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***COMMUNITY OF CHRIST AND  
CONSOLIDATED AFFILIATES***  
***CONSOLIDATED FINANCIAL STATEMENTS***  
***DECEMBER 31, 2024***

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

## **Independent Auditors' Report**

First Presidency  
Community of Christ and Consolidated Affiliates  
Independence, Missouri

### ***Opinion***

We have audited the consolidated financial statements of Community of Christ and Consolidated Affiliates (the Church), which comprise the consolidated statements of financial position - contractual basis as of December 31, 2024 and 2023, and the related consolidated statements of activities - contractual basis, functional expenses - contractual basis, and cash flows - contractual basis for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Church as of December 31, 2024 and 2023, and of the changes in net assets and cash flows for the years then ended in accordance with the financial reporting provisions of Section 5.14(a) of the contract.

### ***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 Auditors' Responsibilities For The Audit Of The Consolidated Financial Statements section of our report. We are required to be independent of the Church 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 Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the financial reporting provisions of Section 5.14(a) of the contract between the Church and BOK Financial dated May 30, 2018 (the contract). Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

### ***Auditors' Responsibilities For The Audit Of The Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 auditing standards generally accepted in the United States of America 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 consolidated financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Church'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Church'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.

### ***Basis Of Accounting***

We draw attention to Note 2 to the consolidated financial statements, which describes the basis of accounting. The consolidated financial statements are prepared by the Church on the basis of the financial reporting provisions of Section 5.14(a) of the contract, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### ***Restrictions On Use***

Our report is intended solely for the information and use of Community of Christ and Consolidated Affiliates and BOK Financial and is not intended to be, and should not be, used by anyone other than these specified parties.

*RubinBrown LLP*

September 18, 2025

# COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION - CONTRACTUAL BASIS (Dollars In Thousands)

### Assets

	December 31,	
	2024	2023
<b>Current Assets</b>		
Cash and cash equivalents	\$ 17,963	\$ 12,627
Receivables:		
Accounts and miscellaneous receivables, net	990	537
Accounts and miscellaneous receivables due from affiliates, net	1,287	1,217
Notes and mortgages due from affiliates, net	136	214
Notes and mortgages, net	621	1,166
Investments:		
Stocks and other investments	472,952	261,817
Real estate	46,727	44,835
Inventories	350	498
Prepaid expenses and deposits	943	415
<b>Total Current Assets</b>	<b>541,969</b>	<b>323,326</b>
<b>Real Estate And Equipment, Net</b>	<b>55,288</b>	<b>58,796</b>
<b>Other Assets</b>		
Notes and mortgages due from affiliates after one year, net	1,568	1,349
Related party note receivable	6,000	—
Pension benefits	2,263	884
<b>Total Other Assets</b>	<b>9,831</b>	<b>2,233</b>
<b>Total Assets</b>	<b>\$ 607,088</b>	<b>\$ 384,355</b>

### Liabilities And Net Assets

<b>Current Liabilities</b>		
Accounts payable	\$ 1,812	\$ 1,500
Accrued expenses, deferred income and other liabilities	3,928	3,132
Charitable remainder trust	3,165	3,271
Annuities payable	2,241	2,533
<b>Total Current Liabilities</b>	<b>11,146</b>	<b>10,436</b>
<b>Long-Term Liabilities</b>		
Funds held on behalf of others	188,859	184,354
Line of credit	6,000	—
Retirement responsibilities:		
Postretirement obligations	7,547	12,643
Multination obligations	4,888	5,375
<b>Total Long-Term Liabilities</b>	<b>207,294</b>	<b>202,372</b>
<b>Net Assets</b>		
Without donor restrictions	342,610	134,122
With donor restrictions	46,038	37,425
<b>Total Net Assets</b>	<b>388,648</b>	<b>171,547</b>
<b>Total Liabilities And Net Assets</b>	<b>\$ 607,088</b>	<b>\$ 384,355</b>

# COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

## CONSOLIDATED STATEMENT OF ACTIVITIES - CONTRACTUAL BASIS

**For The Year Ended December 31, 2024**

**(Dollars In Thousands)**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue, Gains And Other Support</b>			
Contributions and bequests	\$ 17,855	\$ 6,853	\$ 24,708
Investment gains, net	12,503	3,313	15,816
Unrealized gains on real estate	6,798	—	6,798
Services and sales, net	6,899	—	6,899
Gain on sale of real estate, equipment and other	188,370	—	188,370
Other income	535	—	535
Net assets released from restrictions	1,553	(1,553)	—
<b>Total Revenues, Gains And Other Support</b>	<b>234,513</b>	<b>8,613</b>	<b>243,126</b>
<b>Expenses</b>			
Program expenses	20,250	—	20,250
Management and general	4,781	—	4,781
Mission funding (fundraising)	918	—	918
<b>Total Expenses</b>	<b>25,949</b>	<b>—</b>	<b>25,949</b>
<b>Change In Net Assets Before Other Components Of Net Period Pension Cost</b>	<b>208,564</b>	<b>8,613</b>	<b>217,177</b>
<b>Other Components Of Net Periodic Pension Cost</b>	<b>(76)</b>	<b>—</b>	<b>(76)</b>
<b>Change In Net Assets</b>	<b>208,488</b>	<b>8,613</b>	<b>217,101</b>
<b>Net Assets - Beginning Of Year</b>	<b>134,122</b>	<b>37,425</b>	<b>171,547</b>
<b>Net Assets - End Of Year</b>	<b>\$ 342,610</b>	<b>\$ 46,038</b>	<b>\$ 388,648</b>

# COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

## CONSOLIDATED STATEMENT OF ACTIVITIES - CONTRACTUAL BASIS

For The Year Ended December 31, 2023

(Dollars In Thousands)

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue, Gains And Other Support</b>			
Contributions and bequests	\$ 22,178	\$ 3,816	\$ 25,994
In-kind donations	300	—	300
Investment gains, net	8,316	1,167	9,483
Services and sales, net	6,023	—	6,023
Gain on sale of real estate and equipment	36	—	36
Other income	1,314	—	1,314
Net assets released from restrictions	779	(779)	—
<b>Total Revenues, Gains And Other Support</b>	38,946	4,204	43,150
<b>Expenses</b>			
Program expenses	10,732	—	10,732
Management and general	5,058	—	5,058
Mission funding (fundraising)	794	—	794
<b>Total Expenses</b>	16,584	—	16,584
<b>Change In Net Assets Before Other Components Of Net Period Pension Gain</b>	22,362	4,204	26,566
<b>Other Components Of Net Periodic Pension Gain</b>	670	—	670
<b>Change In Net Assets</b>	23,032	4,204	27,236
<b>Net Assets - Beginning Of Year</b>	111,090	33,221	144,311
<b>Net Assets - End Of Year</b>	\$ 134,122	\$ 37,425	\$ 171,547



# COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

## CONSOLIDATED STATEMENT OF CASH FLOWS - CONTRACTUAL BASIS (Dollars In Thousands)

	For The Years Ended December 31,	
	2024	2023
<b>Cash Flows From Operating Activities</b>		
Change in net assets	\$ 217,101	\$ 27,236
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	804	987
In-kind donations	—	(300)
Unrealized gain on investment real estate	(6,798)	—
Unrealized gain on investment securities	(10,791)	(21,593)
Realized gain on sale of investment real estate	(850)	(36)
Realized gain on sale of investment securities	(5,380)	(2,812)
Realized loss on sale of real estate and equipment	44	—
Realized gain on sale of historic sites	(187,564)	—
Change in value of split-interest obligations	768	(278)
Changes in assets and liabilities:		
Accounts and miscellaneous receivables and receivables from affiliates	(523)	(231)
Inventories	148	36
Prepaid expenses and deposits	(528)	482
Funds held on behalf of others	4,505	15,462
Accounts payable	312	239
Accrued expenses, deferred income and other liabilities	796	(3,211)
Annuities and trusts payable	(501)	1,091
Retirement responsibilities	(6,962)	(10,155)
<b>Net Cash Provided By Operating Activities</b>	<b>4,581</b>	<b>6,917</b>
<b>Cash Flows From Investing Activities</b>		
Proceeds from sale of investment securities and real estate	264,260	60,279
Purchase of investment securities and real estate	(453,468)	(82,311)
Repayments of notes and mortgages receivable	800	1,476
Issuance of notes and mortgages receivable	(396)	(221)
Issuance of related party note receivable	(6,000)	—
Purchase of real estate and equipment	(1,232)	(1,446)
Proceeds from sale of historic sites	191,456	—
Proceeds from sale of real estate and equipment	—	23
<b>Net Cash Used In Investing Activities</b>	<b>(4,580)</b>	<b>(22,200)</b>
<b>Cash Flows From Financing Activities</b>		
Payments on split-interest obligations	(665)	(665)
Draws on line of credit	6,000	—
<b>Cash Flows Provided By (Used In) Financing Activities</b>	<b>5,335</b>	<b>(665)</b>
<b>Net Increase (Decrease) In Cash And Cash Equivalents</b>	<b>5,336</b>	<b>(15,948)</b>
<b>Cash And Cash Equivalents - Beginning Of Year</b>	<b>12,627</b>	<b>28,575</b>
<b>Cash And Cash Equivalents - End Of Year</b>	<b>\$ 17,963</b>	<b>\$ 12,627</b>

