



Sattler College

Financial Statements

June 30, 2025



Sattler College

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Edge Accountants and Advisors LC

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To the Board of Trustees of Sattler College

Opinion

We have audited the accompanying financial statements of Sattler College (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material aspects, the financial position of Sattler College as of June 30, 2025, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Sattler College and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to form the basis of 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 Sattler College'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 that of one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. 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 Sattler College'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 Sattler College'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 things, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

EDGE ACCOUNTANTS & ADVISORS LC

Edge Accountants and Advisors LC

Summerville, SC

February 24, 2026

Sattler College
STATEMENT OF FINANCIAL POSITION
as of June 30, 2025

See Independent Accountant's Audit Report

Assets

Current assets	
Cash and cash equivalents	\$ 2,146,635
Pledges receivable	6,001,000
Student accounts receivable, net allowance of \$0	118,778
Student loans receivable, net allowance of \$70,614	68,042
Prepaid expenses	335,796
Investment, church extension fund	666,027
Total current assets	9,336,279
Plant, property, and equipment, net	316,486
Other noncurrent assets	
Security deposits	707,338
Right of Use asset	7,694,540
Total noncurrent assets	8,401,878
Total assets	\$ 18,054,643

Liabilities and net assets

Current liabilities	
Accounts payable and accrued expenses	\$ 11,382
Due to affiliate	456,838
Other current liabilities	4,505
Lease liability, current portion	2,798,853
Total current liabilities	3,271,578
Noncurrent liabilities	
Lease liability	4,895,687
Net assets	
Without donor restrictions; undesignated	9,887,378
Total liabilities and net assets	\$ 18,054,643

See Note to the Financial Statements

Sattler College
STATEMENT OF ACTIVITIES
for the twelve months ending June 30, 2025

See Independent Accountant's Audit Report

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support			
Contributions	\$ 6,038,952	\$ -	\$ 6,038,952
Tuition and fees, net	35,186	-	35,186
Auxiliary income	370,320	-	370,320
Other income	143,301	-	143,301
Net assets released from restrictions	-	-	-
Total revenues and other support	6,587,759	-	6,587,759
Expenses			
Program services	5,067,865	-	5,067,865
General and administrative	771,511	-	771,511
Fundraising	23,575	-	23,575
Total expenses	5,862,951	-	5,862,951
Change in net assets	724,807	-	724,807
Net assets, beginning of the year	9,162,571	-	9,162,571
Net assets, end of the year	<u>\$ 9,887,378</u>	<u>\$ -</u>	<u>\$ 9,887,378</u>

See Notes to the Financial Statements

Sattler College
STATEMENT OF FUNCTIONAL EXPENSES
for the twelve months ending June 30, 2025

See Independent Accountant's Audit Report

	Program Services	<i>Institutional Support</i>		Total
		General and Administrative	Fundraising	
Salaries	\$ 1,604,511	\$ 401,128	\$ -	\$ 2,005,638
Benefits	387,574	90,912	-	478,487
Payroll taxes	125,634	29,470	-	155,104
Total salaries and benefits	2,117,719	521,510	-	2,639,228
Accreditation	31,893	-	-	31,893
Professional fees	345,850	-	-	345,850
Advertising	39,987	-	17,137	57,124
Office and supplies	17,515	1,946	-	19,461
Information technology	87,480	9,720	-	97,200
Occupancy	1,927,006	214,112	-	2,141,118
Travel	43,778	14,164	6,438	64,380
Conferences and meetings	-	7,782	-	7,782
Depreciation and amortization	163,836	-	-	163,836
Insurance	57,910	-	-	57,910
Student services	85,075	-	-	85,075
Bad debt	149,816	-	-	149,816
Miscellaneous	-	2,278	-	2,278
Total expenses	\$ 5,067,865	\$ 771,511	\$ 23,575	\$ 5,862,951

See Notes to the Financial Statements

Sattler College
STATEMENT OF CASH FLOWS
for the twelve months ending June 30, 2025

