublic Postsecondary Education Commission (GNPEC), and State of New Jersey Office of the Secretary of Higher Education (OSHE),the COA Applicant member of the Association for Biblical Higher Education(ABHE), and its School of Divinity is a fully accredited member of the Association of Theological Schools (ATS). Recognized by the United States Department of Education (USDE) and the Council for Higher Education Accreditation (CHEA).

- Cash and Cash Equivalents

The Organization considers all liquid investments with a remaining maturity of three months or less at the date of acquisition to be cash equivalents. Cash balances that are restricted and not expected to be freed from the restriction within the subsequent year are classified as non-current assets.

-Contributions Receivable

Contributions receivable are unconditional promises to give that are recognized as contributions when the promise is received. Contributions receivable that are expected to be collected in less than one year are reported at net realizable value. Contributions receivable that are expected to be collected in more than one year are recorded at fair value at the date of promise. That fair value is computed using a present value technique applied to anticipated cash flows. Amortization of the resulting discount is recognized as additional contribution revenue. The allowance for uncollectible contributions receivable is determined based on management's evaluation of the collectability of individual promises. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed.

- Income and Unrelated Business Income Taxes

The Organization is incorporated, exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code (IRC), though it would be subject to tax on income unrelated to its exempt purposes (unless that income is otherwise excluded by the IRC). There were no unrelated business activities that were not substantially related to exempt purpose of University's function.

-Property, Plant and Equipment

Land, building and equipment are reported in the statement of financial position at cost, if purchased, and at fair value at the date of donation, if donated. All land and building are capitalized. Equipment is capitalized if it has a cost of $1,000 or more and a useful life when acquired of more than 1 year. Repairs and maintenance that do not significantly increase the useful life of the asset are expensed as incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, as follows:

Buildings	31.5 years
Leasehold Improvements	15 years
Furniture, Fixtures and Equipment	5 to 7 years

Buildings, Leasehold Improvements and Furniture, Fixtures and Equipment are reviewed for impairment when a significant change in the asset's use of another indicator of possible impairment is present. No impairment losses were recognized in the financial statements in the current period.

-Current Liabilities

Current liabilities include principal amounts of credit card payable, line of credits, payroll and related payroll liabilities, and current portion of commercial loans.

-Net Assets

The financial statements report net assets and changes in net assets in two classes that are based upon the existence or absence of restrictions on use that are placed by donors, as follows:

1) Net Assets without Donor Restrictions

Net assets without Donor Restrictions are resources available to support operations. The only limits on the use of unrestricted net assets are the broad limits resulting for the nature of the organization, the environment in which it operates, the purposes specified in it corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

2) Net Assets with Donor Restrictions

Net assets with Donor Restrictions are resources whose use by the organization is limited by donor-imposed restrictions that neither expires by being used in accordance with a donor's restriction nor by the passage of time. The portion of the organization's donor-restricted endowment funds that must be

maintained in perpetuity are classified in this net asset class, as is the organization's beneficial interest in a perpetual charitable trust held by a bank trustee.

All revenues and net gains are reported as increases in net assets without donor restrictions in the statement of activities unless the use of the related resources is subject to temporary or permanent donor restrictions. All expenses and net losses other than losses on endowment investments are reported as decreases in unrestricted net assets. Net losses on endowment investments reduce temporarily restricted net assets to the extent that net gains of the fund from prior years are unspent and classified there; remaining losses are classified as decreases in unrestricted net assets. If an endowment fund has no net gains from prior years, such as when a fund is newly established, net losses are classified as decreases in net asset without donor restrictions.

-Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period and the reported amounts of assets and liabilities at the date of the financial statements. On an ongoing basis, the organization's management evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. The organization's management believes that the estimates and assumptions are reasonable in the circumstances; the actual results could differ from those estimates.

3. Cash and Cash Equivalents, and Other Deposits

Cash & Cash Equivalents – Cash and cash equivalents consist of cash accounts, un-deposited fund, and business checking accounts. Cash amounts in certificate of deposits are not considered cash equivalents. They are separately stated as certificates of deposits in current assets.

Certificates of Deposit – the Organization owns a Certificate of Deposit in the amount of $200,000with Metro City Bank as of December 31, 2022. It is classified as Restricted Current Asset, since the funds were pledged by the bank when Metro City Bank issued its Line of Credit.

4. Contributions Receivables

During 2022, the Organization received total of $546,500 promise to give from donors. These promises are expected to be collected in less than one year. As a result, this Contributions Receivables are classified as current asset.

5. Property, Plant and Equipment

Depreciation expense for current year is $69,594.

Property and equipment are stated at cost. Depreciation is computed over the estimated useful life of the depreciable assets on the straight-line method.

6. Line of Credits

The Organization maintains Metro City Bank Line of Credit limit $200,000 with an interest rate of 2.84%. At December 31, 2022, the outstanding balance of Line of Credit is $0. As a result, available Line of Credit is $200,000.

This LOC is secured by Certificate of Deposits (Note 3).

7. Lease Obligations

The Organization has a month to month lease & maintenance agreements for its copy machines.

8. Advertising Expense

The Organization recorded $0 as Advertising expense during 2022.

There is no advertising expense directly related to fundraising activity.

9. Risk Management

The process of preparing financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts

10. Related Party Transaction

There is no related party transaction during 2022.

11. Subsequent Events, Contingent and Legal Matters

The Organization does not expect any events that would cause the University to incur any contingent liabilities as of December 31, 2022.

The Organization is not a defendant in any litigations or other legal matter from beginning of Year 2022 through July 12, 2024, the date the financial statements were available to be issued. No significant subsequent event has been identified that would require adjustment of, or disclosure in the accompanying financial statements.