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**COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES**

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**CONSOLIDATED STATEMENT OF EXPENSES BY FUNCTION -  
CONTRACTUAL BASIS****For The Year Ended December 31, 2024****(Dollars In Thousands)**

	<b>Program Expenses</b>	<b>Management And General</b>	<b>Mission Funding (Fundraising)</b>	<b>Total Expenses</b>
Compensation costs	\$ 6,198	\$ 1,121	\$ 183	\$ 7,502
Retirement responsibility	358	—	—	358
Moving and relocation	262	—	—	262
Staff and leadership development	122	6	—	128
Events and activities	439	—	—	439
Office support	456	254	1	711
Insurance premiums and claims	9,246	—	—	9,246
Capital funding	26	669	—	695
Depreciation	355	449	—	804
Utilities, repair and maintenance	172	1,158	—	1,330
Bank fees and exchange	219	175	2	396
Contract services	733	686	43	1,462
Interest expense	—	28	—	28
Oblation and world hunger	692	—	—	692
Gift annuity and charitable remainder trust payments	—	—	675	675
Grants and payments	805	—	—	805
Other expenses	167	235	14	416
	<b>\$ 20,250</b>	<b>\$ 4,781</b>	<b>\$ 918</b>	<b>\$ 25,949</b>

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**COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES**

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**CONSOLIDATED STATEMENT OF EXPENSES BY FUNCTION -  
CONTRACTUAL BASIS****For The Year Ended December 31, 2023****(Dollars In Thousands)**

	<b>Program Expenses</b>	<b>Management And General</b>	<b>Mission Funding (Fundraising)</b>	<b>Total Expenses</b>
Compensation costs	\$ 5,792	\$ 1,798	\$ 84	\$ 7,674
Retirement responsibility	—	223	—	223
Staff and leadership development	119	(64)	—	55
Events and activities	225	181	—	406
Office support	568	538	—	1,106
Insurance premiums and claims	13	2,240	—	2,253
Capital funding	62	92	—	154
Depreciation	39	948	—	987
Utilities, repair and maintenance	1,085	106	—	1,191
Bank fees and exchange	(6)	210	2	206
Contract services	415	558	43	1,016
Oblation and world hunger	501	—	—	501
Gift annuity and charitable remainder trust payments	—	—	665	665
Grants and payments	93	—	—	93
Other expenses	1,826	(1,772)	—	54
	<b>\$ 10,732</b>	<b>\$ 5,058</b>	<b>\$ 794</b>	<b>\$ 16,584</b>

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# COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

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## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2024 And 2023

### 1. Operations

#### Organization

Community of Christ (the Church), also known as the Reorganized Church of Jesus Christ of Latter Day Saints, is an international Christian denomination with approximately 250,000 members in 1,100 congregations in 60 countries. The mission of the Church is to proclaim Jesus Christ and promote communities of joy, hope, love and peace.

The Church, headquartered in Independence, Missouri, provides missional and administrative support, including leadership, staffing and resources, for mission centers, congregations and affiliates around the world.

#### Principles Of Consolidation

Consolidation of entities is required when there is both control and a material economic interest. These consolidated financial statements (collectively, the financial statements) include the Church and the accounts of the following affiliates, which meet the criteria for consolidation:

- Corporation of the Presiding Bishopric of the Community of Christ; Tiona Corporation; PeacePathways; Community of Christ Historic Sites Foundation and Spectacular and Herald Publishing House

Real estate title-holding only entities are:

- Central Development Association; Atherton Farms, LLC; Atherton Farms (Central) LLC; Atherton Farms (West) LLC; East M78, LLC; Independence Improvement Investments, LLC; Little Blue River Valley Property Holdings, LLC; Little Blue Valley (Northeast) LLC; Little Blue Valley (Northwest) LLC; Little Blue Valley (West) LLC; Surplus Disposition, LLC

All transactions between consolidated entities have been eliminated in consolidation.

### 2. Summary Of Significant Accounting Policies

#### **Contractual Basis**

The Church reports on a contractual basis of accounting as specified in its agreement with its bank, BOK Financial Institution. That agreement requires that the audited financial statements for Community of Christ include the Church's affiliates, other than Graceland University. This basis of reporting is in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) in all material respects except for the exclusion of the accounts of Graceland University and Graceland University's consolidated affiliates, which also excludes any accounting implications of the Springing Guaranty as described in Note 13. Audited financial statements for Graceland University are issued separately. See the Supplementary Information for summarized financial data of Graceland University.

In addition to the contract requirements, World Conference Resolution 1306 adopted June 7, 2016, establishes the Community of Christ audit process requirements and reporting, which require that the annual audit be approved by the World Church Finance Board and made available to the church membership.

#### **Programs**

The Church operates the following programs:

##### **Program Expenses**

The programs included in program expenses encompass all programs and departments that assist in the Church in serving their mission to proclaim Jesus Christ and promote communities of joy, hope, love and peace.

##### **Management And General Expenses**

The programs included in management and general expenses include all programs that support the function of the program expenses. These include the Audit and World Church finance board, fiscal services, office of general counsel and risk management, technology support, depreciation of real estate and equipment, capital funding costs, insurance premiums and claims, and exchange rate changes. These programs also cover the payments made and change in liability assumptions for all four retirement plans: defined benefit pension, postretirement benefit, multi-nations retirement and international retirement promise.

## **COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES**

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### Notes To Consolidated Financial Statements (*Continued*)

#### **Mission Funding (Fundraising)**

This program assists the World Church in all its fundraising efforts.

#### **Estimates And Assumptions**

The preparation of financial statements in conformity with a contractual basis of accounting requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reporting period.

#### **Basis Of Presentation**

The Church presents their financial statements based on FASB Accounting Standards Codification (ASC) Topic 958, *Presentation of Financial Statements*.

Net assets, revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Church and changes therein are classified and reported as follows:

##### **Net Assets Without Donor Restrictions**

Net assets are not subject to donor-imposed restrictions but may be subject to World Conference or Presiding Bishopric designations.

##### **Net Assets With Donor Restrictions**

Net assets are subject to donor-imposed restrictions that may or will be met either by actions of the Church and/or the passage of time. Also included within this category are net assets subject to donor-imposed restrictions to be maintained permanently by the Church. Generally, the donors of these assets permit the Church to use all or part of the income earned on related investments for general or specific purposes.

#### **Contributions**

Contributions, including unconditional promises to give, are recognized as revenue in the period received. Conditional promises to give - that is, those with a measurable performance or other barrier and a right of return - are reported at fair value at the date the condition is satisfied. Contributions of assets other than cash are recorded at their estimated fair value. Contributions with donor-imposed restrictions that are met within the same reporting period are reported as revenues without donor restriction.

## **COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES**

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### Notes To Consolidated Financial Statements (*Continued*)

Contributions of land, buildings and equipment, at fair value based upon independent appraisal, without donor restrictions concerning the use of such long-lived assets are reported as revenues without donor restriction.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law.

Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

#### **Cash And Cash Equivalents**

Cash and cash equivalents include demand deposits, money market accounts, overnight repurchase agreements, and short-term investments with a maturity of less than three months at the date of purchase.

#### **Concentration Of Credit Risk**

The Church maintains cash accounts with various commercial banks. At times during the year, amounts on deposit with various commercial banks may have exceeded the insurance limits of the Federal Deposit Insurance Corporation. The Church has not experienced any such losses.

#### **Accounts Receivable**

Accounts receivable are carried at the original invoice which reflects amounts the Church expects to collect from outstanding balances. Unless specific arrangements are made, a trade receivable is considered to be past due if any portion of the receivable balance is outstanding for more than 30 days. The receivable is reduced by an allowance for expected credit loss which takes into consideration historical experience, current conditions and, when appropriate, reasonable and supportable forecasts. To estimate the expected credit losses, receivables are grouped and analyzed based on credit risk characteristics including age of the receivable. The allowance for credit losses related to the Church's accounts receivable is \$57 at December 31, 2024 and 2023.

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

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### Notes To Consolidated Financial Statements (*Continued*)

#### **Notes And Mortgages Receivable**

Notes receivable include House of Worship loans which are programmatic loans funded to congregations for specific purposes including construction of new places of worship or other causes that further the mission of the Church. The terms of the notes range from 15 to 30 years and accrue interest at a rate equal to the 10-year treasury rate plus 2.5%.