See Independent Accountant's Audit Report

Cash flows from operating activities	
Change in net assets	\$ 724,807
Adjustments to reconcile change in net assets to net cash provided by (or used in) operating activities:	
Depreciation and amortization	163,836
Changes in operating assets and liabilities	
Student accounts receivable	14,089
Student loans receivable	150,691
Pledges receivable	(1,000)
Prepaid expenses	(48,227)
Investment, church extension fund	(666,027)
Accounts payable	(32,140)
Other current liabilities	(250)
Right of Use asset	(464,461)
Lease liability, current portion	65,770
	(92,912)
Cash flows from investing activities	
Purchase of property and equipment	(16,763)
Increase in security deposits	(500)
	(17,263)
Cash flows from investing activities	
Decrease in long-term lease liability	(450,418)
	(560,593)
Cash and cash equivalents, beginning of the year	2,707,228
Cash and cash equivalents, end of the year	\$ 2,146,635

See Notes to the Financial Statements

Sattler College
Notes to the Financial Statements
June 30, 2025

Note 1 - Description of the Organization

Sattler College, Inc. (the "College") is a Massachusetts nonprofit corporation, incorporated in February 2017. The College is organized and shall be operated exclusively for charitable, religious, and educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws (the "Internal Revenue Code") to establish and administer a college that shall confer the following degrees:

Bachelor of Science in Human Biology
Bachelor of Science in Computer Science
Bachelor of Science in Business
Bachelor of Arts in Biblical and Religious Studies
Bachelor of Arts in History

In addition, the College offers any and all courses relating or incidental thereto; and b) promote and advance the precepts and values of the historic Christian faith. The College commenced its principal operations in September 2018. Tuition and fees, room and board, and program activity fees paid by students are the College's primary sources of revenue. The College continues to operate with funds from a single donor's contributions and pledges, committed to a six-year funding stream.

Note 2 – Summary of Significant Accounting Policies

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Measure of operations - The statement of activities reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to the College's ongoing educational services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate returns from investments and other activities considered to be of a more unusual or nonrecurring nature.

Cash and cash equivalents - the College's cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of two months or less from the date of purchase, except for those amounts that are held in the investment portfolio, which are invested for long-term purposes.

Concentrations of credit risk - Financial instruments that potentially subject the College to concentrations of credit risk consist principally of cash and cash equivalents and investments. The College maintains its cash and cash equivalents in various bank accounts that, at times, may exceed federally insured limits. The College's cash and cash equivalent accounts have been placed with high-credit-quality financial institutions. The College has not experienced, nor does it anticipate, any losses with respect to such accounts.

Sattler College
Notes to the Financial Statements
June 30, 2025

Note 2 - Summary of Significant Accounting Policies (continued)

Contributions receivable - Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met.

Property and equipment, net - Property and equipment are stated at cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated depreciation. Depreciation is calculated using the straight-line method over the Lesser of the estimated useful lives of the assets or the lease term. The useful lives range from 5 to 10 years. The College's policy is to capitalize renewals and betterments costing more than \$500 and to expense regular repairs and maintenance as incurred. The College's management periodically evaluates whether events or circumstances have occurred indicating that the carrying amount of long-lived assets may not be recovered.

Investments are reported at cost if purchased or at fair value if donated. Thereafter, investments are reported at their fair values in the statements of financial position, and changes in fair value are reported as investment return in the statements of activities.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the statements of activities in the period in which the securities are sold. Interest is recorded when earned. Dividends are accrued as of the ex-dividend date.

Contributions - Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that the donor restrictions are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor-restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

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

Sattler College
Notes to the Financial Statements
June 30, 2025

Note 2 - Summary of Significant Accounting Policies (continued)

Several volunteers have made significant contributions of their time in furtherance of the College's mission. These services were not reflected in the accompanying statements of activities because they do not meet the recognition criteria under US GAAP.

Use of estimates - The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect specific reported amounts and disclosures. Actual results could differ from those estimates.

Accounts Receivable and Allowance for Credit Losses - The College provides on-site and off-site educational programs to a broad range of students. It has tracked historical loss information for accounts receivable and compiled historical credit Loss percentages for different aging categories and believes that the historical loss information compiled is a reasonable base on which to determine expected credit losses for accounts receivable held at June 30, 2025 because the composition of the accounts receivable at that date is consistent with that used in developing the historical credit-loss percentages (i.e., the similar risk characteristics of its students and its practices have not changed significantly over time).

