The Gathering of West Chester, Inc. d/b/a Providence Church

Financial Statements

June 30, 2026 and 2025



The Gathering of West Chester, Inc. d/b/a Providence Church
June 30, 2026 and 2025

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Kreischer Miller

Independent Accountants' Review Report

Finance Committee
The Gathering of West Chester, Inc.
d/b/a Providence Church
West Chester, Pennsylvania

We have reviewed the accompanying financial statements of The Gathering of West Chester, Inc. d/b/a Providence Church (a not-for-profit organization), which comprise the statements of assets, liabilities and net assets – modified cash basis as of June 30, 2026 and 2025, and the related statements of revenue, expenses and changes in net assets – modified cash basis, functional expenses – modified cash basis, and cash flows – modified cash basis for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatements, whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the modified cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of The Gathering of West Chester, Inc. d/b/a Providence Church and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the modified cash basis of accounting.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

KMCO CPAs LLP

Horsham, Pennsylvania
November 2, 2026

The Gathering of West Chester, Inc. d/b/a Providence Church

Statements of Assets, Liabilities and Net Assets - Modified Cash Basis
June 30, 2026 and 2025
(See Independent Accountants' Review Report)

	2026	2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 684,003	$ 650,832
Other current assets	102	2,400
Total current assets	684,105	653,232
Property and equipment, net	6,790,496	6,993,063
	$ 7,474,601	$ 7,646,295
LIABILITIES AND NET ASSETS		
Current liabilities:		
Note payable, current portion	$ 115,258	$ 66,750
Accrued expenses	10,561	6,444
Total current liabilities	125,819	73,194
Note payable, net of current portion	563,662	1,762,964
Total liabilities	689,481	1,836,158
Net assets:		
Without donor restrictions	6,510,588	5,697,406
With donor restrictions	274,532	112,731
Total net assets	6,785,120	5,810,137
	$ 7,474,601	$ 7,646,295

See accompanying notes to financial statements.

The Gathering of West Chester, Inc. d/b/a Providence Church

Statements of Revenue, Expenses and Changes in Net Assets - Modified Cash Basis
Years Ended June 30, 2026 and 2025
(See Independent Accountants' Review Report)

	2026		
	Without Donor Restrictions	With Donor Restrictions	Total
Operating revenue and support:			
Contributions	$ 2,240,296	$ 1,873,456	$ 4,113,752
Rental income, net	144,088	-	144,088
Registration income	74,523	-	74,523
Net assets released from restrictions	1,711,655	(1,711,655)	-
	4,170,562	161,801	4,332,363
Expenses:			
Program services	2,967,762	-	2,967,762
Supporting services:			
Administrative	448,317	-	448,317
	3,416,079	-	3,416,079
Changes in net assets before non-operating revenue	754,483	161,801	916,284
Non-operating revenue:			
Interest income	22,543	-	22,543
WC Outdoor income	36,156	-	36,156
	58,699	-	58,699
Changes in net assets	813,182	161,801	974,983
Net assets, beginning of year	5,697,406	112,731	5,810,137
Net assets, end of year	$ 6,510,588	$ 274,532	$ 6,785,120

See accompanying notes to financial statements.

2025		
Without Donor Restrictions	With Donor Restrictions	Total
$ 2,200,515	$ 2,022,278	$ 4,222,793
109,933	-	109,933
73,212	-	73,212
2,122,313	(2,122,313)	-
4,505,973	(100,035)	4,405,938
3,653,165	-	3,653,165
539,409	-	539,409
4,192,574	-	4,192,574
313,399	(100,035)	213,364
21,989	-	21,989
55,321	-	55,321
77,310	-	77,310
390,709	(100,035)	290,674
5,306,697	212,766	5,519,463
$ 5,697,406	$ 112,731	$ 5,810,137

The Gathering of West Chester, Inc. d/b/a Providence Church

Statements of Functional Expenses - Modified Cash Basis
Years Ended June 30, 2026 and 2025
(See Independent Accountants' Review Report)

	2026		
	Program Services	Supporting Services: Administrative	Total
Restricted and other	$ 365,323	$ 40,591	$ 405,914
Ministries	334,668	-	334,668
Local and global partnerships	72,101	-	72,101
Salaries	1,432,850	190,224	1,623,074
Payroll taxes and employee benefits	233,938	31,057	264,995
Building related	173,669	19,297	192,966
Depreciation	308,526	34,281	342,807
Building related, interest	43,368	4,819	48,187
Insurance	3,319	29,873	33,192
Rental	29,121	3,236	32,357
Office	-	98,175	98,175
Total expenses by function	2,996,883	451,553	3,448,436
Expenses included with revenue on the statements of revenue, expenses and changes in net assets	(29,121)	(3,236)	(32,357)
Total functional expenses	$ 2,967,762	$ 448,317	$ 3,416,079

	2025		
	Program Services	Supporting Services: Administrative	Total
Restricted and other	$ 1,519,507	$ 168,834	$ 1,688,341
Ministries	257,171	-	257,171
Local and global partnerships	61,848	-	61,848
Salaries	1,127,519	165,952	1,293,471
Payroll taxes and employee benefits	174,021	25,613	199,634
Building related	120,136	13,348	133,484
Depreciation	310,100	34,456	344,556
Building related, interest	79,962	8,885	88,847
Insurance	2,901	26,105	29,006
Rental	33,944	3,772	37,716
Office	-	96,216	96,216
Total expenses by function	3,687,109	543,181	4,230,290
Expenses included with revenue on the statements of revenue, expenses and changes in net assets	(33,944)	(3,772)	(37,716)
Total functional expenses	$ 3,653,165	$ 539,409	$ 4,192,574

See accompanying notes to financial statements.