Mortgage receivables include housing loans made to mission centers or congregations which are considered programmatic loans. The terms of the mortgage receivables range from 5 to 10 years and accrue interest at varying rates with an average rate of 5.25%.

Both notes and mortgage receivables are carried at the amount of unpaid principal with accrued interest plus an allowance for expected credit losses. The allowance for credit losses is estimated given consideration to each individual note or mortgage loan basis given the risk characteristics can vary dependent on factors including the borrower's financial health, industry conditions as well as domestic and international economic conditions. As of December 31, 2024 and 2023, the credit allowance for notes and mortgages receivable is \$182.

#### **Related Party Note Receivable**

Related party note receivable includes a revolving line of credit established in August 2024 with the University to support its operational and capital needs. The line bears an interest rate equal to the current SOFR Reference Rate for a one-month interest period plus 110 basis points and matures on June 30, 2026. In August 2025, the line was subsequently extended to April 1, 2028. As of December 31, 2024, management determined that no allowance for credit losses is considered necessary on the outstanding balance.

#### **Investments**

Investments in stocks and mutual funds that have readily determinable fair values are recorded at fair value based on quoted market prices, with gains and losses included in the consolidated statement of activities - contractual basis. Certain real estate is held for investment and is carried at fair value. Fair value of real estate is determined by independent appraisal. Fair value of alternative investments is determined using the practical expedient.



## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

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### Notes To Consolidated Financial Statements (*Continued*)

Investment income and gains (losses) that are initially restricted by donor stipulation and for which the restriction will be satisfied in the same year are reported as revenues without donor restrictions. Other investment income, gains and losses are reflected in the consolidated statement of activities - contractual basis as with donor restrictions or without donor restrictions based upon the existence and nature of any donor or legally imposed restrictions.

Investments may be exposed to various risks, such as interest rate, market and credit risk. As a result, it is at least reasonably possible that changes in risks in the near term could affect investment balances, and those effects could be significant.

#### **Real Estate And Equipment**

Although title to individual houses of worship are held in the name of the Presiding Bishop as Trustee in Trust or in nonprofit corporations organized by the Presiding Bishopric, such properties are held in trust for the use and benefit of the Church in mission centers and congregations, and the values of the properties and their related debts are not reflected in the consolidated financial statements. The aforementioned indebtedness is normally retired by contributions received directly from the members of the Church. These contributions are also not reflected in the consolidated financial statements.

Purchased real estate and equipment are stated at cost or, if received by gift, at a value based upon the market or an appraisal at the date of gift. Depreciation is provided on the straight-line basis over the lesser of the estimated useful lives of depreciable property and equipment or the lease term.

The Temple, auditorium, buildings on the National Register of Historical Places, and other properties having historical significance to the Church are considered to be historical treasures. The Church preserves and protects these historic assets in perpetuity for the benefit of current and future generations. As a result, the service potential of the original cost of these historic assets is essentially undiminished and depreciation is not recorded. These assets are evaluated annually for indicators of impairment. Additions and betterments to the historical treasures, primarily an organ, and some other historical properties are capitalized and depreciated on a straight-line basis over their estimated useful lives.

## **COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES**

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### Notes To Consolidated Financial Statements (*Continued*)

Collection items acquired on or after June 1, 1995, by the Church are capitalized at cost if the items were purchased or at their appraised value on the accession date if the items were contributed. Such items consist primarily of books, manuscripts and artifacts. Gains or losses from deaccessions of these items are reflected in the consolidated statement of activities - contractual basis as changes in the appropriate net asset classes, depending on the existence and type of donor-imposed restrictions.

These assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. If the carrying amount is no longer recoverable based upon the undiscounted future cash flows of the assets, the amount of impairment is the difference between the carrying amount and the fair value of the asset.

#### **Inventories**

Inventories of the Church, which consist of books, hymnals and resale supplies, are stated at the lower of cost or net realizable value.

#### **Leases**

The Church, as lessor, leases office space to tenants in multi-year lease agreements. Under ASC 842, the Church classifies the leases as operating leases and elects not to separate the lease component, comprised of monthly rents from tenants, from the associated non-lease components. There are no non-lease components present in the leases as of December 31, 2024 or 2023. Lease income for the years ended December 31, 2024 and 2023 total \$243 and \$237, respectively, and is included within other income on the consolidated statement of activities. Based on the remaining terms of the lease agreements, the Church expects to receive lease payments totaling \$266 during the year ending December 31, 2025.

#### **Accrued Expenses, Deferred Income And Other Liabilities**

Included in accrued expenses is the value of retirement benefits for ministers serving in countries with developing economies. Deferred income is recognized into revenue in the period earned. Advance billings of insurance premiums to Church affiliates of \$146 and \$137 are included in deferred income at December 31, 2024 and 2023, respectively.

#### **Charitable Remainder Trust**

The Church has entered into charitable remainder trust agreements with individuals or married couples in exchange for property, securities or cash. The fixed-income liability to the beneficiary is calculated as the present value of the fixed income payments using a discount rate of 7%.

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

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### Notes To Consolidated Financial Statements (*Continued*)

#### **Annuities Payable**

The Church has entered into annuity agreements with individuals or married couples in exchange for property, securities or cash. The liability to the annuitants is calculated as the present value of the annuity payments using a discount rate of 7%.

#### **Funds Held On Behalf Of Others**

Funds held on behalf of others comprise funds held by the Church for investment in marketable securities, short-term investments and loans. These funds are sent to the Church by congregations and affiliates and are pooled for investment purposes.

#### **Revenue Recognition**

The Church's contracts with customers consist of a single performance obligation. For this reason, the Church does not allocate transaction price across multiple performance obligations. For the years ended December 31, 2024 and 2023, the Church recognized revenue when persuasive evidence of an arrangement existed, the fee was fixed or determinable, services had been rendered to customers and collection was probable.

Revenue for performance obligations satisfied at a point in time includes tour fees and sales of products and services. The performance obligation for these sales is satisfied at the point of sale.

Revenue for performance obligations satisfied over time consists of subscription revenue for a magazine and revenue from congregations for insurance premiums. The performance obligation for subscription revenue is to mail the magazines over the life of the subscription. The Church fulfills the obligation as each issue is sent. The performance obligation for revenue from congregations for insurance premiums is to pay the insurance premiums for the life of the policy. Revenue for premiums are prepaid and are deferred and recognized ratably over the policy period.

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

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### Notes To Consolidated Financial Statements (*Continued*)

As reported in the accompanying consolidated statement of activities, the Church disaggregates revenue from contracts with customers by types of goods and services. The following table is the composition of revenue based on timing of revenue recognition:

	2024	2023
Performance obligations satisfied at a point in time	\$ 291	\$ 667
Performance obligations satisfied over time	6,608	5,356
<b>Total Revenues</b>	<b>\$ 6,899</b>	<b>\$ 6,023</b>

The Church does not have contract assets. Contract liabilities consist of deferred revenue, which is made up of insurance premium revenue received from nonconsolidated affiliates that has not yet been recognized ratably over the life of the policy. Contract liabilities amount to \$146 and \$137 at December 31, 2024 and 2023, respectively.

### **Expense Allocation**

The Church has several types of program expenses that support worldwide mission. Expenses reported as management and general, fundraising, and retirement responsibility are incurred in support of the primary program activities. Natural expenses attributable to more than one functional expense category are allocated directly where such relationship is clear, typically based on the fund number associated with each transaction. Funds are based on the nature and use of specific resources.

### **Fundraising Expenses**

Fundraising expenses consist of staff time and materials associated with the work of the Presiding Bishopric and Mission Funding Team in helping members and friends of Community of Christ understand all the ways they can support mission, including sustained annual giving, gifts through their estates, and giving from their abundance to support the Bridge of Hope project, including endowments.

### **Income Taxes**

The Church has tax determination letters from the Internal Revenue Service stating that they qualify under the provisions of section 501(c)(3) of the Internal Revenue Code (the Code) and are exempt from federal income taxes. As such, the Church is subject to federal income taxes only on any net unrelated business income under the provisions of section 511 of the Code.

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

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### Notes To Consolidated Financial Statements (*Continued*)

#### **Risk Management**

The Church has a formal program to manage risk, which includes the following: property insurance covering claims up to \$175,000 with a deductible of \$500 per occurrence; general liability insurance with limits totaling \$31,000, subject to a \$750 self-insured retention; and auto liability insurance coverage of \$125 per occurrence, also backed by general liability coverage. Workers' compensation claims are covered with a guaranteed cost policy.

Claims liabilities are reported in accrued expenses, deferred income and other liabilities on the consolidated statement of financial position - contractual basis. For 2024 and 2023, program revenue of \$6,129 and \$4,600, respectively, is reported in the consolidated statement of activities-contractual basis as services and sales, net. Associated premium and claims costs are in insurance premiums and claims in the consolidated statement of functional expenses-contractual basis.

