

The Home Missioners of America

**Financial Statements with Supplementary Information
June 30, 2023 and 2022, and
Independent Auditors' Report**

THE HOME MISSIONERS OF AMERICA

June 30, 2023 and 2022

Contents

	<u>Page(s)</u>
Independent Auditors' Report	1 - 2
Financial Statements:	
Statements of Financial Position	3 - 4
Statements of Activities	5 - 6
Statements of Functional Expenses	7 - 8
Statements of Cash Flows	9
Notes to Financial Statements	10 - 22
Supplementary Information:	
Schedules of Statement of Financial Position:	
Without Donor Restrictions	23 - 24
With Donor Restrictions	25 - 26
Schedules of Statement of Activities:	
Without Donor Restrictions	27 - 28
With Donor Restrictions	29 - 30

Independent Auditors' Report

To the Members
The Home Missioners of America
Fairfield, Ohio

Opinion

We have audited the accompanying financial statements of The Home Missioners of America (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Home Missioners of America as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Home Missioners of America and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Home Missioners of America's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

**Independent Auditors' Report
(Continued)**

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of The Home Missioners of America's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Home Missioners of America's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules included on pages 23 - 30 are presented for purposes of additional analysis and are not a required part of the financial statements. Such 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.

Barnes, Dennig & Co., Ltd.

October 6, 2023
Cincinnati, Ohio

THE HOME MISSIONERS OF AMERICA

Statement of Financial Position June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Assets			
Cash	\$ 820,524	\$ -	\$ 820,524
Bequests receivable	-	105,000	105,000
Notes receivable, net	98,147	91,637	189,784
Investments	24,619,173	9,690,741	34,309,914
Prepaid expenses and other	288,525	-	288,525
Property and equipment, net	3,923,205	-	3,923,205
Beneficial interest in trusts	-	4,052,973	4,052,973
Interfund receivable (payable)	444,386	(444,386)	-
	\$ 30,193,960	\$ 13,495,965	\$ 43,689,925
Liabilities and Net Assets			
Liabilities			
Accounts payable and accrued expenses	\$ 336,664	\$ 4,669	\$ 341,333
Annuities payable	-	1,754,200	1,754,200
Revocable charitable gift agreements	-	529,770	529,770
	336,664	2,288,639	2,625,303
	29,857,296	11,207,326	41,064,622
	\$ 30,193,960	\$ 13,495,965	\$ 43,689,925

See accompanying notes to financial statements

THE HOME MISSIONERS OF AMERICA

**Statement of Financial Position
June 30, 2022**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Assets			
Cash	\$ 1,733,904	\$ -	\$ 1,733,904
Bequests receivable	-	240,000	240,000
Notes receivable, net	194,582	92,518	287,100
Investments	22,512,066	9,720,683	32,232,749
Prepaid expenses and other	166,814	-	166,814
Property and equipment, net	3,689,177	-	3,689,177
Beneficial interest in trusts	-	3,055,659	3,055,659
Interfund receivable (payable)	688,661	(688,661)	-
	<u>\$ 28,985,204</u>	<u>\$ 12,420,199</u>	<u>\$ 41,405,403</u>
Liabilities and Net Assets			
Liabilities			
Accounts payable and accrued expenses	\$ 244,626	\$ 2,310	\$ 246,936
Annuities payable	-	1,831,920	1,831,920
Revocable charitable gift agreements	-	506,206	506,206
	<u>244,626</u>	<u>2,340,436</u>	<u>2,585,062</u>
Total liabilities	244,626	2,340,436	2,585,062
Net assets	<u>28,740,578</u>	<u>10,079,763</u>	<u>38,820,341</u>
Total liabilities and net assets	<u>\$ 28,985,204</u>	<u>\$ 12,420,199</u>	<u>\$ 41,405,403</u>

See accompanying notes to financial statements

THE HOME MISSIONERS OF AMERICA

Statement of Activities Year Ended June 30, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support, revenues and gains			
Contributions	\$ 3,139,365	\$ -	\$ 3,139,365
Bequests and annuities	1,367,806	157,592	1,525,398
Mission service income	241,462	-	241,462
Other	46,154	-	46,154
Net assets released from donor restrictions	201,701	(201,701)	-
Total support, revenues and gains	<u>4,996,488</u>	<u>(44,109)</u>	<u>4,952,379</u>
Expenses			
Program services			
Mission aid	2,138,091	-	2,138,091
Recruiting	404,591	-	404,591
Members' training	977,244	-	977,244
Mission education	529,207	-	529,207
Services to Glenmary community	546,171	-	546,171
Mass offerings	73,366	-	73,366
Total program services	<u>4,668,670</u>	<u>-</u>	<u>4,668,670</u>
Supporting services			
Administration	888,745	-	888,745
Fundraising	600,511	-	600,511
Plant and equipment	210,381	-	210,381
Total supporting services	<u>1,699,637</u>	<u>-</u>	<u>1,699,637</u>
Total expenses and losses	<u>6,368,307</u>	<u>-</u>	<u>6,368,307</u>
Change in net assets before other changes	<u>(1,371,819)</u>	<u>(44,109)</u>	<u>(1,415,928)</u>
Other changes			
Investment return, net	2,185,038	743,746	2,928,784
Change in beneficial interest in perpetual trusts	-	931,445	931,445
Net assets released to beneficiaries	-	(259,805)	(259,805)
Deceased annuitants	215,372	(215,372)	-
Actuarial gains	-	59,785	59,785
Interfund transfers	88,127	(88,127)	-
Total other changes	<u>2,488,537</u>	<u>1,171,672</u>	<u>3,660,209</u>
Change in net assets	1,116,718	1,127,563	2,244,281
Net assets, beginning of year	<u>28,740,578</u>	<u>10,079,763</u>	<u>38,820,341</u>
Net assets, end of year	<u>\$ 29,857,296</u>	<u>\$ 11,207,326</u>	<u>\$ 41,064,622</u>

See accompanying notes to financial statements

THE HOME MISSIONERS OF AMERICA

Statement of Activities Year Ended June 30, 2022

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support, revenues and gains			
Contributions	\$ 3,512,962	\$ -	\$ 3,512,962
Bequests and annuities	1,639,615	114,805	1,754,420
Mission service income	192,464	-	192,464
Other	88,179	-	88,179
Net assets released from donor restrictions	1,255,561	(1,255,561)	-
Total support, revenues and gains	<u>6,688,781</u>	<u>(1,140,756)</u>	<u>5,548,025</u>
Expenses			
Program services			
Mission aid	1,991,966	-	1,991,966
Recruiting	355,639	-	355,639
Members' training	932,708	-	932,708
Mission education	497,082	-	497,082
Services to Glenmary community	568,036	-	568,036
Mass offerings	63,246	-	63,246
Total program services	<u>4,408,677</u>	<u>-</u>	<u>4,408,677</u>
Supporting services			
Administration	790,256	-	790,256
Fundraising	532,089	-	532,089
Plant and equipment	207,173	-	207,173
Total supporting services	<u>1,529,518</u>	<u>-</u>	<u>1,529,518</u>
Total expenses and losses	<u>5,938,195</u>	<u>-</u>	<u>5,938,195</u>
Change in net assets before other changes	<u>750,586</u>	<u>(1,140,756)</u>	<u>(390,170)</u>
Other changes			
Investment return, net	(3,194,516)	(1,168,764)	(4,363,280)
Change in beneficial interest in perpetual trusts	-	(464,718)	(464,718)
Net assets released to beneficiaries	-	(272,489)	(272,489)
Deceased annuitants	494,900	(494,900)	-
Actuarial gains	-	74,601	74,601
Total other changes	<u>(2,699,616)</u>	<u>(2,326,270)</u>	<u>(5,025,886)</u>
Change in net assets	<u>(1,949,030)</u>	<u>(3,467,026)</u>	<u>(5,416,056)</u>
Net assets, beginning of year	<u>30,689,608</u>	<u>13,546,789</u>	<u>44,236,397</u>
Net assets, end of year	<u>\$ 28,740,578</u>	<u>\$ 10,079,763</u>	<u>\$ 38,820,341</u>

