

**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, 2019 AND 2018**

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

CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT.....	1 - 2
FINANCIAL STATEMENTS	
Statements of Financial Position .....	3
Statements of Activities.....	4
Statements of Functional Expenses .....	5 -6
Statements of Cash Flows.....	7
Notes to Financial Statements .....	8 - 26
SUPPLEMENTAL INFORMATION	
Independent Auditors' Report on Supplemental Information .....	27
Schedule of Net Assets – Board Designated Funds.....	28
Schedule of Net Assets – With Donor Restriction Funds.....	29 - 30



## **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, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

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, 2019 and 2018, 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.

A handwritten signature in black ink that reads "Alexander Trelon & Co. PC". The signature is written in a cursive, flowing style.

St. Louis, Missouri

June 6, 2020

## **FINANCIAL STATEMENTS**

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
STATEMENTS OF FINANCIAL POSITION  
December 31, 2019 and 2018

ASSETS

	December 31,	
	2019	2018
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 505,725	\$ 767,424
Accounts receivable	164,342	205,717
Notes receivable	364,977	550,618
Total Current Assets	1,035,044	1,523,759
<b>PROPERTY AND EQUIPMENT, NET</b>	4,061,569	4,165,791
<b>NOTES RECEIVABLE - NONCURRENT</b>	2,291,989	2,359,016
<b>INVESTMENTS</b>		
Beneficial interest in third-party trusts	30,348,866	26,749,656
Marketable securities	27,964,878	23,453,617
Total Assets	\$ 65,702,346	\$ 58,251,839

LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 150,387	\$ 142,720
Custodial funds	449,493	377,413
Total Current Liabilities	599,880	520,133
<b>NET ASSETS</b>		
Without Donor Restrictions		
Net investment in property, plant and equipment	4,061,569	4,165,791
Available for general operations	8,453,710	6,544,303
Designated by the board for endowment	2,051,025	1,838,716
Total Net Assets Without Donor Restrictions	14,566,304	12,548,810
With Donor Restrictions		
Purpose restrictions	13,961,251	12,226,739
Perpetual in nature	36,574,911	32,956,157
Total Net Assets With Donor Restrictions	50,536,162	45,182,896
Total Net Assets	65,102,466	57,731,706
Total Liabilities and Net Assets	\$ 65,702,346	\$ 58,251,839

See accompanying notes to financial statements

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
STATEMENTS OF ACTIVITIES  
December 31, 2019 and 2018

	For the Year Ended December 31, 2019			For the Year Ended December 31, 2018		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
<b>REVENUE AND SUPPORT</b>						
Congregational assessments	\$ 1,286,071	\$ -	1,286,071	\$ 1,284,798	\$ -	1,284,798
Contributions, program and property income	273,682	-	273,682	360,059	-	360,059
Investment income, net of fees	748,155	154,663	902,818	815,098	131,330	946,428
Net realized and unrealized gains on investments	1,953,583	5,297,913	7,251,496	( 1,595,230)	( 3,233,052)	( 4,828,282)
Loan forgiveness	-	( 48,045)	( 48,045)	-	( 48,232)	( 48,232)
Distributions from beneficial interest in third-party trusts	758,742	311,321	1,070,063	698,751	321,964	1,020,715
Net assets released from restriction	362,586	( 362,586)	-	225,665	( 225,665)	-
Total Revenue and Support	<u>5,382,819</u>	<u>5,353,266</u>	<u>10,736,085</u>	<u>1,789,141</u>	<u>( 3,053,655)</u>	<u>( 1,264,514)</u>
<b>EXPENSES</b>						
Program Services						
Making disciples	423,879	-	423,879	400,382	-	400,382
Supporting congregations	934,696	-	934,696	1,021,326	-	1,021,326
The Episcopate	1,251,723	-	1,251,723	947,520	-	947,520
Communications	355,007	-	355,007	302,006	-	302,006
Total Program Services	2,965,305	-	2,965,305	2,671,234	-	2,671,234
Administrative	400,020	-	400,020	356,258	-	356,258
Total Expenses	<u>3,365,325</u>	<u>-</u>	<u>3,365,325</u>	<u>3,027,492</u>	<u>-</u>	<u>3,027,492</u>
CHANGE IN NET ASSETS	2,017,494	5,353,266	7,370,760	( 1,238,351)	( 3,053,655)	( 4,292,006)
NET ASSETS, Beginning of year	<u>12,548,810</u>	<u>45,182,896</u>	<u>57,731,706</u>	<u>13,787,161</u>	<u>48,236,551</u>	<u>62,023,712</u>
NET ASSETS, End of year	<u>\$ 14,566,304</u>	<u>\$ 50,536,162</u>	<u>\$ 65,102,466</u>	<u>\$ 12,548,810</u>	<u>\$ 45,182,896</u>	<u>\$ 57,731,706</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, 2019

