



AWAKENING CHURCH

Fiscal Year 2026 Annual Report ***Generosity in Action***

July 1, 2025 to June 30, 2026

"Awakening this generation to new life in Christ"

A LETTER FROM LEADERSHIP

The generosity of our body of believers at Awakening Church continued to advance our mission of “Awakening this generation to new life in Christ” throughout fiscal year 2026.

This year we have organized the report differently. Rather than leading with charts, we begin with what your giving supported, including baptisms, food assistance, college applications, and leadership development. The financial detail behind these outcomes follows.

Before the numbers, the outcomes: 18 baptisms, 2,277 household visits to the Del Mar food pantry, 40-plus students supported through college applications with a 100% four-year acceptance rate, and 900-plus volunteer hours that turned a leased high school into a place of worship each week. The sections below tell that story first; the financial detail that made it possible follows.

Giving

General Fund income for FY26 was \$2,019,768, against an aggregate approved budget of \$2,120,000, a shortfall of about 4.7%. This figure is not directly comparable with FY25 because we changed how some income and expenses were classified in FY26. See Basis of Presentation below.

Total income across all funds was approximately \$2,178,336. Part of the shortfall reflects a genuine headwind rather than reduced congregational giving. Several companies changed the rules governing their employee-matching program, Benevity, during the year, and Awakening lost a significant portion of its Benevity matching income as a result (approximately \$142,000).

Operating result and reserves

Awakening ended FY26 with a net operating loss of \$75,874, smaller than FY25's \$145,236 loss, though still a second consecutive year of operating losses. The decline in corporate matching income contributed to this result. Changes to corporate partnership eligibility requirements meant that Awakening was no longer eligible to receive certain matching gifts through Benevity. While this represents a notable decrease in funding, we remain deeply grateful for the ongoing, faithful generosity of our congregation.

Total cash balance as of June 30, 2026, was \$2,101,925. Unrestricted cash reserves were \$684,042, representing approximately 4 months of average monthly expenses. At the close of FY25, reserves exceeded \$675,000.

Above & Beyond (Prior Capital Campaign)

The Above & Beyond fund, a designated fund from a prior capital campaign for the acquisition and outfitting of a permanent location, opened FY26 at \$1,321,261 and received \$66,316 in new giving and interest during the year. FY26 also saw \$32,739 spent from the fund, primarily on architect fees for a potential location and consultant fees to help prepare Awakening for the next phase of its search. The fund closed with a balance of \$1,354,838. Awakening continues to gather in leased public school facilities, an arrangement described in the Space, Facilities and Connection section below.

Giving beyond our own walls

Awakening directed \$250,102 outside our doors in FY26, or about 11.9% of operating expenses. This figure combines ordinary compassion giving to named partners and causes, local and global restricted giving, and Benevolence Fund disbursements. Comparable figures were \$287,116 in FY25 (13%), \$259,555 in FY24 (12%), and \$261,190 in FY23 (13%).

We present these results transparently, including where giving fell short of plan, because the congregation that funded this work deserves a complete picture of it.

Approved by the Awakening Leadership Council

SPACE, FACILITIES & CONNECTION

Awakening does not yet own a building. Each week, a worship space is built and dismantled by volunteers inside a leased public school, which means the single largest facility line in our budget buys us access, not ownership, and volunteer labor supplies the rest.

- **Selfless service.** Volunteers provided over **900 hours** of labor transforming a local high school into a space of worship, serving as a vital entry point for newcomers. FY26 rent fell to **\$222,820**, down 16% from \$266,476 in FY25.
- **Multigenerational unity.** Every generation, from toddlers to seniors, actively serves together, including youth who contributed over 225 community service hours.
- **Welcoming environment.** Over 120 people attended Awakening 101, creating clear pathways for newcomers to be known and integrated.
- **Targeted care.** **329 prayer request** responses were met through meals, benevolence, and direct pastoral care. The Benevolence Fund opened FY26 at \$17,827 received \$29,664 in giving, and disbursed \$13,826.
- **Women's community.** Giving empowered over **180 women** to connect and grow through the annual Gathering, a Santa Cruz retreat, and summer gatherings.