See accompanying notes to financial statements

THE HOME MISSIONERS OF AMERICA

Statement of Functional Expenses Year Ended June 30, 2023

	<u>Mission Aid</u>	<u>Recruiting</u>	<u>Members' Training</u>	<u>Mission Education</u>	<u>Services to Glenmary Community</u>	<u>Mass Offerings</u>	<u>Total Programs</u>	<u>Administration</u>	<u>Fundraising</u>	<u>Plant and Equipment</u>	<u>Total</u>
Salaries	\$ 402,382	\$ 166,473	\$ 77,608	\$ 257,051	\$ 256,561	\$ 12,669	\$ 1,172,744	\$ 413,419	\$ 269,229	\$ 14,447	\$ 1,869,839
Parish subsidy	621,498	-	-	-	-	-	621,498	-	-	-	621,498
Benefits	111,953	39,961	19,478	67,174	58,447	2,847	299,860	95,053	59,665	3,519	458,097
Tuition	30,576	-	322,378	-	-	-	352,954	-	-	-	352,954
Postage	2,532	16,097	310	51,765	5,777	694	77,175	22,510	47,110	-	146,795
Printing	2,727	14,151	-	30,950	4,688	1,364	53,880	43,633	84,371	-	181,884
Professional fees	8,584	12,528	6,255	22,990	7,558	1,500	59,415	56,101	38,336	2,427	156,279
Formation allowance	-	-	185,279	-	-	-	185,279	-	-	-	185,279
Designated gifts	254,884	-	-	-	-	-	254,884	-	-	-	254,884
Food	41,648	5,205	68,604	13,680	19,774	147	149,058	4,409	1,333	-	154,800
Charity contribution	47,202	6,150	15,597	2,319	4,656	210	76,134	4,326	3,540	-	84,000
Travel	58,160	26,457	17,839	8,142	5,394	186	116,178	6,015	9,251	-	131,444
Depreciation	-	-	-	-	-	-	-	-	-	181,149	181,149
Repairs & maintenance	12,815	5,531	36,720	12,302	13,426	191	80,985	13,239	2,612	6,536	103,372
Utilities	27,343	4,441	25,431	9,457	7,071	73	73,816	8,829	2,189	-	84,834
Insurance	8,324	4,220	26,975	9,025	9,716	116	58,376	7,981	1,965	10,681	79,003
Contract workers	32,876	233	233	11,099	4,606	233	49,280	2,326	-	-	51,606
Members allowance	40,987	4,605	11,138	1,771	3,331	150	61,982	3,087	2,546	-	67,615
Automobiles	26,902	1,732	30,454	7,633	1,840	72	68,633	1,722	1,240	5,748	77,343
Personal liability insurance	-	-	-	-	48,494	-	48,494	-	-	-	48,494
List rental	218	-	-	435	218	109	980	3,483	6,423	-	10,886
Adopt a Mission	21,164	-	-	-	-	-	21,164	-	-	-	21,164
All other expenses	385,316	96,807	132,945	23,414	94,614	52,805	785,901	202,612	70,701	(14,126)	1,045,088
	<u>\$ 2,138,091</u>	<u>\$ 404,591</u>	<u>\$ 977,244</u>	<u>\$ 529,207</u>	<u>\$ 546,171</u>	<u>\$ 73,366</u>	<u>\$ 4,668,670</u>	<u>\$ 888,745</u>	<u>\$ 600,511</u>	<u>\$ 210,381</u>	<u>\$ 6,368,307</u>

See accompanying notes to financial statements

THE HOME MISSIONERS OF AMERICA

Statement of Functional Expenses Year Ended June 30, 2022

	<u>Mission Aid</u>	<u>Recruiting</u>	<u>Members' Training</u>	<u>Mission Education</u>	<u>Services to Glenmary Community</u>	<u>Mass Offerings</u>	<u>Total Programs</u>	<u>Administration</u>	<u>Fundraising</u>	<u>Plant and Equipment</u>	<u>Total</u>
Salaries	\$ 306,034	\$ 160,913	\$ 70,974	\$ 246,524	\$ 240,242	\$ 14,754	\$ 1,039,441	\$379,347	\$244,260	\$24,872	\$ 1,687,920
Parish subsidy	549,055	-	-	-	-	-	549,055	-	-	-	549,055
Benefits	68,573	35,632	19,660	58,130	55,347	3,158	240,500	89,051	50,803	5,135	385,489
Tuition	-	-	308,334	-	-	-	308,334	-	-	-	308,334
Postage	3,301	14,786	307	45,713	5,284	652	70,043	20,962	43,189	10	134,204
Printing	2,397	8,761	-	32,218	3,988	918	48,282	29,370	58,456	-	136,108
Professional fees	12,159	20,881	198	19,619	4,840	1,414	59,111	51,236	38,521	3,331	152,199
Formation allowance	-	-	136,922	-	-	-	136,922	-	-	-	136,922
Designated gifts	347,741	-	-	-	-	-	347,741	-	-	-	347,741
Food	33,814	3,792	55,311	7,989	15,239	124	116,269	3,452	1,014	25	120,760
Charity contribution	47,202	7,050	21,597	2,807	4,694	210	83,560	4,326	3,615	-	91,501
Travel	32,294	17,586	14,766	4,720	4,463	121	73,950	3,302	5,362	240	82,854
Depreciation	-	-	-	-	-	-	-	-	-	141,725	141,725
Repairs & maintenance	8,417	5,806	30,119	12,416	12,433	212	69,403	12,245	2,776	10,699	95,123
Utilities	32,764	4,960	30,198	10,531	8,942	98	87,493	9,717	2,405	-	99,615
Insurance	8,249	3,967	25,572	8,601	9,135	109	55,633	7,504	1,848	9,006	73,991
Contract workers	37,006	1,469	1,469	16,393	31,352	1,469	89,158	14,689	-	-	103,847
Members allowance	31,325	4,430	14,343	2,084	3,130	139	55,451	2,870	2,435	-	60,756
Automobiles	20,832	3,670	25,466	5,075	1,379	49	56,471	1,368	1,309	9,106	68,254
Personal liability insurance	-	-	-	-	46,117	-	46,117	-	-	-	46,117
Premiums	67	-	-	133	67	33	300	1,066	1,965	-	3,331
List rental	174	-	-	349	174	87	784	2,789	5,143	-	8,716
Adopt a Mission	14,140	-	-	-	-	-	14,140	-	-	-	14,140
All other expenses	436,422	61,936	177,472	23,780	121,210	39,699	860,519	156,962	68,988	3,024	1,089,493
	<u>\$ 1,991,966</u>	<u>\$ 355,639</u>	<u>\$ 932,708</u>	<u>\$ 497,082</u>	<u>\$ 568,036</u>	<u>\$ 63,246</u>	<u>\$ 4,408,677</u>	<u>\$ 790,256</u>	<u>\$ 532,089</u>	<u>\$ 207,173</u>	<u>\$ 5,938,195</u>

