THE BECKET FUND

AUDITED
FINANCIAL STATEMENTS

Years Ended September 30, 2025 and 2024

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INDEPENDENT AUDITORS' REPORT

Board of Directors
The Becket Fund
Washington, D.C.

Opinion

We have audited the accompanying financial statements of The Becket Fund ("Becket") (a nonprofit organization), which comprise the statements of financial position as of September 30, 2025 and 2024, and the related statements of activities 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 The Becket Fund as of September 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Becket Fund 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 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 The Becket Fund's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 The Becket Fund'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 The Becket Fund'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.

Hertzbach & Company, P.L.C.

Vienna, Virginia
December 19, 2025

THE BECKET FUND
STATEMENTS OF FINANCIAL POSITION
September 30, 2025 and 2024

	2025	2024
ASSETS		
Cash	$ 3,437,537	$ 3,074,165
Restricted cash	137,760	206,641
Investments	20,291,632	16,682,375
Prepaid expenses and other assets	226,254	226,051
Refundable employee retention credit	-	294,000
Legal fees receivable	-	495,302
Other receivables	7,695	15,670
Contributions receivable, net	6,126,925	5,814,032
Deposits	9,640	6,455
Finance lease right-of-use assets	56,390	75,661
Operating lease right-of-use assets	5,687,484	6,398,420
Property and equipment, net	152,700	145,388
TOTAL ASSETS	$ 36,134,017	$ 33,434,160
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	$ 43,274	$ 59,587
Clinic support payable, net	-	725,000
Refundable advances - Canterbury Medal Gala	60,000	10,000
Finance lease liabilities	59,426	78,049
Operating lease liabilities	7,025,789	7,841,660
TOTAL LIABILITIES	7,188,489	8,714,296
NET ASSETS		
Without donor restrictions		
Undesignated	22,822,876	18,702,857
With donor restrictions	6,122,652	6,017,007
TOTAL NET ASSETS	28,945,528	24,719,864
TOTAL LIABILITIES AND NET ASSETS	$ 36,134,017	$ 33,434,160

THE BECKET FUND
STATEMENTS OF ACTIVITIES
Years ended September 30, 2025 and 2024

	2025			2024		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
SUPPORT AND REVENUE						
Contributions and grants	$ 9,703,950	$ 4,565,920	$ 14,269,870	$ 8,827,422	$ 5,182,682	$ 14,010,104
Canterbury Medal Gala	840,442	-	840,442	878,567	-	878,567
Less: costs of direct benefit to donors	(291,239)	-	(291,239)	(226,335)	-	(226,335)
	549,203	-	549,203	652,232	-	652,232
Legal fees and awards	2,350,338	-	2,350,338	3,986,006	-	3,986,006
Miscellaneous income	15,911	-	15,911	2,505	-	2,505
Investment and interest income	870,071	-	870,071	693,956	-	693,956
TOTAL SUPPORT AND REVENUE	13,489,473	4,565,920	18,055,393	14,162,121	5,182,682	19,344,803
NET ASSETS RELEASED FROM RESTRICTIONS						
Satisfaction of donation restrictions	4,460,275	(4,460,275)	-	3,922,063	(3,922,063)	-
TOTAL SUPPORT, REVENUE AND NET ASSETS RELEASED FROM RESTRICTIONS	17,949,748	105,645	18,055,393	18,084,184	1,260,619	19,344,803
EXPENSES						
Program services	11,656,566	-	11,656,566	10,669,948	-	10,669,948
Supporting services						
General and administrative	823,848	-	823,848	798,381	-	798,381
Fundraising	1,349,315	-	1,349,315	1,235,318	-	1,235,318
TOTAL EXPENSES	13,829,729	-	13,829,729	12,703,647	-	12,703,647
TOTAL INCREASE IN NET ASSETS	4,120,019	105,645	4,225,664	5,380,537	1,260,619	6,641,156
NET ASSETS AT BEGINNING OF YEAR	18,702,857	6,017,007	24,719,864	13,322,320	4,756,388	18,078,708
NET ASSETS AT END OF YEAR	$ 22,822,876	$ 6,122,652	$ 28,945,528	$ 18,702,857	$ 6,017,007	$ 24,719,864

