

**ADVENT CHRISTIAN GENERAL CONFERENCE  
OF AMERICA, INCORPORATED**

**Charlotte, North Carolina**

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Audited Financial Statements

December 31, 2022

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

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## **INDEPENDENT AUDITOR'S REPORT**

The Board of Directors  
Advent Christian General Conference of America, Incorporated  
Charlotte, North Carolina

### **Opinion**

We have audited the accompanying financial statements of Advent Christian General Conference of America, Incorporated (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses and cash flows for the year 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 Advent Christian General Conference of America, Incorporated as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

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

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of 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.

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 Advent Christian General Conference of America, Incorporated'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.

The prior year's summarized comparative information has been derived from Advent Christian General Conference of America, Incorporated's 2021 financial statements, and in our report dated October 14, 2022, we expressed an unqualified opinion on those financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Advent Christian General Conference of America, Incorporated 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 Advent Christian General Conference of America, Incorporated 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 audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The individual fund financial statements and schedules on pages 20-27 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.



*Ann R. Craven, CPA, PLLC*  
*Greensboro, North Carolina*  
June 2, 2023

## **FINANCIAL STATEMENTS**

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Statement of Financial Position  
December 31, 2022  
(With Comparative Totals as of December 31, 2021)*

	Without Donor Restrictions	With Donor Restrictions	Total All Funds	
			2022	2021
<b>ASSETS</b>				
Current assets:				
Cash on hand and invested	\$ 927,908	\$ 1,302,292	\$ 2,230,200	\$ 3,020,737
Investments	932,698	1,099,436	2,032,134	1,913,583
Accounts receivable	3,879	-	3,879	3,480
Inventories	20,546	-	20,546	22,401
Prepaid expenses	3,830	-	3,830	8,095
Due from/to other funds	(8,070)	8,070	-	-
Total current assets	1,880,791	2,409,798	4,290,589	4,968,296
Long-term assets:				
Operating lease, right-of-use asset	34,440	-	34,440	35,017
Investments- pension	9,855,620	-	9,855,620	11,676,429
Property and equipment, net	249,441	-	249,441	258,382
Total long-term assets	10,139,501	-	10,139,501	11,969,828
Total assets	\$ 12,020,292	\$ 2,409,798	\$ 14,430,090	\$ 16,938,124
<b>LIABILITIES AND NET ASSETS</b>				
Current liabilities:				
Accounts payable	\$ 41,183	\$ -	\$ 41,183	\$ 46,332
Pass-through accommodations	17,462	-	17,462	40,640
Subscriptions due	6,961	-	6,961	9,238
Total current liabilities	65,606	-	65,606	96,210
Operating lease liabilities	34,440	-	34,440	35,107
Ministers' accumulated vested benefits- A Fund	5,125,327	-	5,125,327	5,102,042
Ministers' accumulated vested benefits- B Fund	2,499,854	-	2,499,854	3,063,752
Pension annuity - participants vested amounts	1,056,254	-	1,056,254	1,225,937
Total long-term liabilities	8,715,875	-	8,715,875	9,426,838
Total liabilities	8,781,481	-	8,781,481	9,523,048
Net assets:				
With donor restrictions	-	2,409,798	2,409,798	2,700,340
Without donor restrictions	3,238,811	-	3,238,811	4,714,826
Total net assets	3,238,811	2,409,798	5,648,609	7,415,166
Total liabilities and net assets	\$ 12,020,292	\$ 2,409,798	\$ 14,430,090	\$ 16,938,214

*The notes to the financial statements are an integral part of this statement.*

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Statement of Activities and Changes in Net Assets*

*For the Year Ended December 31, 2022*

*(With Comparative Totals for the Year Ended December 31, 2021)*

			Total All Funds	
	Without Donor Restrictions	With Donor Restrictions	2022	2021
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>				
Support:				
United ministries	\$ 664,328	\$ -	\$ 664,328	\$ 659,911
Penny crusade	516,301	-	516,301	568,553
Christmas in October	68,988	-	68,988	69,249
First responders	29,438	-	29,438	22,627
Individual and estate gifts	247,019	41,826	288,845	314,545
Field offerings and other gifts	28,715	-	28,715	37,638
Revenues and gains:				
Administrative service fees	16,000	-	16,000	16,000
Pension deposits	234,479	-	234,479	280,493
Subscriptions	20,247	-	20,247	9,339
Investment return	207,116	(53,395)	153,721	(277,847)
MTI student fees	19,769	-	19,769	29,375
Convention income	3,640	-	3,640	3,050
Resource Center gross profit	29,847	-	29,847	22,897
Unrealized gain (loss) on investments, net	(2,032,037)	(168,489)	(2,200,526)	620,156
Total revenues, gains and other support	53,850	(180,058)	(126,208)	2,375,986
Reclassifications:				
Satisfaction of purpose restriction	151,604	(151,604)	-	-
Transfers between funds, ACGC Fund	(41,120)	41,120	-	-
Transfers between funds, Pension Fund	710,295	-	710,295	(594,933)
Total reclassifications	820,779	(110,484)	710,295	(594,933)
<b>EXPENSES</b>				
Program services:				
United ministries program	350,932	-	350,932	347,584
International and home missions program	512,330	-	512,330	431,271
Church health and communications program	306,426	-	306,426	276,589
Leadership development program	147,947	-	147,947	152,515
Convention program	15,231	-	15,231	1,538
Pension distributions to members	565,638	-	565,638	562,148
Supporting services:				
Management and general	437,502	-	437,502	478,551
Fund raising	14,638	-	14,638	8,294
Total expenses	2,350,644	-	2,350,644	2,258,490
Change in net assets	(1,476,015)	(290,542)	(1,766,557)	(477,437)
Net assets, beginning of year	4,714,826	2,700,340	7,415,166	7,892,603
Net assets, end of year	\$ 3,238,811	\$ 2,409,798	\$ 5,648,609	\$ 7,415,166