Income taxes - the College is exempt from income tax under IRC section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless the Code otherwise excludes that income. The College has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The College has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

Functional expenses - The costs of providing programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, specific fees have been allocated to educational services and supporting services. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Expense	Allocation Method
Salaries	Time and effort
Benefits	Time and effort
Accreditation services	Full-time equivalent
Professional services	Full-time equivalent
Advertising	Full-time equivalent
Office expenses	Square footage
Information technology	Full-time equivalent
Occupancy	Square footage
Travel	Time and effort
Conferences, meetings	Full-time equivalent
Interest	Square footage
Depreciation, amortization	Square footage
Student services	Full-time equivalent
Other	Time and effort

Sattler College
Notes to the Financial Statements
June 30, 2025

Note 3 – Availability and Liquidity

The following represents the College's financial assets at June 30, 2025:

Financial assets		
Cash and cash equivalents	\$	2,146,635
Pledges receivable		6,001,000
Student accounts receivable, net allowance of \$0		118,778
Student loans receivable, net allowance of \$70,614		68,042
Investment, church extension fund		666,027
Total financial assets		9,000,482
Less amounts not available to be used within one year:		
Net assets with donor restrictions		-
Financial assets available to meet general expenditures over the next twelve months		
	\$	9,000,482

The College's goal is generally to maintain financial assets to meet 90 days of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments, including savings accounts that pay interest at market rates.

Note 4 – Property and Equipment, Net

Property and equipment, net consisted of the following at June 30, 2025:

Leasehold improvements	\$	661,059
Equipment		841,197
Less: accumulated depreciation		(1,185,770)
Property and equipment, net	\$	316,486
For the year ended June 30, 2025, depreciation expense totaled:		
	\$	163,836

Note 5 – Leases

The College leases specific space and/or equipment under long-term, non-cancelable operating lease agreements with various terms. These leases expire at different dates through 20X6 and include renewal options ranging from one to three years. When renewal options are reasonably certain to be exercised, the College adds them to the calculation of right-of-use assets and lease liabilities. The weighted-average discount rate is based on the rate implicit in each lease. For leases where the implicit rate cannot be readily determined, the College has chosen to use the risk-free rate, calculated using a period comparable to the lease term. This risk-free rate option has been applied to the equipment asset category.

Sattler College
Notes to the Financial Statements
June 30, 2025

Note 5 – Leases (continued)

Years ending June 30 ,			
	2026	\$	2,831,139
	2027		1,923,800
	2028		1,952,101
	2029		1,308,699
Total			8,015,739
Less present value discount			(321,200)
Present value of lease liabilities			7,694,540
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows from operating leases			2,763,116
Weight-average Information			
Weighted-average remaining lease term in years			3.75
Weighted-average discount rate			2.505%

Note 6 – Due to Affiliate

As part of their effort to help establish Sattler College, Anchor-Cross Ministries provided funding for the college's security deposit for a ten-year lease at 100 Cambridge Street, Boston, Massachusetts. When the lease ends, the deposit will be returned to Anchor-Cross Ministries. The security deposit was \$456,838 for the year ending June 30, 2025.

Note 7 – Tuition and Fees

Tuition and fees are considered earned by the College evenly throughout each semester. The amounts shown in the Statement of Activities are net of scholarships and discounts. For the year ending June 30, 2025, tuition and fees were as follows:

Tuition	\$	114,170
Fees		34,016
Less: scholarships and discounts		(113,000)
Tuition and fees, net	\$	35,186

Sattler College
Notes to the Financial Statements
June 30, 2025

Note 8 – Revenue Recognition

The College recognizes revenue from student tuition and fees in the year the related services are provided. The performance obligation to deliver educational services is simultaneously received and consumed by students; therefore, revenue is recognized ratably over the academic year. Tuition and fee payments are usually invoiced at the start of each term, and payment is due by the specified add/drop date. All amounts received before the academic year begins, including enrollment deposits, are deferred to the relevant period. Scholarships given to students are recorded as a reduction from the posted tuition rates when revenue is recognized.

Note 9 – Commitments and Contingencies

The College faces specific claims from normal business activities. Although it is not possible to predict the outcome of all claims, management believes it has adequately recorded liabilities for claims with reasonably measurable outcomes and has not recorded liabilities for those unlikely to significantly affect the College's financial condition.

Note 10 – Related Party Transactions

There were no significant or unusual transactions with related parties in accordance with AU-C section 550, nor were there reportable transactions under SFAS 57 for the year ending June 30, 2025. Transactions with members of management, board members, or their family members included amounts paid for reasonable compensation and/or reimbursed expenses under an accountable reimbursement plan.

Note 11 – Subsequent Events

The College has evaluated subsequent events through February 24, 2026, which is the date the financial statements were available to be issued. The College is not aware of any material subsequent events.