See accompanying notes and independent auditors' report

THE BECKET FUND
STATEMENTS OF CASH FLOWS
Years ended September 30, 2025 and 2024

		2025		2024
CASH FLOWS FROM OPERATING ACTIVITIES				
Increase in net assets	$	4,225,664	$	6,641,156
Adjustments to reconcile increase in net assets to net cash provided by operating activities				
Depreciation and amortization of property and equipment		28,537		25,751
Amortization of finance lease right-of-use assets		20,176		20,176
Amortization of operating lease right-of-use assets		769,203		764,461
(Decrease) increase in discount on contributions receivable		(21,280)		115,085
Decrease in discount on clinic support payable		-		(14,500)
Donated investments		(396,661)		(297,041)
Proceeds from the sale of donated investments		401,055		295,112
Realized and unrealized gains on investments		(183,783)		(68,683)
Changes in operating assets and liabilities				
Prepaid expenses and other assets		(203)		83,226
Refundable employee retention credit		294,000		-
Legal fees receivable		495,302		(495,302)
Other receivables		7,975		(7,975)
Contributions receivable		(291,613)		(1,454,203)
Deposits		(3,185)		3,338
Accounts payable and accrued expenses		(16,313)		(29,255)
Clinic support payable		(725,000)		(696,000)
Refundable advances - Canterbury Medal Gala		50,000		(2,000)
Operating lease liabilities		(874,138)		(842,100)
NET CASH PROVIDED BY OPERATING ACTIVITIES		3,779,736		4,041,246
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments		(3,448,426)		(20,291,499)
Proceeds from the sale of investments		18,558		16,213,640
Purchase of property and equipment		(35,849)		(14,525)
NET CASH USED BY INVESTING ACTIVITIES		(3,465,717)		(4,092,384)
CASH FLOWS FROM FINANCING ACTIVITIES				
Principal payments on finance leases		(19,528)		(18,630)
NET CASH USED BY FINANCING ACTIVITIES		(19,528)		(18,630)
NET INCREASE (DECREASE) IN CASH AND RESTRICTED CASH		294,491		(69,768)
CASH AND RESTRICTED CASH AT BEGINNING OF THE YEAR		3,280,806		3,350,574
CASH AND RESTRICTED CASH AT END OF YEAR	$	3,575,297	$	3,280,806
SUPPLEMENTAL CASH FLOW INFORMATION				
Interest paid	$	2,795	$	3,165

See accompanying notes and independent auditors' report

NOTE 1 - ORGANIZATION

The Becket Fund for Religious Liberty is a non-profit, public interest law firm that protects the free expression of all religions. Becket exists to vindicate a simple but frequently neglected principle: that because the religious impulse is natural to human beings, religious expression is natural to human culture. As a public interest law firm, Becket represents its clients free of charge (pro-bono) and takes on cases to challenge federal, state, and local violations against the first Amendment right to free expression. Since its founding in 1993, it has been the leading firm in defending the rights of people from "A to Z," from Anglicans to Zoroastrians. Past and current clients include Buddhists, Christians, Hindus, Jews, Muslims, Sikhs, Native Americans and Zoroastrians. Becket has obtained kosher food for Jewish prisoners in Texas, made it possible for a mosque to open in Tennessee, kept a Sikh boy from getting kicked out of high school for wearing a kirpan, protected a Christian family-owned pharmacy from being forced to sell drugs that violated their religious beliefs, and protected the rights of a New York Amish community to build their houses according to their faith.

Becket supporters represent a myriad of religions, but they all share a common vision of a world where religious liberty is respected as a fundamental human right that all are entitled to enjoy and exercise. Its support comes from charitable contributions and grants from individuals and foundations of diverse faith traditions and backgrounds. It is internationally recognized as a leading public interest law firm by the elite media, religious leaders, academics and legal professionals.