*The notes to the financial statements are an integral part of this statement.*

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

*Statement of Functional Expenses*  
*For the year ended December 31, 2022*  
*(With Comparative Totals for the Year Ended December 31, 2021)*

	<b>Program Services</b>				
	United Ministries	Int. & Home Missions	Church Health and Communications	Leadership Development	Convention Conference
Grants to foreign missions	\$ -	\$ 260,189	\$ -	\$ -	\$ -
Salaries and benefits	-	149,768	225,762	-	-
Professional services	-	-	-	122,797	-
Office expenses	-	2,949	30,370	10,423	-
Information technologies	-	-	3,958	-	-
Occupancy	-	-	-	-	-
Travel	-	33,248	13,041	9,908	-
Conferences	-	-	-	-	15,231
Payments to affiliates	350,932	1,024	-	4,819	-
Depreciation	-	-	-	-	-
Insurance	-	-	-	-	-
Pension distributions	-	-	-	-	-
Missions program	-	51,834	-	-	-
Allocation of indirect expenses	-	13,318	33,295	-	-
Other	-	-	-	-	-
	<u>\$ 350,932</u>	<u>\$ 512,330</u>	<u>\$ 306,426</u>	<u>\$ 147,947</u>	<u>\$ 15,231</u>

*The notes to the financial statements are an integral part of this statement.*



				<u>Total</u>	
		<u>Management and General</u>	<u>Fundraising</u>	<u>2022</u>	<u>2021</u>
Pension	Total Program Services				
\$ -	\$ 260,189	\$ -	\$ -	\$ 260,189	\$ 224,490
-	375,530	232,529	-	608,059	536,526
-	122,797	47,254	-	170,051	180,346
-	43,742	39,978	14,638	98,358	80,514
-	3,958	-	-	3,958	4,444
-	-	35,164	-	35,164	29,046
-	56,197	19,437	-	75,634	35,786
-	15,231	-	-	15,231	1,538
-	356,775	85,928	-	442,703	490,199
-	-	12,975	-	12,975	12,639
-	-	8,386	-	8,386	7,673
565,638	565,638	-	-	565,638	562,148
-	51,834	-	-	51,834	88,422
-	46,613	(46,613)	-	-	-
-	-	2,464	-	2,464	4,719
<u>\$ 565,638</u>	<u>\$ 1,898,504</u>	<u>\$ 437,502</u>	<u>\$ 14,638</u>	<u>\$ 2,350,644</u>	<u>\$ 2,258,491</u>

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Statement of Cash Flows*

*For the Year Ended December 31, 2022*

*(With Comparative Totals for the Year Ended December 31, 2021)*

	<u>2022</u>	<u>2021</u>
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ (1,766,557)	\$ (477,437)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	12,975	12,639
Loss (gain) on sale of investments	92,212	470,310
Loss on disposal of assets	431	2,327
Unrealized (gain) loss on investments, net	2,200,526	(620,156)
Receipt of donated stock	(11,080)	(14,055)
(Increase) decrease in operating assets:		
Accounts receivable	(399)	823
Inventories	1,855	2,773
Prepaid expenses	4,265	(4,316)
Increase (decrease) in operating liabilities:		
Accounts payable	(5,149)	(16,887)
Pass-through accommodations	(23,178)	3,395
Subscriptions due	(2,277)	8,511
Net cash provided (used) by operating activities	<u>503,624</u>	<u>(632,073)</u>
<b>INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(4,465)	(13,569)
Proceeds from sale of assets	-	600
Purchases of investments	(2,241,487)	(5,366,277)
Proceeds from redemption of investments	1,662,087	7,235,417
Net cash (used)/provided by investing activities	<u>(583,865)</u>	<u>1,856,171</u>
<b>FINANCING ACTIVITIES</b>		
Change in vested benefits	(710,296)	776,286
Transfers between funds, net	-	-
Net cash provided by financing activities	<u>(710,296)</u>	<u>776,286</u>
Net (decrease)/increase in cash	(790,537)	2,000,385
Cash, at beginning of year	<u>3,020,737</u>	<u>1,020,354</u>
Cash, at end of year	<u>\$ 2,230,200</u>	<u>\$ 3,020,739</u>

*The notes to the financial statements are an integral part of this statement.*

# ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

## *Notes to Financial Statements*

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### NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Organization**

The Advent Christian General Conference of America, Inc. is organized to serve the denomination of Advent Christian people. The General Conference serves by promoting the mission and purpose of the Advent Christian Church, working interdependently with all denominational entities, encouraging each local Advent Christian Church and coordinating common endeavors to fulfill the Great Commission of our Lord Jesus Christ. The General Conference provides religious and missionary services through various programs including United Ministries, Convention, International Missions, Church Health and Communications.

#### **Cash and Cash Equivalents**

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

#### **Accounts Receivable**

Accounts receivable are comprised of amounts due from customers for goods shipped requiring payment within 30 days from the invoice date. The Organization provides for losses on accounts receivable using the allowance method. The allowance method is based on experience and each customer balance is individually reviewed when the balance exceeds 90 days from the invoice date. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. Credit losses, when realized, have been within the range of the Organization's expectations and, historically have not been significant. Accounts receivable are reported at the full amount management expects to collect from outstanding balances. Management considers all accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts was considered necessary.

#### **Investments**

Cash, cash investments, securities, certificates of deposit and passbook accounts are reflected at fair market value plus interest earned and credited through December 31, 2022 and 2021. Investments in securities are reflected at fair market value or at estate value in the case of bequests. Dividends earned are recognized as income at the time the funds are received. In accordance with FASB ASC 958-320-50 unrealized gains or losses are included in the statement of activities and changes in net assets.

