

**CORPORATION OF THE
EPISCOPAL DIOCESE OF MISSOURI
D/B/A DIOCESE OF MISSOURI**

**FINANCIAL STATEMENTS,
INDEPENDENT AUDITORS' REPORT
AND
SUPPLEMENTARY INFORMATION
FOR THE YEARS ENDED
DECEMBER 31, 2022 AND 2021**

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri

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Independent Auditors' Report

To the Board of Directors of
Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
St. Louis, Missouri

We have audited the accompanying financial statements of Corporation of the Episcopal Diocese of Missouri d/b/a Diocese of Missouri (the "Diocese") (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses 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 Corporation of the Episcopal Diocese of Missouri d/b/a Diocese of Missouri as of December 31, 2022 and 2021, 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 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 Corporation of the Episcopal Diocese of Missouri d/b/a Diocese of Missouri and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 Corporation of the Episcopal Diocese of Missouri d/b/a Diocese of Missouri'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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 Corporation of the Episcopal Diocese of Missouri d/b/a Diocese of Missouri'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 Corporation of the Episcopal Diocese of Missouri d/b/a Diocese of Missouri'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.

Schmersahl Treloar & Co.

St. Louis, Missouri
June 10, 2023

FINANCIAL STATEMENTS

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
STATEMENTS OF FINANCIAL POSITION
December 31, 2022 and 2021

ASSETS		December 31,	
	2022	2021	
CURRENT ASSETS			
Cash and cash equivalents	\$ 640,113	\$ 599,872	
Accounts receivable	198,515	280,456	
Notes receivable	144,881	369,449	
Total Current Assets	983,509	1,249,777	
PROPERTY AND EQUIPMENT, NET			
	3,475,006	3,585,536	
NOTES RECEIVABLE - NONCURRENT			
	1,486,589	1,990,527	
INVESTMENTS			
Beneficial interest in third-party trusts	29,419,266	34,759,328	
Marketable securities	28,929,410	33,856,956	
Total Assets	\$ 64,293,780	\$ 75,442,124	
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts payable and accrued expenses	\$ 330,842	\$ 208,365	
Custodial funds	543,120	569,970	
Total Current Liabilities	873,962	778,335	
NET ASSETS			
Without Donor Restrictions			
Net investment in property, plant and equipment	3,475,006	3,585,536	
Available for general operations	8,273,267	11,154,502	
Designated by the board for endowment	2,167,683	2,485,323	
Total Net Assets Without Donor Restrictions	13,915,956	17,225,361	
With Donor Restrictions			
Purpose restrictions	13,858,553	16,453,058	
Perpetual in nature	35,645,309	40,985,370	
Total Net Assets With Donor Restrictions	49,503,862	57,438,428	
Total Net Assets	63,419,818	74,663,789	
Total Liabilities and Net Assets	\$ 64,293,780	\$ 75,442,124	

See accompanying notes to financial statements

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
STATEMENTS OF ACTIVITIES
December 31, 2022 and 2021

	For the Year Ended December 31, 2022			For the Year Ended December 31, 2021		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
REVENUE AND SUPPORT						
Congregational assessments	\$ 1,271,920	\$ -	\$ 1,271,920	\$ 1,352,393	\$ -	\$ 1,352,393
Contributions, program and property income	143,641	-	143,641	178,087	-	178,087
Investment income, net of fees	1,009,750	139,699	1,149,449	1,673,441	130,805	1,804,246
Net realized and unrealized gains on investments	(3,312,595)	(7,897,569)	(11,210,164)	557,296	3,981,674	4,538,970
Loan forgiveness	-	(27,890)	(27,890)	-	(60,358)	(60,358)
Payroll Protection Program forgiveness	-	-	-	241,752	-	241,752
Distributions from beneficial interest in third-party trusts	793,478	333,657	1,127,135	777,677	284,987	1,062,664
Net assets released from restriction	482,463	(482,463)	-	387,950	(387,950)	-
Total Revenue and Support	<u>388,657</u>	<u>(7,934,566)</u>	<u>(7,545,909)</u>	<u>5,168,596</u>	<u>3,949,158</u>	<u>9,117,754</u>
EXPENSES						
Program Services						
Making disciples	406,349	-	406,349	437,763	-	437,763
Supporting congregations	1,450,699	-	1,450,699	1,204,265	-	1,204,265
The Episcopate	1,029,746	-	1,029,746	984,334	-	984,334
Communications	374,799	-	374,799	342,413	-	342,413
Total Program Services	<u>3,261,593</u>	<u>-</u>	<u>3,261,593</u>	<u>2,968,775</u>	<u>-</u>	<u>2,968,775</u>
Administrative	<u>436,469</u>	<u>-</u>	<u>436,469</u>	<u>415,668</u>	<u>-</u>	<u>415,668</u>
Total Expenses	<u>3,698,062</u>	<u>-</u>	<u>3,698,062</u>	<u>3,384,443</u>	<u>-</u>	<u>3,384,443</u>
CHANGE IN NET ASSETS	(3,309,405)	(7,934,566)	(11,243,971)	1,784,153	3,949,158	5,733,311
NET ASSETS, Beginning of year	<u>17,225,361</u>	<u>57,438,428</u>	<u>74,663,789</u>	<u>15,441,208</u>	<u>53,489,270</u>	<u>68,930,478</u>
NET ASSETS, End of year	<u>\$ 13,915,956</u>	<u>\$ 49,503,862</u>	<u>\$ 63,419,818</u>	<u>\$ 17,225,361</u>	<u>\$ 57,438,428</u>	<u>\$ 74,663,789</u>

