




Central Administrative Office of The Diocese of Western North Carolina

**Independent Auditor's Report, Financial Statements,
and Supplementary Information**

December 31, 2023 and 2022



Central Administrative Office of The Diocese of Western North Carolina
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December 31, 2023 and 2022

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Independent Auditor's Report

Board of Trustees
Central Administrative Office of The Diocese of Western North Carolina
Asheville, North Carolina

Opinion

We have audited the financial statements of the Central Administrative Office of The Diocese of Western North Carolina, which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Central Administrative Office of the Diocese of Western North Carolina as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the Central Administrative Office of the Diocese of Western North Carolina and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Central Administrative Office of the Diocese of Western North Carolina's ability to continue as a going concern within one year after the date that these 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 GAAS 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.

In performing an audit in accordance with GAAS, we:

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

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information as listed in the accompanying table of contents is presented for purposes of additional analysis and is 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.

Forvis Mazars, LLP

**Asheville, North Carolina
July 29, 2024**

Central Administrative Office of The Diocese of Western North Carolina
Statements of Financial Position
December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 462,273	\$ 1,078,201
Pledges receivable from churches	48,790	35,900
Accounts and other receivables	4,413	45,177
Investments, current	7,621,730	6,154,311
Prepaid expenses	45,237	45,130
Loans receivable, current	65,102	40,102
	<u>8,247,545</u>	<u>7,398,821</u>
Total current assets		
Property and equipment, net of accumulated depreciation	<u>4,688,424</u>	<u>4,871,272</u>
Other Assets		
Loans receivable, net of current portion	170,962	137,746
Investments, net of current portion	11,130,174	9,709,953
Beneficial interest in perpetual trust	81,957	73,781
	<u>11,383,093</u>	<u>9,921,480</u>
Total other assets		
Total assets	<u>\$ 24,319,062</u>	<u>\$ 22,191,573</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Current portion of notes payable	\$ 7,315	\$ 6,689
Accounts payable and other accrued expenses	199,621	114,264
Current portion of annuity payable	12,000	12,000
Fiduciary permanent endowments held for others	1,005,068	969,992
Fiduciary funds held for others	6,679,520	5,232,421
	<u>7,903,524</u>	<u>6,335,366</u>
Total current liabilities		
Long-Term Liabilities		
Annuity payable, net of current portion	21,345	23,324
Notes payable, net of current portion	35,378	42,692
	<u>56,723</u>	<u>66,016</u>
Total long-term liabilities		
Total liabilities	<u>7,960,247</u>	<u>6,401,382</u>
Net Assets		
Net assets without donor restrictions	8,121,839	8,286,518
Net assets with donor restrictions	8,236,976	7,503,673
	<u>16,358,815</u>	<u>15,790,191</u>
Total net assets		
Total liabilities and net assets	<u>\$ 24,319,062</u>	<u>\$ 22,191,573</u>

Central Administrative Office of The Diocese of Western North Carolina
Statements of Activities and Changes in Net Assets
Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Change in Net Assets without Donor Restrictions		
Operating Revenues		
Pledges from churches	\$ 1,677,814	\$ 1,607,422
Contributions and bequests	134,921	141,198
Trust income	765	4,583
Mission outreach	85,844	100,091
Other	(1,866)	10,858
Net assets released from restriction for operations	<u>563,068</u>	<u>690,284</u>
Total operating revenues	<u>2,460,546</u>	<u>2,554,436</u>
Expenses		
Direct support to ministries	2,113,443	2,059,975
Supporting services	<u>999,994</u>	<u>752,476</u>
Total expenses	<u>3,113,437</u>	<u>2,812,451</u>
Operating Loss	<u>(652,891)</u>	<u>(258,015)</u>
Nonoperating Income (Expenses)		
Loss on investment	-	(26,666)
Gain from release of postretirement benefit obligation	-	147,710
Investment income, net of fees	56,939	36,182
Realized gains (losses)	175,740	(176,238)
Unrealized gains (losses)	253,554	(520,970)
Change in value of split-interest agreements	<u>1,979</u>	<u>(3,900)</u>
	<u>488,212</u>	<u>(543,882)</u>
Change in Net Assets without Donor Restrictions	<u>(164,679)</u>	<u>(801,897)</u>
Changes in Net Assets with Donor Restrictions		
Contributions and bequests	152,425	518,092
Investment income, net of fees	139,516	102,957
Realized gains (losses)	390,096	(344,989)
Unrealized gains (losses)	606,158	(1,022,821)
Change in value of perpetual trust	8,176	(22,266)
Net assets released from restriction for operations included in other operating revenues	<u>(563,068)</u>	<u>(690,284)</u>
Change in Net Assets with Donor Restrictions	<u>733,303</u>	<u>(1,459,311)</u>
Change in Net Assets	568,624	(2,261,208)
Net Assets, Beginning	<u>15,790,191</u>	<u>18,051,399</u>
Net Assets, End	<u>\$ 16,358,815</u>	<u>\$ 15,790,191</u>

**Central Administrative Office of The Diocese of Western North Carolina
Statements of Functional Expenses
Years Ended December 31, 2023 and 2022**