#### **In-Kind Contributions**

Contributed nonfinancial assets, commonly referred to as gifts-in-kind, include assets (such as land, buildings and equipment), use of fixed assets or utilities, materials and supplies, intangible assets, services and unconditional promises of those assets.

In 2023, the Church received a donated residential property. This property was recorded as a contribution at its estimated fair value on the date of the contribution in an amount of \$300. No donor-imposed restrictions are associated with the donated assets.

#### **Reclassifications**

Certain reclassifications have been made to the 2023 consolidated financial statements to conform to the 2024 consolidated financial statement presentation. These reclassifications had no impact on net income or cash flows.

#### **Subsequent Events**

Management has evaluated subsequent events through the date of the Independent Auditors' Report, the date which the financial statements were available for issue.

### **3. Liquidity And Availability Of Resources**

Investment income without donor restrictions, earnings allocated from endowments with donor restrictions and World Conference-designated endowments (quasi-endowments), contributions without donor restrictions and contributions with donor restrictions for use in current activities are considered to be available to meet cash needs for general expenditures. General expenditures include operating expenses, general and administrative expenses, fundraising expenses and funding of retirement responsibilities. Annual operations are defined as activities occurring during, and included in the budget for, a fiscal year.

The Church manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability;
- Maintaining a sufficient level of asset liquidity; and
- Monitoring and maintaining reserves to provide reasonable assurance that long-term commitments and obligations related to endowments with donor restrictions and quasi-endowments will continue to be met.

The Church has an operating reserve fund to maintain financial assets available to meet general expenditures at a level that represents a minimum of 25% of annual expenses for operating expenses, general and administrative expenses, and fundraising expenses. To achieve this, the Church forecasts its future cash flows and monitors its liquidity on a semimonthly basis.

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

### Notes To Consolidated Financial Statements (*Continued*)

The table below represents financial assets available for general expenditures within one year of December 31:

	2024	2023
Financial assets at year-end:		
Cash and cash equivalents	\$ 17,963	\$ 12,627
Accounts and miscellaneous receivables, net	990	537
Accounts and miscellaneous receivables due from affiliates, net	1,287	1,217
Notes and mortgages, net	621	1,166
Notes and mortgages due from affiliates, net	136	214
Stocks and other investments	472,952	261,817
Real estate investments	46,727	44,835
<b>Total Financial Assets</b>	<b>540,676</b>	<b>322,413</b>
Less: Amounts not available to be used with one year:		
Funds held on behalf of others	188,859	184,354
Donor-restricted endowments	31,753	27,752
World Conference/Presiding Bishopric (quasi) endowment funds	202,029	17,125
Financial assets not available to be used within one year	422,641	229,231
Financial assets available to meet general expenditures within one year	<b>\$ 118,035</b>	<b>\$ 93,182</b>

#### 4. Notes And Mortgages Receivable

The Church makes loans to congregations, mission centers and affiliates at market interest rates with flexible repayment terms to assist with the development of the sponsored entities. The loans are made to entities throughout the United States and in other countries in which the Church is established. The title to any real estate purchased with such loans is held in the name of the Presiding Bishop as Trustee in Trust in the United States and to the extent allowable by national law outside of the United States.

Total notes and mortgages due from affiliates were \$1,704 and \$1,563 at December 31, 2024 and 2023, respectively. Interest income related to these notes and receivables was \$98 and \$81 for the years ended December 31, 2024 and 2023, respectively, and included in other income in the consolidated statement of activities.

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

### Notes To Consolidated Financial Statements *(Continued)*

The aging of the Church's notes and mortgages receivable (gross of eliminations) as of December 31, 2024 and 2023, is presented as follows:

	2024		Total
	Current	Past Due	
Houses of worship loans	\$ 1,256	\$ —	\$ 1,256
Various notes and mortgages	1,111	140	1,251
Less:			
Allowance for uncollectible notes and mortgages receivable	—	—	182
	\$ 2,367	\$ 140	\$ 2,325

  

	2023		Total
	Current	Past Due	
Houses of worship loans	\$ 1,060	\$ —	\$ 1,060
Various notes and mortgages	1,711	140	1,851
Less:			
Allowance for uncollectible notes and mortgages receivable	—	—	182
	\$ 2,771	\$ 140	\$ 2,729

## 5. Related Party Note Receivable

In October 2024, the Church entered into an agreement with Graceland University and Subsidiary (the University) outlining an arrangement in which the Church will provide a line of credit to the University in the amount of \$6,000. The line of credit bears an interest rate equal to the current SOFR Reference Rate for a one-month interest period plus 110 basis points. The loan is secured by a subordinated mortgage for property owned by the Graceland College Center for Professional Development and Lifelong Learning, Inc. and the University's funds held in the investment pool held at the Church. Additionally, the Church charges the University a monthly administrative fee of \$9. Payments of interest plus the administrative fee are made monthly until the maturity date of June 30, 2026. Payments of principal can be paid down prior to June 30, 2026 with no prepayment penalty. The Church can extend credit up to \$8,000 under the terms of the agreement.



## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

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### Notes To Consolidated Financial Statements *(Continued)*

Subsequent to year-end, the line was extended to April 1, 2028. Under the extension, the collateral related to the mortgage for property owned by the Graceland College Center for Professional Development and Lifelong Learning, Inc. was released.

## 6. Investments

At December 31, 2024 and 2023, investments consisted of the following:

	<u>2024</u>	<u>2023</u>
Common stock and mutual funds	\$ 440,835	\$ 229,152
Alternative and other investments	32,117	32,665
Real estate	46,727	44,835
	<u>\$ 519,679</u>	<u>\$ 306,652</u>

Investment return at December 31, 2024 and 2023 consisted of the following:

	<u>2024</u>	<u>2023</u>
Investment income, net	\$ 10,504	\$ 6,781
Net realized and unrealized gains and losses on investments	5,312	2,702
	<u>\$ 15,816</u>	<u>\$ 9,483</u>

## **7. Fair Value Measurements**

The Church follows ASC Topic 820, Fair Value Measurements and Disclosures, which establishes a framework for measuring fair value for assets and liabilities measured and reported at fair value. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. ASC 820 requires the use of valuation techniques that are consistent with the market approach, the income approach and/or the cost approach. ASC 820 establishes a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is as follows:

- Level 1:** Inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.
- Level 2:** Inputs are significant other observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.
- Level 3:** Inputs are significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability, developed based on the best information available.

At December 31, 2024 and 2023, the Level 3 assets and liabilities utilize the following valuation techniques and inputs. There have been no changes in the methodologies used at December 31, 2024 or 2023.

### **Real Estate**

Investment real estate (held for sale) is valued based on independent appraisals and is deemed to represent net liquidation value.

### **Charitable Remainder Trusts**

The value of charitable remainder trusts is derived from the underlying investments of the trusts. The value of those investments is determined in the same manner as investments described above. Future expected cash flows are discounted using a risk-adjusted discount rate. The underlying investments are classified within Levels 1, 2 and 3 of the valuation hierarchy.

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

### Notes To Consolidated Financial Statements *(Continued)*

#### Annuities Payable

Annuities payable approximates fair value as it represents the net present value of payments to be made under the agreement using current life expectancy and estimated risk-free interest rate.

The following tables summarize the assets and liabilities measured at fair value on a recurring basis, segregated by the general classification of such instruments pursuant to the valuation hierarchy:

	December 31, 2024					
					Investments Valued At Net Asset Value	Total
Investments	Level 1	Level 2	Level 3			
Common Stocks:						
Health care	\$ 28,147	\$ —	\$ —		\$ —	\$ 28,147
Utilities	6,482	—	—		—	6,482
Financials	49,643	—	—		—	49,643
Consumer staples	33,061	—	—		—	33,061
Consumer discretionary	37,732	—	—		—	37,732
Materials	20,332	—	—		—	20,332
Energy	9,277	—	—		—	9,277
Information technology	62,017	—	—		—	62,017
Industrials	31,851	—	—		—	31,851
Telecommunication service	11,039	—	—		—	11,039
Real Estate	5,646	—	—		—	5,646
Preferred Stock	62	—	—		—	62
Mutual Funds:						
Fixed income	144,520	—	—		—	144,520
Domestic equity	1,026	—	—		—	1,026
Total Common Stocks And Mutual Funds	440,835	—	—		—	440,835
Alternative Investments:						
Investments in limited partnerships	—	—	—		32,117	32,117
Real estate parcels primarily in Independence, Missouri	—	—	46,727		—	46,727
Total Investments	\$ 440,835	\$ —	\$ 46,727		\$ 32,117	\$ 519,679
Liabilities						
Charitable remainder trusts	\$ —	\$ —	\$ 3,165		\$ —	\$ 3,165
Annuities payable	\$ —	\$ —	\$ 2,241		\$ —	\$ 2,241

# COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

## Notes To Consolidated Financial Statements (Continued)

	December 31, 2023					
					Investments Valued At Net Asset Value	Total
Investments	Level 1	Level 2	Level 3			
Common Stocks:						
Health care	\$ 19,952	\$ —	\$ —	\$ —	\$ —	\$ 19,952
Utilities	2,953	—	—	—	—	2,953
Financials	22,773	—	—	—	—	22,773
Consumer staples	10,913	—	—	—	—	10,913
Consumer discretionary	23,156	—	—	—	—	23,156
Materials	3,516	—	—	—	—	3,516
Energy	3,801	—	—	—	—	3,801
Information technology	36,140	—	—	—	—	36,140
Industries	15,739	—	—	—	—	15,739
Telecommunication service	6,775	—	—	—	—	6,775
Mutual Funds:						
Fixed income	82,559	—	—	—	—	82,559
Domestic equity	875	—	—	—	—	875
Total Common Stocks And Mutual Funds	229,152	—	—	—	—	229,152
Alternative Investments:						
Investments in limited partnerships	—	—	—	—	32,665	32,665
Real estate parcels primarily in Independence, Missouri	—	—	44,835	—	—	44,835
Total Investments	\$ 229,152	\$ —	\$ 44,835	\$ 32,665	\$ —	\$ 306,652
Liabilities						
Charitable remainder trusts	\$ —	\$ —	\$ 3,271	\$ —	\$ —	\$ 3,271
Annuities payable	\$ —	\$ —	\$ 2,533	\$ —	\$ —	\$ 2,533

The following tables present additional information about assets and liabilities measured at fair value on a recurring basis for which the Church has utilized Level 3 inputs to determine fair value:

	Real Estate	Charitable Remainder Trusts	Annuities Payable
<b>Balance - December 31, 2023</b>	\$ 44,835	\$ 3,271	\$ 2,533
Issuances	7,637	—	—
Settlements	(5,445)	(944)	(222)
Total loss unrealized included in change in net assets	(300)	838	(70)
<b>Balance - December 31, 2024</b>	\$ 46,727	\$ 3,165	\$ 2,241

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

### Notes To Consolidated Financial Statements *(Continued)*

	Real Estate	Charitable Remainder Trusts	Annuities Payable
<b>Balance - December 31, 2022</b>	\$ 44,637	\$ 3,048	\$ 2,608
Issuances	300	450	—
Settlements	(102)	—	(24)
Total loss unrealized included in change in net assets	—	(227)	(51)
<b>Balance - December 31, 2023</b>	\$ 44,835	\$ 3,271	\$ 2,533

### Alternative Investments

Alternative investments are valued using the practical expedient. The practical expedient allows for the use of NAV of shares held at year-end either as reported by the investee or as adjusted by the Church based on various factors, including capital calls, proceeds from distributions, and gains and losses that are included in earnings and recorded in the consolidated statement of activities-contractual basis.

The following tables set forth additional disclosures of investments whose fair value is estimated using net asset value per share (or its equivalent) as of December 31, 2024 and 2023:

Investments	2024			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Investment in limited partnership (a)	\$ 19,704	\$ —	Quarterly	90 days
Investment in limited partnership (b)	12,413	—	Quarterly	45 days
	<u>\$ 32,117</u>	<u>\$ —</u>		

Investments	2023			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Investment in limited partnership (a)	\$ 20,166	\$ —	Quarterly	90 days
Investment in limited partnership (b)	12,499	—	Quarterly	45 days
	<u>\$ 32,665</u>	<u>\$ —</u>		

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

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### Notes To Consolidated Financial Statements (*Continued*)

- (a) This limited partnership manages a core equity real estate portfolio that generates a high proportion of its total return from income with a goal to achieve a total return that exceeds the National Council of Real Estate Investment Fiduciaries (NCREIF) Fund Index-Open-End Diversified Core Equity (NFI-ODCE). The account uses an integrated top-down and bottom-up approach to drive performance. The top-down approach focuses on diversification by property type and market, investing primarily in completed, well-leased income-producing property and limiting portfolio leverage to 30%. The bottom-up approach focuses on superior property selection, leveraging local operating partners to identify attractive investments, and a disciplined approach to dispositions.
- (b) This limited partnership was formed for the purpose of allowing qualified investors to pool their assets for real estate investments, directly or indirectly, through joint ventures, co-ownership, or any other capacity or vehicle for the primary purpose of generating income to the investors.

## 8. Real Estate And Equipment

At December 31, 2024 and 2023, real estate and equipment consisted of the following:

	2024	2023
Land	\$ 571	\$ 571
Historical properties	62,642	69,749
Property, buildings and grounds	14,582	14,561
Furniture and equipment	4,281	4,471
Construction in progress	636	—
Automobiles, trucks and other mobile equipment	2,111	1,904
	84,823	91,256
Less: Accumulated depreciation	29,535	32,460
	\$ 55,288	\$ 58,796

Depreciation expense was \$804 and \$987 for the years ended December 31, 2024 and 2023, respectively.

## 9. Employee Benefit Plans

### Defined Benefit Pension Plan

The Church has an Appointee/Employee Retirement Plan Trust (AERPT), a defined benefit plan, which covers employees who meet the eligibility requirements. The Church funds its obligations over a 30-year life as computed by the most recent actuarial valuation.

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

### Notes To Consolidated Financial Statements (*Continued*)

Effective January 1, 2016, the Church's defined benefit pension plan was frozen for all but a small group of qualifying employees who were close to retirement age. Most other existing and new employees are now covered by a defined contribution 403(b) retirement plan or a multi-nations retirement plan for ministers serving in countries with developing economies.

The Church uses a combination of historical and projected returns on its securities portfolio and estimated future returns on its investment real estate portfolio to develop the long-term rate of return on assets of its plan. The Church plan uses a December 31 measurement date.

Effective July 31, 2024, the Church approved the termination of the defined benefit pension plan. As a result, in 2024 each participant elected to receive either a single lump sum distribution, the option to rollover the value of their benefit to a different retirement account, or receive an annuity contract which will be administered by a third-party. All benefits were settled during 2024. As of December 31, 2024, there is no remaining liability associated with the defined benefit pension plan. The remaining plan assets represent the surplus after all of the obligations have been settled with plan participants. There will be a true-up with the third-party administrator during the first half of 2025 for any pension assumption adjustments which will result in the closing of the trust and all surplus funds being returned to the Church.

The following table sets forth information related to the plan for the years ended December 31, 2024 and 2023:

	2024	2023
Fair value of plan assets - beginning of year	\$ 60,320	\$ 50,150
Actual return (loss) of plan assets	2,478	7,069
Employer contributions	1,210	7,969
Benefits paid	(5,238)	(4,868)
Settlement payments	(56,507)	—
Fair value of plan assets - end of year	2,263	60,320
Benefit obligation - beginning of year	59,436	59,277
Service cost	14	28
Interest cost	2,812	3,004
Actuarial gain	(517)	1,993
Benefits paid	(5,237)	(4,866)
Settlement payments	(56,508)	—
Benefit obligation - end of year	—	59,436
Pension benefits	\$ 2,263	\$ 884

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

### Notes To Consolidated Financial Statements (*Continued*)

The following is a summary of the components of net periodic pension cost for the years ended December 31, 2024 and 2023:

	2024	2023
Interest cost	\$ 2,812	\$ 3,004
Expected return on plan assets	(3,504)	(3,138)
Amortization of actuarial loss	(97)	(76)
Settlement recognition	7,948	—
	<u>7,159</u>	<u>(210)</u>
Service cost	14	28
Net periodic pension cost	<u>\$ 7,173</u>	<u>\$ (182)</u>

Components of net periodic pension cost other than service cost are presented separately in the consolidated statement of activities, while service cost is included within retirement responsibility.

Amounts recognized on the consolidated statement of activities for the pension-related changes other than net periodic pension cost consist of the following:

	2024	2023
Current year actuarial gain	\$ 509	\$ (1,938)
Amortization of actuarial loss	97	76
Plan settlement	(7,948)	—
	<u>\$ (7,342)</u>	<u>\$ (1,862)</u>

Following are the weighted-average assumptions used as of December 31, 2024 and 2023:

	2024	2023
Benefit obligations:		
Discount rate	N/A	4.95%
Rate of compensation increases	N/A	5% per year
Net costs:		
Discount rate	4.95%	5.30%
Expected return on plan assets	6.00%	6.00%
Rate of compensation increases	5% per year	5% per year



## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

### Notes To Consolidated Financial Statements (*Continued*)

Assets of the plans are held by third-party financial institutions, which invest the assets in accordance with the provisions of the agreement for each plan. These agreements permit investment in mutual funds, insurance company separate funds, common stocks, corporate bonds and debentures, U.S. government securities, real estate and other specified investments, based on certain target allocation percentages.