#### **Inventories**

Inventories are stated at the lower of cost or market and consist primarily of literature, hymnal and supply inventories. Cost is determined by the average cost method.

# ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

## Notes to Financial Statements

### NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

#### Property

Property and equipment that is purchased are carried at cost, while property received through gifts are recorded at fair market value at the date of the gift. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. Depreciation of property and equipment is provided using the straight-line method for financial reporting purposes.

	<u>2022</u>	<u>2021</u>
Land and land improvements	\$ 231,954	\$ 231,954
Headquarters property	271,578	271,578
Headquarters furnishings and equipment	66,982	66,979
Residences (including furnishings)	131,856	131,856
Vehicles	15,000	15,000
	<u>717,370</u>	<u>717,367</u>
Less, accumulated depreciation	467,929	458,985
Total property and equipment, net	<u>\$ 249,441</u>	<u>\$ 258,382</u>
Depreciation expense	\$ 12,975	\$ 12,639

#### Shipping and Handling Costs

The Organization classifies freight billed to customers as sales revenue and the related freight costs as cost of sales.

#### Support, Revenue and Expenses

Contributions received by the Organization are recorded as without donor restrictions or with donor restrictions, depending on the existence and nature of any donor restrictions. All contributions are considered to be without donor restrictions unless specifically restricted by the donor or subject to legal restrictions.

The Organization records contributions with the donor restriction class of net assets if they are received with donor stipulations that limit their use through either purpose or time restrictions or both. When donor restrictions expire – that is, when the purpose restriction is fulfilled or the time restriction expires – 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. It is the Organization's policy to record donor-restricted contributions received and expended in the same accounting period as contributions with donor restrictions and as net assets released from restrictions. Contributions restricted to the purchase of property or equipment are considered to be met when the asset is placed in service.

Contributions are recorded when cash or unconditional promises-to-give have been received or ownership of donated assets to be used directly in the operations is transferred to the Organization.

Other revenue is recorded when earned. Expenses are recorded when incurred in accordance with the accrual basis of accounting.

# ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

## *Notes to Financial Statements*

### NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

#### Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

#### Methods used for Allocation of Expenses

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions. All expenses with the exception of occupancy and depreciation are allocated based on time and effort spent on each respective program or supporting function. Occupancy and depreciation are allocated based on square footage.

### NOTE 2- INVESTMENTS

Investments are presented in the financial statements at fair market value at December 31, 2022 as follows:

	12/31/22		Unrealized Gain(Loss) on Investments
	Cost	Market Value	
Pension funds	\$ 7,289,330	\$ 9,855,619	\$ 2,566,289
With donor restrictions	1,121,367	1,099,437	(21,930)
Without donor restrictions	978,544	932,698	(45,846)
<b>Total</b>	<b>\$ 9,389,241</b>	<b>\$ 11,887,754</b>	<b>\$ 2,498,513</b>
	Cost	Market Value	Unrealized Gain(Loss) on Investments
<b>Pension Funds</b>			
Fixed income securities:			
Corporate bonds	\$ 6,319	\$ 5,018	\$ (1,301)
Government obligations	253,361	251,494	(1,867)
Common stock	1,196,679	2,702,291	1,505,612
Exchange traded funds	2,875,464	2,656,817	(218,647)
Mutual funds	2,957,507	4,239,999	1,282,492
	<b>\$ 7,289,330</b>	<b>\$ 9,855,619</b>	<b>\$ 2,566,289</b>

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Notes to Financial Statements*

**NOTE 2- INVESTMENTS – continued**

	12/31/22		
	Cost	Market Value	Unrealized Gain(Loss) on Investments
<b>With Donor Restrictions</b>			
Fixed income securities:			
Certificates of deposit	\$ 600,000	\$ 596,581	\$ (3,419)
Exchange traded funds	521,367	502,856	(18,511)
	\$ 1,121,367	\$ 1,099,437	\$ (21,930)
<b>Without Donor Restrictions</b>			
Fixed income securities:			
Certificates of deposit	\$ 45,000	\$ 45,000	\$ -
Government obligations	49,547	49,928	381
Exchange traded funds	829,459	790,808	(38,651)
Mutual funds	54,538	46,962	(7,576)
	\$ 978,544	\$ 932,698	\$ (45,846)
<b>Total all funds</b>			
Fixed income securities:			
Corporate bonds	\$ 6,319	\$ 5,018	\$ (1,301)
Government obligations	302,908	301,422	(1,486)
Certificates of deposits	645,000	641,581	(3,419)
Common stock	1,196,679	2,702,291	1,505,612
Exchange traded funds	4,226,290	3,950,481	(275,809)
Mutual funds	3,012,045	4,286,961	1,274,916
	\$ 9,389,241	\$ 11,887,754	\$ 2,498,513

The following tabulation summarizes the net increase(decrease) in unrealized appreciation of investments at December 31, 2022 and 2021 as follows:

	12/31/22		
	Cost	Market Value	Market over Cost (Cost over Market)
Balance at end of year	\$ 9,389,241	\$ 11,887,754	\$ 2,498,513
Balance at beginning of year	\$ 8,890,973	\$ 13,590,012	\$ 4,699,039
Decrease in unrealized appreciation of investments.			\$ (2,200,526)

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Notes to Financial Statements*

**NOTE 2- INVESTMENTS – continued**

	12/31/21		Market over Cost (Cost over Market)
	Cost	Market Value	
Balance at end of year	<u>\$ 8,890,973</u>	<u>\$ 13,590,012</u>	\$ 4,699,039
Balance at beginning of year	<u>\$ 11,216,366</u>	<u>\$ 15,295,249</u>	\$ 4,078,883
Increase in unrealized appreciation of investments.			<u>\$ 620,156</u>

Professional literature defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The guidance states that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions market participants would use in pricing the asset or liability under current market conditions at the measurement date. As a basis for considering market participant assumptions in fair value measurements, the guidance establishes a fair value hierarchy that is based on the subjectivity of inputs (Level I and II) which are either observable market data or those that are unobservable (Level III).