The Gathering of West Chester, Inc. d/b/a Providence Church

Statements of Cash Flows - Modified Cash Basis
Years Ended June 30, 2026 and 2025
(See Independent Accountants' Review Report)

	2026	2025
Cash flows from operating activities:		
Changes in net assets	$ 974,983	$ 290,674
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	342,807	344,556
(Increase) decrease in:		
Other current assets	2,298	(322)
Increase (decrease) in:		
Accrued expenses	4,117	(23,580)
Net cash provided by operating activities	1,324,205	611,328
Cash flows from investing activity:		
Purchases of property and equipment	(140,240)	(75,681)
Cash flows from financing activity:		
Repayments of note payable	(1,150,794)	(459,235)
Net increase in cash and cash equivalents	33,171	76,412
Cash and cash equivalents, beginning of year	650,832	574,420
Cash and cash equivalents, end of year	$ 684,003	$ 650,832
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	$ 48,187	$ 88,847

See accompanying notes to financial statements.

(1) Nature of Organization

The Gathering of West Chester, Inc. d/b/a Providence Church (the Church) is located in Chester County, Pennsylvania, with a location in West Chester and in Glenmoore. The Church provides religious services to its congregants and the community. The Church's mission is to lead people to grow in their faith, hope, and love for Jesus Christ.

(2) Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (U.S. GAAP). This method differs from U.S. GAAP in that, revenues are recognized when collected rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred. This basis approach is also modified to include the capitalization of property and equipment purchases, the recording of depreciation, and the recording for capital expenditure liabilities. Accrued expenses represent expenses that have been charged on credit cards.

Basis of Presentation

The Church's net assets, revenue, gains, and losses are classified in the financial statements based on the existence or absence of donor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Church's management and Board of Elders.

Net assets with donor restrictions – Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Church or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Measure of Operations

The statements of revenue, expenses and changes in net assets – modified cash basis report all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Church's ongoing programs and activities. Non-operating activities are considered to be peripheral to the Church's ongoing programs and activities.

Continued…

(2) Summary of Significant Accounting Policies, Continued

Cash and Cash Equivalents

The Church considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

Property and Equipment

Acquisition of property and equipment in excess of $1,000 is capitalized. Property and equipment are stated at cost, or if donated, at the approximate fair value at the date of donation and are depreciated using the straight-line method over the estimated useful lives of the related assets. Estimated useful lives are as follows:

Land and land improvements	20-40 years
Billboard	10 years
Building and improvements	5-40 years
Furniture and fixtures	7-40 years
Machinery and equipment	5-25 years

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. All donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, 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 revenue, expenses and changes in net assets – modified cash basis as net assets released from restrictions.

Contributed Services

Many individuals volunteer their time and perform a variety of tasks that assist the Church with specific programs and various committee assignments. An amount has not been recognized in the accompanying statements of revenue, expenses and changes in net assets – modified cash basis for these volunteer efforts because they did not meet the requirements for recognition under Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 958-605, *Revenue Recognition*.

Rental Income

Rental income consists of amounts received from the rental of the Church's hall, kitchen, and parking lot and is recognized when received. Terms of rentals cover one-time events and month to month rental agreements.

Continued…

(2) Summary of Significant Accounting Policies, Continued

Functional Allocation of Expenses

The costs of providing program and other activities have been summarized on a functional basis in the statements of functional expenses – modified cash basis. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

Expense	Method of Allocation
Restricted and other expenses	Specific identification
Ministries	Specific identification
Local and global partnerships	Specific identification
Office expenses	100% administrative
Salaries, payroll taxes and employee benefits	Headcount/time and effort
Building related expenses	Square footage

Estimates

The preparation of financial statements in accordance with the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Concentration of Risk

Financial instruments that potentially expose the Church to a concentration of credit risk consist of cash and cash equivalents. The Church maintains cash balances at financial institutions which may exceed FDIC or SIPC insurance limits. Management believes that it is not exposed to any significant credit risks on its cash accounts.

Income Taxes

The Church has been recognized by the Internal Revenue Service as a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (IRC) and is exempt from federal income taxes pursuant to Section 501(c)(1) of the IRC. However, at times, the Church is subject to unrelated business income tax based on its activities. The Church files an *Exempt Organization Business Income Tax Return* (Form 990T) with the Internal Revenue Service to report its unrelated business taxable income.