	<u>Making Disciples</u>	<u>Supporting Congregation</u>	<u>The Episcopate</u>	<u>Communications</u>	<u>Total</u>	<u>Administration</u>	<u>Total</u>
Salaries	\$ 74,460	\$ 115,552	268,745	169,255	\$ 628,012	152,881	\$ 780,893
Health and retirement benefits	29,011	95,143	175,647	69,575	369,376	85,678	455,054
Payroll taxes	-	-	9,219	12,979	22,198	11,432	33,630
Total Salaries and Related Expenses	103,471	210,695	453,611	251,809	1,019,586	249,991	1,269,577
Occupancy	8,620	25,861	34,481	34,481	103,443	17,241	120,684
Program support	298,254	657,539	397,884	14,583	1,368,260	-	1,368,260
National church assessment	-	-	311,613	-	311,613	-	311,613
Office expense and supplies	13,534	40,601	54,134	54,134	162,403	27,067	189,470
Depreciation	-	-	-	-	-	105,721	105,721
Total Expenses	<u>\$ 423,879</u>	<u>\$ 934,696</u>	<u>\$ 1,251,723</u>	<u>\$ 355,007</u>	<u>\$ 2,965,305</u>	<u>\$ 400,020</u>	<u>\$ 3,365,325</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, 2018

	<u>Making Disciples</u>	<u>Supporting Congregation</u>	<u>The Episcopate</u>	<u>Communications</u>	<u>Total</u>	<u>Administration</u>	<u>Total</u>
Salaries	\$ 68,226	\$ 214,437	184,557	139,728	\$ 606,948	145,825	\$ 752,773
Health and retirement benefits	27,619	128,391	138,516	59,853	354,379	80,395	434,774
Payroll taxes	-	7,712	4,304	10,728	22,744	10,904	33,648
Total Salaries and Related Expenses	95,845	350,540	327,377	210,309	984,071	237,124	1,221,195
Occupancy	10,182	40,729	20,365	30,547	101,823	20,365	122,188
Program support	282,357	582,065	267,857	25,156	1,157,435	-	1,157,435
National church assessment	-	-	307,925	-	307,925	-	307,925
Supplies and equipment	11,998	47,992	23,996	35,994	119,980	23,995	143,975
Depreciation	-	-	-	-	-	74,774	74,774
Total Expenses	<u>\$ 400,382</u>	<u>\$ 1,021,326</u>	<u>\$ 947,520</u>	<u>\$ 302,006</u>	<u>\$ 2,671,234</u>	<u>\$ 356,258</u>	<u>\$ 3,027,492</u>

See accompanying notes to financial statements  
(6)

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
STATEMENTS OF CASH FLOWS  
December 31, 2019 and 2018