See accompanying notes to financial statements

THE HOME MISSIONERS OF AMERICA

Statements of Cash Flows Years Ended June 30, 2023 and 2022

	2023	2022
Cash flows from operating activities		
Changes in net assets	\$ 2,244,281	\$ (5,416,056)
Adjustments to reconcile changes in net assets to net cash provided by operations:		
Depreciation	261,677	259,313
Net realized and unrealized (gains) losses on investments	(2,469,781)	4,692,794
Change in beneficial interest in trusts	(997,314)	1,545,093
Actuarial gain on annuity obligations	(59,785)	(74,601)
Loss on disposal of property and equipment	3,312	2,196
Changes in:		
Bequests receivable	135,000	60,000
Prepaid expenses and other	(121,711)	510,622
Accounts payable and accrued expenses	94,397	(183,766)
Annuities payable	(17,935)	(116,412)
Revocable charitable gift agreements	23,564	(47,026)
	<u>(904,295)</u>	<u>1,232,157</u>
Net cash provided by (used in) operating activities		
Cash flows from investing activities		
Advances made on notes receivable	(5,295)	(1,400)
Payments received on notes receivable	102,611	69,887
Proceeds from sales of investments	3,742,614	7,468,684
Purchase of investments	(3,349,998)	(6,905,386)
Purchase of property and equipment	(499,017)	(1,176,770)
	<u>(9,085)</u>	<u>(544,985)</u>
Net cash used in investing activities		
Net change in cash	(913,380)	687,172
Cash, beginning of year	<u>1,733,904</u>	<u>1,046,732</u>
Cash, end of year	<u>\$ 820,524</u>	<u>\$ 1,733,904</u>

See accompanying notes to financial statements

THE HOME MISSIONERS OF AMERICA

Notes to Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Home Missioners of America (also known as Glenmary Home Missioners) (“Glenmary”) is a not-for-profit religious institution founded in 1939 by Father William Howard Bishop. Glenmary’s revenue and other support are principally derived from contributions, mission income and investment income.

The role of the Glenmary missionary is to proclaim the Kingdom of God and to be a sign and servant of that Kingdom. Glenmary serves in counties where less than three percent of the population is Catholic. Much of Glenmary’s ministry is ecumenically oriented and performed without regard to race, creed or economic conditions. Today, 29 Glenmary priests and 13 brothers staff Glenmary missions and ministries in 7 dioceses.

Glenmary missionaries and coworkers minister in Appalachia and the South by establishing a Catholic presence in counties where none has ever existed. Missioners help meet the spiritual and material needs of people in these counties. Glenmary’s ministry includes pastoral care, ecumenism, evangelization, social outreach, mission-related research and mission education.

Mission parishes are separate entities under civil law that are distinct from Glenmary, maintain separate accounts, carry on their own services and programs and are expected to report annually to their respective constituency.

Financial Statement Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, which are available for use in general operations and not subject to donor restrictions; and net assets with donor restrictions, which are either temporary in nature, such as those that will be met by the passage of time or other events specified by the donor, or are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Net assets without donor restrictions consist of:

- *Undesignated* net assets include those resources which may be used for any purpose.
- *Property and Equipment* - Property and equipment are recorded at cost and are depreciated using the straight-line method over the estimated economic lives of the assets.
- *Society Fund* - This fund serves as a “reserve” to the Operating Fund. Accumulated earnings and principal may be used if a deficit occurs in the Operating Fund.

Net assets with donor restrictions consist of:

- *Donor Restricted Fund* - This fund consists principally of funds received through revocable charitable gift agreements. Until Glenmary has the right to use these funds (generally at donor’s death), such funds are reported as deferred support.

THE HOME MISSIONERS OF AMERICA

Notes to Financial Statements (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation (Continued)

- *Annuity Fund* - The assets of this fund are segregated and physically separate from other assets. This fund contains contributions received under agreements whereby donors are entitled to periodic payments until their death, after which the principal amounts become available to Glenmary, generally without restriction. The actuarially-determined cost of future payments to the annuitants is reported as a liability in this fund. The difference between this liability and the total amount of the contributions received from annuitants is reported as net assets in this fund until death of the annuitant, at which time it is recognized as support within the Operating Fund. Any deficiency between total assets of the Annuity Fund and the total amount of annuity contracts in the Annuity Fund will be funded by the Operating Fund.
- *Pooled Income Fund* - This fund represents investments received under agreements whereby the donors receive the income from the pooled investments for their lifetime and, if named, for the lifetime of one beneficiary. After death, the donor's equity in the pooled investments becomes the absolute property of Glenmary. Accordingly, the donor's equity is reported as temporarily restricted net assets in this fund until death and, if named, the death of the named beneficiary, at which time the donor's equity is reported as support in the Operating Fund.
- *Education Expense Fund* - This fund represents earnings on the Educational Endowment Fund which are to be used for the education of students. Earnings of the Student Loan Fund are also placed in this fund. Funds are transferred to the Operating Fund to cover educational expenses if needed.
- *Educational and Spiritual Endowment Fund* - This fund represents endowments that are subject to restrictions of gift instruments requiring in perpetuity that the principal be invested, and the income only be used. Additional endowment gifts are added to principal. The fund is reduced or increased annually to the principal amount and any needed transfer is made to/from the Education Expense Fund. This fund also holds the beneficial interest in perpetual trusts.
- *Father Bishop Student Loan Fund* - This fund provides educational loans to students for the priesthood or brotherhood. The fund is reduced or increased annually to the principal amount and any needed transfer is made to/from the Education Expense Fund.
- *Missions & Ministries Endowment Fund* - This fund represents endowments to provide support for Glenmary's purpose and ministries. The principal gifts are invested, and funds are transferred to the Operating Fund based on an approved spending policy.

Cash

Glenmary maintains its cash in bank deposit accounts which may, at times, exceed federally insured limits. Glenmary has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk.

THE HOME MISSIONERS OF AMERICA

Notes to Financial Statements (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

Investments are carried at fair value. Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in unrestricted net assets. Other investment return is reflected in the statements of activities as with or without donor restrictions based upon the existence and nature of any donor or legally imposed restrictions.

Glenmary's investments do not have a significant concentration of credit or market risk within any industry, specific institution or group of investments.

Property and Equipment

Property and equipment are reported at cost or, if donated or impaired, at fair value at the time of gift or determination. All expenditures for property and equipment in excess of \$5,000 are capitalized. Depreciation expense is recorded for property and equipment over their estimated useful lives using the straight-line method.