YOUTH, WORSHIP & LEADERSHIP DEVELOPMENT

- **Spiritual awakening.** Discipleship programs saw powerful salvations and life transformations, including 6 youth baptisms, student-led preaching, and active youth leadership.
- **Protégé and equipping.** Seven young leaders completed the Protégé program with a deeper love for Christ and are actively serving across the church.
- **Worship and prayer.** Giving funded a fully equipped, expanded production and worship team, enabling home viewers to stay connected, and resourced prayer training for 14 prayer team members.
- **Sacred rhythms and life celebrations.** Funds made way for 18 total baptisms with an upgraded baptism tank, sustained monthly communion, and hosted major community gatherings reaching 2,174 total attendees with the support of 111 volunteers.

LOCAL OUTREACH & KINGDOM IMPACT

In FY26, Awakening gave \$250,102 outside our own operations, about 11.9% of operating expenses, combining ordinary compassion giving, local and global restricted giving, and Benevolence Fund disbursements. The comparable FY25 figure was \$287,116, or 13%. What follows is where it went and what it accomplished.

- **Del Mar High School partnership.** The Del Mar Giving Fund provided critical financial relief for family burial expenses, paid rent and utility bills, co-funded a community breakfast cart, and covered 40+ college application fees (AVID) for students who were all accepted to four-year universities.
- **Community food pantry.** The pantry recorded 2,277 household visits across FY26, distributed 102,465 pounds of food, and supported school custodial staff with surplus. Nearly half of the individuals reported each quarter were aged 18 or younger.
- **Be a Friend Ministry at the Arena Hotel.** Giving resourced Thanksgiving meals and Sunday transportation for local residents, and residents responded to the Gospel with a desire for baptism.
- **Love Never Fails partnership.** Awakening joined the fight against human trafficking as an official donor supporting South Bay street-level outreach and awareness events.

Community Food Pantry - FY26 Detail

The pantry is the most heavily measured ministry in this report, and the numbers below come directly from our partner, CityTeam.

Quarter	Visits	Households	Individuals	Age 0–18	Food (lbs)	Food value
Q1	561	210	877	397	25,245	\$48,470
Q2	599	219	872	386	26,955	\$51,754
Q3	699	210	839	377	31,455	\$60,394
Q4	418	185	717	318	18,810	\$36,115
Year	2,277	-	-	-	102,465	\$196,733

FY26 GIVING TRENDS

Awakening's impact was made possible by the giving summarized below. This section walks through how FY26 income, expenses, and budget performance compare with the two years prior, before the full financial statements that follow.

	FY26	FY25	FY24
Total Income (see note 1 below)	\$2,019,768	\$2,040,260	\$2,058,548
Aggregate approved budget	\$2,120,000	\$2,375,000	\$2,375,000
Variance to budget	(4.7%)	(14.0%)	(13.3%)
Total Expenses	\$2,095,641	\$2,185,496	\$2,058,032
Net operating income / (loss)	\$(75,874)	\$(145,236)	\$516
Total giving outside Awakening	\$250,102	\$287,116	\$259,555
Unrestricted cash reserves	\$684,042	\$675,468	\$836,934
Above & Beyond - new FY26 giving/interest	\$66,316	\$76,061	\$54,841
Designated fund income (A&B, missions, benevolence)	\$123,973	\$109,600	\$74,898
Net income / (loss), all funds	\$(15,565)	\$(49,900)	\$42,435

Note 1. FY26 introduced a new department/class chart of accounts. Special Projects (Del Mar Giving Fund) income of \$35,000 now sits in Other Income rather than in Total Income where FY25 Special Projects income of \$71,382 was recorded. The two Total Income figures are therefore not perfectly like-for-like; see Basis of Presentation below.

