

**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, 2020 AND 2019**

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, 2020 and 2019, 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, 2020 and 2019, 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.

Schmersahl Treloar & Co.

St. Louis, Missouri
June 5, 2021

FINANCIAL STATEMENTS

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
STATEMENTS OF FINANCIAL POSITION
December 31, 2020 and 2019

	December 31,	
	2020	2019
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 761,643	\$ 505,725
Accounts receivable	214,845	164,342
Notes receivable	333,417	364,977
Total Current Assets	1,309,905	1,035,044
PROPERTY AND EQUIPMENT, NET	3,689,260	4,061,569
NOTES RECEIVABLE - NONCURRENT	2,019,880	2,291,989
INVESTMENTS		
Beneficial interest in third-party trusts	32,148,607	30,348,866
Marketable securities	30,704,335	27,964,878
Total Assets	\$ 69,871,987	\$ 65,702,346
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 193,318	\$ 150,387
Custodial funds	506,439	449,493
Note payable PPP	241,752	-
Total Current Liabilities	941,509	599,880
NET ASSETS		
Without Donor Restrictions		
Net investment in property, plant and equipment	3,689,260	4,061,569
Available for general operations	9,512,328	8,453,710
Designated by the board for endowment	2,239,620	2,051,025
Total Net Assets Without Donor Restrictions	15,441,208	14,566,304
With Donor Restrictions		
Purpose restrictions	15,114,621	13,961,251
Perpetual in nature	38,374,649	36,574,911
Total Net Assets With Donor Restrictions	53,489,270	50,536,162
Total Net Assets	68,930,478	65,102,466
Total Liabilities and Net Assets	\$ 69,871,987	\$ 65,702,346

See accompanying notes to financial statements

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
STATEMENTS OF ACTIVITIES
December 31, 2020 and 2019

	For the Year Ended December 31, 2020			For the Year Ended December 31, 2019		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
REVENUE AND SUPPORT						
Congregational assessments	\$ 1,283,817	\$ -	\$ 1,283,817	\$ 1,286,071	\$ -	\$ 1,286,071
Contributions, program and property income	248,982	-	248,982	273,682	-	273,682
Investment income, net of fees	624,362	124,172	748,534	748,155	154,663	902,818
Net realized and unrealized gains on investments	1,254,709	3,041,338	4,296,047	1,953,583	5,297,913	7,251,496
Loan forgiveness	-	(29,794)	(29,794)	-	(48,045)	(48,045)
Distributions from beneficial interest in third-party trusts	768,022	310,834	1,078,856	758,742	311,321	1,070,063
Net assets released from restriction	493,442	(493,442)	-	362,586	(362,586)	-
Total Revenue and Support	<u>4,673,334</u>	<u>2,953,108</u>	<u>7,626,442</u>	<u>5,382,819</u>	<u>5,353,266</u>	<u>10,736,085</u>
EXPENSES						
Program Services						
Making disciples	580,207	-	580,207	423,879	-	423,879
Supporting congregations	1,076,502	-	1,076,502	934,696	-	934,696
The Episcopate	1,426,786	-	1,426,786	1,251,723	-	1,251,723
Communications	310,210	-	310,210	355,007	-	355,007
Total Program Services	<u>3,393,705</u>	<u>-</u>	<u>3,393,705</u>	<u>2,965,305</u>	<u>-</u>	<u>2,965,305</u>
Administrative	404,725	-	404,725	400,020	-	400,020
Total Expenses	<u>3,798,430</u>	<u>-</u>	<u>3,798,430</u>	<u>3,365,325</u>	<u>-</u>	<u>3,365,325</u>
CHANGE IN NET ASSETS	874,904	2,953,108	3,828,012	2,017,494	5,353,266	7,370,760
NET ASSETS, Beginning 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>
NET ASSETS, End of year	<u>\$ 15,441,208</u>	<u>\$ 53,489,270</u>	<u>\$ 68,930,478</u>	<u>\$ 14,566,304</u>	<u>\$ 50,536,162</u>	<u>\$ 65,102,466</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, 2020