	2023						Totals
	Direct Support	Salaries & Benefits	Travel & Education	Property & Supply Costs	Purchased Services	Other Operating Expenses	
Program Services							
Diocesan Services	\$ 22,788	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,788
Grants and Income Distribution	946,461	-	-	-	-	-	946,461
National & Provincial Church	240,460	-	-	-	-	-	240,460
Ministry Development	61,462	-	-	-	-	-	61,462
Youth & College Ministries	331,813	-	-	-	-	-	331,813
Justice & Outreach Ministries	44,431	-	-	-	-	-	44,431
Christian Formation Ministries	21,750	-	-	-	-	-	21,750
Congregational Vitality Ministry	232,299	-	-	-	-	-	232,299
Latino Ministries	211,979	-	-	-	-	-	211,979
Total Program Services	<u>2,113,443</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,113,443</u>
Supporting Services							
Bishop's Office	-	275,126	23,021	-	-	-	298,147
Canon to the Ordinary Office	-	172,193	5,854	-	-	-	178,047
CFO Office	-	103,261	1,916	-	-	-	105,177
Communications and Development	-	48,001	156	-	-	-	48,157
Office Administration Costs	-	-	-	264,529	90,340	15,597	370,466
Total Supporting Services	<u>-</u>	<u>598,581</u>	<u>30,947</u>	<u>264,529</u>	<u>90,340</u>	<u>15,597</u>	<u>999,994</u>
Total Expenses	<u>\$ 2,113,443</u>	<u>\$ 598,581</u>	<u>\$ 30,947</u>	<u>\$ 264,529</u>	<u>\$ 90,340</u>	<u>\$ 15,597</u>	<u>\$ 3,113,437</u>
	2022						Totals
	Direct Support	Salaries & Benefits	Travel & Education	Property & Supply Costs	Purchased Services	Other Operating Expenses	
Program Services							
Diocesan Services	\$ 19,584	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,584
Grants and Income Distribution	678,016	-	-	-	-	-	678,016
National & Provincial Church	260,390	-	-	-	-	-	260,390
Ministry Development	59,541	-	-	-	-	-	59,541
Youth & College Ministries	377,211	-	-	-	-	-	377,211
Justice & Outreach Ministries	44,783	-	-	-	-	-	44,783
Christian Formation Ministries	59,750	-	-	-	-	-	59,750
Congregational Vitality Ministry	169,256	-	-	-	-	-	169,256
Latino Ministries	200,526	-	-	-	-	-	200,526
Total Program Services	<u>1,869,057</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,869,057</u>
Supporting Services							
Bishop's Office	-	266,428	35,860	-	-	-	302,288
Canon to the Ordinary Office	-	147,920	4,068	-	-	-	151,988
CFO Office	-	100,867	2,679	-	-	-	103,546
Communications and Development	-	41,484	361	-	-	-	41,845
Office Administration Costs	-	-	-	257,076	67,446	19,205	343,727
Total Supporting Services	<u>-</u>	<u>556,699</u>	<u>42,968</u>	<u>257,076</u>	<u>67,446</u>	<u>19,205</u>	<u>943,394</u>
Total Expenses	<u>\$ 1,869,057</u>	<u>\$ 556,699</u>	<u>\$ 42,968</u>	<u>\$ 257,076</u>	<u>\$ 67,446</u>	<u>\$ 19,205</u>	<u>\$ 2,812,451</u>

See Notes to Financial Statements

Central Administrative Office of The Diocese of Western North Carolina
Statements of Cash Flows
Years Ended December 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Operating Activities		
Change in net assets	\$ 568,624	\$ (2,261,208)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Realized (gains) losses on sale of investments	(565,836)	521,227
Unrealized (gains) losses on investments	(859,712)	1,543,791
Depreciation	198,864	182,550
(Gain) loss from perpetual trust	(8,176)	22,266
Gain from release of postretirement benefit obligation	-	(147,710)
Annuity payable	(1,979)	3,900
Change in operating assets and liabilities		
Pledges, accounts, and other receivables	27,874	(49,882)
Prepaid expenses	(107)	(17,013)
Accounts payable and accrued liabilities	85,357	14,429
Fiduciary funds - held for others	1,482,175	(740,340)
	<u>927,084</u>	<u>(927,990)</u>
Net cash provided (used) by operating activities		
Investing Activities		
Purchase of investments	(6,190,930)	(4,190,616)
Proceeds from sale of investments	4,728,838	4,728,838
Purchase of property and equipment	(16,016)	(42,119)
Issuance of loans receivable	(50,000)	(50,000)
Collections of loans receivable	(8,216)	45,980
	<u>(1,536,324)</u>	<u>492,083</u>
Net cash (used) provided by investing activities		
Financing Activities		
Borrowings on long-term debt	-	49,381
Payments on long-term debt	(6,688)	(29,302)
	<u>(6,688)</u>	<u>20,079</u>
Net cash (used) provided by financing activities		
Change in Cash and Cash Equivalents	(615,928)	(415,828)
Cash and Cash Equivalents, Beginning of Year	<u>1,078,201</u>	<u>1,494,029</u>
Cash and Cash Equivalents, End of Year	<u>\$ 462,273</u>	<u>\$ 1,078,201</u>
Supplemental Disclosures		
Cash paid for interest	\$ 1,653	\$ 1,723

Note 1. Summary of Significant Accounting Policies

Nature of Operations

The Episcopal Diocese of Western North Carolina is a religious organization which provides education and support programs, through the use of pledges and other contributions, to all member churches within the Diocese. The primary source of revenue is pledges from churches. Its members are located in and west of Alleghany, Wilkes, Alexander, Catawba, Lincoln and Gaston counties of North Carolina.

Basis of Presentation

The accompanying financial statements include only those assets, liabilities, and operations for which the Central Administrative Office of The Diocese of Western North Carolina (the "Diocese") maintains direct operational control. These financial statements do not include assets, liabilities, and operations of the parish churches; Valle Crucis Conference Center; Lake Logan Conference Center and Camp Henry, Inc.; Christ School, Inc.; or any other affiliated organizations under the jurisdiction of the Diocese, except for transactions with the Diocese as reflected on the books and records of the Diocese.

Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand and deposits at financial institutions with an original maturity of three months or less. At times, cash balances may exceed federally insured amounts. The Diocese has not experienced any losses on such accounts and management does not believe the Diocese is exposed to any significant credit risk on cash and cash equivalents.

Contributions

Contributions received are recorded as support with donor restrictions or without donor restrictions, depending on the existence and/or nature of any donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities and Changes in Net Assets as net assets released from restrictions.

Pledges from churches are recorded as receivables in the year made, less an allowance for uncollectible amounts. Pledges for support of current operations are recorded as contributions without donor restrictions. Pledges for support of future operations or for the acquisition of property and equipment are recorded as contributions with donor restrictions. Pledges that are expected to be paid over multiple years are reported at their estimated present value.