	Years Ended December 31,	
	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 7,370,760	(\$ 4,292,006)
Adjustments to reconcile change in net assets to net change in cash and cash equivalents from operating activities:		
Depreciation	105,721	74,774
Net realized and unrealized (gains) losses on investments	( 7,251,496)	4,828,282
Loan forgiveness	48,045	48,232
(Increase) decrease in assets:		
Accounts receivable	41,375	239,799
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	7,667	( 122,715)
Custodial funds	<u>72,080</u>	<u>( 15,987)</u>
 Net Change in Cash and Cash Equivalents from Operating Activities	 <u>394,152</u>	 <u>760,379</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Issuance of notes receivable	( 618,183)	( 1,079,287)
Payments received on notes receivable	822,806	572,768
Purchase of investments	( 1,453,462)	( 1,154,362)
Proceeds from sale of investments	594,487	1,061,001
Purchase of property, plant and equipment	<u>( 1,499)</u>	<u>( 111,167)</u>
 Net Change in Cash and Cash Equivalents from Investing Activities	 <u>( 655,851)</u>	 <u>( 711,047)</u>
 NET CHANGE IN CASH AND CASH EQUIVALENTS	 <u>( 261,699)</u>	 49,332
 CASH AND CASH EQUIVALENTS, Beginning of year	 <u>767,424</u>	 <u>718,092</u>
 CASH AND CASH EQUIVALENTS, End of year	 <u>\$ 505,725</u>	 <u>\$ 767,424</u>
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Cash paid during the year for:		
Interest	<u>\$ -</u>	<u>\$ -</u>

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, 2019 and 2018

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.

**Change in Accounting Principle**

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers (Topic 606). Subsequent to May 2014, the FASB issued six ASUs to clarify certain matters related to Topic 606.

Topic 606 supersedes the revenue recognition requirements in FASB ASC 605, Revenue Recognition, and requires the recognition of revenue when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. The updates address the complexity of revenue recognition and provide sufficient information to enable financial statements users to understand the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.

The Diocese’s financial statements reflect the application of ASC 606 guidance beginning in 2018. No cumulative-effect adjustment in net assets was recorded because the adoption of ASU 2014-09 did not impact the Diocese’s reported historical revenue.

Additionally in June 2018, FASB issued Accounting Standards (ASU) 2018-08, Accounting Guidance for Contributions Received and Made. This ASU was issued to clarify accounting guidance for contributions received and contributions made. The amendments to this ASU assists entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, Not-for-Profit Entities, or as an exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. The implementation of this standard had no impact on the financial statements.

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018  
(Continued)

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

**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.

**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 F).

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018  
*(Continued)*

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

**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.

**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 \$1,000 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 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 whom 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.

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018  
(Continued)

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

**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, 2019 and 2018.

**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 budget 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. Adoption of ASC 605 had no impact on the recognition of Contributions.

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.

**Subsequent Events**

In preparing these financial statements, the Diocese has evaluated events and transactions for potential recognition or disclosure through June 6, 2020, the date the financial statements were available to be issued.

**Reclassification**

Certain December 31, 2018 amounts have been reclassified to conform to the December 31, 2019 financial statement presentation.

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018  
(Continued)

**B. PROPERTY AND EQUIPMENT**

Property and equipment consist of the following:

	December 31,	
	2019	2018
Land	\$ 1,102,097	\$ 1,102,097
Buildings	6,618,941	6,618,941
Equipment	150,301	148,802
Leasehold Improvements	268,834	268,834
	8,140,173	8,138,674
Less accumulated depreciation	( 4,078,604)	( 3,972,883)
Total Property and Equipment, Net	\$ 4,061,569	\$ 4,165,791

Depreciation expense amount to \$105,721 and \$74,774 for the years ended December 31, 2019 and 2018, respectively.

**C. INVESTMENTS**

Investments consist of the following at December 31:

	2019	2018
Beneficial interest in third-party trusts	\$30,348,866	\$26,749,656
Marketable securities	27,964,878	23,453,617
Total Investments	\$58,313,744	\$50,203,273

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 percentage is currently 4% - 5%.