Becket's major sources of revenue are contributions and grants, legal fees and awards, and its annual gala.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: Becket maintains its accounting records on the accrual basis of accounting.

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates that affect certain reported amounts and disclosures. Accordingly, actual results differ from those estimates.

Basis of Presentation: In accordance with the *Not-For-Profit-Entities – Presentation of Financial Statements* sub topic of the FASB Accounting Standards Codification, Becket reports information regarding its financial position and activities according to the following net asset classifications:

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 Becket. These net assets may be used at the discretion of Becket's management and the Board of Directors.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued):

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors that will be satisfied by action of Becket or by the passage of time.

Contributions and Grants: Contributions and grants are accounted for in accordance with the *Not-For-Profit Entities – Revenue Recognition* topic of the FASB Accounting Standards Codification. Contributions are recognized in the period received or promised. Contributions and grants 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. 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 activities as net assets released from restrictions.

Legal Fees and Awards: Legal fees and awards are recognized as revenue upon the execution of a settlement agreement or court order awarding the fees, after the appeal period has lapsed. At the time that legal fees and awards are awarded, Becket has met the performance obligation of providing litigation services to the client. At September 30, 2024, Becket had a $495,302 in legal fees receivable. Management has determined that there was no allowance for doubtful legal fees receivable necessary at September 30, 2024.

Canterbury Medal Gala: Revenue from the Canterbury Medal Gala is comprised of tickets and sponsorships for the event. The fair market value of the dinner portion of tickets and sponsorships has been determined to be exchange revenue, while amounts received in excess of the value of the dinner are contributions. All of the revenue for the fair market value of the dinner portion of tickets and sponsorships is recognized at a point in time, on the date that the gala is held. Payment for tickets and sponsorships is generally due in advance of the gala.

For the years ended September 30, 2025 and 2024, Canterbury Medal Gala on the statements of activities is comprised of:

Canterbury Medal Gala	2025	2024
Contributions	$618,219	$673,996
Dinner value	222,223	204,571
	$840,442	$878,567

Cash and Restricted Cash: Cash and restricted cash consists of checking accounts, money market deposit accounts and petty cash.

The following table provides a reconciliation of cash and restricted cash reported within the statements of financial position that sum to the total of the same such amounts as shown in the statements of cash flows as of September 30:

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Restricted Cash (Continued):

	2025	2024
Cash	$3,437,537	$3,074,165
Restricted cash	137,760	206,641
Total cash and restricted cash as shown in the statements of cash flows	$3,575,297	$3,280,806

Restricted cash is comprised of a money market deposit account that serves as collateral for Becket's letter of credit. See Note 14.

Financial and Credit Risks: Becket maintains cash in various financial institutions, which at times may exceed Federally insured limits. Becket has not experienced any losses in such accounts. Becket believes it is not exposed to any significant credit risk on cash.

Becket is a not-for-profit, nonpartisan public interest law firm. Becket's clients are located throughout the United States. Becket performs ongoing credit evaluation of its clients and requires no collateral against accounts receivable. Becket has had minimal credit losses on its accounts receivable. There were no accounts receivable from clients at September 30, 2025 or 2024.

Investments: Investments are comprised of a money market mutual fund and U.S. government obligations. The investments are valued at fair market value on the statements of financial position. The fair value of the money market mutual fund which is traded on a national security exchange is valued at the closing price on the last business day of the year. Investments in U.S. government obligations are valued by independent pricing services that may use current market trades for similar securities or other observable inputs. Marketable securities acquired by donations are recorded at their fair value at the date of the donation.

Contributions Receivable and Refundable Advances: Unconditional contributions are recognized as revenues in the period received. Conditional contributions are recognized only when the condition on which they depend are substantially met and the contributions become unconditional. Contributions receivable are reported in the statements of financial position at the outstanding contribution balance adjusted for any write-offs and an allowance for uncollectible contributions, if applicable. Contributions anticipated to be received beyond one year are discounted to their net present value at a risk adjusted rate.