Pledges by parishes and missions in the Operating Fund are recorded as revenue in the year made at their estimated net realizable value. The Diocese has estimated that pledges receivable from churches will be fully collectible in the following year. Therefore, no allowance for pledges receivable was made during 2023 and 2022.

Gifts and investment income that are originally restricted by the donor and for which the restriction is met in the same time period the gift is received are recorded as revenue with donor restrictions and then released from restriction.

Net Assets

The Diocese is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

**Central Administrative Office of The Diocese of Western North Carolina
Notes to Financial Statements
December 31, 2023 and 2022**

Net Assets without Donor Restrictions

Net assets available for use in general operations and not subject to donor restrictions. Through action of the Executive Council, certain net assets within net assets without donor restrictions have been designated for a specific purpose and are identified as "Board Designated".

Net Assets with Donor Restrictions

Net assets subject to donor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Fiduciary Permanent Endowments and Funds Held for Others

Fiduciary permanent endowments and funds held for others result mostly from fiduciary funds received from member parishes that participate in the managed investment account of the Diocese. The Board of Trustees, serving in a fiduciary capacity as it relates to these funds, has developed the following policies regarding parish investments:

- Parishes must make an initial minimum investment of \$20,000;
- Parishes and Conference Centers are eligible to participate;
- Initial amount must remain invested for five years prior to withdrawal unless approved by CFO;
- Withdrawal of funds may require a written notice three months prior to withdrawal;
- Investment earnings will be distributed annually by June 1.

Fiduciary permanent endowments include amounts received from member parishes that have permanent donor restrictions placed on the original gift.

Property and Equipment

Property and equipment acquisitions over \$1,000 are carried at cost for properties purchased/constructed and market value at date of gift for donated properties. Depreciation is computed using the straight-line method at rates designed to amortize the cost of the assets over their estimated useful life. Major renewals and improvements are charged to the property accounts while replacements, maintenance and repairs, which do not improve or extend the life of the asset, are expensed currently.

The estimated useful lives for each major depreciable classification of property and equipment are as follows:

Buildings, buildings improvements, and land improvements	35 - 40 years
Land improvements	35 - 40 years
Furniture, fixtures, and equipment	3 - 5 years
Vehicles	5 - 10 years

Loans Receivable

The Diocese regularly makes unsecured loans to parishes located within the Diocese for various purposes. All loans granted out of these funds are interest-free and the loan term is generally five years. The Diocese provides an allowance for credit losses, which is based upon a review of outstanding loans receivable, historical collection information, and existing economic conditions adjusted for current conditions and reasonable and supportable forecasts. At December 31, 2023 and 2022, no allowance for credit losses was deemed necessary.

Central Administrative Office of The Diocese of Western North Carolina
Notes to Financial Statements
December 31, 2023 and 2022

Investments and Related Income

Equity and debt security investments are valued at fair value using quoted market prices. Investment return includes dividend, interest and other investment income; realized and unrealized gains and losses on investments carried at fair value; and realized gains and losses on other investments, less external and direct internal investment expenses. Gains and losses on the sale of securities are recorded on the trade date and are determined using the specific identification method.

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

The Diocese maintains pooled investment accounts for its endowments. Investment income and realized and unrealized gains and losses from securities in the pooled investment accounts are allocated monthly to the individual endowments based on the relationship of the fair value of the interest of each endowment to the total fair value of the pooled investments accounts, as adjusted for additions to or deductions from those accounts.

Gift Annuity Trust

The Diocese administers a gift annuity trust. A gift annuity trust provides for the payment of a prescribed amount to the grantor or other designated beneficiaries over the trust's term (usually the designated beneficiary's lifetime). At the end of the trust's term, the remaining assets are available for the Diocese's use. Upon termination, the principal of the annuity is transferred to the net asset group designated by the grantor. In the period the trust is established, the portion of the trust attributable to the future interest of the Diocese is recorded in the Statements of Activities and Changes in Net Assets as a contribution in the net assets class in which the assets will be placed at end of the trust. Assets held in the gift annuity trust are recorded at fair market value in the Diocese's Statements of Financial Position. On an annual basis, the Diocese revalues the annuity liability based on actuarial assumptions. The present value of the estimated future payments is calculated using a discount rate based on the prevailing federal mid-term rate for all annuities and applicable mortality tables.

Beneficial Interest in Perpetual Trust

The Diocese has been named as an irrevocable beneficiary of a perpetual trust held and administered by independent trustees. The perpetual trust provides for the distribution of the net income of the trust to the Diocese; however, the Diocese will never receive the assets of the trust.

At the date the Diocese receives notice of a beneficial interest, a contribution with donor restrictions of a perpetual nature is recorded in the statement of activities. A beneficial interest in perpetual trust is recorded in the statements of financial position at the fair value of the underlying trust assets. Thereafter, beneficial interests in the trusts are reported at the fair value of the trust's assets in the statements of financial position, with trust distributions and changes in fair value recognized in the statements of activities.

Income Taxes

The Diocese is exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and the statutes of the State of North Carolina. Accordingly, no provision for income taxes is provided in the financial statements.

The Diocese's policy is to record a liability for any tax position taken that is beneficial to the Diocese, including any related interest and penalties, when it is more likely than not the position taken by management with respect to a transaction or class of transactions will be overturned by a taxing authority upon examination. Management believes there are no such positions as of December 31, 2023, and accordingly, no liability has been accrued.

Central Administrative Office of The Diocese of Western North Carolina
Notes to Financial Statements
December 31, 2023 and 2022

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional Expenses

The Diocese allocates its expenses on a functional basis among its programs and supporting services. Expenses that can be identified with a specific program and support service are allocated directly according to their nature and expense classification. Other expenses that are common to several functions are allocated based upon management's best estimates of time spent or facilities used.