Continued…

(2) Summary of Significant Accounting Policies, Continued

Income Taxes, Continued

For the year ended June 30, 2026, the Church did not identify any uncertain tax positions taken or expected to be taken, which would require adjustment to or disclosure in the financial statements. The Church is potentially subject to federal, state, and local examinations for the years subsequent to June 30, 2022.

Subsequent Events

Management has evaluated subsequent events through November 2, 2026, which is the date the financial statements were available to be issued.

(3) Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of assets, liabilities and net assets – modified cash basis, comprise of the following at June 30:

	2026	2025
Cash and cash equivalents	$ 684,003	$ 650,832
Less those unavailable for general expenditures within one year:		
Donor imposed restrictions	(274,532)	(112,731)
Board designated funds	(299,244)	(407,150)
	$ 110,227	$ 130,951

A portion of the Church's cash is considered board designated, which designates certain funds to be used in a particular manner or in a future period. All cash and cash equivalents are invested in high-yield interest-bearing accounts that are FDIC insured.

(4) Property and Equipment, Net

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

	2026	2025
Land and land improvements	$ 1,117,665	$ 1,098,365
Billboard	277,176	277,176
Building and improvements	6,824,514	6,779,417
Furniture and fixtures	386,503	343,194
Machinery and equipment	607,490	572,788
Construction in progress	-	2,168
	9,213,348	9,073,108
Accumulated depreciation	(2,422,852)	(2,080,045)
	$ 6,790,496	$ 6,993,063

For the years ended June 30, 2026 and 2025, depreciation expense totaled $342,807 and $344,556, respectively.

(5) Note Payable

In March 2022, the Church borrowed from Wilmington Savings Fund Society, FSB a promissory note with a principal balance of $2,200,000 payable over 10 years. The note is payable in 60 monthly installments of principal and interest of $11,754, including interest at a fixed rate of 4.06%, followed by 60 monthly installments of principal and interest at a variable rate at the Wilmington Savings Fund Society, FSB prime rate, followed by a balloon payment of principal and interest at maturity, February 2032. The balance on the loan was $678,920 and $1,829,714 at June 30, 2026 and 2025, respectively. In connection with the note, the Church is subject to certain financial covenants.

Future annual minimum principal payments on the loan are as follows:

Year Ending June 30,	Amount
2027	$ 115,258
2028	120,038
2029	125,128
2030	130,378
2031	135,847
Thereafter	52,271
	$ 678,920

(6) Related Party Transactions

The Church acts as a guarantor to the mortgage of 238 and 240 W. Miner Street, West Chester, and a line of credit for the organization Providence House of West Chester, Inc. The mortgage was entered into during the year ended June 30, 2025, and the line of credit was entered into during the year ended June 30, 2026. The Church does not maintain any ability to appoint board members for the Providence House of West Chester, Inc. The Church is responsible for the mortgage and line of credit in the event Providence House of West Chester, Inc. cannot fulfill the financial obligations. As of June 30, 2026 and 2025, the mortgage has an outstanding balance of $388,291 and $398,393, respectively. The line of credit has a maximum advance of $200,000. The line of credit bears interest at the prime rate with a floor of 4.25% (6.75% at June 30, 2026). There was no balance on the line of credit at June 30, 2026. The Church is released from guarantor responsibility if the Providence House of West Chester, Inc. demonstrates sufficient cash flow to meet the agreed upon debt service ratio (1.10) after twelve months post closing. As of June 30, 2026, The Church maintained responsibility as the guarantor of the mortgage and line of credit.

(7) Retirement Plan

The Church has adopted a 403(b) savings plan which is available to all employees who work at least 20 hours per week. Participants in the plan are eligible for employer matching 100% of contributions up to 5% and 50% of contributions of the next 5% of eligible compensation when they have completed one year of service and have attained age 21.

For the years ended June 30, 2026 and 2025, the Church contributed $63,944 and $49,398 to the 403(b) savings plan, respectively.

(8) Net Assets with Donor Restrictions

Net assets with donor restrictions at June 30, 2026 and 2025 are restricted for the following purposes:

	2026	2025
Care Fund	$ 31	$ 4,929
Counseling Scholarship Fund	620	-
Missions Fund	2,453	4,801
Music and Arts Project	4,773	12,690
Preparing a Place	239,778	83,416
Supports	13,350	6,895
Sabbatical Grant	13,527	-
	$ 274,532	$ 112,731

Continued…

(8) Net Assets with Donor Restrictions, Continued

Net assets are released from donor restrictions by incurring expenses, satisfying the restricted purposes, or by occurrence of other events specified by donors. Net assets with donor restrictions released from restrictions are as follows during the years ended June 30:

	2026	2025
Care Fund	$ 27,978	$ 60,079
Counseling Scholarship Fund	2,580	4,045
Expand the Table	-	32,178
Kids Camp Scholarship	-	874
Missions Fund	105,461	249,433
Music and Arts Project	8,923	6,094
Preparing a Place	1,496,672	548,045
Refugee Housing Project	-	1,200,000
Supports	35,360	11,397
Sabbatical Grant	34,681	-
Washington Street	-	10,168
	$ 1,711,655	$ 2,122,313