Under applicable GAAP for property and equipment, the Organization assesses the recoverability of the carrying amount of property and equipment if certain events or changes occur, such as a significant decrease in market value of the assets or a significant change in operating conditions. Based on its most recent analysis, Glenmary believes no impairments existed at June 30, 2023 and 2022.

Contributions

Glenmary reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions which are restricted as to use by the donor, and which are received and spent during the same year, are reflected as revenue without donor restrictions.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long-lived assets must be maintained, Glenmary reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Unconditional promises to give expected to be collected within one year are reported at their net realizable value. All bequests receivable recorded in the statement of financial position are expected to be collected in one year. Unconditional gifts expected to be collected in future years are reported at the present value of estimated future cash flows. The resulting discount is amortized and reported as contribution revenue. Conditional promises to give are recognized as revenues when the conditions on which they depend are substantially met.

THE HOME MISSIONERS OF AMERICA

Notes to Financial Statements (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services

Glenmary records donated services as revenues in the period received only if the services received create or enhance non-financial assets or required specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. No amounts have been reflected in the financial statements for donated services. Glenmary pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist Glenmary.

Income Taxes

Glenmary is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of Ohio law. Glenmary's exempt status falls under Group Ruling 0928, which gives exemption to all Catholic organizations listed in the Official Catholic Directory. As a religious organization, Glenmary is not required to file annual federal or state information returns. Glenmary believes it has appropriate support for any tax positions taken, and therefore, does not have any uncertain income tax positions that are material to the financial statements.

Functional Allocation of Expenses

The cost of program and supporting services activities have been summarized on a functional classification basis in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services. Such allocations are determined by management on an equitable basis. The most significant allocations were salaries and related expenses which were allocated based on time and effort.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities in the financial statements and accompanying notes. Actual results could differ from those estimates.

Subsequent Event Evaluation

In preparing its financial statements, Glenmary has evaluated events subsequent to the statement of financial position date through October 6, 2023, which is the date the financial statements were available to be issued.

THE HOME MISSIONERS OF AMERICA

Notes to Financial Statements (Continued)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Effect of Recently Adopted Accounting Standards

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Codification (ASC) 842, *Leases* to increase transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the balance sheet. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases. The standard did not have a material impact on the financial statements for the year ended June 30, 2023.

NOTE 2 LIQUIDITY AND AVAILABILITY

Glenmary's financial resources available to meet general expenditures over the next 12 months at June 30 are as follows:

	<u>2023</u>	<u>2022</u>
Cash	\$ 820,524	\$ 1,733,904
Investments	11,133,081	10,127,614
Interfund receivable	<u>487,842</u>	<u>747,195</u>
	<u>\$ 12,441,447</u>	<u>\$ 12,608,713</u>

In addition to financial assets available to meet expenditures over the next 12 months, Glenmary anticipates collecting contributions and revenue to cover a significant portion of general expenditures not covered by donor-restricted resources. Refer to the statement of cash flows which identifies the sources and uses of Glenmary's cash for fiscal years June 30, 2023 and 2022.

Glenmary continually monitors the availability of resources to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources to meet general expenditures over a 12-month period, the society considers all expenditures related to its ongoing activities as well as the conduct of services undertaken to support those activities to be general expenditures.

NOTE 3 NOTES RECEIVABLE

Operating Fund

The Operating Fund notes receivable are non-interest bearing notes receivable from various individuals and missions served by Glenmary and generally are due in periodic payments at various dates. Glenmary had \$98,478 and \$194,913 of gross notes outstanding at June 30, 2023 and 2022, respectively. Notes receivable are evaluated for impairment in accordance with GAAP. Management, considering current information and events, considers a note receivable to be impaired when it is probable that Glenmary will be unable to collect all amounts due according to the terms of the note agreement. Impairment losses are included in the allowance for doubtful notes through a charge to the provision for doubtful receivables. The allowance for doubtful loans was \$331 as of June 30, 2023 and 2022.

THE HOME MISSIONERS OF AMERICA

Notes to Financial Statements (Continued)

NOTE 3 NOTES RECEIVABLE (CONTINUED)

Father Bishop Student Loan Fund

The Father Bishop Student Loan Fund notes receivable represents loans to students. As of June 30, 2023 and 2022, there were gross loans outstanding totaling \$168,849 and \$191,547, respectively. The allowance for doubtful loans was \$77,212 and \$99,029 as of June 30, 2023 and 2022, respectively. Payments are deferred on all current loans.

NOTE 4 INVESTMENTS

Investments at June 30 consisted of the following:

	<u>2023</u>	<u>2022</u>
Common stock	\$ 19,347,537	\$ 17,229,124
Corporate bonds	4,535,901	4,648,945
Money market funds	1,227,279	1,047,631
Mortgage backed securities	329,514	651,278
Government bonds	3,122,985	2,978,871
Equity mutual funds	1,472,211	1,391,038
Fixed income mutual funds	3,111,487	3,072,862
Certificates of deposit	790,000	790,000
Other investments, primarily notes receivable	373,000	423,000
	<u>\$ 34,309,914</u>	<u>\$ 32,232,749</u>

Glenmary invests in certificates of deposit at various financial institutions. It is Glenmary's policy to invest no more than the FDIC insurance limit at any specific institution. Other investments, included in the Society Fund, consist primarily of secured and unsecured notes receivable with interest ranging from 1.0% to 2.5% per annum and are due at various dates through July 2026. Based upon a review of outstanding notes, historical collection information and existing economic conditions, Glenmary has determined that no allowance for uncollectible notes is necessary.

NOTE 5 BENEFICIAL INTEREST IN REMAINDER TRUSTS

Glenmary is a beneficiary of various charitable remainder trusts. A charitable remainder trust provides for the payment of distributions to the grantor or other designated beneficiaries over the trust's term (usually the designated beneficiary's lifetime). At the end of the trust's term, the remaining assets (or designated portion thereof) are available for Glenmary. The portion of the trust attributable to the future interest of Glenmary is recorded in the statement of financial position at fair market value and in the statement of activities as donor restricted contributions in the period the trust is established. On an annual basis, the estimated remainder interests are valued based on actuarial information regarding income beneficiaries. The estimated value of expected future cash flows from Glenmary's beneficial interest in charitable remainder trusts is \$739,537 and \$673,668 as of June 30, 2023 and 2022, respectively.

THE HOME MISSIONERS OF AMERICA

Notes to Financial Statements (Continued)

NOTE 6 BENEFICIAL INTEREST IN PERPETUAL TRUSTS

Glenmary is the beneficiary under perpetual trusts administered by an outside party. Under the terms of the trust, Glenmary has the irrevocable right to receive income earned on the trust assets in perpetuity, but never receives the assets held in trust. The estimated value of the expected future cash flows from Glenmary's beneficial interest in perpetual trusts is \$3,313,436 and \$2,381,991, which represents the fair value of the trust assets as of June 30, 2023 and 2022, respectively. The income from these trusts for June 30, 2023 and 2022 was \$68,108 and \$73,583, respectively.