Payments received for conditional contributions in advance of satisfying the conditions are recorded as refundable advances on the statements of financial position. Refundable advances at September 30, 2025 and 2024 represent payments received for a future Canterbury Medal Gala.

Property and Equipment: Property and equipment of Becket are recorded at cost. The cost of disposed assets is removed from the respective fixed asset and accumulated depreciation and amortization accounts. Leasehold improvements are amortized over the shorter of the term of

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment (Continued):
the related lease or the estimated useful life of the improvement. Depreciation and amortization of all other property and equipment is calculated using the straight-line method over the estimated useful lives of the related assets ranging from three to ten years. Becket's policy is to capitalize all purchases of property and equipment in excess of $1,500.

Clinic Support Payable: Clinic support payable represents an unconditional gift to support the Harvard Law Clinic.

Functional Allocation of Expenses: The cost of providing program and other activities has been summarized on a functional basis in the statements of activities. Expenses directly attributable to a specific functional area of Becket are reported as expenses of those functional areas. Payroll and benefit expenses have been allocated across program and other supporting services based on the estimated time and effort spent by the employees in each area. Rent, travel and related, professional fees, books and subscriptions, depreciation and amortization, office expenses, other insurance, dues, fees and seminars, postage and delivery, and printing and reproduction have been primarily allocated based on the proportion of full-time employee equivalents of a program or other supporting service versus the total organizational full-time employee equivalents.

Income Taxes: Becket is exempt from the payment of income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code. However, any income from certain activities not directly related to Becket's tax-exempt purpose would be subject to taxation as unrelated business income. Becket did not incur any income tax expense related to unrelated business income for the years ended September 30, 2025 and 2024. As of September 30, 2025, the federal and state statute of limitations remains open for the 2022 through the 2025 tax years.

Reclassifications: Certain balances at September 30, 2024 have been reclassified to conform to the September 30, 2025 presentation.

Subsequent Events: In preparing these financial statements, management has evaluated events and transactions that occurred after the statements of financial position date for potential recognition or disclosure through December 19, 2025, the date the financial statements were available to be issued. None were noted.

NOTE 3 - AVAILABILITY AND LIQUIDITY

The following represents Becket's financial assets at September 30, 2025 and 2024:

Financial assets at year end:	2025	2024
Cash	$3,437,537	$3,074,165
Restricted cash	137,760	206,641
Investments	20,291,632	16,682,375
Refundable employee retention credit	-	294,000
Legal fees receivable	-	495,302

NOTE 3 - AVAILABILITY AND LIQUIDITY (CONTINUED)

Other receivables	7,695	15,670
Contributions receivable, net	6,126,925	5,814,032
	30,001,549	26,582,185
Less amounts not available to be used for general expenditures within one year:		
Net assets with donor restrictions	(6,122,652)	(6,017,007)
Restricted cash	(137,760)	(206,641)
Less net assets with time restrictions to be met in less than one year	3,486,822	3,023,212
	(2,773,590)	(3,200,436)
Financial assets available to meet general expenditures over the next twelve months	$27,227,959	$23,381,749

Becket maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and other obligations come due.

NOTE 4 - INVESTMENTS

Investments at September 30, 2025 and 2024 is follows:

	2025	2024
Money market mutual fund	$1,563,235	$4,726,679
U.S. Treasury bills and notes	18,728,397	11,955,696
	$20,291,632	$16,682,375

NOTE 5 - FAIR VALUE OF FINANCIAL INSTRUMENTS

The Fair Value Measurements and Disclosures topic of the FASB Accounting Standards Codification establishes a common definition for fair value to be applied to U.S. generally accepted accounting principles requiring use of fair value, establishes a framework for measuring fair value, and expands disclosures about such fair value measurements.

The framework establishes a hierarchy for ranking the quality and reliability of the information used to determine fair values. The statement requires that assets and liabilities carried at fair value be classified and disclosed in one of the following three categories:

Level 1: Unadjusted quoted market prices in active markets for identical assets or liabilities.

Level 2: Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are

NOTE 5 - FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

inactive; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs for the asset or liability.