Adoption of New Accounting Standard

Effective January 1, 2023, the Diocese adopted ASU 2016-13, *Financial Instrument – Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments* related to the impairment of financial instruments. This guidance, commonly referred to as Current Expected Credit Loss (“CECL”), changes impairment recognition to a model that is based on expected losses rather than incurred losses. The measurement of expected credit losses under the CECL methodology is applicable to financial assets measured at amortized cost, including loans receivable. The adoption of ASU 2016-13 did not have a material impact on the Diocese's financial statements as of January 1, 2023 or the year ended December 31, 2023.

Subsequent Events

Subsequent events have been evaluated by the Diocese through July 29, 2024, the date the financial statements were available to be issued.

Note 2. Liquidity and Availability

As part of its liquidity management, the Diocese has a policy to structure its financial assets to be available as its general expenses, liabilities, and other obligations come due. The following schedule reflects the Diocese's financial assets to meet cash needs for general expenses within one year as of December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Total cash and cash equivalents	\$ 462,273	\$ 1,078,201
Total investments	18,751,904	15,864,264
Fiduciary endowments and funds held for others	(7,684,588)	(6,202,413)
Donor-restricted cash and cash equivalents and investments	<u>(8,236,976)</u>	<u>(7,503,673)</u>
Total	<u>\$ 3,292,613</u>	<u>\$ 3,236,379</u>

The Diocese has board-designated assets limited to use which are available for general expenditures within one year in the normal course of operations. Accordingly, these assets have been included in the quantitative information above for financial assets available to be used within one year. The Diocese has other assets limited to use for donor-restricted purposes and endowed investments. These assets are limited in use, which is more fully described in Notes 5 and 6, and are not available within one year.

Central Administrative Office of The Diocese of Western North Carolina
Notes to Financial Statements
December 31, 2023 and 2022

Note 3. Property and Equipment

Property and equipment consists of the following at December 31:

	<u>2023</u>	<u>2022</u>
Land	\$ 1,521,958	\$ 1,521,958
Land improvements	1,147,488	1,147,488
Buildings and building improvements	6,800,501	6,788,842
Furniture, fixtures and equipment	368,048	368,048
Computer equipment	81,319	76,960
Vehicles	<u>88,267</u>	<u>88,267</u>
	10,007,581	9,991,563
Accumulated depreciation	<u>(5,319,157)</u>	<u>(5,120,291)</u>
	<u>\$ 4,688,424</u>	<u>\$ 4,871,272</u>

Depreciation expense for the years ended December 31, 2023 and 2022 was \$198,864 and \$182,550, respectively.

Note 4. Note Payable

The Diocese has a vehicle financing note payable to bank that matures in December 2028 and has an interest rate of 7.59%. The note payable is secured by the vehicle. Future principal maturities of this note are as follows at December 31, 2023:

2024	\$ 7,315
2025	7,890
2026	8,510
2027	9,179
2028	<u>9,799</u>
	<u>\$ 42,693</u>

Note 5. Net Assets

Net Assets With Donor Restrictions

Net assets with donor restrictions at December 31 are restricted for the following purposes or periods:

	<u>2023</u>	<u>2022</u>
Purpose restricted		
Diocesan Programs	\$ 3,058,476	\$ 2,635,080
Scholarships and Educational Assistance	670,057	559,385
Mission Support	745,078	678,512
Parish Support and Assistance	<u>1,566,627</u>	<u>1,396,377</u>

Central Administrative Office of The Diocese of Western North Carolina
Notes to Financial Statements
December 31, 2023 and 2022

Time restricted for endowments, which are generally perpetual in nature:

Diocesan Programs	917,871	917,871
Scholarships and Educational Assistance	173,733	172,531
Mission Support	933,101	980,060
Parish Support and Assistance	90,076	90,076
Beneficial interest in perpetual trust	<u>81,957</u>	<u>73,781</u>
	<u>\$ 8,236,976</u>	<u>\$ 7,503,673</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors as follows for the years ended December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Satisfaction of purpose restriction	<u>\$ 563,068</u>	<u>\$ 690,284</u>

Net Assets Without Donor Restrictions

Net assets without donor restrictions are as follows as of December 31:

	<u>2023</u>	<u>2022</u>
Undesignated	\$ 4,701,081	\$ 4,833,322
Board designated for future expenditures	1,719,737	1,879,657
Board designated for endowment	<u>1,751,805</u>	<u>1,573,539</u>
	<u>\$ 8,172,623</u>	<u>\$ 8,286,518</u>

Note 6. Endowment Funds

As of December 31, 2023, the Diocese's endowment consists of approximately 20 individual funds established for a variety of purposes. The endowment includes donor-restricted funds and board-designated funds. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Trustees of the Diocese 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 Diocese classifies as donor-restricted net assets (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as corpus is classified as donor-restricted net assets until those amounts are appropriated for the expenditure by the Diocese in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Diocese considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor restricted endowment funds, (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 Diocese, and (7) the Diocese's investment policies.

Central Administrative Office of The Diocese of Western North Carolina
Notes to Financial Statements
December 31, 2023 and 2022

Endowment Investment and Spending Policies

The Diocese has adopted investment and spending policies, approved by the Board of Trustees, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of these endowment assets over the long-term. The Diocese's spending and investment policies work together to achieve this objective. This investment policy establishes an achievable return objective through diversification of asset classes. To satisfy its long-term rate-of-return objectives, the Diocese relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Diocese targets a diversified asset allocation that places an emphasis on equity investments.

The spending policy calculates the disbursement from the endowment funds based on a percentage of the average of the trailing three years' ending market value of the endowment fund. The Board of Trustees determines the spending level on an annual basis. For, this spending level was 4.00%. This spending policy allows for preservation of principal as well as capital appreciation. This is consistent with the Diocese's objective to maintain the purchasing power of endowment as well as to provide additional real growth through investment return.