NOTE 7 PROPERTY AND EQUIPMENT

Property and equipment at June 30 consisted of the following:

	2023	2022
Buildings and improvements	\$ 4,258,123	\$ 3,857,259
Furniture, fixtures, and equipment	223,782	165,083
Automobiles	911,513	924,516
Land and improvements	1,600,482	1,580,341
Less accumulated depreciation	(3,070,695)	(2,838,022)
	\$ 3,923,205	\$ 3,689,177

NOTE 8 ANNUITIES AND TRUSTS PAYABLE

Glenmary has been the recipient of several gift annuities which require future payments to the donor or their named beneficiaries. The assets received from donors are recorded at fair value. Glenmary has recorded a liability of \$1,754,200 and \$1,831,920 as of June 30, 2023 and 2022, respectively, which represents the present value of the future annuity obligations. The liability has been computed in accordance with commonly accepted actuarial standards and is fairly stated in accordance with sound actuarial principles as determined by an independent actuary.

Glenmary's segregated annuity fund consisted of the following at June 30:

	2023	2022
Annuity assets held, net of accounts payable	\$ 2,830,524	\$ 2,977,917
Reserve for annuity liability	1,754,200	1,831,920
Excess of annuity assets held over liability	\$ 1,076,324	\$ 1,145,997
Percent of assets held over reserve for liability	161%	163%

THE HOME MISSIONERS OF AMERICA

Notes to Financial Statements (Continued)

NOTE 8 ANNUITIES AND TRUSTS PAYABLE (CONTINUED)

Glenmary administers various revocable charitable gift agreements. A charitable gift agreement provides for the payment of distributions to the donor or other designated beneficiaries over the agreement's term (usually the designated beneficiary's lifetime). At the end of the agreement's term, the remaining assets are available for Glenmary's use. Assets held in the charitable gift agreements are recorded at fair value in Glenmary's statements of financial position. A liability for the value of these agreements is included in the statements of financial position and no contribution revenue has been recognized in the statements of activities since the gift agreements are revocable at the discretion of the grantor.

NOTE 9 POST RETIREMENT BENEFITS

Glenmary has a 401(k) retirement plan, coverage of which is extended to all eligible lay employees. The plan provides for annual discretionary contributions based on the amount of the employees' salaries, as defined. Upon retirement, vested benefits are paid from the accumulated contributions and related investment earnings. Glenmary's policy is to fund discretionary contributions as incurred. Contributions to the plan were \$58,072 and \$52,988 for June 30, 2023 and 2022, respectively, and are included in the operating fund expenses. Employees may make salary deferred contributions to the plan.

Glenmary offers any employee who retires at the age of 62 or older to be eligible for a monthly post-retirement health care benefit beginning at age 65. The amount of benefit is based on the length of time the employee participated in Glenmary's medical and dental plans. The benefit is subject to annual approval by the Executive Council as part of the budgeting process.

NOTE 10 SELF-INSURANCE PROGRAM

Glenmary provides a portion of the medical, dental, vision and automobile collision and comprehensive insurance coverage to all members under self-insurance programs which are funded by premiums received from the parishes and houses. Claims for members over age 65 are further reduced by Medicare coverage and a supplemental policy.

THE HOME MISSIONERS OF AMERICA

Notes to Financial Statements (Continued)

NOTE 11 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of June 30 are available for the following purposes:

	2023	2022
Restricted as to the passage of time:		
Beneficial interest in remainder trusts	\$ 739,537	\$ 673,668
Beneficial interest in annuity funds	1,076,324	1,145,997
Beneficial interest in pooled income funds	945,470	915,743
Bequests receivable	105,000	240,000
Beneficial interest in charitable gift agreements	4,779	3,779
Total restricted as to the passage of time	2,871,110	2,979,187
Educational Endowment fund	2,765,024	2,601,638
Missions and Ministries Endowment fund	2,196,300	2,055,491
Total endowment funds	4,961,324	4,657,129
Beneficial interest in perpetual trusts	3,313,436	2,381,991
Father Bishop Student Loan fund	61,456	61,456
	\$ 11,207,326	\$ 10,079,763

NOTE 12 FAIR VALUE MEASUREMENTS

Current accounting and reporting standards define fair value, establish a three-level hierarchy for fair value measurements based on transparency of valuation inputs and require disclosures about fair value measurements. The hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The three levels are defined as follows:

Level 1 – Inputs are unadjusted quoted prices for identical assets in active markets.

Level 2 – Inputs are observable quoted prices for similar assets in active markets.

Level 3 – Inputs are unobservable and reflect management's best estimate of what market participants would use as fair value.

THE HOME MISSIONERS OF AMERICA

Notes to Financial Statements (Continued)

NOTE 12 FAIR VALUE MEASUREMENTS (CONTINUED)

The following table summarizes assets measured at fair value on a recurring basis at June 30:

Description	Fair Value	Level 1	Level 2	Level 3
2023				
Common stock	\$ 19,347,537	\$ 19,347,537	\$ -	\$ -
Corporate bonds	4,535,901	-	4,535,901	-
Money market funds	1,227,279	-	1,227,279	-
Mortgage backed securities	329,514	-	329,514	-
Government bonds	3,122,985	3,122,985	-	-
Equity mutual funds	1,472,211	1,472,211	-	-
Fixed income mutual funds	3,111,487	3,111,487	-	-
Certificates of deposit	790,000	790,000	-	-
Other investments, primarily notes receivable	373,000	-	373,000	-
Beneficial interest in remainder trusts	739,537	-	739,537	-
Beneficial interest in perpetual trusts	3,313,436	-	-	3,313,436
Total assets	<u>\$ 38,362,887</u>	<u>\$ 27,844,220</u>	<u>\$ 7,205,231</u>	<u>\$ 3,313,436</u>
2022				
Common stock	\$ 17,229,124	\$ 17,229,124	\$ -	\$ -
Corporate bonds	4,648,945	-	4,648,945	-
Money market funds	1,047,631	-	1,047,631	-
Mortgage backed securities	651,278	-	651,278	-
Government bonds	2,978,871	2,978,871	-	-
Fixed income mutual funds	3,072,862	3,072,862	-	-
Certificates of deposit	790,000	790,000	-	-
Other investments, primarily notes receivable	423,000	-	423,000	-
Equity mutual funds	1,391,038	1,391,038	-	-
Beneficial interest in remainder trusts	673,668	-	673,668	-
Beneficial interest in perpetual trusts	2,381,991	-	-	2,381,991
Total assets	<u>\$ 35,288,408</u>	<u>\$ 25,461,895</u>	<u>\$ 7,444,522</u>	<u>\$ 2,381,991</u>

Following is a description of the valuation approaches used for assets measured at fair value.

Investments – Where quoted market prices are available, in an active market, securities are classified within Level 1 of the valuation hierarchy. Level 1 securities include government bonds, certificates of deposit, common stock, equity mutual funds and fixed income mutual funds. If quoted market prices are not available, then fair values are estimated by using pricing models or quoted prices of securities with similar characteristics. Level 2 securities include money market funds, corporate bonds, mortgage backed securities and other investments (primarily made up of notes receivable).

THE HOME MISSIONERS OF AMERICA

Notes to Financial Statements (Continued)

NOTE 12 FAIR VALUE MEASUREMENTS (CONTINUED)

Beneficial Interests in Remainder Trusts and Perpetual Trusts – Fair value for the beneficial interest in a remainder trust is determined by calculating the present value of the future distributions expected to be received.