See accompanying notes to financial statements

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
STATEMENTS OF FUNCTIONAL EXPENSES
December 31, 2022

	Making Disciples	Supporting Congregation	The Episcopate	Communications	Total	Administration	Total
Salaries	\$ 119,203	\$ 206,742	\$ 245,769	\$ 158,221	\$ 729,935	\$ 164,452	\$ 894,387
Health and retirement benefits	49,379	46,062	101,353	70,632	267,426	94,858	362,284
Payroll taxes	-	885	4,966	12,293	18,144	12,421	30,565
Total Salaries and Related Expenses	168,582	253,689	352,088	241,146	1,015,505	271,731	1,287,236
Occupancy	22,031	44,062	22,031	33,046	121,170	22,031	143,201
Program support	183,857	1,089,191	262,728	52,789	1,588,565	-	1,588,565
National church assessment	-	-	361,020	-	361,020	-	361,020
Office expense and supplies	31,879	63,757	31,879	47,818	175,333	32,177	207,510
Depreciation	-	-	-	-	-	110,530	110,530
Total Expenses	<u>\$ 406,349</u>	<u>\$ 1,450,699</u>	<u>\$ 1,029,746</u>	<u>\$ 374,799</u>	<u>\$ 3,261,593</u>	<u>\$ 436,469</u>	<u>\$ 3,698,062</u>

See accompanying notes to financial statements
(5)

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
STATEMENTS OF FUNCTIONAL EXPENSES
December 31, 2021

	Making Disciples	Supporting Congregation	The Episcopate	Communications	Total	Administration	Total
Salaries	\$ 137,939	\$ 146,432	\$ 241,509	\$ 152,137	\$ 678,017	\$ 158,127	\$ 836,144
Health and retirement benefits	60,085	38,401	99,113	67,646	265,245	81,389	346,634
Payroll taxes	-	-	4,721	11,678	16,399	11,828	28,227
Total Salaries and Related Expenses	198,024	184,833	345,343	231,461	959,661	251,344	1,211,005
Occupancy	30,001	45,002	30,001	45,002	150,006	30,001	180,007
Program support	185,944	938,740	248,364	30,260	1,403,308	-	1,403,308
National church assessment	-	-	336,832	-	336,832	-	336,832
Supplies and equipment	23,794	35,690	23,794	35,690	118,968	23,794	142,762
Depreciation	-	-	-	-	-	110,529	110,529
Total Expenses	\$ 437,763	\$ 1,204,265	\$ 984,334	\$ 342,413	\$ 2,968,775	\$ 415,668	\$ 3,384,443

See accompanying notes to financial statements

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
STATEMENTS OF CASH FLOWS
December 31, 2022 and 2021

	Years Ended December 31,	
	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	(\$ 11,243,971)	\$ 5,733,311
Adjustments to reconcile change in net assets to net change in cash and cash equivalents from operating activities:		
Depreciation	110,530	110,529
Net realized and unrealized losses (gains) on investments	11,210,164	(4,538,970)
Loan forgiveness	27,890	60,358
PPP loan forgiveness	-	(241,752)
(Increase) decrease in assets:		
Accounts receivable	81,941	(65,611)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	122,477	15,047
Custodial funds	(26,850)	63,531
 Net Change in Cash and Cash Equivalents from Operating Activities	 282,181	 1,136,443
 CASH FLOWS FROM INVESTING ACTIVITIES		
Issuance of notes receivable	-	(290,000)
Payments received on notes receivable	700,616	222,963
Purchase of investments	(1,282,823)	(1,542,049)
Proceeds from sale of investments	340,267	317,677
Purchase of property, plant and equipment	-	(6,805)
 Net Change in Cash and Cash Equivalents from Investing Activities	 (241,940)	 (1,298,214)
 NET CHANGE IN CASH AND CASH EQUIVALENTS	 40,241	 (161,771)
 CASH AND CASH EQUIVALENTS, Beginning of year	 599,872	 761,643
 CASH AND CASH EQUIVALENTS, End of year	 \$ 640,113	 \$ 599,872
 SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid during the year for:		
Interest	\$ -	\$ -

See accompanying notes to financial statements

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Organization

Organized in 1841, Corporation of the Episcopal Diocese of Missouri d/b/a Diocese of Missouri (the “Diocese”) is a not-for-profit organization, comprised of forty-one Episcopal congregations in the eastern half of Missouri. The Bishop is the president, Chief Executive Officer, and ecclesiastical authority of the Diocese. The Episcopal Church in this Diocese acknowledges its allegiance to the Protestant Episcopal Church in the United States of America and submits to the authority of the General Convention. As part of the worldwide Anglican Communion, the Episcopal Church seeks to fulfill Christ’s Mission of redemption through active participation in the world through Christ in the Church.

Basis of Presentation

The financial statements of the Diocese have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Diocese is required to report information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Change in Accounting Principle - Leases

Effective January 1, 2022, the Diocese adopted FASB ASC 842, *Leases*. The new standard establishes a right-of-use (ROU) model that requires a lessee to record an ROU asset and a lease liability on the balance sheet for all leases and requires expanded qualitative and quantitative disclosures. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition on the Statement of Activities. Leases with a term of less than 12 months will not record a right of use asset and lease liability and the payments will be recognized on the Statement of Activities on a straight-line basis over the lease term.

The Diocese elected to adopt FASB ASC 842, *Leases*, using the effective date method that allows the Company to initially apply the new lease standard at the effective date. As a result, the comparative period presented in the financial statements is in accordance with FASB ASC 840.