	Making Disciples	Supporting Congregation	The Episcopate	Communications	Total	Administration	Total
Salaries	\$ 70,260	\$ 108,304	\$ 249,548	\$ 150,630	\$ 578,742	\$ 156,562	\$ 735,304
Health and retirement benefits	56,380	112,907	167,206	65,084	401,577	88,380	489,957
Payroll taxes	-	-	4,674	11,561	16,235	11,663	27,898
Total Salaries and Related Expenses	126,640	221,211	421,428	227,275	996,554	256,605	1,253,159
Occupancy	19,314	19,314	38,629	28,971	106,228	19,315	125,543
Program support	412,422	814,146	589,014	21,218	1,836,800	-	1,836,800
National church assessment	-	-	334,053	-	334,053	-	334,053
Office expense and supplies	21,831	21,831	43,662	32,746	120,070	21,831	141,901
Depreciation	-	-	-	-	-	106,974	106,974
Total Expenses	\$ 580,207	\$ 1,076,502	\$ 1,426,786	\$ 310,210	\$ 3,393,705	\$ 404,725	\$ 3,798,430

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
Supplies and equipment	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 CASH FLOWS
December 31, 2020 and 2019

	Years Ended December 31,	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 3,828,012	\$ 7,370,760
Adjustments to reconcile change in net assets to net change in cash and cash equivalents from operating activities:		
Depreciation	106,974	105,721
Net realized and unrealized (gains) losses on investments	(4,296,047)	(7,251,496)
Loan forgiveness	29,794	48,045
Thompson Memorial Trust land donation	273,060	-
(Increase) decrease in assets:		
Accounts receivable	(50,503)	41,375
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	42,931	7,667
Custodial funds	56,946	72,080
Net Change in Cash and Cash Equivalents from Operating Activities	(8,833)	394,152
CASH FLOWS FROM INVESTING ACTIVITIES		
Issuance of notes receivable	(61,000)	(618,183)
Payments received on notes receivable	334,875	822,806
Purchase of investments	(1,221,397)	(1,453,462)
Proceeds from sale of investments	978,246	594,487
Purchase of property, plant and equipment	(7,725)	(1,499)
Net Change in Cash and Cash Equivalents from Investing Activities	22,999	(655,851)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from note payable ppp	241,752	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	255,918	(261,699)
CASH AND CASH EQUIVALENTS, Beginning of year	505,725	767,424
CASH AND CASH EQUIVALENTS, End of year	\$ 761,643	\$ 505,725
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, 2020 and 2019

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.

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.

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019
(Continued)

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

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).

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, 2020 and 2019
(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, 2020 and 2019.

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.

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 5, 2021, 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, 2020 and 2019
(Continued)

B. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	December 31,	
	2020	2019
Land	\$ 829,037	\$ 1,102,097
Buildings	6,618,941	6,618,941
Equipment	158,026	150,301
Leasehold Improvements	268,834	268,834
	7,874,838	8,140,173
Less accumulated depreciation	(4,185,578)	(4,078,604)
Total Property and Equipment, Net	\$ 3,689,260	\$ 4,061,569

Depreciation expense amount to \$106,974 and \$105,721 for the years ended December 31, 2020 and 2019, respectively.

C. INVESTMENTS

Investments consist of the following at December 31:

	2020	2019
Beneficial interest in third-party trusts	\$32,148,607	\$30,348,866
Marketable securities	30,704,335	27,964,878
Total Investments	\$62,852,942	\$58,313,744

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, 2020 and 2019
(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,	
	2020	2019
Investment income, net of fees	\$ 748,534	\$ 902,818
Net realized and unrealized gains (losses)	4,296,047	7,251,496
Distribution from beneficial interest	1,078,856	1,070,063
Investment Return, Net of Fees	\$ 6,123,437	\$ 9,224,377

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 \$91,100 and \$82,661 for the years ended December 31, 2020 and 2019, respectively.