The following table summarizes the valuation of the financial instruments by the above pricing levels as of September 30, 2025 and 2024:

	2025		
	Unadjusted quoted market prices (Level 1)	Observables inputs for identical or comparable assets (Level 2)	Total
Money market mutual fund	$1,563,235	$ -	$1,563,235
U.S. Treasury bills and notes	-	18,728,397	18,728,397
	$1,563,235	$18,728,397	$20,291,632

	2024		
	Unadjusted quoted market prices (Level 1)	Observables inputs for identical or comparable assets (Level 2)	Total
Money market mutual fund	$4,726,679	$ -	$4,726,679
U.S. Treasury bills and notes	-	11,955,696	11,955,696
	$4,726,679	$11,955,696	$16,682,375

NOTE 6 - EMPLOYEE RETENTION CREDIT

The Employee Retention Credit is a refundable tax credit established by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), expanded under the Consolidated Appropriations Act of 2021 and extended by the American Rescue Plan Act of 2021. The Infrastructure Investment and Jobs Act ended the availability of the credit on September 30, 2021 for most employers.

Becket has determined the employee retention credit is a conditional grant where the conditions are that payroll costs must be incurred during the qualifying periods and a significant decline in gross receipts is experienced, both as defined in the Acts.

Becket filed amended payroll tax returns requesting credits totaling $435,677 in September 2021. As the conditions of the employee retention credits were met by September 30, 2021, Becket recorded the employee retention credit income in its September 30, 2021 financial statements. As of September 30, 2024, Becket had receivables for employee retention credits of $294,000. In May 2025 Becket received a payment of $338,979, of which $44,980 was

NOTE 6 - EMPLOYEE RETENTION CREDIT (CONTINUED)

interest.

Laws and regulations concerning government programs, including the employee retention credit, are complex and subject to varying interpretations. There can be no assurance that regulatory authorities will not challenge Becket's claim to the credit, however Becket does not expect that this would result in any material impact to the organization.

NOTE 7 - CONTRIBUTIONS RECEIVABLE

Contributions receivable at September 30, 2025 and 2024 are unconditional. Contributions receivable due twelve months or more after the statements of financial position date are discounted between 2%-5.13% per annum.

Unconditional contributions receivable as of September 30, 2025 and 2024 are as follows:

	2025	2024
Receivable in less than one year	$3,486,822	$3,023,212
Receivable in one to five years	2,829,908	3,001,905
Total unconditional contributions receivable	6,316,730	6,025,117
Less discount to net present value	(189,805)	(211,085)
Net unconditional contributions receivable	$6,126,925	$5,814,032

No allowance for doubtful contributions is considered necessary at September 30, 2025 and 2024.

NOTE 8 - PROPERTY AND EQUIPMENT

Property and equipment, net at September 30, 2025 and 2024 consists of:

	2025	2024
Computers and equipment	$177,153	$180,584
Furniture	245,103	245,103
Website and server	187,731	187,731
Artwork	15,500	15,500
Software	29,825	1,700
Less accumulated depreciation and amortization	(502,612)	(485,230)
Total	$152,700	$145,388

NOTE 9 - CLINIC SUPPORT PAYABLE

Clinic support payable as of September 30, 2025 and 2024 is as follows:

	2025	2024
Payable in less than one year	$ -	$725,000

NOTE 9 - CLINIC SUPPORT PAYABLE (CONTINUED)

The clinic support payable was fully paid during the year ended September 30, 2025.