The Diocese elected to adopt the package of practical expedients available under the transition guidance with the new standard. This package includes the following: relief from determination of lease contracts included in existing or expiring leases at the point of adoption, relief from having to reevaluate the classification of leases in effect at the point of adoption, and relief from reevaluation of existing leases that have initial direct costs associated with the execution of the lease contract.

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Net Assets without Donor Restrictions

Net assets available for use in general operations and not subject to donor or certain grantor restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated endowment, and net investment in property, plant, and equipment.

Net Assets with Donor Restrictions

Net assets subject to donor or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that such assets be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed or, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Cash and Cash Equivalents

For purposes of the Statements of Cash Flows, the Diocese considers all highly liquid investments purchased with a maturity date of three months or less to be cash equivalents.

The Diocese maintains cash deposits in bank accounts, which at times exceed the federally insured limits of up to \$250,000 for each institution. The Diocese has not experienced any losses in such accounts.

Investments

Investments, which include those belonging to the Diocese, as well as custodial assets held on behalf of others, are stated at year-end market values. The net realized and unrealized gains or losses on investments have been reflected in the Statements of Activities, except for those realized on custodial assets held on behalf of others (see Note C and G).

Beneficial Interest in Third-Party Trusts

The Diocese is a beneficiary of trusts in which the donors have established trusts and/or fund perpetual trusts administered by trustees. The Diocese has the irrevocable right to receive the income earned on the trust assets in perpetuity. The amount recorded in the Statements of Financial Position represents the estimated fair value of the contributions measured as the present value of the estimated future cash receipts from the trusts' assets.

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Property, Plant and Equipment

Management has recorded the investment in land and buildings at estimated historical cost and records current land, buildings, and office equipment at cost. Major renewals and improvements that exceed the Diocese capitalization policy of \$5,000 are capitalized, while replacements, maintenance, and repairs, which do not materially extend the useful lives of the assets, are expensed. Depreciation is computed on a straight-line basis over the estimated useful lives of the respective assets.

The Diocese has ultimate ownership of all property in the Diocese; therefore if a majority of the members of a congregation choose to leave the Diocese, or if the Diocese chooses, to close or relocate a congregation for any other reason, ownership of the property held by the congregation will revert back to the Diocese and be recorded as property of the Dioceses at its then fair market value.

Functional Expense Allocation

The Statements of Functional Expenses report certain categories of expenses that are attributable to one or more programs or supporting functions of the Diocese. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include: salary costs, office supplies, rent, professional fees, insurance, utilities, telephone, and certain maintenance and repairs expenses which are allocated based on the number of employees who operate the program.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results may differ from those estimates.

Income Taxes

The Diocese qualifies as a not-for-profit religious organization under Internal Revenue Code Section 501(c)(3) and as a non-private foundation under Section 509(a)(3) of the Code and, therefore, is exempt from federal, state, and local income taxes for the years ended December 31, 2022 and 2021.

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

A. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Revenue Recognition

Congregational Assessments

Each congregation is asked to contribute to the mission work of the Diocese. The Diocese policy sets assessments for support at a flat rate to be determined by each parish or mission in the range of 12.5% to 15% of net disposable budgeted income following a deduction of \$750, based on the Parochial Report from the previous calendar year. It is a fair share asking to support mission, the same way a parish asks a parishioner to pledge and contribute to God's work throughout the year. The assessments are without donor restriction.

Contributions

Contributions are recognized when the donor makes a promise to give to the Diocese, that is, in substance, unconditional. Amounts received that are restricted by the donor for use in future periods or for specific purposes are reported as support with donor restrictions that increases net assets with donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose of the 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.

Program and Property Revenue

Program revenue consists of revenues received for various services provided to congregations, missions, and members of the Diocese, including camps, education, leadership, and events. The revenue is recognized when the services are provided. Property revenue is revenue received by the Diocese for use of various properties by congregations and missions and is recognized during the terms of the agreements.

Leases

The Diocese determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities on the Balance Sheet. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term. Variable lease costs are not included in the calculation. Operating lease expense is recognized on a straight-line basis over the lease term for operating leases. Amortization expense and interest expense is recognized over the lease term for finance leases. The Diocese does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less). Instead, the lease payments of those leases are reported as rent expense on a straight-line basis over the lease term.

Subsequent Events

In preparing these financial statements, the Diocese has evaluated events and transactions for potential recognition or disclosure through June 10, 2023, the date the financial statements were available to be issued.

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

B. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	December 31,	
	2022	2021
Land	\$ 829,037	\$ 829,037
Buildings	6,618,941	6,618,941
Equipment	164,831	164,831
Leasehold Improvements	268,834	268,834
	7,881,643	7,881,643
Less accumulated depreciation	(4,406,637)	(4,296,107)
Total Property and Equipment, Net	\$ 3,475,006	\$ 3,585,536

Depreciation expense amount to \$110,530 and \$110,529 for the years ended December 31, 2022 and 2021, respectively.

C. INVESTMENTS

Investments consist of the following at December 31:

	2022	2021
Beneficial interest in third-party trusts	\$29,419,266	\$34,759,328
Marketable securities	28,929,410	33,856,956
Total Investments	\$58,348,676	\$68,616,284

The Beneficial Interest in Third-Party Trusts and Marketable Securities of the Diocese are held at financial institutions and consist of various marketable equity and debt securities. The Diocese follows the distribution policy for each endowment fund as set and governed by the respective trust document and specific purpose of the fund. When the distribution rate is silent in the governing document, the Diocese follows a general policy to either distribute all income and capital gains or calculate the annual distribution by multiplying the average market value over the preceding three-year period by a percentage which is calculated to both preserve the value of the endowment fund and to meet the community outreach purpose of the endowment fund. The annual distribution percentage is between 3.5% and 5% for all Trusts and Diocese endowments.