The assets or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Three levels of inputs that may be used to measure fair value are as follows:

- Level 1- Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
- Level 2- Inputs to the valuation methodology include:
  - A. Quoted prices for similar assets or liabilities in active markets.
  - B. Quoted prices for identical or similar assets or liabilities in inactive markets.
  - C. Inputs other than quoted prices that are observable for the asset or liability.
  - D. Inputs that are derived principally from or corroborated by observable market data by correlation or by other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3- Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

# ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

## *Notes to Financial Statements*

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### **NOTE 2- INVESTMENTS- Continued**

The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments. For example, short-term debt securities maturing in sixty days or less are generally valued at amortized cost. Generally, amortized cost approximates the current fair value of short-term debt securities, but since the valuation is not obtained from a quoted price in an active market, such securities are reflected as Level 2.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2022 and 2021.

Equity securities- mutual funds and common stock: Valued at the quoted market price from the exchange.

Corporate debt securities and government obligations: Valued based on recently executed transactions and market quotations (where observable).

Certificate of deposits: Valued at cost, which approximates fair value.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.



**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Notes to Financial Statements*

**NOTE 2- INVESTMENTS-** Continued

The following tables set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2022 and 2021, respectively:

Level I - Quoted Prices in Active Markets for Identical Assets

Level II - Significant Other Observable Inputs either directly or indirectly (including quoted prices for similar securities, interest rates, yield curves, credit risk, etc)

Level III - Significant Unobservable Inputs (Including Genral Conference's own assumption in determining the fair value of investments.)

Currently ACGC does not have any Level III Investments.

	Fair Value Measurements at Reporting Date Using			
	Quoted Prices in Active Markets for Identical Assets (Level I)	Significant Other Observable Inputs (Level II)	December 31, 2022	December 31, 2021
Exchange Traded Funds:				
Consumer Discretionary	\$ 64,026	\$ -	\$ 64,026	\$ 58,419
Corporate Bond Funds	-		-	49,985
Emerging Market Funds	22,434		22,434	92,031
Financial	102,187		102,187	142,666
Fixed Income	243,750		243,750	-
High Yield Bond Funds	228,905		228,905	304,154
Industrials	111,978		111,978	130,151
International Funds	223,774		223,774	263,325
Intermediate Funds	610,655		610,655	724,963
Large Funds	272,658		272,658	325,731
Long-Term Funds	-		-	2,078
Short Term Funds	1,384,601		1,384,601	1,586,360
Technology	43,987		43,987	72,561
Ultrashort Funds	486,019		486,019	411,184
Other Funds	155,507		155,507	88,386
Fixed Income				
Corporate Bonds		5,018	5,018	5,363
Government obligations		301,422	301,422	290,469
Mutual Funds				
Intermediate Funds	704,296		704,296	806,734
International Funds	11,866		11,866	88,737
Large Funds	1,713,619		1,713,619	2,059,633
Mid-Cap Funds	1,194,598		1,194,598	1,465,989
Short Term Funds	59,161		59,161	62,815
Small Funds	15,739		15,739	22,758
Other Bond Funds	587,682		587,682	647,433
Common Stocks				
Communication Services	27,367		27,367	75,124
Consumer Goods	559,364		559,364	582,455
Financial	163,269		163,269	188,487
Healthcare	656,816		656,816	669,395
Industrial Goods	77,355		77,355	109,677
Real Estate	197,559		197,559	286,479
Services	486,718		486,718	643,653
Technology	339,742		339,742	1,067,517
Utilities	194,101		194,101	190,315
Certificates of Deposit		641,581	641,581	74,985
	\$ 10,939,733	\$ 948,021	\$ 11,887,754	\$ 13,590,012

# ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

## Notes to Financial Statements

### NOTE 3- CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances at multiple financial institutions. The Organization has not experienced any losses in the accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2022 and 2021 the Organization's uninsured cash balances were \$108,227 and \$1,483,355, respectively.

The Organization's marketable securities at December 31, 2022 and 2021 are held by financial services companies. Management believes the Organization has no significant concentration of credit risk with respect to these investments.

### NOTE 4- COMPENSATED ABSENCES

The Organization provides for vacation and sick leave for employees as work load allows. Compensated absences for vacation and sick pay have not been accrued since they cannot be reasonably estimated, but are expensed as incurred.

### NOTE 5- OPERATING LEASES AND ADOPTION OF FASB ASC 842

Advent Christian General Conference of America, Inc leases equipment and office space under four non-cancellable operating leases expiring at various dates through 2028. The discount rate represents the risk-free discount rate using a comparable period with that of the individual lease terms. Monthly payments under these leases total \$1,168, with discount rates ranging from 1.37% to 3.68%.

Future minimum lease payments required under these operating leases that have an initial or remaining non-cancellable lease term in excess of one year are as follows:

2023	\$ 12,689
2024	10,590
2025	7,658
2026	2,308
Thereafter	2,693
	<u>35,938</u>
Less Imputed Interest	(1,498)
	<u>\$ 34,440</u>

Effective January 1, 2022, the Organization adopted FASB ASC 842, Leases. The Organization determines if an arrangement contains a lease at inception based on whether the Organization has the right to control the asset during the contract period and other facts and circumstances. The Organization elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed it to carry forward the historical lease classification.

The adoption of FASB ASC 842 resulted in the recognition of right-of-use-assets, net of prepaid lease payments and lease incentives, of \$34,440 and operating lease liabilities of \$34,440 as of January 1, 2022. Results for periods beginning prior to January 1, 2022 continue to be reported in accordance with our historical accounting treatment. The adoption of FASB ASC 842 did not have a material impact on the Organization's results of operations or cash flows.