Investment management and other fees for the third-party trusts were \$194,585 and \$146,810 for the years ended December 31, 2020 and 2019, respectively.

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019
(Continued)

D. FAIR VALUE MEASUREMENT

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

	Fair Value Measurements at December 31, 2020			
	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	6,130,731	-	6,130,731	-
SEI - Managed equity mutual funds	5,387,106	5,387,106	-	-
SEI - Managed foreign mutual funds	3,326,180	3,326,180	-	-
SEI - Money Market	65,285	65,285	-	-
SEI - Alternative Investments	20,721	20,721	-	-
DIT - Money Market	60,281	60,281	-	-
DIT - Fixed income mutual fund	1,608,539	-	1,608,539	-
DIT - Equity mutual fund	6,126,431	6,126,431	-	-
DIT - International mutual fund	7,977,342	7,977,342	-	-
Total	\$ 30,704,335	\$ 22,965,065	\$ 7,739,270	\$ -
<u>Beneficial Interest in Third-Party Trusts</u>				
Managed equity mutual funds	\$ 11,302,136	\$ 11,302,136	\$ -	\$ -
Managed bond mutual funds	13,173,699	-	13,173,699	-
Managed foreign mutual funds	6,912,538	6,912,538	-	-
Alternative investments	500,803	-	500,803	-
Money market accounts	259,431	259,431	-	-
Total	\$ 32,148,607	\$ 18,474,105	\$ 13,674,502	\$ -

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019
(Continued)

D. FAIR VALUE MEASUREMENT (Continued)

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>

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, 2020 and 2019
(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 2030 and secured by the church properties, consist of the following at December 31:

	2020	2019
Christ Episcopal Church, Rolla	\$ 463,729	\$ 518,519
Mission Church of the Transfiguration, Lake St. Louis	449,944	466,175
St. Timothy's Creve Coeur	110,314	138,796
Church of the Holy Communion	610,938	670,214
St. Peter's, Ladue	329,070	510,077
St. John's, St. Louis	65,210	69,434
St. Luke's Episcopal Church	692	5,140
Trinity Episcopal Church, Kirksville	40,886	50,189
St. Paul's, St. Louis	126,100	68,100
Grace Episcopal Church, Kirkwood	156,414	160,322
Total Notes Receivable	\$ 2,353,297	\$ 2,656,966

As of December 31, 2020, the notes receivable amounts are expected to be collected as follows:

Years Ending	Amount
2021	\$ 333,417
2022	276,657
2023	167,698
2024	143,391
2025	113,437
Thereafter	1,318,697
	\$2,353,297

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.

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019
(Continued)

F. NOTE PAYABLE

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.

As of the financial statement issuance date June 5, 2021, the Diocese has spent all funds on eligible expenses and is working with its lender to begin the forgiveness application process.

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:

	2020	2019
Agnes & Grace Muller	\$322,882	\$284,685
Episcopal Church Women Education Fund	78,522	70,274
Farmington Ora Mosier Trust Fund	79,606	71,513
St. Francis (Eureka)	25,429	23,021
Total	\$506,439	\$449,493

Corporation of the Episcopal Diocese of Missouri
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NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019
(Continued)

H. NET ASSETS WITH DONOR RESTRICTIONS

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

	2020	2019
Endowments:		
Subject to expenditure for a specific purpose:		
Kelton White Loan and Grant Fund	\$ 10,392,609	\$ 10,111,567
Aged & Infirm Clergy	1,638,803	1,491,040
Theological Education	338,076	303,017
Cadigan Fellowship	184,422	137,985
Church Assistance Endowment Fund	225,216	115,531
W.A. Jones Endowment	77,997	67,466
New Ministries on Campus	599,735	390,473
New Ventures in Community Ministry	687,021	513,338
Donaldson Fund	416,226	239,825
Lui Funds	-	193,692
Bishops' Funds	554,516	397,317
	15,114,621	13,961,251
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
	21,340,664	20,187,294
Not subject to spending policy or appropriation:		
Perpetual in Nature - Beneficial Interest in Trust		
Thompson Memorial Trust	18,357,458	17,495,708
White Memorial Trust	13,667,127	12,741,207
Shank Memorial Trust	124,021	111,953
	32,148,606	30,348,868
Total Endowments	\$ 53,489,270	\$ 50,536,162