NOTE 10 - NET ASSETS WITH DONOR RESTRICTIONS AND NET ASSETS RELEASED FROM RESTRICTIONS

Net assets with donor restrictions at September 30, 2025 and 2024 were restricted for the following purposes:

Subject to expenditure for specified purpose or passage of time:	2025	2024
Contributions receivable	$5,010,103	$4,907,664
Colorado Law Project	440,511	-
Law clinics at elite schools	307,370	809,343
Campus Anti-Semitism	250,000	-
Pro-life litigation	114,668	300,000
	$6,122,652	$6,017,007

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors. The net assets released from restrictions during the years ended September 30, 2025 and 2024 are as follows:

Releases due to purpose restrictions accomplished:	2025	2024
Law clinics at elite schools	$752,811	$586,796
Next Generation of Scholars and Practitioners Project	400,500	50,000
Pro-life litigation	188,832	-
Colorado Law Project	59,490	-
Education litigation	15,000	1,500
Campus Anti-Semitism	57,500	-
Transgender Mandate litigation	7,500	-
Religious Liberty Index	-	30,000
Post-Carson litigation	-	50,000
Canterbury Medal gala	-	10,000
Other litigation	-	1,250
	1,481,633	729,546
Releases due to passage of time:		
Contributions receivable	2,978,642	3,192,517
Net assets released from restrictions	$4,460,275	$3,922,063

NOTE 11 - EMPLOYEE BENEFITS

Becket has a 401(k) plan, which covers employees who meet the eligibility requirements and who elect to participate. Under terms of the plan, eligible employees may defer a portion of

NOTE 11 - EMPLOYEE BENEFITS (CONTINUED)

their compensation, which is then contributed to the plan. Becket matches three percent of each eligible participant's base salary in the Plan. For the years ended September 30, 2025 and 2024, the total expense for the 401(k) Plan is $228,595 and $200,784, respectively. Becket also has a flexible benefits plan for employees.

NOTE 12 - CONCENTRATION OF SUPPORT AND REVENUE

At September 30, 2025, approximately 46% of contributions receivable were due from three donors. There were no revenue concentrations from donors or clients for the year ended September 30, 2025.

At September 30, 2024, approximately 60% of contributions receivable were due from two donors. Approximately 18% and 10% of support and revenue for the year ended September 30, 2024 was derived from one legal fee award and one donor, respectively.

NOTE 13 - RELATED PARTY BALANCES AND TRANSACTIONS

Balances due from related parties at September 30, 2025 and 2024 are as follows:

	2025	2024
Contributions receivable from Board members	$1,105,000	$2,100,000

Transactions with related parties for the years ended September 30, 2025 and 2024 are as follows:

	2025	2024
Contributions from Board members	$560,000	$2,812,300

NOTE 14 - LEASE, RENT EXPENSE AND OTHER COMMITMENTS

Becket leases office space in Washington, D.C. under a twelve year operating lease. The lease contains one 5 year renewal term if Becket gives notice to the landlord no later than 15 months before the expiration of the initial lease term. The lease also contains a one-time option to terminate the lease effective as of the last day of the 102nd lease month if Becket gives written notice of the election no later than 12 months before the expiration of the lease term. Neither the renewal term nor the termination option were included in the lease term as neither was reasonably certain to be exercised at lease commencement.

Becket also leases office space in California under a three year operating lease. The lease automatically renews unless 3 months notice is given to the landlord prior to the expiration date. The renewal term was not included in the lease term as Becket was not reasonably certain to be exercised upon lease commencement.

Becket has other office leases that meet the short-term lease election ASC 842 and therefore are not accounted for on Becket's statements of financial position.

NOTE 14 - LEASE, RENT EXPENSE AND OTHER COMMITMENTS (CONTINUED)

Becket also leases copiers under finance leases.

The ROU assets and lease obligations were recognized at the present value of the lease payments over the lease term at the lease commencement date. Becket elected to use risk free rates of return at lease inception for the operating leases. Becket used its incremental borrowing rate at the inception of the lease to determine the present value of the lease payments for the ROU assets and liabilities for finance leases. Becket has elected not to separate lease components from nonlease components as allowed for under ASC 842.