Asset allocation is primarily based on a strategy to provide stable earnings while still permitting the plans to recognize potentially higher returns through investment in equity securities. Assets are rebalanced periodically. Assets of the plans, by category, approximated target percentages at December 31, 2024 and 2023.

The breakdown of investments by type is as follows as of December 31, 2024 and 2023:

	2024	2023
Common stock and fixed-income securities	100.00%	24.80%
Mutual funds	0.00%	75.20%

The fair values of the Church's pension plan assets at December 31, 2024 and 2023, by asset category are as follows:

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Investments:				
Fixed-income securities:				
Agency bonds	\$ 651	\$ —	\$ —	\$ 651
Corporate bonds	709	—	—	709
Foreign bonds	91	—	—	91
Municipal bonds	123	—	—	123
<b>Total Fixed-Income Securities</b>	<b>1,574</b>	<b>—</b>	<b>—</b>	<b>1,574</b>
<b>Total Investments</b>	<b>\$ 1,574</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 1,574</b>
Other Assets:				
Cash and cash equivalents	\$ 423	\$ —	\$ —	\$ 423
Other assets	377	—	—	377
<b>Total Cash And Other Assets</b>	<b>\$ 800</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 800</b>
<b>Liabilities</b>				
Other liabilities	\$ 111	\$ —	\$ —	\$ 111

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**COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES**

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**Notes To Consolidated Financial Statements (Continued)**

	December 31, 2023			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Investments:				
Fixed-income securities:				
Agency bonds	\$ 4,984	\$ —	\$ —	\$ 4,984
Corporate bonds	5,510	—	—	5,510
Foreign Bonds	522	—	—	522
Municipal Bonds	117	—	—	117
<b>Total Fixed-Income Securities</b>	<b>11,133</b>	<b>—</b>	<b>—</b>	<b>11,133</b>
Mutual Funds:				
Domestic equity	28,257	—	—	28,257
International equity	5,496	—	—	5,496
<b>Total Mutual Funds</b>	<b>33,753</b>	<b>—</b>	<b>—</b>	<b>33,753</b>
<b>Total Investments</b>	<b>\$ 44,886</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 44,886</b>
Other Assets:				
Cash and cash equivalents	\$ 15,330	\$ —	\$ —	\$ 15,330
Other assets	104	—	—	104
<b>Total Cash And Other Assets</b>	<b>\$ 15,434</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 15,434</b>

**Postretirement Benefits Plan**

The Church provides certain unfunded health care, life insurance, and other benefits to existing and retired appointees and employees.

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**COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES**

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Notes To Consolidated Financial Statements (*Continued*)

The following table sets forth information related to the postretirement benefits plan for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Fair value of plan assets - beginning of year	\$ —	\$ —
Employer contributions	5,866	1,510
Benefits paid	(1,720)	(1,510)
Plan settlements	(4,146)	—
Fair value of plan assets - end of year	—	—
Benefit obligation - beginning of year	12,643	12,889
Service cost	119	116
Interest cost	589	631
Actuarial (gain) loss	62	517
Benefits paid	(1,720)	(1,510)
Plan settlements	(4,146)	—
Benefit obligation - end of year	7,547	12,643
Projected benefit obligation, accrued benefit liability on the consolidated statement of financial position - contractual basis	\$ (7,547)	\$ (12,643)

The following is a summary of the components of net periodic pension cost related to the postretirement benefits plan for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Interest cost	\$ 589	\$ 631
Amortization of actuarial loss	54	—
	643	631
Service cost	119	116
Net periodic pension cost	\$ 762	\$ 747

Components of net periodic pension cost other than service cost are presented separately in the consolidated statement of activities, while service cost is included within retirement responsibility.

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

### Notes To Consolidated Financial Statements (*Continued*)

Amounts recognized on the consolidated statement of activities for the pension-related changes other than net periodic pension cost consist of the following:

	2024	2023
Current year actuarial gain	\$ 62	\$ 517
Amortization of actuarial loss	(54)	—
Recognition of settlement	(609)	—
	<b>\$ (601)</b>	<b>\$ 517</b>

Significant balances, costs and assumptions as of and for the years ended December 31, 2024 and 2023, are as follows:

	2024	2023
Unfunded benefit obligation	\$ 7,547	\$ 12,643
Accrued postretirement benefit obligation recognized in consolidated statement of financial position - contractual basis	7,547	12,643
Interest cost	589	631
Benefit cost	119	116
Benefits paid	(1,720)	(1,510)
Plan settlement	(4,146)	—

The Church expects to contribute at least \$1,385 to the postretirement benefits plan in the fiscal year ending December 31, 2025.

The weighted-average annual assumed rate of increase in the per capita cost of covered benefits (i.e., health care cost trend rate) is assumed to increase 10% per year beginning July 1, 2009, decreasing at various rates per year until reaching an ultimate rate of 4.50% per year. For 2024 and 2023, a weighted-average discount rate of 5.55% and 5.00%, respectively, was used in determining the accumulated benefit obligation.

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

### Notes To Consolidated Financial Statements (*Continued*)

The effect of a one percentage point increase and the effect of a one percentage point decrease in the assumed health care cost trend rates on the aggregate of the service and interest cost components and the accumulated postretirement benefit obligation for health care benefits would be as follows for 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Effect on total service cost and interest cost components:		
One percentage point increase	\$ 59	\$ 59
One percentage point decrease	(46)	(46)
Effect on year-end benefit obligation:		
One percentage point increase	533	622
One percentage point decrease	(436)	(508)

### Multi-Nations Retirement Plan

The Church has an unfunded retirement plan for World Church employee ministers that meet the eligibility requirements.

The following table sets forth information related to the plan for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Unfunded benefit obligation - beginning of year	\$ 3,668	\$ 3,559
Actuarial (gain) loss	300	201
Benefits paid	(508)	(92)
Unfunded projected benefit obligation, accrued benefit liability on the consolidated statement of financial position - contractual basis	<u>\$ 3,460</u>	<u>\$ 3,668</u>

The Church expects to contribute at least \$104 to the multi-nations retirement plan in the fiscal year ending December 31, 2025.

Significant balances, rates and assumptions as of and for the years ended December 31, 2024 and 2023, are as follows:

	<u>2024</u>	<u>2023</u>
Unfunded projected benefit obligation	\$ 3,460	\$ 3,668
Accrued multi-nations obligation recognized in consolidated statement of financial position - contract basis	3,460	3,668
Discount rate	5.80%	5.10%
Rate of compensation increases	10% per year	10% per year

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

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### Notes To Consolidated Financial Statements (*Continued*)

#### International Retirement Promise

The Church has an unfunded retirement obligation to non-U.S.A. citizens/resident aliens who were originally included in the AERPT and who were transferred to the International Retirement Promise in 2021. All benefits are frozen for this plan.

The following table sets forth information related to the plan for the years ended December 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Unfunded benefit obligation - beginning of year	\$ 1,706	\$ 1,713
Actuarial (gain) loss	(83)	53
Benefits paid	(195)	(60)
Unfunded projected benefit obligation, accrued benefit liability on the consolidated statement of financial position - contractual basis	<u>\$ 1,428</u>	<u>\$ 1,706</u>

The Church expects to contribute at least \$133 to the International Retirement Promise in the fiscal year ending December 31, 2025.

Significant balances, rates and assumptions as of and for the year ended December 31, 2024 and 2023 are as follows:

	<u>2024</u>	<u>2023</u>
Unfunded projected benefit obligation	\$ 1,428	\$ 1,706
Accrued international promise obligation recognized in consolidated statement of financial position - contract basis	1,428	1,706
Discount rate	5.55%	4.95%
Rate of compensation increases	N/A	N/A

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

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### Notes To Consolidated Financial Statements (*Continued*)

#### Cash Flows

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid as of December 31, 2024:

Year	Postretirement Benefits	Multi-Nations Benefits	International Retirement
2025	\$ 1,386	\$ 104	\$ 133
2026	1,158	117	129
2027	927	133	124
2028	764	133	119
2029	625	135	114
2030 - 2034	1,980	918	503
	\$ 6,840	\$ 1,540	\$ 1,122

The Church has a defined contribution 403(b) retirement plan covering all eligible employees. In conjunction with the decision to freeze the Church's defined benefit pension plan, effective January 1, 2016, the Church began matching 50% of employees' contributions up to 6% of compensation for eligible employees, with a maximum of 3% match. Additional discretionary contributions are also possible under the plan. The total expense for the years ended December 31, 2024 and 2023, was \$254 and \$312, respectively. The Church may approve additional discretionary contributions, up to 2%, payable to active employees at the end of the calendar year under the plan. At the end of each fiscal year, the Presiding Bishopric determines an appropriate accrual, if necessary, for contributions for the fiscal year. The accrual for employer contributions at December 31, 2024 and 2023, was \$95 and \$93, respectively.