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018  
*(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,	
	2019	2018
Investment income, net of fees	\$ 902,818	\$ 946,428
Net realized and unrealized gains (losses)	7,251,496	( 4,828,282)
Distribution from beneficial interest	1,070,063	1,020,715
Investment Return (Loss), Net of Fees	\$ 9,224,377	(\$ 2,861,139)

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 \$82,661 and \$65,092 for the years ended December 31, 2019 and 2018, respectively.

Investment management and other fees for the third-party trusts were \$146,810 and \$198,059 for the years ended December 31, 2019 and 2018, respectively.

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018  
(Continued)

**D. FAIR VALUE MEASUREMENT**

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

Fair Value Measurements at December 31, 2019				
		Quoted Prices In Active Markets For Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	Fair Value			
<u>Marketable Securities</u>				
Corporate Stocks	\$ 1,864	\$ 1,864	\$ -	\$ -
SEI - Managed bond mutual funds	5,810,421	-	5,810,421	-
SEI - Managed equity mutual funds	4,349,231	4,349,231	-	-
SEI - Managed foreign mutual funds	3,396,049	3,396,049	-	-
SEI - Money Market	109,510	109,510	-	-
DIT - Money Market	165,950	165,950	-	-
DIT - Fixed income mutual fund	5,374,394	-	5,374,394	-
DIT - Equity mutual fund	7,378,158	7,378,158	-	-
DIT - International mutual fund	1,379,301	1,379,301	-	-
Total	<u>\$ 27,964,878</u>	<u>\$ 16,780,063</u>	<u>\$ 11,184,815</u>	<u>\$ -</u>
<u>Beneficial Interest in Third-Party Trusts</u>				
Managed equity mutual funds	\$ 9,525,524	\$ 9,525,524	\$ -	\$ -
Managed bond mutual funds	12,458,182	-	12,458,182	-
Managed foreign mutual funds	7,474,494	7,474,494	-	-
Alternative investments	477,384	-	477,384	-
Money market accounts	413,282	413,282	-	-
Total	<u>\$ 30,348,866</u>	<u>\$ 17,413,300</u>	<u>\$ 12,935,566</u>	<u>\$ -</u>

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018  
(Continued)

D. FAIR VALUE MEASUREMENT (Continued)

	Fair Value Measurements at December 31, 2018			
	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	\$ 1,864	\$ 1,864	\$ -	\$ -
SEI - Managed bond mutual funds	4,897,892	-	4,897,892	-
SEI - Managed equity mutual funds	3,558,694	3,558,694	-	-
SEI - Managed foreign mutual funds	2,715,381	2,715,381	-	-
SEI - Money market	70,337	70,337	-	-
DIT - Money Market	231,422	231,422	-	-
DIT - Fixed income mutual fund	5,100,133	-	5,100,133	-
DIT - Equity mutual fund	5,729,299	5,729,299	-	-
DIT - International mutual fund	1,148,595	1,148,595	-	-
Total	\$ 23,453,617	\$ 13,455,592	\$ 9,998,025	\$ -
<u>Beneficial Interest in Third-Party Trusts</u>				
Managed equity mutual funds	\$ 7,831,383	\$ 7,831,383	\$ -	\$ -
Managed bond mutual funds	11,281,194	-	11,281,194	-
Managed foreign mutual funds	6,137,407	6,137,407	-	-
Hedge funds	14,594	14,594	-	-
Commodities exchange traded funds	4,420	-	4,420	-
Alternative investments	501,830	-	501,830	-
Money market accounts	978,828	978,828	-	-
Total	\$ 26,749,656	\$ 14,962,212	\$ 11,787,444	\$ -

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, 2019 and 2018  
(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 2.8%, due at various dates through 2029 and secured by the church properties, consist of the following at December 31:

	2019	2018
Christ Episcopal Church, Rolla	\$ 518,519	\$ 573,564
Mission Church of the Transfiguration, Lake St. Louis	466,175	482,089
St. Timothy's Creve Coeur	138,796	166,902
Church of the Holy Communion	670,214	136,005
Trinity, St. Charles	-	160,120
St. Peter's, Ladue	510,077	883,155
St. John's, St. Louis	69,434	73,556
Emmanuel Episcopal Church, Webster Groves	-	115,420
St. Mark Episcopal Church, St. Louis	-	71,120
St. Luke's Episcopal Church	5,140	12,660
Trinity Episcopal Church, Kirksville	50,189	59,218
St. Paul's, St. Louis	68,100	72,000
Grace Episcopal Church, Kirkwood	160,322	103,825
Total Notes Receivable	\$ 2,656,966	\$ 2,909,634

As of December 31, 2019, the notes receivable amounts are expected to be collected as follows:

Years Ending	Amount
2020	\$ 364,977
2021	337,977
2022	281,217
2023	172,086
2024	148,440
Thereafter	1,352,269
	\$2,656,966

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018  
*(Continued)*

E. **NOTES RECEIVABLE** *(Continued)*

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.

F. **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:

	2019	2018
Agnes & Grace Muller	\$284,685	\$236,816
Episcopal Church Women Education Fund	70,274	59,385
Farmington Ora Mosier Trust Fund	71,513	61,209
St. Francis (Eureka)	23,021	20,003
Total	\$449,493	\$377,413

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018  
(Continued)

**G. NET ASSETS WITH DONOR RESTRICTIONS**

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

	2019	2018
Endowments:		
Subject to expenditure for a specific purpose:		
Kelton White Fund	\$ 10,111,567	\$ 9,848,291
Aged & Infirm Clergy	1,491,040	1,280,582
Theological Education	303,017	248,686
Cadigan Fellowship	137,985	80,154
Church Assistance Endowment Fund	115,531	-
W.A. Jones Endowment	67,466	54,336
New Ministries on Campus	390,473	116,239
New Ventures in Community Ministry	513,338	177,999
Donaldson Fund	239,825	-
Lui Funds	193,692	214,912
Bishops' Funds	397,317	205,540
	13,961,251	12,226,739
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
Accumulated (Loss) Gain	-	( 19,542)
	6,226,043	6,206,501
	20,187,294	18,433,240
Not subject to spending policy or appropriation:		
Perpetual in Nature - Beneficial Interest in Trust		
Thompson Memorial Trust	17,495,708	15,522,547
White Memorial Trust	12,741,207	11,132,448
Shank Memorial Trust	111,953	94,661
	30,348,868	26,749,656
Total Endowments	\$ 50,536,162	\$ 45,182,896

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018  
*(Continued)*

**G. 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. Deficiencies of this nature exist in the individual donor-restricted perpetual endowment funds, which has an original gift value of \$6,226,043 and fair value of \$6,206,501, resulting in a deficiency of \$19,452 as of December 31, 2018. 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 as of December 31, 2019.

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:

	2019	2018
Purpose Donor Restriction Met		
Aged & Infirm Clergy	\$ 80,094	\$ 78,272
Theological Education	3,000	6,000
Lui Funds	60,274	2,000
Bishop Trust Funds	8,000	7,600
New Ventures in Community Ministry	57,750	-
Church Assistance Endowment Fund	43,708	31,838
New Ministries on Campus	28,000	18,318
Donaldson Fund	81,760	81,637
Total Purpose Restrictions Met	\$ 362,586	\$ 225,665

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018  
*(Continued)*

**H. 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:

	2019	2018
Board Designated Endowment Funds:		
Allocation of Bishop Transition	\$ 182,164	\$ 237,887
Future Building and Property Fund	629,758	522,102
Campus Ministry Fund	777,658	657,912
Aged and Infirm Clergy Fund Accumulated Income	365,896	330,310
New Witness Fund Accumulated Income	-	3,668
Theological Education Fund Accumulated Income	76,350	69,258
W.A. Jones Endowment Fund Accumulated Income	19,199	17,579
Total Board Designated Endowment Funds	\$ 2,051,025	\$ 1,838,716