Future minimum lease payments on Becket's leases at September 30, 2025 are as follows:

Year ending September 30:	Finance leases	Operating leases	Total
2026	$22,238	$950,538	$972,776
2027	22,238	973,873	996,111
2028	17,834	991,414	1,009,248
2029	-	1,003,159	1,003,159
2030	-	1,028,220	1,028,220
2031 and thereafter	-	2,315,094	2,315,094
Total minimum lease payments	62,310	7,262,298	$7,324,608
Less amount representing interest	(2,884)		
Less present value discount		(236,509)	
Present value of net minimum lease payments	$59,426	$7,025,789	

The following table presents the components of lease expense for the years ended September 30, 2025 and 2024:

	2025	2024
Operating lease cost	$837,166	$842,029
Finance lease cost		
Amortization of leased assets	20,176	20,176
Interest on lease	2,459	3,165
Total lease cost	$859,801	$865,370

The remaining weighted-average lease terms and the weighted-average average discount rates for 2025 and 2024 were as follows:

NOTE 14 - LEASE, RENT EXPENSE AND OTHER COMMITMENTS (CONTINUED)

	2025	2024
Weighted-average remaining lease term in years:		
Operating leases	7.14	8.15
Finance leases	2.75	3.75
Weighted-average discount rate:		
Operating leases	.93%	.93%
Finance leases	3.66%	3.66%

Becket's lease agreement for office space in Washington D.C. requires a letter of credit for $137,760 in lieu of a security deposit. The letter of credit is secured by a money market account.

The following summarizes cash paid for operating lease liabilities and other non-cash information as of September 30, 2025 and 2024:

	2025	2024
Cash paid for amounts included in the measurement of operating lease liabilities	$870,060	$919,926

NOTE 15 - FUNCTIONAL EXPENSES

The functional allocation of expenses for the year ended September 30, 2025 is as follows:

		Supporting Services		
	Program services	General and administrative	Fundraising	Total
Payroll and benefits	$ 8,710,007	$ 643,499	$ 834,449	$ 10,187,955
Rent	773,815	55,635	68,606	898,056
Communications	438,661	14,074	31,570	484,305
Conferences and events	42,181	-	342,181	384,362
Litigation support	423,346	-	-	423,346
Clinic support	367,839	-	-	367,839
Travel and related	189,723	57,266	19,181	266,170
Information technology	211,956	15,570	20,314	247,840
Research and special projects	154,576	-	-	154,576
Professional fees	90,237	6,629	8,648	105,514
Insurance	72,765	5,345	6,974	85,084
Subcontractor expense	43,371	3,186	4,157	50,714
Interest and bank fees	42,243	3,103	4,049	49,395
Depreciation and amortization	41,660	3,060	3,993	48,713
Office expenses	24,512	14,301	2,349	41,162

NOTE 15 - FUNCTIONAL EXPENSES (CONTINUED)

		Supporting Services		
	Program services	General and administrative	Fundraising	Total
Postage and delivery	17,156	1,260	1,644	20,060
Printing and reproduction	12,518	920	1,200	14,638
	$ 11,656,566	$ 823,848	$ 1,349,315	$ 13,829,729

The functional allocation of expenses for the year ended September 30, 2024 is as follows:

		Supporting Services		
	Program services	General and administrative	Fundraising	Total
Payroll and benefits	$ 7,745,143	$ 616,322	$ 703,977	$ 9,065,442
Rent	781,461	60,019	65,016	906,496
Communications	414,721	14,666	32,590	461,977
Conferences and events	21,634	-	356,951	378,585
Litigation support	573,590	-	-	573,590
Clinic support	121,183	-	-	121,183
Travel and related	169,309	57,266	19,181	245,756
Information technology	207,426	16,391	18,841	242,658
Research and special projects	208,741	-	-	208,741
Professional fees	114,081	9,015	10,362	133,458
Insurance	56,367	4,454	5,120	65,941
Subcontractor expense	136,238	10,766	12,375	159,379
Interest and bank fees	37,307	2,948	3,389	43,644
Depreciation and amortization	39,259	3,102	3,566	45,927
Office expenses	18,200	1,434	1,653	21,287
Postage and delivery	12,243	967	1,112	14,322
Printing and reproduction	10,440	825	948	12,213
Books and subscriptions	2,605	206	237	3,048
	$ 10,669,948	$ 798,381	$ 1,235,318	$ 12,703,647