Corporation of the Episcopal Diocese of Missouri
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NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019
(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, 2020 and 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:

	2020	2019
Purpose Donor Restriction Met		
Aged & Infirm Clergy	\$ 78,845	\$ 80,094
Theological Education	10,500	3,000
Lui Funds	186,718	60,274
Bishop Trust Funds	7,200	8,000
New Ventures in Community Ministry	71,007	57,750
Church Assistance Endowment Fund	23,562	43,708
New Ministries on Campus	33,000	28,000
Donaldson Fund	82,610	81,760
Total Purpose Restrictions Met	\$ 493,442	\$ 362,586

Corporation of the Episcopal Diocese of Missouri
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NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019
(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:

	2020	2019
Board Designated Endowment Funds:		
Allocation of Bishop Transition	\$ 69,572	\$ 182,164
Future Building and Property Fund	792,535	629,758
Campus Ministry Fund	879,680	777,658
Aged and Infirm Clergy Fund Accumulated Income	395,114	365,896
Theological Education Fund Accumulated Income	82,192	76,350
W.A. Jones Endowment Fund Accumulated Income	20,527	19,199
Total Board Designated Endowment Funds	\$ 2,239,620	\$ 2,051,025

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, 2020 and 2019
(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, 2020 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	-	15,114,621	15,114,621
Board designated endowment funds	<u>2,239,620</u>	<u>-</u>	<u>2,239,620</u>
Endowment net assets, end of year	<u>\$ 2,239,620</u>	<u>\$ 21,340,664</u>	<u>\$ 23,580,284</u>

Changes in endowment net assets as of December 31, 2020 are as follows:

	2020 Endowment Funds		
	Without Donor Restriction	With Donor Restriction	Total Endowment Net Assets
Endowment net assets, beginning of year	\$ 2,051,025	\$ 20,187,294	\$ 22,238,319
Contributions	105,488	-	105,488
Investment income, net of fees	59,971	124,172	184,143
Net realized and unrealized gains	186,987	1,241,600	1,428,587
Loan forgiveness	-	(29,794)	(29,794)
Distributions from beneficial interest	-	310,834	310,834
Amounts appropriated for expenditure	<u>(163,851)</u>	<u>(493,442)</u>	<u>(657,293)</u>
Endowment net assets, end of year	<u>\$ 2,239,620</u>	<u>\$ 21,340,664</u>	<u>\$ 23,580,284</u>

Corporation of the Episcopal Diocese of Missouri
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NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019
(Continued)

J. **ENDOWMENT** *(Continued)*

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	2,051,025	-	2,051,025
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:

	2019 Endowment Funds		
	Without Donor Restriction	With Donor Restriction	Total
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 (losses)	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	(77,754)	(362,586)	(440,340)
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
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NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019
(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, 2020 and 2019
(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 March 31, 2020		Diocese Contributions for the Year Ending December 31,		Total Plan Contributions for the Year Ending March 31,	
		Net Assets	Accumulated Benefit Obligation	2020	2019	2020	2019
Church Pension Fund	N/A	\$ 12,976,778.580	\$ 7,820,005	\$ 132,053	\$ 123,428	\$ 98,479,244	\$ 98,945,887

The defined benefit plan was fully funded at March 31, 2020 and 2019 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: 3.000% and 3.875% per annum for the years ended March 31, 2020 and 2019, 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 years ended March 31, 2020 and 2019; Lay Plan and Staff Plan – 0% per annum for the years ended March 31, 2020 and 2019.
- 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.