Endowment net asset composition by type of fund are as follows as of December 31:

	2023		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 6,169,913	\$ 6,169,913
Board-designated endowment funds	<u>1,751,805</u>	<u>-</u>	<u>1,751,805</u>
Total	<u>\$ 1,751,805</u>	<u>\$ 6,169,913</u>	<u>\$ 7,921,718</u>
	2022		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Donor-restricted endowment funds	\$ -	\$ 5,557,166	\$ 5,557,166
Board-designated endowment funds	<u>1,573,539</u>	<u>-</u>	<u>1,573,539</u>
Total	<u>\$ 1,573,539</u>	<u>\$ 5,557,166</u>	<u>\$ 7,130,705</u>

Central Administrative Office of The Diocese of Western North Carolina
Notes to Financial Statements
December 31, 2023 and 2022

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

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 1,573,539	\$ 5,557,166	\$ 7,130,705
Contributions	1,277	9,659	10,936
Investment income, net of fees	22,975	82,304	105,279
Net unrealized and realized gain on investments	215,339	770,809	986,148
Net gain on perpetual trust	-	8,176	8,176
Amounts appropriated for expenditure	<u>(61,325)</u>	<u>(258,201)</u>	<u>(319,526)</u>
Endowment net assets, end of year	<u>\$ 1,751,805</u>	<u>\$ 6,169,913</u>	<u>\$ 7,921,718</u>
	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 1,913,315	\$ 6,388,136	\$ 8,301,451
Contributions	1,077	349,287	350,364
Investment income, net of fees	20,202	81,690	101,892
Net unrealized and realized loss on investments	(303,384)	(1,007,415)	(1,310,799)
Net loss on perpetual trust	-	(22,266)	(22,266)
Amounts appropriated for expenditure	<u>(57,671)</u>	<u>(232,266)</u>	<u>(289,937)</u>
Endowment net assets, end of year	<u>\$ 1,573,539</u>	<u>\$ 5,557,166</u>	<u>\$ 7,130,705</u>

Note 7. Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. The hierarchy comprises three levels of inputs that may be used to measure fair value:

- Level 1** Quoted prices in active markets for identical assets or liabilities
- Level 2** 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 for substantially the full term of the assets or liabilities
- Level 3** Unobservable inputs supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Central Administrative Office of The Diocese of Western North Carolina
Notes to Financial Statements
December 31, 2023 and 2022

Recurring Measurements

The following tables present the fair value measurements of assets and liabilities recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31:

	2023			
Fair Value	Quoted In Active Markets for Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Certificates of deposit	\$ 100,000	\$ -	\$ 100,000	\$ -
Equity securities	14,034,562	14,034,562	-	-
Mutual funds	232,981	232,981	-	-
U.S. government and agency securities	103,563	-	103,563	-
Corporate debt obligation	4,263,436	-	4,263,436	-
Real estate asset funds	9,628	9,628	-	-
Other	7,734	7,734	-	-
Beneficial interest in perpetual trust	<u>81,957</u>	<u>-</u>	<u>-</u>	<u>81,957</u>
	<u>\$ 18,833,861</u>	<u>\$ 14,284,905</u>	<u>\$ 4,466,999</u>	<u>\$ 81,957</u>

	2022			
Fair Value	Quoted In Active Markets for Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Certificates of deposit	\$ 100,000	\$ 100,000	\$ -	\$ -
Equity securities	11,862,548	11,862,548	-	-
Mutual funds	210,022	210,022	-	-
U.S. government and agency securities	73,176	-	73,176	-
Corporate debt obligation	3,603,412	-	3,603,412	-
Real estate asset funds	5,188	5,188	-	-
Other	9,918	9,918	-	-
Beneficial interest in perpetual trust	<u>73,781</u>	<u>-</u>	<u>-</u>	<u>73,781</u>
	<u>\$ 15,938,045</u>	<u>\$ 12,187,676</u>	<u>\$ 3,676,588</u>	<u>\$ 73,781</u>

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy.

Fair value for a beneficial interest is determined by the fair values of the assets in the trust, which are determined by reference to quoted market prices and other relevant information generated by market transactions. Due to the nature of the valuation inputs, the interest is classified within Level 3 of the hierarchy.

Note 8. Retirement Plans

The Diocese participates in the Church Pension Fund, a defined benefit pension plan. The Clergy pension plan covers employees who have been ordained to the Diaconate. Lay employees can participate in either a defined benefit plan or a defined contribution plan and are eligible upon employment.

Central Administrative Office of The Diocese of Western North Carolina
Notes to Financial Statements
December 31, 2023 and 2022

The plan is held and maintained by The Church Pension Group. For ordained employees, the Diocese funds the plan at a rate of 18% of eligible compensation. The Church Pension Group is responsible for the payment of benefits. Contributions to the fund by the Diocese for December 31, 2023 and 2022 were \$82,170 and \$76,433, respectively.

The Diocese funds the pension costs for lay employees in the defined benefit plan at 9% of the employee's salary. Employees are fully vested in the plan after five years of employment. For lay employees that participate in the Defined Contribution Plan, the Diocese contributes 5% and will match an additional 4% for a total potential of 9%. Contributions to the fund for lay employees for December 31, 2023 and 2022 were \$24,773 and \$23,215, respectively. Employees are fully vested in the plan after five years of employment, if under age 55; employees over the age of 55 are immediately vested.

Note 9. Postretirement Benefit Plan

The Diocese supported a benefit plan for eligible retired Bishops and their spouses through December 31, 2021, whereby the Diocese furnished medical insurance upon retirement. Effective January 1, 2022, the Diocese terminated this benefit plan and a gain from the release of this obligation was recognized in the 2022 Statement of Activities and Changes in Net Assets.

Note 10. Related Party Transactions

The Diocese provides financial support to Lake Logan Episcopal Conference Center, Inc. The Diocese's Executive Council has approval powers for the appointment of Lake Logan Episcopal Conference Center, Inc.'s board members, and the Executive Council is represented on the Lake Logan board by three members. In prior years, the Diocese has been financially responsible for Lake Logan's payroll, payroll taxes, and various other expenses, including the payoff of a line of credit, and is reimbursed by Lake Logan. At December 31, 2023 and 2022, there is no significant balance owed to/from Lake Logan Episcopal Conference Center, Inc. for these various expenses.