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

*Notes to Financial Statements*

NOTE 5- OPERATING LEASES AND ADOPTION OF FASB ASC 842 (Continued)

	<u>December 31, 2022</u>
Assets	
Operating right-of-use	\$ 34,440
Liabilities	
Operating lease liabilities	\$ 34,440
Lease Cost	
Amortization of right-of-use assets	\$ 12,882
Weighted-average discount rate	
Operating leases	2.14%
Weighted-average remaining lease term (Years)	
Operating leases	3.19

NOTE 6 - INCOME TAXES

The Organization has obtained exemption from income taxes under Section 501(c) (3) of the Internal Revenue Code and, therefore, no provision for income taxes has been recognized in the accompanying financial statements. Although the Organization is exempt from filing a tax return because of their religious exemption, they are voluntarily filing Form 990 beginning with the 2012 year.

The Financial Accounting Standards Board (FASB) issued FASB ASC 740-10, "Accounting for Uncertainty in Income Taxes," which clarifies the accounting and recognition for income tax positions taken. While Advent Christian General Conference is considered a tax-exempt organization, the provisions of ASC 740-10 may still apply in certain situations. ASC 740-10 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in the tax return. ASC 740-10 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, and disclosure.

Management has determined that the Organization does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Management will continually evaluate expiring statutes of limitations, changes in tax law, and new authoritative rulings.

# ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

## Notes to Financial Statements

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### NOTE 7- DEFINED CONTRIBUTION PLAN

The General Conference has established a defined contribution plan for its ministers and employees. Ministers in the conference can contribute to the plan and their respective churches also can make contributions to the plan. Contributions received in the plan totaled \$234,479 and \$280,493 for years ended December 31, 2022 and 2021, respectively. Below are the respective liabilities for the pension fund. The General Conference annually contributes nine percent of the senior staff salary to the plan.

Ministers' Accumulation Fund Accounts— This represents an obligation to fund the members' vested pension accounts in accordance with contractual agreements. Total amount of accumulated vested benefits at December 31, 2022 and 2021 is \$7,625,181 and \$8,165,794 respectively.

### NOTE 8- ANNUITY PARTICIPANTS VESTED AMOUNTS

Upon retirement, member balances are transferred from Part II to Part III and their lifetime annual annuity payments are calculated based on their accumulated balance and life expectancy. Obligations to fund the members' vested annuity account in accordance with contractual agreements are reported in the Statement of Financial Position as the Pension Annuity Fund. Distributions to participants under this plan for the years ended December 31, 2022 and 2021 were \$146,970 and \$145,972 respectively. The fair market value of Part III investments set aside for this plan at December 31, 2022 were \$1,056,254 and \$1,225,937, respectively. The investments consist of 17.43% in government securities, 68.53% in mutual funds and 14.04% in cash or due from Part I investments. An actuarial study was performed on February 27, 2023 for the December 31, 2022 year end; the obligation to participants at that time was \$1,056,254. Below contains information on the assumptions used in the study:

Measurement Period 01/01/2022-12/31/2022

Asset valuation method: Fair market value of assets at 12/31/2022

Interest rate	4.75%*
Retirees **	24

\* This interest rate was chosen to comply with Accounting Standards Codification Section 715-20-50. This interest rate is based on the spot rates provided by the FTSE Pension Liability Curve as of the measurement date, an index derived from market prices for a portfolio of AA rated long-term corporate bonds as of annuity benefits being valued in this plan.

\*\* Pri-2012 White Collar Amount Weighted Mortality Table with a base year of 2012. Scale MP-2021 mortality improvement applies beginning in the base year and is applied fully generationally thereafter.

Mortality improvement was projected on a generational basis using the MP-2021 projection scale.

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Notes to Financial Statements*

**NOTE 9- NET ASSETS WITHOUT DONOR RESTRICTIONS**

At December 31, 2022, from net assets without donor restrictions of \$1,606,463, the board of directors has designated \$718,494 subject to expenditures for specified purposes. The amount designated at December 31, 2021 was \$682,721.

	<b>Fund Balance 1/1/2022</b>	<b>Income</b>	<b>Expenses</b>	<b>Transfers In (Out)</b>	<b>Fund Balance 12/31/22</b>
<b><u>Board Designated</u></b>					
Church Planting Fund	\$ 50,397	\$ 10,184	\$ 149	\$ -	\$ 60,432
Tithing Powers Endowment	275,635	-	-	-	275,635
Tithing Powers Reserve Fund	55,751	7,773	14,638	-	48,886
Miller Chapel Fund	-	-	-	-	-
New Church Builders Union	25,350	13,308	-	-	38,658
Convention Reserve	68,682	2,000	5,000	-	65,682
J. Howard Shaw Endowment Fund	105,777	-	-	-	105,777
Properties Capital Reserve Fund	-	2,481	2,481	-	-
India Reserve Fund				22,295	22,295
C. Kirby Endowment Fund Missions	101,129	-	-	-	101,129
World Missions Reseve Fund	-	2,372	2,372	-	-
<b>Total Board Designated</b>	<b>682,721</b>	<b>38,118</b>	<b>24,640</b>	<b>22,295</b>	<b>718,494</b>
<b>Net investment in property and equipment</b>					<b>249,441</b>
<b>Undesignated</b>					<b>638,528</b>
<b>Total Net Assets Without Donor Restrictions</b>					<b>\$ 1,606,463</b>

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Notes to Financial Statements*