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  
d/b/a Diocese of Missouri  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018  
(Continued)

**I. 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, 2019 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	-	13,961,251	13,961,251
Board designated endowment funds	<u>2,051,025</u>	<u>-</u>	<u>2,051,025</u>
Endowment net assets, end of year	<u>\$ 2,051,025</u>	<u>\$ 20,187,294</u>	<u>\$ 22,238,319</u>

Changes in endowment net assets as of December 31, 2019 are as follows:

	<u>2019 Endowment Funds</u>		
	Without Donor Restriction	With Donor Restriction	Total Endowment Net Assets
Endowment net assets, beginning of year	\$ 1,838,716	\$ 18,433,240	\$ 20,271,956
Investment income, net of fees	74,984	154,663	229,647
Net realized and unrealized gains	215,079	1,698,700	1,913,779
Loan forgiveness	-	( 48,045)	( 48,045)
Distributions from beneficial interest	-	311,322	311,322
Amounts appropriated for expenditure	<u>( 77,754)</u>	<u>( 362,586)</u>	<u>( 440,340)</u>
Endowment net assets, end of year	<u>\$ 2,051,025</u>	<u>\$ 20,187,294</u>	<u>\$ 22,238,319</u>

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018  
(Continued)

I. **ENDOWMENT** (Continued)

Endowment net asset composition by type of fund as of December 31, 2018 is as follows:

	Without Donor Restriction	With Donor Restriction	Total Endowment Net Assets
Donor-restricted perpetual endowment funds	\$ -	\$ 6,206,501	\$ 6,206,501
Donor-restricted specific purpose endowment funds	-	12,226,739	12,226,739
Board designated endowment funds	<u>1,838,716</u>	<u>-</u>	<u>1,838,716</u>
Endowment net assets, end of year	<u>\$ 1,838,716</u>	<u>\$ 18,433,240</u>	<u>\$ 20,271,956</u>

Changes in endowment net assets as of December 31, 2018 are as follows:

	2018 Endowment Funds		
	Without Donor Restriction	With Donor Restriction	Total
Endowment net assets, beginning of year	\$ 1,971,197	\$ 18,784,104	\$ 20,755,301
Investment income, net of fees	66,906	131,330	198,236
Net realized and unrealized (losses)	( 73,013)	( 530,261)	( 603,274)
Loan forgiveness	-	( 48,232)	( 48,232)
Distributions from beneficial interest	-	321,964	321,964
Amounts appropriated for expenditure	<u>( 126,374)</u>	<u>( 225,665)</u>	<u>( 352,039)</u>
Endowment net assets, end of year	<u>\$ 1,838,716</u>	<u>\$ 18,433,240</u>	<u>\$ 20,271,956</u>

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018  
*(Continued)*

**J. 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.

**K. 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  
d/b/a Diocese of Missouri  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018  
(Continued)

K. **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 December 31,		Total Plan Contributions for the Year Ending March 31,	
		March 31, 2019	March 31, 2018	2019	2018	2019	2018
		Net Assets	Accumulated Benefit Obligation				
Church Pension Fund	N/A	\$ 13,555,231,408	\$ 6,959,069	\$ 123,428	\$ 117,955	\$ 98,945,887	\$ 97,489,332

The defined benefit plan was fully funded at March 31, 2019 and 2018 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:

- Interest Rate: 3.875% per annum for the years ended March 31, 2019 and 2018 respectively, compounded annually and developed considering annualized yields for long term government and long-term, high quality corporate bonds that reflect the duration of the pension obligations.
- Cost-of-living adjustment: 3% per annum for the Clergy Plan and 0% for the Staff Plan and Lay Plan. Cost-of-living adjustments are not guaranteed. The CPF Board of Trustees grants cost-of-living adjustments at its discretion. The decision is made annually.
- Vesting (Clergy Plan): After five years of credited service.
- 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.