Supplementary Information

Central Administrative Office of The Diocese of Western North Carolina
Schedule "1"
Board Designated Funds – Summary of Fund Transactions
Year Ended December 31, 2023

	Balance January 1, 2023	Additions	Investment Income, Net	Realized Gains	Unrealized Gains	Transfers (To)/From Operating Fund	Disbursements	Change in Value of Split Interest	Balance December 31, 2023
Clergy Sabbatical	\$ 13,025	\$ -	\$ 201	\$ 761	\$ 1,126	\$ -	\$ -	\$ -	\$ 15,113
Property Maintenance Reserve	21,497	-	355	1,346	2,010	3,500	-	-	28,708
General Convention Reserve	35,888	-	627	2,383	3,600	11,000	-	-	53,498
Lambeth Reserve	4,801	-	88	332	501	3,500	(1,500)	-	7,722
Bishop's Transition Reserve	56,274	-	922	3,494	5,211	8,000	-	-	73,901
Curacy	8,451	-	1,395	-	-	-	(40)	-	9,806
IONA Program Reserve	33,455	1,000	520	1,969	2,986	-	-	-	39,930
Holt Trust	10,152	-	1,675	-	-	-	(47)	-	11,780
DWNC Educational Assistance	36,791	-	6,071	-	-	-	(172)	-	42,690
Planned Giving	2,572	-	424	-	-	-	(12)	-	2,984
LLEC/Camp Henry - Hindle Trust	26,665	750	317	1,280	1,184	-	(22,763)	-	7,433
Contingency Fund	968,093	45,562	12,644	46,983	67,506	800	(236,574)	-	905,014
Proceeds Morgan School	438,722	-	7,031	26,319	39,560	(18,900)	(12,000)	1,979	482,711
Centennial Capital - General	-	10,000	99	422	777	-	-	-	11,298
Spending Pool - DWNC	40,011	-	457	45	(4,590)	-	(33,847)	-	2,076
Sabbatical Fund	25,978	12,390	294	1,162	1,584	-	(21,524)	-	19,884
Centennial Capital LLCC	84,948	10,950	395	1,427	1,675	-	(99,395)	-	-
Centennial Capital Development	27,561	252	222	777	327	-	(29,139)	-	-
Holy Cross Mt Holy	40,365	40,000	159	420	739	(1,609)	(80,000)	-	74
Towel Ministry	4,408	-	68	258	381	-	-	-	5,115
	<u>\$ 1,879,657</u>	<u>\$ 120,904</u>	<u>\$ 33,964</u>	<u>\$ 89,378</u>	<u>\$ 124,577</u>	<u>\$ 6,291</u>	<u>\$ (537,013)</u>	<u>\$ 1,979</u>	<u>\$ 1,719,737</u>

Central Administrative Office of The Diocese of Western North Carolina
Schedule "2"
Restricted Funds – Summary of Fund Transactions
Year Ended December 31, 2023

	Balance January 1, 2023	Additions	Investment Income, Net	Realized Gains	Unrealized Gains	Transfers (To)/From Operating Fund	Disbursements	Balance December 31, 2023
Advancement Grants	\$ 27,231	\$ -	\$ 4,493	\$ -	\$ -	\$ -	\$ (127)	\$ 31,597
Alice Mason Memorial Fund	11,320	-	175	661	979	-	-	13,135
Becoming Beloved Community Grant	636	-	-	-	-	-	-	636
Bishop's Discretionary Fund	244,512	39,502	5,642	3,923	21,157	-	(47,834)	266,902
BRSC ECW/WHW Grant	4,578	-	-	-	-	-	-	4,578
Cherokee Mother Baby Camp	2,547	-	420	-	-	-	(12)	2,955
Camp Henry Scholarship Fund	24,386	3,112	373	1,453	1,789	-	(10,117)	20,996
Camp Henry ERC Grant	1,559	-	-	-	-	-	(1,216)	343
Camp Henry Meares Memorial Fund	12,712	-	197	743	1,099	-	-	14,751
Chancellor's Fund - Camp Henry	236,761	-	3,551	13,300	20,016	-	(9,440)	264,188
Christian Athlete Circles	10,264	280	-	-	-	-	(10,544)	-
Deaf Ministry	2,332	-	385	-	-	-	(11)	2,706
Diocese of Cuba	1,502	-	-	-	-	-	-	1,502
Economic Development Fund	26,273	-	25,025	-	-	-	-	51,298
Blue Ridge Service Corp	40,261	-	621	2,352	3,482	-	-	46,716
Farm Workers	27,295	-	409	1,533	2,308	(1,088)	-	30,457
Hildegarden NEC Disc. Grant	1,650	-	-	-	-	-	-	1,650
Hispanic Scholarships	29,356	9,476	503	1,934	2,713	-	(9,000)	34,982
Human Hurt & Hope	121,516	-	1,028	2,870	7,599	(4,845)	(115,000)	13,168
Latino Mission Restricted	345	5,500	-	-	-	-	(91)	5,754
Latino ERD Grant	1,450	-	-	-	-	-	500	1,950
Los Vecinos	7,769	-	101	373	534	-	(1,903)	6,874
Miles of Pennies Grant	310	-	-	-	-	-	(310)	-
Nell Burns	18,741	-	281	1,053	1,584	(747)	-	20,912
New Congregations	403,548	-	5,788	21,618	32,422	(16,089)	(37,407)	409,880
PITAA Scholarship Fund	1,511	4,283	-	-	-	-	(5,794)	-
Reserve - K. Kramer SMSS	-	3,000	-	-	-	-	-	3,000
Recovery Ministry	2,284	-	36	133	198	-	-	2,651
Restoration and Maintenance	468,560	49,083	5,006	18,497	29,084	(13,002)	-	557,228
Seminarian Fund	27,614	7,460	487	1,860	2,764	-	(1,500)	38,685
St. Andrews Childrens	126,850	20,000	2,114	8,042	11,935	-	(5,058)	163,883
TEC Disaster Relief Grant	10,000	-	-	-	-	-	(10,000)	-
UNCA Campus Ministry	8,401	-	129	491	727	-	-	9,748
UTO Grants	4,959	-	-	-	-	-	(2,787)	2,172
Vacation Bible Grant	6,361	-	-	-	-	-	(1,011)	5,350
WCU Episcopal Grant	2,000	1,069	-	-	-	-	(433)	2,636
3rd Place Campus Ministry	29,113	-	448	1,701	2,518	-	-	33,780
	<u>\$ 1,946,507</u>	<u>\$ 142,765</u>	<u>\$ 57,212</u>	<u>\$ 82,537</u>	<u>\$ 142,908</u>	<u>\$ (35,771)</u>	<u>\$ (269,095)</u>	<u>\$ 2,067,063</u>