**NOTE 10- NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes at December 31, 2022:

**Donor Permanently Restricted**

	<b>Fund Balance 1/1/2022</b>	<b>Income</b>	<b>Expenses</b>	<b>Transfers In (Out)</b>	<b>Fund Balance 12/31/22</b>
<b>Investment in perpetuity, which once appropriated, is expended to support:</b>					
Leadership Resource Endowment	12,752	-	-	-	12,752
Shew Trust	9,658	175	-	-	9,833
Michael Scholarship Endowment	14,339	-	-	-	14,339
<b>Subtotal</b>	<b>36,749</b>	<b>175</b>	<b>-</b>	<b>-</b>	<b>36,924</b>

**Donor Temporarily Restricted**

	<b>Fund Balance 1/1/2022</b>	<b>Income</b>	<b>Expenses</b>	<b>Transfers In (Out)</b>	<b>Fund Balance 12/31/22</b>
<b>Subject to expenditure for specified purpose</b>					
Minority Scholarship Fund	1,009	18	-	-	1,027
Leadership Resource Fund	58,481	231	105	-	58,607
Neil and Mary Braun Fund	18,238	100	15,025	-	3,313
MTI Fund	28,576				28,576
Leader's Conference	6,811		3,100	-	3,711
TLC Project Fund	9,174	14,110	19,223	-	4,061
Powers Trust Fund	2,236,138	(54,080)	82,544	-	2,099,514
Pastors Library Fund	15,033	3,541	1,037	-	17,537
Missions Project Fund	165,473	5,149	13,580	(22,295)	134,747
Short Term Missions Fund	2,556			670	3,226
World Hunger/Emergency Relief	15,224	18,922	16,989		17,157
Focus Home Missions Fund	1,050		-		1,050
Michael Scholarship Fund	88	260	-		348
Fair Market Value Investment Adjustment	105,740	-	-	(105,740)	-
<b>Subtotal</b>	<b>2,663,591</b>	<b>(11,749)</b>	<b>151,603</b>	<b>(127,365)</b>	<b>2,372,874</b>
<b>Total Net Assets with Donor Restrictions</b>	<b>\$ 2,700,340</b>	<b>\$ (11,574)</b>	<b>\$ 151,603</b>	<b>\$ (127,365)</b>	<b>\$ 2,409,798</b>

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Notes to Financial Statements*

**NOTE 11- LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The following reflects the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date. Donor-restricted amounts resulted from amounts which are restricted for expenditures for specified purposes and for investment in perpetuity, which once appropriated is expended to support and are not available for general purposes. (See Note 10).

	<u>2022</u>	<u>2021</u>
Financial assets at year-end:		
Cash and cash equivalents	\$ 2,230,200	\$ 3,020,737
Accounts receivable	3,879	3,480
Investments	11,922,194	13,625,119
Total financial assets	<u>14,156,273</u>	<u>16,649,336</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	2,409,798	2,700,340
Pension plan net assets	10,313,783	12,392,326
Less net assets with purpose restrictions to be met in less than one year	(8,822)	(17,035)
Quasi endowment established by the board	482,541	482,541
	<u>13,197,300</u>	<u>15,558,172</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 958,973</u>	<u>\$ 1,091,164</u>

**NOTE 12- DATE OF MANAGEMENT'S REVIEW**

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through June 2, 2023, the date that the financial statements were available to be issued.

**SUPPLEMENTAL INFORMATION**



**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**  
**ACGC**

*Statement of Financial Position*

*December 31, 2022*

*(With Comparative Totals as of December 31, 2021)*

	Without Donor Restrictions	With Donor Restrictions	Total All Funds	
			2022	2021
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 472,499	\$ 1,302,292	\$ 1,774,791	\$ 2,304,840
Investments	932,698	1,099,436	2,032,134	1,913,583
Accounts receivable	3,879	-	3,879	3,480
Inventories	20,546	-	20,546	22,401
Prepaid expenses	3,830	-	3,830	8,095
Due from (to) funds	(10,824)	8,070	(2,754)	-
Total current assets	1,422,628	2,409,798	3,832,426	4,252,399
Long-term assets:				
Operating lease, right of use asset	34,440	-	34,440	35,107
Property and equipment, net	249,441	-	249,441	258,382
Total long-term assets	283,881	-	283,881	293,489
Total assets	\$ 1,706,509	\$ 2,409,798	\$ 4,116,307	\$ 4,545,888
<b>LIABILITIES AND NET ASSETS</b>				
Current liabilities:				
Accounts payable	\$ 41,183	\$ -	\$ 41,183	\$ 46,332
Pass-through accommodations	17,462	-	17,462	40,640
Subscriptions due	6,961	-	6,961	9,238
Total current liabilities	65,606	-	65,606	96,210
Long-term liabilities:				
Operating lease liabilities	34,440	-	34,440	35,107
Total long-term liabilities	34,440	-	34,440	35,107
Total liabilities	100,046	-	100,046	131,317
Net assets:				
With donor restrictions	-	2,409,798	2,409,798	2,700,340
Without donor restrictions	1,606,463	-	1,606,463	1,714,231
Total net assets	1,606,463	2,409,798	4,016,261	4,414,571
Total liabilities and net assets	\$ 1,706,509	\$ 2,409,798	\$ 4,116,307	\$ 4,545,888