The following table is a reconciliation of all assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) at June 30:

	<u>Beneficial Interest in Perpetual Trust</u>
Balance, June 30, 2021	\$ 2,846,709
Change in fair value	<u>(464,718)</u>
Balance, June 30, 2022	2,381,991
Change in fair value	<u>931,445</u>
Balance, June 30, 2023	<u>\$ 3,313,436</u>

NOTE 13 ENDOWMENTS

Glenmary's endowment includes donor-restricted endowment funds. As required by generally accepted accounting principles, net assets associated with endowment funds, including any funds designated by the governing Council to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Trustees of the Organization follows the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). UPMIFA provides guidance on matters concerning the governance and management of donor-restricted endowment funds. Under UPMIFA, the original value of donated gifts to the permanent endowment, the original value of subsequent gifts to the permanent endowment, and accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument are classified as permanently restricted net assets. The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure.

In relation to its endowments, Glenmary feels that funding ministry needs in the future are as important as funding ministry needs today. This is consistent with the philosophy that the endowments are to exist in perpetuity, and therefore, should provide for funding ministry needs in perpetuity. To attain this goal, the primary objective of the endowments is to maintain a balance consistent with the original donor value. The secondary objective of the endowments is to maintain purchasing power. That is, net of spending, the objective is to grow the aggregate portfolio value at the rate of inflation over the endowments' investment horizon.

THE HOME MISSIONERS OF AMERICA

Notes to Financial Statements (Continued)

NOTE 13 ENDOWMENTS (CONTINUED)

The endowments place highest emphasis on meeting its ministry obligations. As such, Glenmary regards spending in dollar terms from year to year as inflexible. While spending is inflexible, and therefore relatively consistent and predictable, expected investment returns from "riskier" portfolios are not consistent and predictable. Therefore, in order to reduce the likelihood of underperformance and excessive deterioration of real principal during such periods, the endowments must tend toward a more "conservative" investment strategy than might be the case if ministry needs from year to year were more flexible.

Glenmary has set spending policies as follows:

Glenmary Educational and Spiritual Endowment Fund

At the end of each fiscal year, the fund will be reduced to the amount of its original principal and all excess return will be moved to the corresponding reserve account. In the event the portfolio incurs a decline in any calendar year, the corresponding reserve account will contribute an amount equal to the asset value decline to bring the fund back to the original principal amount. If insufficient funds are available from the reserve account, Glenmary will contribute an amount equal to the deficit that is unfunded by the reserve account. The fiscal year is defined as the twelve-month period ending June 30th.

Glenmary Missions and Ministries Endowment Fund

During the first six years of the funds existence, as determined by the Executive Council, there will be no annual spending to allow for a period of portfolio growth. After six years, the Executive Council may spend no less than 3% of the funds principal annually, with annual maximum spending up to 5%. With respect to spending, the fund will always maintain a value that is equal to or exceeds original donor contributions and will not facilitate any spending that results in balances being reduced below original donor value. The fiscal year is defined as the twelve-month period ending June 30th. For purposes of calculating the annual spending limits, the fund will use the fiscal year end value of the portfolio as calculated on June 30th of each fiscal year end and use a rolling average of the past five fiscal year end values.

In order to meet its needs, the investment strategy of the *Glenmary Missions and Ministries Endowment Fund* and the *Glenmary Educational and Spiritual Endowment Fund* is to emphasize total return; that is, the aggregate return from capital appreciation and dividend and interest income. Specifically, the primary objective in the investment management for endowment assets shall be for the preservation of capital. That is, to minimize the probability of loss of principal over the investment horizon. Emphasis is placed on minimizing return volatility rather than maximizing total return. The secondary objective in the investment management of endowment assets shall be for income and growth; specifically, to achieve a balanced return of current income and modest growth of principal.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires Glenmary to retain as a fund of perpetual duration. In accordance with Glenmary's policies, deficiencies of this nature are covered by realized returns from prior years.

THE HOME MISSIONERS OF AMERICA

Notes to Financial Statements (Continued)

NOTE 13 ENDOWMENTS (CONTINUED)

A summary of Glenmary's endowments at June 30 is as follows:

	2023	2022
With donor restrictions:		
Donor-restricted endowments, at historical value, required to be maintained in perpetuity by donor	\$ 2,618,563	\$ 2,618,563
Accumulated net appreciation on endowments, required to be maintained in perpetuity by donor	2,342,761	2,038,566
Total endowment funds	\$ 4,961,324	\$ 4,657,129

Changes in endowment net assets for the years ended June 30 are as follows:

	Accumulated Earnings	Original Corpus	Total
Endowment net assets at 6/30/2021	\$ 2,779,919	\$ 2,618,563	\$ 5,398,482
Contributions	-	-	-
Investment return, net	(671,628)	-	(671,628)
Interfund transfers	(15,606)	-	(15,606)
Appropriated for expenditure	(54,119)	-	(54,119)
Endowment net assets at 6/30/2022	\$ 2,038,566	\$ 2,618,563	\$ 4,657,129
Contributions	-	-	-
Investment return, net	442,755	-	442,755
Interfund transfers	(78,582)	-	(78,582)
Appropriated for expenditure	(59,978)	-	(59,978)
Endowment net assets at 6/30/2023	\$ 2,342,761	\$ 2,618,563	\$ 4,961,324

NOTE 14 RISKS AND UNCERTAINTIES

Glenmary's investments consist of common stocks, U.S. Government and fixed income securities and mutual funds. Investment securities are exposed to various risks, such as credit, market and interest rate. Due to the level of uncertainty related to changes in interest rates, market volatility and credit risks, it is at least reasonably possible that changes in these risks could materially affect the fair value of the investments reported in the statement of financial position at June 30, 2023. However, the diversification of Glenmary's investments among various asset classes should mitigate the impact of any adverse changes on any one asset class.

SUPPLEMENTARY INFORMATION

THE HOME MISSIONERS OF AMERICA

**Schedule of Statement of Financial Position – Without Donor Restrictions
June 30, 2023**

	Operating	Society Fund	Total
Assets			
Cash	\$ 820,524	\$ -	\$ 820,524
Notes receivable, net	98,147	-	98,147
Investments	11,133,081	13,486,092	24,619,173
Prepaid expenses and other	288,525	-	288,525
Property and equipment, net	3,923,205	-	3,923,205
Interfund receivable (payable)	487,842	(43,456)	444,386
Total assets	\$ 16,751,324	\$ 13,442,636	\$ 30,193,960
Liabilities and Net Assets			
Liabilities			
Accounts payable and accrued expenses	\$ 336,664	\$ -	\$ 336,664
Net assets without donor restrictions			
Designated	-	13,442,636	13,442,636
Undesignated	16,414,660	-	16,414,660
Total net assets without donor restrictions	16,414,660	13,442,636	29,857,296
Total liabilities and net assets	\$ 16,751,324	\$ 13,442,636	\$ 30,193,960