Year over Year Giving (General Fund, in thousands)

FY13	FY14	FY15	FY16	FY17	FY18
279	416	551	542	634	760
FY19	FY20	FY21	FY22	FY23	FY24
918	1,375	1,592	1,739	1,978	2,059
FY25	FY26				
2,040	2,020*				

The fiscal year runs from July 1 through June 30. *The FY26 figure is Total Income under the new chart of accounts and excludes \$35,000 of Special Projects income now recorded separately (see Basis of Presentation); on a basis matching prior years it would be approximately \$2,055K.

Basis of Presentation

Awakening reports two distinct results, and this report presents both. The General Fund net operating result measures whether operating income covered operating expenses. The all-funds net result also includes income and expenses from designated funds and Special Projects, along with investment gains or losses. These funds are received and spent on their own timelines.

In FY25 the General Fund posted an operating loss of \$145,236, while the reported all-funds result was a loss of \$49,900. Designated fund income of \$109,600, including \$76,061 from Above & Beyond giving and interest, was recorded outside the operating budget. Presenting only the operating loss understates total resources; presenting only the all-funds result conceals the operating shortfall. Both results help explain the church's finances.

Reserves

The FY25 report described unrestricted cash reserves of more than \$835,000, or four to five months of average monthly expenses, derived by deducting only the Above & Beyond balance from total cash. That basis did not deduct the other designated and restricted balances, which totaled \$119,515 at June 30, 2025, or current liabilities of \$37,847.

For FY26, reported unrestricted cash reserves were \$684,042, equivalent to approximately 3.9 months of average monthly operating expenses of \$174,637. Future reports should state the calculation basis explicitly for year-over-year comparability.

FY26 Chart of Accounts Change

Awakening made several changes to how funds were categorized between operating income and other income. These changes are outlined below.

- **Special Projects income moved.** The \$35,000 raised for the Del Mar Giving Fund in FY26 is now recorded in Other Income rather than in Total Income, where FY25 Special Projects income of \$71,382 was recorded. This alone accounts for a meaningful share of the year-over-year change in "Total Income."
- **Benevity income and expenses.** Benevity matching gifts carry restrictions on their use, but may support eligible operating expenses. In previous years, Benevity income was classified as operating income, while related expenses were split between operating and other expenses. In FY26, Benevity income and related expenses are included in the operating result. This presentation change does not remove donor restrictions.

FINANCIAL STATEMENTS

General Funds Profit and Loss - July 2025 to June 2026 (FY2026)

FY26 is presented using the new department/class chart of accounts introduced this year. See Basis of Presentation above for the main classification changes.

	FY2026 (new structure)	FY2025 (prior structure)
Income		
General Offering Income (cash)	1,752,178	1,687,423
Equity (Stock) Contributions	158,820	86,921
Benevity Income – General Funds (donor-restricted)	24,999	166,847*
Interest / Dividend Income	21,365	27,687
Sales Income / Ministry Revenue	23,112	-
Special Projects – Received outside approved project	39,294	71,382
Total Income	2,019,768	2,040,260
Expenses		
Personnel Expenses (Staff & Wage)	(1,267,433)	(1,233,111)
Rent	(222,820)	(266,476)
Insurance	(14,602)	included in Operating
Other Operating & Ministry Expenses (incl. Legal & Professional \$65,645)	(400,947)	(55,265) Operating + (243,129) Ministry, separately
Local & Global Compassion (see Total Spend Outside Awakening)	(189,839)	(44,602) GF Compassion + (168,662) Benevity Compassion
Special Projects (ordinary)		(91,902)
Total Expenses	(2,095,641)	(2,185,496)
Net Operating Income / (Loss)	(75,874)	(145,236)
Other Income (excl. Fund Transfer migration)		
Mission Trip Income	27,993	10,565
Benevolence Income	29,664	22,974
Above & Beyond Income (giving and interest)	66,316	76,061
Special Projects (Board Directed) Income	35,000	(included in Total Income above)
Gain/(Loss) on Sale of Investments	(405)	-
Total Other Income	158,568	109,600
Other Expenses (excl. Fund Transfer migration)		
Local restricted (incl. Above & Beyond \$32,437, Special Projects Fund \$18,838)	(51,275)	-
Missions Expense	(33,159)	-
Benevolence Expense	(13,826)	(9,402)
Total Other Expenses	(98,259)	(9,402)
Net Income / (Loss), All Funds	(15,565)	(49,900)