*See accompanying notes to the financial statements.*

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

**ACGC**

*Statement of Activities and Changes in Net Assets*

*For the Year Ended December 31, 2022*

*(With Comparative Totals for the Year Ended December 31, 2021)*

	<b>Total All Funds</b>			
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2022</u>	<u>2021</u>
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>				
Support:				
United ministries	\$ 664,328	\$ -	\$ 664,328	\$ 659,911
Penny crusade	516,301		516,301	568,553
Christmas in October	68,988	-	68,988	69,249
First responders	29,438	-	29,438	22,627
Individual and estate gifts	247,019	41,826	288,845	314,545
Field offerings and other gifts	28,715		28,715	37,638
Revenues and gains:				
Administrative service fees	16,000		16,000	16,000
Pension deposits				
Subscriptions	20,247		20,247	9,339
Investment return	16,389	(53,395)	(37,006)	(498,136)
MTI student fees	19,769		19,769	29,375
Convention registration & gifts	3,640	-	3,640	3,050
Resource Center gross profit	29,847	-	29,847	22,897
Unrealized gain (loss) on investments, net	(117,092)	(168,489)	(285,581)	(613,175)
Total revenues, gains and other support	<u>1,543,589</u>	<u>(180,058)</u>	<u>1,363,531</u>	<u>641,873</u>
Reclassifications:				
Satisfaction of purpose restriction	151,604	(151,604)	-	-
Transfers between funds, ACGC Fund	(41,120)	41,120	-	-
Total reclassifications	<u>110,484</u>	<u>(110,484)</u>	<u>-</u>	<u>-</u>
<b>EXPENSES</b>				
Program services:				
United ministries program	350,932	-	350,932	347,584
International and home missions program	512,330	-	512,330	431,271
Church health and communications program	306,426	-	306,426	276,589
Leadership development program	147,947	-	147,947	152,515
Convention/Conference program	15,231	-	15,231	1,538
Supporting services:				
Management and general	414,337	-	414,337	455,832
Fund raising	14,638	-	14,638	8,294
Total expenses	<u>1,761,841</u>	<u>-</u>	<u>1,761,841</u>	<u>1,673,623</u>
Change in net assets	(107,768)	(290,542)	(398,310)	(1,031,750)
Net assets, beginning of year	<u>1,714,231</u>	<u>2,700,340</u>	<u>4,414,571</u>	<u>5,446,321</u>
Net assets, end of year	<u>\$ 1,606,463</u>	<u>\$ 2,409,798</u>	<u>\$ 4,016,261</u>	<u>\$ 4,414,571</u>

*See accompanying notes to the financial statements.*

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED  
ACGC  
*Statement of Functional Expenses*  
For the year ended December 31, 2022  
(With Comparative Totals for the Year Ended December 31, 2021)

	Program Services				
	United Ministries	Int. & Home Missions	Church Health and Communications	Leadership Development	Convention Conference
Grants to foreign missions	\$ -	\$ 260,189	\$ -	\$ -	\$ -
Salaries and benefits		149,768	225,762		
Professional services				122,797	
Office expenses		2,949	30,370	10,423	
Information technologies			3,958		
Occupancy					
Travel		33,248	13,041	9,908	
Conferences					15,231
Payments to affiliates	350,932	1,024		4,819	
Depreciation					
Insurance					
Missions program		51,834			
Allocation of indirect expenses		13,318	33,295		
Other	-	-	-	-	-
	\$ 350,932	\$ 512,330	\$ 306,426	\$ 147,947	\$ 15,231

*See accompanying notes to the financial statements.*

	Management and General	Fundraising	Total	
			2022	2021
<b>Total Program Services</b>				
\$ 260,189	\$ -	\$ -	\$ 260,189	\$ 224,490
375,530	232,529	-	608,059	536,526
122,797	25,254	-	148,051	158,946
43,742	39,978	14,638	98,358	80,514
3,958	-	-	3,958	4,444
-	35,164	-	35,164	29,046
56,197	19,437	-	75,634	35,786
15,231	-	-	15,231	1,538
356,775	85,928	-	442,703	490,199
-	12,975	-	12,975	12,639
-	7,221	-	7,221	6,354
51,834	-	-	51,834	88,422
46,613	(46,613)	-	-	-
-	2,464	-	2,464	4,719
<u>\$ 1,332,866</u>	<u>\$ 414,337</u>	<u>\$ 14,638</u>	<u>\$ 1,761,841</u>	<u>\$ 1,673,623</u>

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**  
**ACGC**

*Statement of Cash Flows*  
*For the Year Ended December 31, 2022*  
*(With Comparative Totals for the Year Ended December 31, 2021)*

	<u>2022</u>	<u>2021</u>
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ (398,310)	\$ (1,031,750)
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	12,975	12,639
(Gain) on disposal of assets	431	2,327
Loss (Gain) on sale of investments	64,937	514,157
Unrealized loss (gain) on investments, net	285,581	613,175
Receipt of donated stock	(11,080)	(14,055)
(Increase) decrease in operating assets:		
Accounts receivable	(399)	823
Inventories	1,855	2,773
Prepaid expenses	4,265	(4,316)
Increase (decrease) in operating liabilities:		
Accounts payable	(5,149)	(16,887)
Pass-through accommodations	(23,178)	3,395
Subscriptions due	(2,277)	8,511
Net cash used by operating activities	<u>(70,349)</u>	<u>90,792</u>
<b>INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(4,465)	(13,569)
Proceeds from sale of assets	-	600
Purchases of investments	(1,486,378)	(4,614,794)
Proceeds from redemption of investments	<u>1,028,389</u>	<u>6,493,938</u>
Net cash provided (used) by investing activities	<u>(462,454)</u>	<u>1,866,175</u>
<b>FINANCING ACTIVITIES</b>		
Transfers between funds, net	<u>2,754</u>	<u>-</u>
Net cash provided (used) by financing activities	<u>2,754</u>	<u>-</u>
Net increase (decrease) in cash	(530,049)	1,956,967
Cash, at beginning of year	<u>2,304,840</u>	<u>347,872</u>
Cash, at end of year	<u>\$ 1,774,791</u>	<u>\$ 2,304,839</u>

*See accompanying notes to the financial statements.*

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED  
BOARD OF PENSIONS**

*Statement of Financial Position  
December 31, 2022  
(With Comparative Totals as of December 31, 2021)*