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

C. **INVESTMENTS** *(Continued)*

The following schedule summarizes the investment return and its classification in the Statements of Activities for the years ended:

	December 31,	
	2022	2021
Investment income, net of fees	\$ 1,149,449	\$ 1,804,246
Net realized and unrealized (losses) gains	(11,210,164)	4,538,970
Distribution from beneficial interest	1,127,135	1,062,664
Investment (Loss) Return, Net of Fees	(\$ 8,933,580)	\$ 7,405,880

Investment return, net of fees is considered unrestricted unless specifically restricted by donor.

The amounts reported as net realized and unrealized investment (losses) gains in the accompanying financial statements are a result of the following:

- a) The difference in the market values of investments on hand at the beginning of the year as compared to the end of the year.
- b) The difference between the proceeds from the sale of investments and the related market values of those investments at December 31 of the previous year.
- c) The difference between the costs of investments purchased during the year and related market value of those investments at December 31, or between the proceeds from the sale of those investments if sold during the respective year.

Investment management and other fees for the marketable securities were \$97,777 and \$99,029 for the years ended December 31, 2022 and 2021, respectively.

Investment management and other fees for the third-party trusts were \$162,266 and \$194,795 for the years ended December 31, 2022 and 2021, respectively.

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

D. FAIR VALUE MEASUREMENT

Fair values of investments measured on a recurring basis are as follows:

Fair Value Measurements at December 31, 2022				
		Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Marketable Securities</u>	Fair Value			
Corporate Stocks	\$ 1,719	\$ 1,719	\$ -	\$ -
SEI - Managed bond mutual funds	5,718,016	-	5,718,016	-
SEI - Managed equity mutual funds	4,257,223	4,257,223	-	-
SEI - Managed foreign mutual funds	3,027,362	3,027,362	-	-
SEI - Money Market	481,591	481,591	-	-
SEI - Alternative Investments	212,033	-	212,033	-
DIT - Fixed income mutual fund	1,663,988	-	1,663,988	-
DIT - Equity mutual fund	5,863,840	5,863,840	-	-
DIT - International mutual fund	7,703,638	7,703,638	-	-
Total	<u>\$ 28,929,410</u>	<u>\$ 21,335,373</u>	<u>\$ 7,594,037</u>	<u>\$ -</u>
<u>Beneficial Interest in Third-Party Trusts</u>				
Managed equity mutual funds	\$ 9,030,184	\$ 9,030,184	\$ -	\$ -
Managed bond mutual funds	11,992,577	-	11,992,577	-
Managed foreign mutual funds	6,248,490	6,248,490	-	-
Alternative investments	549,460	-	549,460	-
Money market accounts	1,598,555	1,598,555	-	-
Total	<u>\$ 29,419,266</u>	<u>\$ 16,877,229</u>	<u>\$ 12,542,037</u>	<u>\$ -</u>

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

D. **FAIR VALUE MEASUREMENT** (Continued)

	Fair Value Measurements at December 31, 2021			
	Fair Value	Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>Marketable Securities</u>				
Corporate Stocks	\$ 1,719	\$ 1,719	\$ -	\$ -
SEI - Managed bond mutual funds	6,414,830	-	6,414,830	-
SEI - Managed equity mutual funds	5,425,949	5,425,949	-	-
SEI - Managed foreign mutual funds	3,110,459	3,110,459	-	-
SEI - Money market	92,404	92,404	-	-
SEI - Alternative Investments	122,399	-	122,399	-
DIT - Fixed income mutual fund	6,261,157	-	6,261,157	-
DIT - Equity mutual fund	10,577,901	10,577,901	-	-
DIT - International mutual fund	1,850,138	1,850,138	-	-
Total	\$ 33,856,956	\$ 21,058,570	\$ 12,798,386	\$ -
<u>Beneficial Interest in Third-Party Trusts</u>				
Managed equity mutual funds	\$ 12,339,592	\$ 12,339,592	\$ -	\$ -
Managed bond mutual funds	13,945,213	-	13,945,213	-
Managed foreign mutual funds	7,446,703	7,446,703	-	-
Alternative investments	735,890	-	735,890	-
Money market accounts	291,930	291,930	-	-
Total	\$ 34,759,328	\$ 20,078,225	\$ 14,681,103	\$ -

Financial assets valued using Level 1 inputs are based on quoted market prices within active markets, such as exchange-traded securities. Financial assets valued using Level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets. Examples of Level 2 inputs include U.S. Treasury securities, corporate and municipal bonds, and mortgage-backed securities. Financial assets valued using Level 3 inputs are based primarily on assumptions about the marketability of the assets and can include corporate loans, mortgage loans, distressed debt, and investments in real estate funds. The Diocese has no Level 3 assets.

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

E. NOTES RECEIVABLE

Notes receivable from parishes and missions for loans from the Kelton E. White and Alma Mayland White Loan Fund (“Kelton White Loan Fund”), with interest ranging from 0% to 4%, due at various dates through 2032 and secured by the church properties, consist of the following at December 31:

	2022	2021
Christ Episcopal Church, Rolla	\$ 358,420	\$ 413,397
Mission Church of the Transfiguration, Lake St. Louis	414,517	433,329
St. Timothy's Creve Coeur	79,036	79,809
Church of the Holy Communion	505,869	556,030
St. Peter's, Ladue	-	298,551
St. John's, St. Louis	71,303	75,757
St. Paul's, St. Louis	116,875	121,461
Trinity Church, St. Louis	-	229,738
Grace Episcopal Church, Kirkwood	85,450	151,904
Total Notes Receivable	\$ 1,631,470	\$ 2,359,976

As of December 31, 2022, the notes receivable amounts are expected to be collected as follows:

Years Ending	Amount
2023	\$ 144,881
2024	147,024
2025	134,583
2026	116,249
2027	116,249
Thereafter	972,484
	\$1,631,470

An allowance for loan losses is not deemed necessary because of the close affiliation and relationship in faith between borrowers (parishes) and the Diocese and the nature of the Kelton White Loan Fund. The Diocese chooses to recognize interest income earned from certain parish loans on the cash basis. During the year ended December 31, 2022, the Trinity Church of St. Louis and St. Peter’s of Ladue paid the entirety of their loans off in full, ahead of the agreed upon payment schedule.