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018  
*(Continued)*

**L. OPERATING LEASES**

The Diocese leases various copiers' under lease agreements classified as operating leases. At December 31, 2019, future minimum lease payments required under these leases are as follows:

Years Ending <u>December 31,</u>	
2020	\$12,204
2021	8,304
2023	<u>4,152</u>
	<u><u>\$24,660</u></u>

Total lease expense was \$14,954 and \$17,028 during the years ended December 31, 2019 and 2018, respectively.

**M. IN-KIND DONATIONS**

The Diocese leases land, building and office space at a bargain rate of \$1 per year to a not-for-profit organization under the terms of an operating lease. The original term of the lease was from March 1, 2007 through December 31, 2015. The lease was extended on January 1, 2016 through December 31, 2027. The fair value of the in-kind donation is \$120,000 per year. The fair value of the donation is included in the financial statements for the years ended December 31, 2019 and 2018.

**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.

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
NOTES TO FINANCIAL STATEMENTS  
December 31, 2019 and 2018  
*(Continued)*

**N. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS *(Continued)***

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

	2019	2018
Cash and cash equivalents	\$ 505,725	\$ 767,424
Accounts receivable	164,342	205,717
Marketable securities	27,964,878	23,453,617
Total financial assets	28,634,945	24,426,758
Less amounts not available to be used within one year:		
Board designated for endowment	2,051,025	1,838,716
Donor restricted for purpose	13,961,251	12,226,739
Donor restricted perpetual endowment	6,226,043	6,206,501
Total financial assets not available to be used within one year	22,238,319	20,271,956
Financial assets available to meet cash needs for general expenditures within one year	\$ 6,396,626	\$ 4,154,802

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.

**O. SUBSEQUENT EVENTS**

As the spread of COVID-19 coronavirus continues worldwide, economic uncertainties have arisen that are likely to negatively impact our financial results. While the Diocese expects this negative impact to be temporary, the severity and duration of the impact is uncertain at this time.

**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, 2019, and have issued our report thereon dated June 6, 2020, 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 26 through 28 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.

A handwritten signature in black ink that reads 'Schmersahl Treloar &amp; Co. P.C.' in a cursive script.

June 6, 2020

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
**SCHEDULE OF NET ASSETS – BOARD DESIGNATED FUNDS**  
December 31, 2019

<b>Fund Name</b>	<b>Amount</b>	<b>Description</b>
BOARD DESIGNATED NET ASSETS		
Allocation of Bishop Transition	\$ 182,164	Board designated fund established to provide for future bishop transitions to the Diocese.
Future Building Property Fund	629,758	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	777,658	Board designated fund established in 1981 to support the continuance of college education throughout the Diocese.
Accumulated Income Fund	461,445	Certain donor-restricted funds specify the income generated is without donor restriction. The unspent income is accumulated here.
Total Board Designated Net Assets	<u>\$ 2,051,025</u>	

Corporation of the Episcopal Diocese of Missouri  
d/b/a Diocese of Missouri  
SCHEDULE OF NET ASSETS – WITH DONOR RESTRICTION FUNDS  
December 31, 2019

Fund Name	Amount	Description
NET ASSETS WITH DONOR RESTRICTION		
Aged & Infirm Clergy Fund	\$ 1,491,040	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	303,017	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	342,236	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	949,644	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	67,466	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.
Lui Funds	193,692	This fund represents unexpended donations from individuals and churches to be used for various purposes as designated by the donor related to the Diocese of Lui. The fund principal and accumulated income is with donor restriction and maintained here.
New Ministries on Campus	1,771,514	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	1,894,379	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, 2019

Fund Name	Amount	Description
The Donaldson Fund	1,849,352	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	1,213,387	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 Fund	10,111,567	The Kelton White Loan Fund is used to make loans to congregations for use in capital improvements. 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. The income generated from the Kelton White Loan Fund is without donor restriction.
Kelton White Memorial Trust	12,741,207	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	17,495,708	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	111,953	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>\$ 50,536,162</u>	