THE HOME MISSIONERS OF AMERICA

**Schedule of Statement of Financial Position – Without Donor Restrictions
June 30, 2022**

	Operating	Society Fund	Total
Assets			
Cash	\$ 1,733,904	\$ -	\$ 1,733,904
Notes receivable, net	194,582	-	194,582
Investments	10,127,614	12,384,452	22,512,066
Prepaid expenses and other	166,814	-	166,814
Property and equipment, net	3,689,177	-	3,689,177
Interfund receivable (payable)	747,195	(58,534)	688,661
	<u>\$ 16,659,286</u>	<u>\$ 12,325,918</u>	<u>\$ 28,985,204</u>
Liabilities and Net Assets			
Liabilities			
Accounts payable and accrued expenses	\$ 244,626	\$ -	\$ 244,626
Net assets without donor restrictions			
Designated	-	12,325,918	12,325,918
Undesignated	16,414,660	-	16,414,660
	<u>16,414,660</u>	<u>12,325,918</u>	<u>28,740,578</u>
Total net assets without donor restrictions	<u>16,414,660</u>	<u>12,325,918</u>	<u>28,740,578</u>
Total liabilities and net assets	<u>\$ 16,659,286</u>	<u>\$ 12,325,918</u>	<u>\$ 28,985,204</u>

THE HOME MISSIONERS OF AMERICA

Schedule of Statement of Financial Position – With Donor Restrictions June 30, 2023

	Donor Restricted	Annuity	Pooled Income	Education Expense	Educational Endowment	Father Bishop Student Loan	Missions & Ministries Endowment	Total
Assets								
Bequests receivable	\$ 105,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,000
Notes receivable, net	-	-	-	-	-	91,637	-	91,637
Investments	535,330	3,142,044	949,499	1,933,716	814,301	113,747	2,202,104	9,690,741
Beneficial interest in trusts	739,537	-	-	-	3,313,436	-	-	4,052,973
Interfund receivable (payable)	(781)	(310,880)	-	(12,705)	29,712	(143,928)	(5,804)	(444,386)
	<u>\$ 1,379,086</u>	<u>\$ 2,831,164</u>	<u>\$ 949,499</u>	<u>\$ 1,921,011</u>	<u>\$ 4,157,449</u>	<u>\$ 61,456</u>	<u>\$ 2,196,300</u>	<u>\$ 13,495,965</u>
Liabilities and Net Assets								
Liabilities								
Accounts payable and accrued expenses	\$ -	\$ 640	\$ 4,029	\$ -	\$ -	\$ -	\$ -	\$ 4,669
Annuities payable	-	1,754,200	-	-	-	-	-	1,754,200
Revocable charitable gift agreements	529,770	-	-	-	-	-	-	529,770
	<u>529,770</u>	<u>1,754,840</u>	<u>4,029</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,288,639</u>
Net assets with donor restrictions	<u>849,316</u>	<u>1,076,324</u>	<u>945,470</u>	<u>1,921,011</u>	<u>4,157,449</u>	<u>61,456</u>	<u>2,196,300</u>	<u>11,207,326</u>
Total liabilities and net assets	<u>\$ 1,379,086</u>	<u>\$ 2,831,164</u>	<u>\$ 949,499</u>	<u>\$ 1,921,011</u>	<u>\$ 4,157,449</u>	<u>\$ 61,456</u>	<u>\$ 2,196,300</u>	<u>\$ 13,495,965</u>

THE HOME MISSIONERS OF AMERICA

Schedule of Statement of Financial Position – With Donor Restrictions June 30, 2022

	<u>Donor Restricted</u>	<u>Annuity</u>	<u>Pooled Income</u>	<u>Education Expense</u>	<u>Educational Endowment</u>	<u>Father Bishop Student Loan</u>	<u>Missions & Ministries Endowment</u>	<u>Total</u>
Assets								
Bequests receivable	\$ 240,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 240,000
Notes receivable, net	-	-	-	-	-	92,518	-	92,518
Investments	523,186	3,612,135	918,053	1,761,701	742,075	104,107	2,059,426	9,720,683
Beneficial interest in trusts	673,668	-	-	-	2,381,991	-	-	3,055,659
Interfund receivable (payable)	(13,201)	(634,218)	-	(4,075)	101,937	(135,169)	(3,935)	(688,661)
	<u>\$ 1,423,653</u>	<u>\$ 2,977,917</u>	<u>\$ 918,053</u>	<u>\$ 1,757,626</u>	<u>\$ 3,226,003</u>	<u>\$ 61,456</u>	<u>\$ 2,055,491</u>	<u>\$ 12,420,199</u>
Liabilities and Net Assets								
Liabilities								
Accounts payable and accrued expenses	\$ -	\$ -	\$ 2,310	\$ -	\$ -	\$ -	\$ -	\$ 2,310
Annuities payable	-	1,831,920	-	-	-	-	-	1,831,920
Revocable charitable gift agreements	506,206	-	-	-	-	-	-	506,206
	<u>506,206</u>	<u>1,831,920</u>	<u>2,310</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,340,436</u>
Net assets with donor restrictions	<u>917,447</u>	<u>1,145,997</u>	<u>915,743</u>	<u>1,757,626</u>	<u>3,226,003</u>	<u>61,456</u>	<u>2,055,491</u>	<u>10,079,763</u>
Total liabilities and net assets	<u>\$ 1,423,653</u>	<u>\$ 2,977,917</u>	<u>\$ 918,053</u>	<u>\$ 1,757,626</u>	<u>\$ 3,226,003</u>	<u>\$ 61,456</u>	<u>\$ 2,055,491</u>	<u>\$ 12,420,199</u>

THE HOME MISSIONERS OF AMERICA

Schedule of Statement of Activities – Without Donor Restrictions For the Year Ended June 30, 2023

	<u>Operating</u>	<u>Society Fund</u>	<u>Total</u>
Support, revenues and gains			
Contributions	\$ 3,139,365	\$ -	\$ 3,139,365
Bequests	1,367,806	-	1,367,806
Mission service income	241,462	-	241,462
Other	46,154	-	46,154
Net assets released from donor restrictions	241,130	(39,429)	201,701
Total support, revenues and gains	<u>5,035,917</u>	<u>(39,429)</u>	<u>4,996,488</u>
Expenses			
Program services			
Mission aid	2,138,091	-	2,138,091
Recruiting	404,591	-	404,591
Members' training	977,244	-	977,244
Mission education	529,207	-	529,207
Services to Glenmary community	505,671	40,500	546,171
Mass offerings	73,366	-	73,366
Total program services	<u>4,628,170</u>	<u>40,500</u>	<u>4,668,670</u>
Supporting services			
Administration	888,745	-	888,745
Fundraising	600,511	-	600,511
Plant and equipment	210,381	-	210,381
Total supporting services	<u>1,699,637</u>	<u>-</u>	<u>1,699,637</u>
Total expenses and losses	<u>6,327,807</u>	<u>40,500</u>	<u>6,368,307</u>
Change in net assets before other changes	<u>(1,291,890)</u>	<u>(79,929)</u>	<u>(1,371,819)</u>
Other changes			
Investment return, net	988,391	1,196,647	2,185,038
Deceased annuitants	215,372	-	215,372
Interfund transfers	88,127	-	88,127
Total other changes	<u>1,291,890</u>	<u>1,196,647</u>	<u>2,488,537</u>
Change in net assets	<u>-</u>	<u>1,116,718</u>	<u>1,116,718</u>
Net assets, beginning of year	<u>16,414,660</u>	<u>12,325,918</u>	<u>28,740,578</u>
Net assets, end of year	<u>\$ 16,414,660</u>	<u>\$ 13,442,636</u>	<u>\$ 29,857,296</u>