*FY25 Benevity income of \$166,847 was donor-restricted matching income recorded on a different basis than FY26's \$24,999. The decline reflects several companies changing their employee-matching rules during FY26.

Total Spend Outside Awakening

Recipient / purpose	FY2026	FY2025
UCI - Haiti (monthly and annual support)	84,000	104,000
Missions - missionary/partner support and trip travel	33,159	-
Del Mar (all programs combined)	33,339	45,754*
Called Up (college ministry)	30,000	32,500
CityTeam Food Pantry & Supplies	24,437	23,306
Benevolence Fund disbursements	13,826	9,402
Foster the City	9,997	11,000
CRU Interns	10,000	12,000
Int'l Ministries	8,000	12,000
Local Compassion - other	2,843	37,003
Homeless outreach	501	151
Total	250,102	287,116

*FY25's Del Mar figure combines staff/student/community support (\$18,356) and the Del Mar Giving Tree (\$27,398) for comparability with the FY26 lumped total.

Designated and Restricted Fund Roll-Forward

Opening balances are carried forward from the FY25 report. FY26 income and expense figures below are presented excluding Fund Transfer migration entries.

Fund	Open 7/1/25	FY26 income	FY26 expense	Close 6/30/26
Above & Beyond	1,321,261	66,316	(32,739)	1,354,678
Benevolence	17,827	29,664	(13,826)	33,665
Mission Trip	31,598	28,693	(46,967)	13,324
Special Projects (Del Mar Giving Fund)	0	35,000	(18,619)	16,381
Benevity (restricted, donor-matched)	40,069	24,999	65,068	0*

*Benevity is no longer presented as a separate fund with its own expense line in this table. FY26 giving of \$24,999 is shown for continuity with prior years. Benevity-tagged expenses of \$141,528 draw from multiple funding sources and are included in Total Spend Outside Awakening. See FY26 Chart of Accounts Change. Donor restrictions continue to apply to remaining restricted funds.

AWAKENING CHURCH FUND LEGEND

Definitions of fund types and usage.

- **General Fund** - All income marked as General Fund, not designated, or received in exchange for some service or good accrues to the General Fund. General Funds may be used for any approved expense of Awakening Church. The General Fund holds both unrestricted and partially restricted funds; the partially restricted funds are the Benevity Funds.
 - **Benevity Fund** - Benevity income results from matching donations by donors' companies. These funds are restricted in their use by the matching organization in that they cannot be used for any proselytizing purpose.
- **Designated Funds** - Awakening maintains three designated funds: Above & Beyond, Mission Trip, and Benevolence.
 - **Above & Beyond** – Funds from a prior capital campaign designated for the acquisition and outfitting of a permanent location.
 - **Mission Trip Fund** – Support primarily for Awakening Missions Trips. Funds may also be used for other missionary support as designated by the Leadership Council.
 - **Benevolence Fund** – Support for those in need of help within our community, with preference to those who are part of the Awakening Church body.
 - **Special Projects Fund** - Formerly the Compassion Projects Fund. Used only for Leadership Council approved specific projects, providing a means to give directly to those projects during their specified times. Any additional funds given in excess of the approved project goal or outside the project timelines are transferred to the general fund.