	<b>Part I Operating Fund</b>	<b>Part II Ministers' Accumulation Fund</b>
<b>ASSETS</b>		
Current assets:		
Cash on hand and invested	\$ 18,958	\$ 405,933
Due from / to other Board of Pension funds	(114,993)	-
Total current assets	(96,035)	405,933
Investments - long term	98,684	8,848,947
Total assets	<u>\$ 2,649</u>	<u>\$ 9,254,880</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable	\$ -	\$ -
Total current liabilities	-	-
Long-term liabilities:		
Ministers' accumulated vested benefits- A Fund	-	5,125,327
Ministers' accumulated vested benefits- B Fund	-	2,499,854
Pension annuity- participants vested amounts	-	-
Total long-term liabilities	-	7,625,181
Total liabilities	-	7,625,181
Net Assets:		
Unrestricted:		
Undesignated	2,649	1,629,699
Total net assets	2,649	1,629,699
Total liabilities and net assets	<u>\$ 2,649</u>	<u>\$ 9,254,880</u>

*See accompanying notes to the financial statements.*

<b>Part III</b>	<b>Total All Funds</b>	
<b>Pension Annuity</b>	<b>2022</b>	<b>2021</b>
<b>Fund</b>		
\$ 30,518	\$ 455,409	\$ 715,897
117,747	2,754	-
148,265	458,163	715,897
907,989	9,855,620	11,676,429
<u>\$ 1,056,254</u>	<u>\$ 10,313,783</u>	<u>\$ 12,392,326</u>
\$ -	\$ -	\$ -
-	-	-
-	5,125,327	5,102,042
-	2,499,854	3,063,752
1,056,254	1,056,254	1,225,937
<u>1,056,254</u>	<u>8,681,435</u>	<u>9,391,731</u>
1,056,254	8,681,435	9,391,731
-	1,632,348	3,000,595
-	1,632,348	3,000,595
<u>\$ 1,056,254</u>	<u>\$ 10,313,783</u>	<u>\$ 12,392,326</u>

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED  
BOARD OF PENSIONS**

*Statement of Activities and Changes in Net Assets  
For the Year Ended December 31, 2022  
(With Comparative Totals for the Year Ended December 31, 2021)*

	<u>Operating Fund</u>	<u>Ministers' Accumulation Fund</u>	<u>Pension Annuity Fund</u>
<b>REVENUES AND GAINS</b>			
Revenues and gains:			
Pension deposits	\$ -	\$ 234,479	\$ -
Investment return	2,612	170,534	17,581
Withdrawal penalty	-	-	-
Unrealized gain (loss) on investments, net	(16,164)	(1,825,213)	(73,568)
Total revenues and gains	<u>(13,552)</u>	<u>(1,420,200)</u>	<u>(55,987)</u>
Reclassifications:			
Transfers between funds	<u>(8,636)</u>	<u>515,974</u>	<u>202,957</u>
<b>EXPENSES</b>			
General and administrative:			
General conference services	16,000	-	-
Board meetings	-	-	-
Pastors insurance	1,165	-	-
Audit expense	6,000	-	-
Distributions to participants	-	418,668	146,970
Total expenses	<u>23,165</u>	<u>418,668</u>	<u>146,970</u>
Change in net assets	(45,353)	(1,322,894)	-
Net assets, beginning of year	<u>48,002</u>	<u>2,952,593</u>	<u>-</u>
Net assets, end of year	<u>\$ 2,649</u>	<u>\$ 1,629,699</u>	<u>\$ -</u>

*See accompanying notes to the financial statements.*



<b>Total All Funds</b>	
<b>2022</b>	<b>2021</b>
\$ 234,479	\$ 280,493
190,727	220,289
-	-
(1,914,945)	1,233,331
(1,489,739)	1,734,113
710,295	(594,933)
16,000	16,000
-	-
1,165	1,349
6,000	5,400
565,638	562,148
588,803	584,897
(1,368,247)	554,283
3,000,595	2,446,282
<u>\$ 1,632,348</u>	<u>\$ 3,000,565</u>

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**  
**Board of Pensions**  
*Statement of Functional Expenses*  
*For the year ended December 31, 2022*  
*(With Comparative Totals for the Year Ended December 31, 2021)*

			<b>Total</b>	
<b>Program</b>	<b>Management and General</b>	<b>2022</b>	<b>2021</b>	
Professional services	\$ -	\$ 22,000	\$ 22,000	\$ 21,400
Travel	-	-	-	-
Insurance	-	1,165	1,165	1,319
Pension distributions	565,638	-	565,638	562,148
Other	-	-	-	-
	<b>\$ 565,638</b>	<b>\$ 23,165</b>	<b>\$ 588,803</b>	<b>\$ 584,867</b>

*See accompanying notes to the financial statements.*

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED  
BOARD OF PENSIONS**

*Statement of Cash Flows  
For the Year Ended December 31, 2022  
(With Comparative Totals for the Year Ended December 31, 2021)*

	<b>2022</b>	<b>2021</b>
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ (1,368,247)	\$ 554,313
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Loss (gain) on sale of investments	27,275	(43,847)
Unrealized loss (gain) on investments, net	1,914,945	(1,233,331)
Net cash provided by operating activities	573,973	(722,865)
<b>INVESTING ACTIVITIES</b>		
Purchases of investments	(755,109)	(751,483)
Proceeds from redemption of investments	633,698	741,479
Net cash provided by (used in) investing activities	(121,411)	(10,004)
<b>FINANCING ACTIVITIES</b>		
Change in vested benefits	(710,296)	776,286
Transfers between funds, net	(2,754)	-
Net cash used in financing activities	(713,050)	776,286
Net increase (decrease) in cash	(260,488)	43,417
Cash, at beginning of year	715,897	672,482
Cash, at end of year	\$ 455,409	\$ 715,899

*See accompanying notes to the financial statements.*