Central Administrative Office of The Diocese of Western North Carolina
Schedule "3"
Endowment Funds – Summary of Fund Transactions
Year Ended December 31, 2023

	<u>Balance January 1, 2023</u>	<u>Additions</u>	<u>Investment Income, Net</u>	<u>Realized Gains</u>	<u>Unrealized Gains</u>	<u>Transfers (To)/From Operating Fund</u>	<u>Disbursements</u>	<u>Change In Value</u>	<u>Balance December 31, 2023</u>
Donor-Restricted Corpus Funds									
Alston Fund	\$ 904,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 904,000
Hix Fund	4,550	-	-	-	-	-	-	-	4,550
Jane Wilkes Fund	9,321	-	-	-	-	-	-	-	9,321
Bishop Weinhauer Fund	90,076	-	-	-	-	-	-	-	90,076
Ann W. Peden Fund	72,531	-	132	60	1,010	-	-	-	73,733
PITAA Scholarship Fund	100,000	-	-	-	-	-	-	-	100,000
P. Minkler Howell Childrens Fund	196,769	1,500	-	-	-	-	(44,950)	-	153,319
Sheffer Ministries Fund	673,291	-	-	-	-	-	(5,834)	-	667,457
Swann Endowment Fund	100,000	2,325	-	-	-	-	-	-	102,325
Trinity Spruce Pine Support Fund	10,000	-	-	-	-	-	-	-	10,000
Total donor-restricted corpus funds	<u>2,160,538</u>	<u>3,825</u>	<u>132</u>	<u>60</u>	<u>1,010</u>	<u>-</u>	<u>(50,784)</u>	<u>-</u>	<u>2,114,781</u>
Beneficial Interest in Perpetual Trust	<u>73,781</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,176</u>	<u>81,957</u>
Total Donor-Restricted Corpus Funds and Beneficial Interest in Perpetual Trust	<u>2,234,319</u>	<u>3,825</u>	<u>132</u>	<u>60</u>	<u>1,010</u>	<u>-</u>	<u>(50,784)</u>	<u>8,176</u>	<u>2,196,738</u>
Donor-Restricted Earnings from Corpus Funds									
Alston Earnings	2,396,649	-	49,514	185,410	279,044	(131,597)	-	-	2,779,020
Ann W. Peden Fund	78,260	-	2,275	8,538	12,806	-	(6,012)	-	95,867
Hix Fund	175	-	71	265	399	-	(188)	-	722
Jane Wilkes, Piedmont Deanery	352,955	-	5,435	20,350	30,628	(14,444)	-	-	394,924
Weinhauer Earnings	171,314	-	3,922	14,683	22,098	(10,422)	-	-	201,595
Sheffer St. John's	58,365	-	10,910	40,830	61,466	-	(29,171)	-	142,400
Sheffer Bishop's Discretionary	22,516	5,834	425	1,594	2,187	-	(898)	-	31,658
Swann Endowment Fund	12,652	-	1,739	6,581	9,742	-	-	-	30,714
PITAA Scholarship Fund	7,416	-	1,610	6,034	9,081	-	(4,282)	-	19,859
P. Minkler Howell Childrens Fund	97,040	-	4,256	15,681	23,977	-	-	-	140,954
Trinity Spruce Pine Endowment Fund	629	-	159	597	899	-	(424)	-	1,860
Total Donor-Restricted Earnings From Corpus Funds	<u>3,197,971</u>	<u>5,834</u>	<u>80,316</u>	<u>300,563</u>	<u>452,327</u>	<u>(156,463)</u>	<u>(40,975)</u>	<u>-</u>	<u>3,839,573</u>

**Central Administrative Office of The Diocese of Western North Carolina
Schedule "3"
Endowment Funds – Summary of Fund Transactions
Year Ended December 31, 2023**

(Continued)

	<u>Balance January 1, 2023</u>	<u>Additions</u>	<u>Investment Income, Net</u>	<u>Realized Gains</u>	<u>Unrealized Gains</u>	<u>Transfers (To)/From Operating Fund</u>	<u>Disbursements</u>	<u>Change In Value</u>	<u>Balance December 31, 2023</u>
Other Donor-Restricted Funds in Endowment									
Genevieve Cooper Smith Fund	30,516	-	458	1,714	2,580	(1,217)	-	-	34,051
St. Hilda's Press	94,360	-	1,398	5,222	7,333	(3,762)	(5,000)	-	99,551
Total Other Donor-Restricted Funds in Endowment	<u>124,876</u>	<u>-</u>	<u>1,856</u>	<u>6,936</u>	<u>9,913</u>	<u>(4,979)</u>	<u>(5,000)</u>	<u>-</u>	<u>133,602</u>
Board-Designated Endowment Funds									
Bishop's Rental	143,876	900	1,627	6,094	9,171	(4,325)	-	-	157,343
Bishop's Salary	104,706	-	1,570	5,882	8,852	(4,175)	-	-	116,835
Diocesan General Fund	231,526	377	3,478	13,027	19,597	(9,231)	-	-	258,774
Valle Crucis Conference Center	1,093,431	-	16,300	61,359	91,357	-	(43,594)	-	1,218,853
Total Board-Designated Endowment Funds	<u>1,573,539</u>	<u>1,277</u>	<u>22,975</u>	<u>86,362</u>	<u>128,977</u>	<u>(17,731)</u>	<u>(43,594)</u>	<u>-</u>	<u>1,751,805</u>
Total Endowment Funds	<u>\$ 7,130,705</u>	<u>\$ 10,936</u>	<u>\$ 105,279</u>	<u>\$ 393,921</u>	<u>\$ 592,227</u>	<u>\$ (179,173)</u>	<u>\$ (140,353)</u>	<u>\$ 8,176</u>	<u>\$ 7,921,718</u>