Corporation of the Episcopal Diocese of Missouri
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NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019
(Continued)

M. OPERATING LEASES

The Diocese leases various copiers' under lease agreements classified as operating leases. At December 31, 2020, future minimum lease payments required under these leases are as follows:

<u>Years Ending</u> <u>December 31,</u>	
2021	\$ 8,304
2023	<u>4,152</u>
	<u>\$12,456</u>

Total lease expense was \$9,316 and \$14,954 during the years ended December 31, 2020 and 2019, respectively.

N. IN-KIND DONATIONS

The Diocese leases land 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. In March of 2020, the Diocese donated the land to the existing tenant and ended the operating lease agreement. The fair value of the lease donation is included in the financial statements in the amount of \$25,000 and \$125,000 for the year ended December 31, 2020 and 2019, respectively.

O. 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, 2020 and 2019
(Continued)

O. 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:

	2020	2019
Cash and cash equivalents	\$ 761,643	\$ 505,725
Accounts receivable	214,845	164,342
Marketable securities	30,704,335	27,964,878
Total financial assets	31,680,823	28,634,945
Less amounts not available to be used within one year:		
Board designated for endowment	2,239,620	2,051,025
Donor restricted for purpose	15,114,621	13,961,251
Donor restricted perpetual endowment	6,226,043	6,226,043
Total financial assets not available to be used within one year	23,580,284	22,238,319
Financial assets available to meet cash needs for general expenditures within one year	\$ 8,100,539	\$ 6,396,626

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.

P. ECONOMIC UNCERTAINTY

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.

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
NOTES TO FINANCIAL STATEMENTS
December 31, 2020 and 2019
(Continued)

Q. THOMPSON MEMORIAL TRUST LAND DONATION

On March 12, 2020, SEI Private Trust Company and the Diocese reached a nonjudicial settlement agreement regarding donation of land. Footnote N, identifies an agreement where the Diocese leases land at a bargain rate of \$1 per year to a not-for-profit organization under the terms of an operating lease. The original lease agreement originated in March of 2007. Property records identify the assessed value of the land in 2007 at \$273,060. This amount is treated as a non-cash land donation for the period ending December 31, 2020. The donation is included as program support, under the designation of Supporting Congregations, in the statement of functional expense.

R. 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. In order to provide for a predictable stream of income, SEI Trust Company (the "Trustee") has agreed to set Trust income at 4.5% per year.

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, 2020 and 2019
(Continued)

S. **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.

**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, 2020, and have issued our report thereon dated June 5, 2021, 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 5, 2021

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
SCHEDULE OF NET ASSETS – BOARD DESIGNATED FUNDS
December 31, 2020

Fund Name	Amount	Description
BOARD DESIGNATED NET ASSETS		
Allocation of Bishop Transition	\$ 69,572	Board designated fund established to provide for future bishop transitions to the Diocese.
Future Building Property Fund	792,535	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	879,680	Board designated fund established in 1981 to support the continuance of college education throughout the Diocese.
Accumulated Income Fund	497,833	Certain donor-restricted funds specify the income generated is without donor restriction. The unspent income is accumulated here.
Total Board Designated Net Assets	<u>\$ 2,239,620</u>	

Corporation of the Episcopal Diocese of Missouri
d/b/a Diocese of Missouri
SCHEDULE OF NET ASSETS – WITH DONOR RESTRICTION FUNDS
December 31, 2020

Fund Name	Amount	Description
NET ASSETS WITH DONOR RESTRICTION		
Aged & Infirm Clergy Fund	\$ 1,638,803	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	338,076	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	388,673	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	1,059,329	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	77,997	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	-	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	1,980,776	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	2,068,062	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, 2020

Fund Name	Amount	Description
The Donaldson Fund	2,025,753	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	1,370,586	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	10,392,609	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	13,667,127	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	18,357,458	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	124,021	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>\$ 53,489,270</u>	