Corporation of the Episcopal Diocese of Missouri
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NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

F. FORGIVEN LOAN RECEIVED UNDER THE SMALL BUSINESS ADMINISTRATION PAYCHECK PROTECTION PROGRAM

On July 7, 2020, the Diocese received loan proceeds in the amount of \$241,752 from Midwest BankCentre, pursuant to the Paycheck Protection Program (PPP).

The PPP, established as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), provides for loans to a qualifying business for amounts up to 2.5 times the average monthly payroll expenses of the qualifying business. The loan and accrued interest are forgivable after either 8 weeks or 24 weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the period.

The terms are as follows: Loan is amortized over 60 months at 0% interest and there are no payments required for 10 months after the end of the covered period. Under certain circumstances all or part of the loan may be forgiven and converted to a grant. Whatever balance is not forgiven will be repaid over the remaining term of the loan at equal principal payments. The loan is unsecured and is guaranteed by the SBA.

In July of 2021, the Diocese received confirmation from Midwest BankCentre that the loan has been forgiven. The forgiveness income is included as part of revenue and support on the Statement of Activities in 2021.

G. CUSTODIAL FUNDS

The Diocese acts as custodian of cash and investments for several of its mission congregations and various organizations within the Diocese. As such, the Diocese records the cash and investments and a corresponding liability. The investment balances are adjusted each year to reflect the current market value associated with those investments. The custodial cash and investment balances listed by beneficiary are as follows for the year ended December 31:

	2022	2021
Agnes & Grace Muller	\$308,847	\$365,085
Episcopal Church Women Education Fund	72,768	88,007
Farmington Ora Mosier Trust Fund	76,616	88,789
St. Francis (Eureka)	24,544	28,089
St. Paul's (Ironton)	60,345	-
Total	\$543,120	\$569,970

Corporation of the Episcopal Diocese of Missouri
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NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

H. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods.

	2022	2021
Endowments:		
Subject to expenditure for a specific purpose:		
Kelton White Loan and Grant Fund	\$ 10,364,726	\$ 10,523,379
Aged & Infirm Clergy	1,359,625	1,818,436
Theological Education	283,643	373,483
Cadigan Fellowship	165,136	236,423
Church Assistance Endowment Fund	97,299	323,093
W.A. Jones Endowment	70,693	89,629
New Ministries on Campus	391,674	834,409
New Ventures in Community Ministry	491,288	910,167
Donaldson Fund	155,947	615,066
Bishops' Funds	478,522	728,973
	13,858,553	16,453,058
Perpetual in Nature:		
Cadigan Fellowship	204,251	204,251
Church Assistance Endowment Fund	834,113	834,113
New Ministries on Campus	1,381,041	1,381,041
New Ventures in Community Ministry	1,381,041	1,381,041
Donaldson Fund	1,609,527	1,609,527
Bishops' Funds	816,070	816,070
	6,226,043	6,226,043
	20,084,596	22,679,101
Not subject to spending policy or appropriation:		
Perpetual in Nature - Beneficial Interest in Trust		
Thompson Memorial Trust	16,410,434	19,529,945
White Memorial Trust	12,904,839	15,094,647
Shank Memorial Trust	103,993	134,735
	29,419,266	34,759,327
Total Endowments	\$ 49,503,862	\$ 57,438,428

Corporation of the Episcopal Diocese of Missouri
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NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

H. **NET ASSETS WITH DONOR RESTRICTION** *(Continued)*

Net assets with donor restriction are reclassified to net assets without donor restriction when the funds are utilized for the restricted purpose.

Net assets with donor restrictions that are perpetual in nature consist of endowment funds to be held in perpetuity, the income from which is restricted to the individual funds designated purpose.

From time to time, the fair value of assets associated with individual donor-restricted perpetual endowment funds may fall below the level that the donor required the Diocese to maintain as a fund of perpetual duration. The deficiencies are reported in Net Assets With Donor Restrictions and resulted from unfavorable market fluctuation on investment funds restricted in perpetuity. There are no deficiencies of this nature for the years ended December 31, 2022 and 2021.

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or other events specified by donors as follows for the year ended December 31:

	2022	2021
Purpose Donor Restriction Met		
Aged & Infirm Clergy	\$ 64,420	\$ 73,802
Kelton White Loan and Grant Fund	130,763	69,069
Theological Education	8,790	15,000
Bishop Trust Funds	8,000	7,200
New Ventures in Community Ministry	52,700	52,990
Church Assistance Endowment Fund	39,060	50,100
New Ministries on Campus	87,500	33,000
Donaldson Fund	91,230	86,789
Total Purpose Restrictions Met	\$ 482,463	\$ 387,950

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

I. BOARD DESIGNATED NET ASSETS

Board designated net assets include support previously received by the Diocese without donor restriction.