#### 10. Long-Term Debt

The Church has a revolving line-of-credit agreement with a bank. The terms allow for a borrowing limit up to \$10,000 to provide operating cash flow and to be used for the issuance of standby letters of credit. The balance on the line of credit was \$6,000 as of December 31, 2024. There was no outstanding balance on the line as of December 31, 2023. Interest is payable monthly at the rate of one-month SOFR plus 110 basis points. The interest rate was 5.44% and 6.46% at December 31, 2024 and 2023, respectively. As of December 31, 2024, the Church recognized \$28 in interest expense. There was no interest expense for the year ended December 31, 2023. The agreement matures on February 15, 2028.

The Church has a letter of credit against the line of credit as collateral for unpaid insurance claims as part of the self-insurance termination. The limit on the letter of credit was \$300 for the year ended December 31, 2024 and 2023. There was no outstanding balance on the letter of credit as of December 31, 2024 or 2023.

## 11. Endowment Funds

The Church's endowment funds consist of various donor-restricted endowment funds and funds designated as endowment or quasi-endowment by the World Conference. Net assets associated with endowment funds, including funds designated to function as endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Church has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Church classifies net assets with donor restrictions as (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund and (d) the present value of estimated future receipts for beneficial interests in perpetual trusts. The donor-restricted endowment fund is held in with donor restriction until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by the State of Missouri in their enacted versions of UPMIFA.

In accordance with the State of Missouri in the enacted versions of UPMIFA, the Church considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the endowment fund, (2) the purposes of the Church and the donor-restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Church and (7) the investment policies of the Church.



## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

### Notes To Consolidated Financial Statements (*Continued*)

The Church has adopted investment and spending policies for their endowment funds. The objective of these policies is to provide the Church a predictable funding stream for its mission while achieving an investment return equal to the combination of the current spending formula and the current rate of inflation to protect the purchasing power of the endowment funds. The Church, through its investment policy, has established a target annualized rate of return over the long term of at least 6.0%; the total return during any single measurement period may deviate from the long-term return objective. To satisfy their long-term rate-of-return objective, the Church expects to maintain appropriate diversification among equity, fixed-income and alternative investment allocations. The purpose is to moderate the overall investment risk of the endowment fund.

Distributions from endowment funds to support the purposes of the endowments are to be made in accordance with the distribution policies of the Church. It is the policy of the church to distribute a percentage of the fair market value of the endowment funds annually. The amount distributed, the spending rate, is an approved spending percentage of the three-year annual rolling average of the fair value of the endowment fund assets as of a date six months prior to the beginning of the fiscal year. This distribution may be made when the endowment fund balance is under water if the Presiding Bishopric deems it is prudent to do so, subject to the provisions of the Church's spending rate policy on endowments.

From time to time, the fair value of endowment funds associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Church to retain as a fund of perpetual duration as underwater endowments. As of December 31, 2024 and 2023, there were no donor-restricted endowment funds under water.

Church endowment assets as of December 31, 2024 and 2023, are as follows:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ —	\$ 31,753	\$ 31,753
World Conference/Presiding Bishopric (quasi) endowment funds	202,029	—	202,029
	\$ 202,029	\$ 31,753	\$ 233,782
	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ —	\$ 27,752	\$ 27,752
World Conference/Presiding Bishopric (quasi) endowment funds	17,125	—	17,125
	\$ 17,125	\$ 27,752	\$ 44,877

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

### Notes To Consolidated Financial Statements *(Continued)*

The changes in the Church's endowment assets for the year ended December 31, 2024 and 2023, were as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment assets - January 1, 2024	\$ 17,125	\$ 27,752	\$ 44,877
Investment return:			
Investment income	106	47	153
Net appreciation	7,857	3,266	11,123
	7,963	3,313	11,276
Contributions	136	958	1,094
Appropriation of endowment assets	(195)	(270)	(465)
Transfers to non-endowment assets	177,000	—	177,000
Endowment assets - December 31, 2024	\$ 202,029	\$ 31,753	\$ 233,782

  

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment assets - January 1, 2023	\$ 14,504	\$ 25,743	\$ 40,247
Investment return:			
Investment income	21	40	61
Net appreciation	1,094	1,886	2,980
	1,115	1,926	3,041
Contributions	1,506	113	1,619
Appropriation of endowment assets	—	(30)	(30)
Endowment assets - December 31, 2023	\$ 17,125	\$ 27,752	\$ 44,877

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**COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES**

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**Notes To Consolidated Financial Statements (Continued)****12. Net Assets With Donor Restrictions**

Donor-restricted net assets at December 31, 2024 and 2023, consisted of the following:

	<u>2024</u>	<u>2023</u>
Charitable remainder trust	\$ 4,314	\$ 5,089
Worldwide Mission endowment	4,323	3,057
General Operating endowment	5,107	4,560
Operating reserves	2,503	2,503
Bridge of Hope	4,105	—
Kirtland Temple - Historic Sites Foundation	881	749
Annuity and life income funds	127	127
Disaster relief	50	9
Temple endowment & temple projects	22,323	20,138
Seminary education	409	—
Field Designated	—	350
Support for Ukraine	214	201
Digital Foundation	—	292
USA Young Adult Ministries	614	200
Mission in Action - Mission Prayer	150	150
Leadership Devleopment	75	—
Strategy 1	269	—
Designated Gifts	450	—
Temple Art donation	120	—
Portuguese D & C	4	—
	<u>\$ 46,038</u>	<u>\$ 37,425</u>

Net assets designated by the Presiding Bishopric as of December 31, 2024 and 2023, consisted of the following:

	<u>2024</u>	<u>2023</u>
Missionary projects	\$ 725	\$ 648
Leading Congregations in Mission	237	212
World Conference Designated	6,930	6,291
Temple Endowment - Lifetime of Generosity	10,840	9,818
Temple Endowment - International Peace Award	321	156
Temple Endowment - Historic Asset Sale	170,619	—
Temple Endowment - CCHSF Sacred Story	2,012	—
World Mission Endowment - Historic Asset Sale	10,345	—
	<u>\$ 202,029</u>	<u>\$ 17,125</u>

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

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### Notes To Consolidated Financial Statements (*Continued*)

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors for the years ended December 31, 2024 and 2023, as follows:

	2024	2023
Peace Pathways	\$ —	\$ 553
Field Designated	350	—
World Conference	—	53
Capital Improvements	—	62
Digital Foundation	292	—
Temple endowment & temple projects	134	111
Charitable remainder trust	777	—
	<b>\$ 1,553</b>	<b>\$ 779</b>

### 13. Commitments And Contingencies

In the ordinary course of activities, there are various legal proceedings against the Church and its subsidiaries. Management, after consultation with legal counsel, believes that the ultimate resolution of these proceedings will have no material adverse effect on the consolidated financial position of the Church.

## COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

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### Notes To Consolidated Financial Statements (*Continued*)

The Church has a Springing Guaranty under a loan agreement entered into by the University, which triggers if the University does not meet certain covenant ratios. The University is required to maintain an Endowment to Debt ratio of not less than 1:50 each year and a Debt Service Coverage Ratio (DSCR) of not less than 1.20 every 2 out of 3 years, which are to be reported annually with the required annual report. For the year ended May 31, 2023, the University met the required Endowment to Debt ratio but did not meet the 1.20 DSCR. For the year ended May 31, 2024, the University met the required Endowment to Debt ratio but did not meet the 1.20 DSCR. As a result of the failure to meet the DSCR ratio in 2 out of the last 3 years, the notification requirement of the Springing Guaranty became effective upon issuance of the University's May 31, 2024 financial statements. The Church expects that the University will make all future debt payments and does not expect to be required to make any debt payments on behalf of the University during the years ended December 31, 2025 or December 31, 2026. If the University defaults on the loan, Graceland College Center for Professional Development and Lifelong Learning, Inc. (the Center) is required to make payments on the loan agreement on behalf of the University. If the Center defaults on the loan, then the Church is required to make payments on behalf of the University under the normal terms of the loan agreement through its maturity on October 30, 2041. This Guaranty is collateralized by the University's affiliate investment pool held by the Church. As of May 31, 2025 the University's loan balance approximated \$14,650.

#### **14. Historic Assets Sale**

In March 2024, the Church completed the sale of the Kirtland Temple, the Joseph Smith Historic Site in Nauvoo, nineteenth-century manuscripts and materials related to the development of church scriptures, and various other manuscripts and artifacts to The Church of Jesus Christ of Latter-day Saints. In return, the Church received \$191,500 and the commitment that the sites will continue to be operated as historic locations, keeping them publicly accessible at no charge. An additional \$1,000 is expected to be received in 2025 after clearing the title of one of the properties. A gain of \$187,600 was recognized on the sale and is included in the gain on sale of real estate, equipment and other line on the consolidated statement of activities.