THE HOME MISSIONERS OF AMERICA

Schedule of Statement of Activities – Without Donor Restrictions For the Year Ended June 30, 2022

	<u>Operating</u>	<u>Society Fund</u>	<u>Total</u>
Support, revenues and gains			
Contributions	\$ 3,512,962	\$ -	\$ 3,512,962
Bequests	1,639,615	-	1,639,615
Mission service income	192,464	-	192,464
Other	88,179	-	88,179
Net assets released from donor restrictions	1,291,118	(35,557)	1,255,561
Total support, revenues and gains	<u>6,724,338</u>	<u>(35,557)</u>	<u>6,688,781</u>
Expenses			
Program services			
Mission aid	1,991,966	-	1,991,966
Recruiting	355,639	-	355,639
Members' training	932,708	-	932,708
Mission education	497,082	-	497,082
Services to Glenmary community	568,036	-	568,036
Mass offerings	63,246	-	63,246
Total program services	<u>4,408,677</u>	<u>-</u>	<u>4,408,677</u>
Supporting services			
Administration	731,756	58,500	790,256
Fundraising	532,089	-	532,089
Plant and equipment	207,173	-	207,173
Total supporting services	<u>1,471,018</u>	<u>58,500</u>	<u>1,529,518</u>
Total expenses and losses	<u>5,879,695</u>	<u>58,500</u>	<u>5,938,195</u>
Change in net assets before other changes	<u>844,643</u>	<u>(94,057)</u>	<u>750,586</u>
Other changes			
Investment return, net	(1,507,234)	(1,687,282)	(3,194,516)
Deceased annuitants	494,900	-	494,900
Total other changes	<u>(1,012,334)</u>	<u>(1,687,282)</u>	<u>(2,699,616)</u>
Change in net assets	<u>(167,691)</u>	<u>(1,781,339)</u>	<u>(1,949,030)</u>
Net assets, beginning of year	<u>16,582,351</u>	<u>14,107,257</u>	<u>30,689,608</u>
Net assets, end of year	<u>\$ 16,414,660</u>	<u>\$ 12,325,918</u>	<u>\$ 28,740,578</u>

THE HOME MISSIONERS OF AMERICA

Schedule of Statement of Activities – With Donor Restrictions For the Year Ended June 30, 2023

	<u>Donor Restricted</u>	<u>Annuity</u>	<u>Pooled Income</u>	<u>Education Expense</u>	<u>Educational Endowment</u>	<u>Father Bishop Student Loan</u>	<u>Missions & Ministries Endowment</u>	<u>Total</u>
Support, revenues and gains								
Bequests and annuities	\$ 72,592	\$ 85,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 157,592
Net assets released from donor restrictions	(141,723)	-	-	-	-	-	(59,978)	(201,701)
Total support, revenues and gains	<u>(69,131)</u>	<u>85,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(59,978)</u>	<u>(44,109)</u>
Expenses								
Administration	-	-	-	-	-	-	-	-
Change in net assets before other changes	<u>(69,131)</u>	<u>85,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(59,978)</u>	<u>(44,109)</u>
Other changes								
Investment return, net	12,144	249,575	29,727	169,742	72,226	9,545	200,787	743,746
Change in beneficial interest in perpetual trusts	-	-	-	-	931,445	-	-	931,445
Net assets released to beneficiaries	(11,144)	(248,661)	-	-	-	-	-	(259,805)
Deceased annuitants	-	(215,372)	-	-	-	-	-	(215,372)
Actuarial gains	-	59,785	-	-	-	-	-	59,785
Interfund transfers	-	-	-	(6,357)	(72,225)	(9,545)	-	(88,127)
Total other changes	<u>1,000</u>	<u>(154,673)</u>	<u>29,727</u>	<u>163,385</u>	<u>931,446</u>	<u>-</u>	<u>200,787</u>	<u>1,171,672</u>
Change in net assets	<u>(68,131)</u>	<u>(69,673)</u>	<u>29,727</u>	<u>163,385</u>	<u>931,446</u>	<u>-</u>	<u>140,809</u>	<u>1,127,563</u>
Net assets, beginning of year	<u>917,447</u>	<u>1,145,997</u>	<u>915,743</u>	<u>1,757,626</u>	<u>3,226,003</u>	<u>61,456</u>	<u>2,055,491</u>	<u>10,079,763</u>
Net assets, end of year	<u>\$ 849,316</u>	<u>\$ 1,076,324</u>	<u>\$ 945,470</u>	<u>\$ 1,921,011</u>	<u>\$ 4,157,449</u>	<u>\$ 61,456</u>	<u>\$ 2,196,300</u>	<u>\$ 11,207,326</u>

THE HOME MISSIONERS OF AMERICA

Schedule of Statement of Activities – With Donor Restrictions For the Year Ended June 30, 2022

	Donor Restricted	Annuity	Pooled Income	Education Expense	Educational Endowment	Father Bishop Student Loan	Missions & Ministries Endowment	Total
Support, revenues and gains								
Bequests and annuities	\$ 61,067	\$ 53,738	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114,805
Net assets released from donor restrictions	<u>(1,201,442)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(54,119)</u>	<u>(1,255,561)</u>
Total support, revenues and gains	<u>(1,140,375)</u>	<u>53,738</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(54,119)</u>	<u>(1,140,756)</u>
Expenses								
Administration	-	-	-	-	-	-	-	-
Change in net assets before other changes	<u>(1,140,375)</u>	<u>53,738</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(54,119)</u>	<u>(1,140,756)</u>
Other changes								
Investment return, net	3,350	(362,872)	(122,008)	(256,587)	(108,191)	(15,606)	(306,850)	(1,168,764)
Change in beneficial interest in perpetual trusts	-	-	-	-	(464,718)	-	-	(464,718)
Net assets released to beneficiaries	(2,193)	(270,296)	-	-	-	-	-	(272,489)
Deceased annuitants	-	(494,900)	-	-	-	-	-	(494,900)
Actuarial gains	-	74,601	-	-	-	-	-	74,601
Interfund transfers	-	-	-	(123,798)	108,192	15,606	-	-
Total other changes	<u>1,157</u>	<u>(1,053,467)</u>	<u>(122,008)</u>	<u>(380,385)</u>	<u>(464,717)</u>	<u>-</u>	<u>(306,850)</u>	<u>(2,326,270)</u>
Change in net assets	<u>(1,139,218)</u>	<u>(999,729)</u>	<u>(122,008)</u>	<u>(380,385)</u>	<u>(464,717)</u>	<u>-</u>	<u>(360,969)</u>	<u>(3,467,026)</u>
Net assets, beginning of year	<u>2,056,665</u>	<u>2,145,726</u>	<u>1,037,751</u>	<u>2,138,011</u>	<u>3,690,720</u>	<u>61,456</u>	<u>2,416,460</u>	<u>13,546,789</u>
Net assets, end of year	<u>\$ 917,447</u>	<u>\$ 1,145,997</u>	<u>\$ 915,743</u>	<u>\$ 1,757,626</u>	<u>\$ 3,226,003</u>	<u>\$ 61,456</u>	<u>\$ 2,055,491</u>	<u>\$ 10,079,763</u>