The Diocese's has designated Net Assets Without Donor Restrictions for the following purposes as of December 31:

	2022	2021
Board Designated Endowment Funds:		
Allocation of Bishop Transition	\$ 80,011	\$ 77,492
Future Building and Property Fund	724,893	877,554
Campus Ministry Fund	787,080	994,661
Aged and Infirm Clergy Fund Accumulated Income	457,278	425,349
Theological Education Fund Accumulated Income	94,928	88,318
W.A. Jones Endowment Fund Accumulated Income	23,493	21,949
Total Board Designated Endowment Funds	\$ 2,167,683	\$ 2,485,323

Endowment – Established with the intention of allowing the corpus to be retained and the income to build within the account or be used to fund a portion of the operating costs. The Diocese retains authority to change the designation of these funds as deemed necessary in the future.

Corporation of the Episcopal Diocese of Missouri
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NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

J. ENDOWMENT

The Diocese endowment consists of individual donor-restricted funds and board designated funds established for a variety of purposes. Net assets associated with endowment funds, including funds designated by the Diocese to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The donor contributions are maintained in perpetuity, the income of which is expendable for operations, which is based on the donor's intended purpose.

Endowment net asset composition by type of fund as of December 31, 2022 is as follows:

	Without Donor Restriction	With Donor Restriction	Total Endowment Net Assets
Donor-restricted perpetual endowment funds	\$ -	\$ 6,226,043	\$ 6,226,043
Donor-restricted specific purpose endowment funds	-	13,858,553	13,858,553
Board designated endowment funds	2,167,683	-	2,167,683
	<u>\$ 2,167,683</u>	<u>\$ 20,084,596</u>	<u>\$ 22,252,279</u>

Changes in endowment net assets as of December 31, 2022 are as follows:

	2022 Endowment Funds		
	Without Donor Restriction	With Donor Restriction	Total Endowment Net Assets
Endowment net assets, beginning of year	\$ 2,485,323	\$ 22,679,101	\$ 25,164,424
Contributions	13,000	-	13,000
Investment income, net of fees	78,292	139,699	217,991
Net realized and unrealized gains	(341,277)	(2,557,508)	(2,898,785)
Loan forgiveness	-	(27,890)	(27,890)
Distributions from beneficial interest	-	333,657	333,657
Amounts appropriated for expenditure	(67,655)	(482,463)	(550,118)
	<u>\$ 2,167,683</u>	<u>\$ 20,084,596</u>	<u>\$ 22,252,279</u>

Corporation of the Episcopal Diocese of Missouri
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NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

J. **ENDOWMENT** (Continued)

Endowment net asset composition by type of fund as of December 31, 2021 is as follows:

	Without Donor Restriction	With Donor Restriction	Total Endowment Net Assets
Donor-restricted perpetual endowment funds	\$ -	\$ 6,226,043	\$ 6,226,043
Donor-restricted specific purpose endowment funds	-	16,453,058	16,453,058
Board designated endowment funds	2,485,323	-	2,485,323
Endowment net assets, end of year	<u>\$ 2,485,323</u>	<u>\$ 22,679,101</u>	<u>\$ 25,164,424</u>

Changes in endowment net assets as of December 31, 2021 are as follows:

	2021 Endowment Funds		
	Without Donor Restriction	With Donor Restriction	Total
Endowment net assets, beginning of year	\$ 2,239,620	\$ 21,340,664	\$ 23,580,284
Contributions	-	-	-
Investment income, net of fees	95,941	130,805	226,746
Net realized and unrealized	239,757	1,370,953	1,610,710
Loan forgiveness	-	(60,358)	(60,358)
Distributions from beneficial interest	-	284,987	284,987
Amounts appropriated for expenditure	(89,995)	(387,950)	(477,945)
Endowment net assets, end of year	<u>\$ 2,485,323</u>	<u>\$ 22,679,101</u>	<u>\$ 25,164,424</u>

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

K. CONCENTRATIONS OF CREDIT AND MARKET RISK

Financial instruments that potentially subject the Diocese to concentrations of credit and market risk consist principally of cash and investments. The Diocese places substantially all of its cash with major financial institutions whose accounts are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to \$250,000. The Diocese maintains cash deposits in bank accounts which at times may exceed the federally insured limits.

The Diocese has a significant amount of investments subject to market risk. Market risk is the possibility future changes in market price may make a financial instrument less valuable.

L. RETIREMENT PLANS

The Diocese contributes to a multiemployer defined benefit pension plan, Church Pension Fund (the “Fund”). The Diocese does not directly manage this multiemployer plan, which is managed by the Board of Trustees elected by the General Convention of the Episcopal Church.

The Church Pension Fund is the administrator and plan sponsor of The Church Pension Fund Clergy Pension Plan, The Episcopal Church Lay Employees’ Retirement Plan and The Staff Retirement Plan of The Church Pension Fund and Affiliates. The Fund’s assets are used to fund a defined benefit plan and related benefits for eligible employees of the Episcopal Church and their beneficiaries.

The description of the plans are as follows:

- Clergy Plan: is a defined benefit plan providing retirement, death, and disability benefits to eligible clergy of The Episcopal Church.
- The Lay Plan: is a defined benefit plan providing retirement, death, and disability benefits to eligible lay employees of participating employers of The Episcopal Church.
- The Staff Plan: is a defined benefit plan providing retirement, death, and disability benefits to eligible employees of the Fund and certain affiliates.

The Diocese participates in the Fund informally known as the Church Pension Group, which is authorized by the Canons of the Episcopal Church to establish and administer the clergy pension system of the Episcopal Church, including pension, life, and health benefits, as well as the lay employee pension system. The Fund has elected to be examined by the New York State Department of Financial Services. For the non-clergy employees, the Diocese contributes 10% of the participant’s salary to the defined contribution plan. For the clergy employees, the Diocese contributes 18% of the participant’s salary to the defined benefit pension fund.