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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

## Independent Auditors' Report On Supplementary Information

First Presidency  
Community of Christ and Consolidated Affiliates  
Independence, Missouri

We have audited the consolidated financial statements of Community of Christ and Consolidated Affiliates (the Church) as of and for the year ended December 31, 2024, and have issued our report thereon dated September 18, 2025, which contained an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The Graceland University and Subsidiary's consolidated statements of financial position as of May 31, 2024 and 2023, and consolidated statement of activities for the years ended May 31, 2024 and May 31, 2023, which are the responsibility of management and are presented for the purposes of additional analysis and are not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Because of the nature of the relationship between the Church and Graceland University (the University), which includes both financial interest and legal control, U.S. GAAP would require that the University be included in the Church's consolidated financial statements. However, the Church's contractual basis of accounting requires the exclusion of the University's accounts. Graceland University is a private, nonprofit institution of higher education based in Lamoni, Iowa. The University's consolidated financial statements include the operations of the Graceland College Center for Professional Development and Lifelong Learning, Inc. (the Center), a nonprofit corporation in the state of Missouri controlled by the University. The most recent audit of the consolidated financial statements of the University are publicly available online at the federal audit clearinghouse.

*RubinBrown LLP*

September 18, 2025

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# COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

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## GRACELAND UNIVERSITY AND SUBSIDIARY'S CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

May 31, 2024 And 2023

Page 1 Of 2

	2024	2023
<b>Assets</b>		
University:		
Cash and cash equivalents	\$ 214	\$ 3,448
Student and other miscellaneous receivables, net allowance for cancellations and doubtful accounts; 2024 \$205; 2023 \$216	780	772
U.S. government receivables	163	377
Employee retention credit receivable	—	4,433
Prepaid expenses and deposits	1,228	938
Inventories	278	265
Contributions receivable, net	4,694	5,121
U.S. government loans receivable, net of allowance for doubtful loans of \$7 for 2024 and \$117 for 2023	165	1
Investments	41,118	42,662
Cash restricted for investment in land, buildings and equipment	1,611	191
Land, buildings and equipment, net	57,351	58,495
Right to use assets, net	199	255
Intangible assets, net of amortization	585	—
Funds held in trust by others	290	600
	<b>108,676</b>	<b>117,558</b>
Center:		
Cash and cash equivalents	1,556	2,393
Accounts receivable, net of allowance for doubtful accounts; 2024 \$134; 2023 \$61	1,490	1,262
Employee retention credit receivable	—	1,305
Product inventories	143	161
Prepaid expenses and other assets	777	580
Land, buildings and equipment, net	9,649	9,942
Intangible assets, net of amortization	45	98
Goodwill	543	651
	<b>14,203</b>	<b>16,392</b>
<b>Total Assets</b>	<b>\$ 122,879</b>	<b>\$ 133,950</b>

# COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

## GRACELAND UNIVERSITY AND SUBSIDIARY'S CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

May 31, 2024 And 2023

Page 2 Of 2

	2024	2023
<b>Liabilities</b>		
University:		
Accounts payable, including amounts owed to related parties of \$19 for 2024 and \$29 for 2023	\$ 815	\$ 1,849
Funds held on behalf of others	521	466
Accrued expenses and deferred revenue	4,315	3,972
Accrued retirement liability	232	1,813
Annuities payable	561	578
Lease liabilities	199	255
Notes payable, net of unamortized issuance costs; 2024 \$260; 2023 \$276	19,433	20,158
Due to U.S. government, refundable loan program	202	95
	<b>26,278</b>	<b>29,186</b>
Center:		
Accounts payable	137	317
Accrued expenses	1,262	1,499
Deferred seminar income	3,340	3,285
Line of credit	500	1,000
Note payable	131	644
	<b>5,370</b>	<b>6,745</b>
<b>Total Liabilities</b>	<b>31,648</b>	<b>35,931</b>
<b>Net Assets</b>		
Without donor restrictions:		
Operating and other reserves	2,752	4,278
University portion of U.S. government loan program	100	225
Student loans	7	4
Endowed instruction and operational support funds	8,945	9,951
Endowed programs and chairs funds	277	1,181
Endowed scholarships	268	877
Annuity and life income funds	87	132
Minimum pension liability adjustment	1,063	(565)
Net investment in plant	30,576	34,415
	<b>44,075</b>	<b>50,498</b>
With donor restrictions:		
Instruction and operational support	4,041	5,235
Capital projects	1,863	894
Student loans	2	2
Annuity and life income funds	339	645
Endowed instruction and operational support funds	798	1,177
Endowed programs and chairs funds	19,074	18,181
Endowed scholarships	20,851	21,214
Other endowed or like funds	188	173
	<b>47,156</b>	<b>47,521</b>
<b>Total Net Assets</b>	<b>91,231</b>	<b>98,019</b>
<b>Total Liabilities And Net Assets</b>	<b>\$ 122,879</b>	<b>\$ 133,950</b>



# COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

## GRACELAND UNIVERSITY AND SUBSIDIARY'S CONSOLIDATED STATEMENTS OF ACTIVITIES

For The Year Ended May 31, 2024

(Dollars In Thousands)

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues And Other Additions</b>			
University:			
Student tuition and fees, net of scholarship allowance	\$ 12,512	\$ —	\$ 12,512
Federal grants and contracts	342	1,423	1,765
Private gifts, grants and contracts	801	4,136	4,937
Contributions of nonfinancial assets	3	—	3
Investment gain	498	3,857	4,355
Sales and services of auxiliary enterprises	7,003	—	7,003
Other income, net	481	2	483
Net assets released from restrictions	9,783	(9,783)	—
	31,423	(365)	31,058
Center:			
Seminars and products, net of refunds	19,081	—	19,081
Interest income and other	590	—	590
	19,671	—	19,671
<b>Total Revenues And Other Additions</b>	51,094	(365)	50,729
<b>Expenses</b>			
University:			
Instruction	12,815	—	12,815
Public service	1,283	—	1,283
Academic support	2,472	—	2,472
Student services	10,306	—	10,306
Institutional support	6,644	—	6,644
Auxiliary enterprises	5,759	—	5,759
	39,279	—	39,279
Center:			
Seminar programming	10,286	—	10,286
Administration	9,580	—	9,580
	19,866	—	19,866
<b>Total Expenses</b>	59,145	—	59,145
<b>Change In Net Assets Before Other Adjustments</b>	(8,051)	(365)	(8,416)
Minimum pension liability adjustment	1,628	—	1,628
<b>Change In Net Assets</b>	(6,423)	(365)	(6,788)
<b>Net Assets - Beginning Of Year</b>	50,498	47,521	98,019
<b>Net Assets - End Of Year</b>	\$ 44,075	\$ 47,156	\$ 91,231

# COMMUNITY OF CHRIST AND CONSOLIDATED AFFILIATES

## GRACELAND UNIVERSITY AND SUBSIDIARY'S CONSOLIDATED STATEMENTS OF ACTIVITIES

For The Year Ended May 31, 2023

(Dollars In Thousands)

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues And Other Additions</b>			
University:			
Student tuition and fees, net of scholarship allowance	\$ 12,069	\$ —	\$ 12,069
Federal grants and contracts	336	1,475	1,811
Private gifts, grants and contracts	2,551	5,268	7,819
Contributions of nonfinancial assets	5	—	5
Employee retention credit income	187	—	187
Investment loss	(52)	(52)	(104)
Sales and services of auxiliary enterprises	6,323	—	6,323
Other income, net	295	6	301
Net assets released from restrictions	6,410	(6,410)	—
	28,124	287	28,411
Center:			
Seminars and products, net of refunds	19,103	—	19,103
Interest income and other	613	—	613
	19,716	—	19,716
<b>Total Revenues And Other Additions</b>	47,840	287	48,127
<b>Expenses</b>			
University:			
Instruction	11,533	—	11,533
Public service	1,308	—	1,308
Academic support	2,284	—	2,284
Student services	9,533	—	9,533
Institutional support	5,380	—	5,380
Auxiliary enterprises	5,468	—	5,468
	35,506	—	35,506
Center:			
Seminar programming	8,663	—	8,663
Administration	10,128	—	10,128
	18,791	—	18,791
<b>Total Expenses</b>	54,297	—	54,297
<b>Change In Net Assets Before Other Adjustments</b>	(6,457)	287	(6,170)
Forgiveness of Paycheck Protection Program loan - Center	2,027	—	2,027
Minimum pension liability adjustment	1,303	—	1,303
<b>Change In Net Assets</b>	(3,127)	287	(2,840)
<b>Net Assets - Beginning Of Year</b>	53,625	47,234	100,859
<b>Net Assets - End Of Year</b>	\$ 50,498	\$ 47,521	\$ 98,019