Central Administrative Office of The Diocese of Western North Carolina
Schedule "4"
Fiduciary Funds – Summary of Fund Transactions
Year Ended December 31, 2023

	Balances January 1, 2023	Additions	Investment Income	Distributions	Balances December 31, 2023
Fiduciary Funds Held for Others					
All Saints - Beymer Fund	\$ 6,262	\$ -	\$ 969	\$ (250)	\$ 6,981
All Saints 2017 Endowment Fund	1,335,088	-	206,371	(53,230)	1,488,229
All Saints Gastonia	-	53,190	6,604	-	59,794
Bell Earnings, St. Agnes:	49,508	-	10,099	(2,586)	57,021
Christ Church Sparta DOT Funds	12,415	-	1,920	(495)	13,840
Church of the Messiah	30,702	-	4,923	-	35,625
Good Shepherd Cemetery	18,593	-	2,981	-	21,574
Good Shepherd Tryon Investment Fund	132,449	-	20,473	(5,281)	147,641
Holy Cross Valle Crucis Endowment Fund	11,664	-	1,870	-	13,534
Holy Cross Valle Crucis Investment Pool	236,688	-	36,779	(9,437)	264,030
Holy Family Mills River	69,922	-	10,808	(2,788)	77,942
Lake Logan Contingency Fund	31,646	5,000	767	(37,262)	151
Lake Logan Reserve Fund	1,514	19,434	1,943	-	22,891
Lake Logan Restricted Funds	4,121	-	-	(4,121)	-
Lake Logan Operating Reserves	43,982	18,880	-	-	62,862
Mary Brady Berry Fund	142,367	-	25,284	(6,474)	161,177
Our Saviour Cemetary Fund	18,458	-	2,868	(736)	20,590
Our Saviour Cemetary Interest	6,613	-	1,027	(264)	7,376
Our Saviour Emergency Repair	13,008	-	2,022	(519)	14,511
Our Saviour Memorial Fund	13,197	-	2,050	(526)	14,721
Our Saviour Savings	19,297	-	2,998	(769)	21,526
Our Saviour, Lincolnton	107,618	-	16,723	(4,291)	120,050
POHC Fiduciary Investment	154,924	-	23,948	(6,177)	172,695
Redeemer Holding Fund	38,508	-	5,952	(1,535)	42,925
Redeemer Garden	24,788	-	3,831	(988)	27,631
Redeemer Shelby Trust	(54,883)	-	142,059	(35,076)	52,100
Redeemer Shelby Wade Hendricks	55,947	-	8,648	(2,231)	62,364
St Agnes Foster	294,966	-	45,594	(11,760)	328,800
St Andrews Hope for the Future Fund	203,553	-	32,637	-	236,190
St Paul Wilkesboro	612,721	-	81,053	(134,429)	559,345
St. Agnes - Maye Anderson	12,443	-	1,923	(496)	13,870
St. Agnes Memorials	174,055	-	26,905	(6,940)	194,020
St. Agnes Slagle Endowment	7,922	-	1,224	(316)	8,830
St. Cyprians	7,437	-	1,150	(297)	8,290
St. Francis Rutherfordton	89,064	-	13,839	(3,551)	99,352
St. George's	10,552	100,000	1,631	(421)	111,762
St. James Lenoir	-	500,618	54,128	(20,025)	534,721
St. John's Haw Creek	112,293	-	17,448	(4,477)	125,264
St. John's Franklin	147,846	-	22,853	(5,895)	164,804
St. John's Sylva	-	139,263	15,960	-	155,223
St. Luke's Asheville	251,102	-	39,017	(10,011)	280,108
St. Luke's Lincolnton	87,806	-	13,572	(3,501)	97,877
St. Paul's Morganton Fiduciary	326,792	-	50,778	(13,029)	364,541
St. Paul's Morganton Endowment	182,704	-	27,480	(14,284)	195,900
Transfiguration Pooled Funds	58,126	-	9,319	-	67,445
Trinity Spruce Pine	128,643	-	19,885	(5,129)	143,397
Total Fiduciary Funds Held Held for Others	5,232,421	836,385	1,020,313	(409,597)	6,679,520

Central Administrative Office of The Diocese of Western North Carolina
 Schedule "4"
 Fiduciary Funds – Summary of Fund Transactions
 Year Ended December 31, 2023

(Continued)

	<u>Balances January 1, 2023</u>	<u>Additions</u>	<u>Investment Income</u>	<u>Distributions</u>	<u>Balances December 31, 2023</u>
Fiduciary Permanent Endowments Held for Others					
Gordon Know Bell Fund	15,350	-	-	-	15,350
Mary Brady Berry Fund	20,000	-	-	-	20,000
Redeemer Shelby Trust	934,642	35,076	-	-	969,718
Total Fiduciary Permanent Endowments Held for Others	<u>969,992</u>	<u>35,076</u>	<u>-</u>	<u>-</u>	<u>1,005,068</u>
Total Funds Held for Others	<u>\$ 6,202,413</u>	<u>\$ 871,461</u>	<u>\$ 1,020,313</u>	<u>\$ (409,597)</u>	<u>\$ 7,684,588</u>