Corporation of the Episcopal Diocese of Missouri
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NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

L. RETIREMENT PLANS (Continued)

The plan's status and the Diocese's participation in the plan are as follows:

Name of Pension Fund	EIN, If Available	Plan Funded Status		Diocese Contributions for the Year Ending		Total Plan Contributions for the Year Ending	
		Net Assets	Accumulated Benefit Obligation	Year Ending		Year Ending	
				March 31, 2022	December 31, 2021	March 31, 2022	March 31, 2021
Church Pension Fund	N/A	\$ 18,903,929,773	\$ 18,368,947,658	\$ 129,414	\$ 123,437	\$ 98,848,223	\$ 99,348,246

The defined benefit plan was fully funded at March 31, 2022 and 2021 and the employer contributions represent less than 5% of the total plan contributions

The plan's accumulated benefit obligations are determined annually by the plan actuary. Significant assumptions underlying the actual estimates are as follows:

Plan	Discount Rate		Cost-of-living-adjustment	
	As of March 31,		As of March 31,	
	2022	2021	2022	2021
Clergy Plan	3.89%	3.25%	3.00%	2.50%
Lay Plan	3.82%	3.25%	0%	0%
Staff Plan	3.84%	3.25%	0%	0%

- Vesting (Clergy Plan): After five years of credited service or at age 65 or older while an active participant.
- Retirement (Clergy Plan): Normal, at age 65 and after; early, with no reduction at age 55 with 30 years of credited service; reduced benefits at age 60 with less than 30 years of credited service; compulsory, at age 72.

M. OPERATING LEASES

The Diocese leases various copiers under lease agreements classified as operating leases. A preexisting lease arrangement for a copier expired in June of 2022. Since then, the lease has not been renewed and has been on a month-to-month basis. As of the date of these statements, the Diocese is not subject to any future minimum lease payments for the year ended December 31, 2022.

Total lease expense was \$9,494 and \$9,385 during the years ended December 31, 2022 and 2021, respectively.

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

N. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Diocese regularly monitors liquidity required to meet its operating needs. The Diocese receives contributions restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. The Diocese maintains financial assets, consisting of cash, accounts receivable and investments, to meet its normal operating expenses based on its annual budget. Operating expenses are compared to budgeted expenses on a monthly basis and financial assets on hand are adjusted as necessary. As part of its liquidity management, the Diocese invests cash in excess of daily requirements in various investments. In addition, the Diocese maintains a board-designated endowment that allows for annual spending of income and access to appreciation generated from donor-restricted perpetual endowment funds.

The Diocese's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	2022	2021
Cash and cash equivalents	\$ 640,113	\$ 599,872
Accounts receivable	198,515	280,456
Marketable securities	28,929,410	33,856,956
Total financial assets	29,768,038	34,737,284
Less amounts not available to be used within one year:		
Board designated for endowment	2,167,683	2,485,323
Donor restricted for purpose	13,858,553	16,453,058
Donor restricted perpetual endowment	6,226,043	6,226,043
Total financial assets not available to be used within one year	22,252,279	25,164,424
Financial assets available to meet cash needs for general expenditures within one year	\$ 7,515,759	\$ 9,572,860

In addition, although the Diocese does not intend to spend from its board-designated endowment, other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation, amounts from its board designated-endowment could be made available to meet cash needs if necessary.

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

O. WHITE MEMORIAL TRUST

In September of 2020, the Court approved a Petition to modify the Kelton E. White and Alma Mayland White Memorial Trust (the “Trust”). The terms of the Trust provide for all income to be distributed to the Bishop of the Diocese of Missouri in regular installments.

Furthermore, the Court granted the Bishop or his successor or successors in office, with the advice of the Standing Committee, the power to distribute accumulated income for the purposes of:

- a.) Making loans at current fair market interest rates to Parishes that the Bishop or his successor or successors in office, with the advice and consent of the Standing Committee, determines are financially viable;
- b.) Making capital grants to Parishes that the Bishop or his successor or successors in office, with the advice and consent of the Standing Committee, determines are financially distressed;
- c.) Making emergency grants for up to \$25,000 per occurrence for any emergency repair; and/or
- d.) Making grants for general operations for Parishes which the Bishop or his successor or successors in office, with the advice and consent of the Standing Committee, determines are in a location that is critical to the mission of the Diocese.

Corporation of the Episcopal Diocese of Missouri
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NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021
(Continued)

P. **ST. MATHEW'S CHURCH IN MEXICO MISSOURI**

During 2020, St. Matthew's Church in Mexico Missouri closed, and the Diocese assumed all of the assets of the parish. Under paragraph Canon IV.16 Section 2 of the Constitution and Canons of the Episcopal Church in the Diocese of Missouri, when a parish dissolves all right, title and interest in and to the property of the Parish shall be transferred and conveyed promptly to the Trustees of the Corporation of the Episcopal Diocese of Missouri, and all right, title and interest in and to the property in possession of the Mission shall remain the property of the Corporation of the Episcopal Diocese of Missouri.

The Church is approximately 74 years old. At this time, the Diocese has not assigned the building an asset value. If and or when the building is sold or converted, the Diocese will use the consideration received to record a contribution and/or capitalize the expenditures to convert the Church to its new intended use.

On April 21, 2022, the Diocese leased the premises of St. Matthew's Church to a non-profit corporation. The lease term is for 1 year and includes rental payments of \$10,000. The Diocese expects to keep this lease on a year to year basis

**SUPPLEMENTAL
INFORMATION**



**Independent Auditors' Report
on Supplemental Information**

To the Board of Directors of
Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
St. Louis, Missouri

We have audited the financial statements of Corporation of the Episcopal Diocese of Missouri d/b/a Diocese of Missouri as of and for the year ended December 31, 2022, and have issued our report thereon dated June 10, 2023, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Net Assets on pages 29 through 31 is presented for the purposes of additional analysis and is not a required part of the financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Schmersahl Treloar & Co.

June 10, 2023

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
SCHEDULE OF NET ASSETS – BOARD DESIGNATED FUNDS
December 31, 2022

Fund Name	Amount	Description
BOARD DESIGNATED NET ASSETS		
Allocation of Bishop Transition	\$ 80,011	Board designated fund established to provide for future bishop transitions to the Diocese.
Future Building Property Fund	724,893	Board designated fund established in 1980 from the proceeds of the sale of St. Francis Church in St. Louis County, this fund is designated for assistance in purchasing land and/or buildings for new missions.
Campus Ministry Fund	787,080	Board designated fund established in 1981 to support the continuance of college education throughout the Diocese.
Accumulated Income Fund	575,699	Certain donor-restricted funds specify the income generated is without donor restriction. The unspent income is accumulated here.
Total Board Designated Net Assets	<u>\$ 2,167,683</u>	

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
SCHEDULE OF NET ASSETS – WITH DONOR RESTRICTION FUNDS
December 31, 2022

Fund Name	Amount	Description
NET ASSETS WITH DONOR RESTRICTION		
Aged & Infirm Clergy Fund	\$ 1,359,625	This fund, which was established in 1870 from offerings and gifts, is used to supplement the pensions of retired clergy and their widows and children and to assist clergy and family with unusual medical expenses. The fund is donor restricted and is maintained here. The income generated from the Aged & Infirm Clergy Fund is without donor restriction.
Theological Education Fund	283,643	Established in 1876 from offerings and gifts, this fund was created to support theological students. The fund principal is donor restricted and is maintained here. It is to be used to support seminary students and pay the costs of their examinations. The income generated from the Theological Education Fund is without donor restriction.
Cadigan Fellowship Fund	369,387	This fund was established through the Venture in Mission Campaign in honor of the Rt. Rev. George L. Cadigan, Eighth Bishop of Missouri. The fund principal and accumulated income is donor restricted and is maintained here. The income generated from the Cadigan Fellowship Fund is used for annual Fellowships to promote community service projects in the Diocese.
Church Assistance Endowment Fund	931,412	This fund was established through the Venture in Mission campaign to assist congregations with maintenance of their buildings. The fund principal and accumulated income is donor restricted and is maintained here. The income generated from the Church Assistance Endowment Fund is used to award annual grants to parishes and institutions for capital improvement, repairs and major equipment needs.
W.A. Jones Endowment Fund	70,693	This fund was established in 1992 in honor of Rt. Rev. William A. Jones to provide support to theological institutions in Nigeria. The fund principal is with donor restriction and is maintained here. The income generated from the W.A. Jones Endowment Fund is without donor restriction.
New Ministries on Campus	1,772,715	This is an endowment fund established through the Making All Things New campaign to enhance college work in the Diocese. The fund principal and accumulated income is with donor restriction and is maintained here.
New Ventures in Community Ministry	1,872,329	This is an endowment fund established through the Making All Things New campaign to support congregational initiatives to neighbors living in poverty. The fund principal and accumulated income is with donor restriction and is maintained here.

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
SCHEDULE OF NET ASSETS – WITH DONOR RESTRICTION FUNDS
December 31, 2022

Fund Name	Amount	Description
The Donaldson Fund	1,765,474	The William R. and Elizabeth L. Donaldson Fund Endowment principal and accumulated income is with donor restriction and is maintained here. The income generated from the fund is used to benefit the clergy and in furtherance of the Diocese's work in the State of Missouri.
Bishop's Trust Fund	1,294,592	The Bishop's Trust Fund principal is donor restricted and is maintained here. The income generated from the fund is used to provide healthcare and financial aid to specific missions. The income generated from the Bishop's Trust Fund is without donor restriction. The accumulated income is maintained as board designated net assets.
Kelton White Loan and Grant Fund	10,364,726	The Kelton White Loan and Grant Fund is used to make loans for use in capital improvements, capital grants, emergency grants, and grants for general operations to congregations in need. The Fund receives quarterly income from the White Memorial Trust. The income received from the White Memorial Trust is treated as increases in principal. Loans made to congregations for use in capital improvements are treated as decreases in principal. Principal portion of loan payments received from congregations are treated as increases in principal. Grants made to congregations are treated as decreases in principle. The income generated from the Kelton White Loan Fund is without donor restriction.
Kelton White Memorial Trust	12,904,839	The Kelton White Memorial Trust was established to generate income to make loans to congregations for use in capital improvements. The Diocese is the sole beneficiary of the Trust. The Trustee distributes a percentage of the Trust assets on a quarterly basis to the Kelton White Loan Fund.
Thompson Memorial Trust	16,410,434	The Frank C. and Mattie H. Thompson Memorial Trust is a charitable remainder trust. The Diocese is the sole beneficiary of the Trust. The Trustee distributes a percentage of the Trust assets on a quarterly basis. The distributions are to be used for the religious and charitable purposes of the Diocese.
Shank Memorial Trust	103,993	The William Capen Shank and Mariee Stephens Shank Charitable Trust was established to support the operations of the Diocese. The Diocese receives five percent of the annual income earned, which is without donor restriction and used for operations.
Total Net Assets With Donor Restriction	<u>\$ 49,503,862</u>	