International Mission Board of the Southern Baptist Convention

Financial Statements

Year Ended September 30, 2021 with
Comparative Totals for 2020

DHG

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Independent Auditors' Report

Trustees
International Mission Board of the Southern Baptist Convention
Richmond, Virginia

We have audited the accompanying financial statements of International Mission Board of the Southern Baptist Convention (a nonprofit organization), which comprise the statement of financial position as of September 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

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

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of International Mission Board of the Southern Baptist Convention as of September 30, 2021, and the changes in its net assets, its functional expenses and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the International Mission Board of the Southern Baptist Convention's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated January 20, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Dixon Hughes Goodman LLP

Richmond, VA
January 18, 2022

International Mission of the Southern Baptist Convention
Statement of Financial Position
September 30, 2021, with Comparative Totals for 2020
(Dollars in Thousands)

	2021			2020
	Without Donor Restrictions	With Donor Restrictions	Total	Total
ASSETS				
Cash	$ 2,390	$ -	$ 2,390	$ 3,033
Investments (note 3):				
Unrestricted	95,036	-	95,036	120,698
Designated by Board (note 4):				
Contingency reserve	117,000	-	117,000	123,000
Postretirement and postemployment fund	119,780	-	119,780	54,000
Global capital fund	60,432	-	60,432	53,877
Vision 2025 fund	35,900	-	35,900	-
Catastrophic medical fund	4,000	-	4,000	4,000
Designated by donors:				
With donor restrictions (note 9)	-	10,510	10,510	10,665
Endowments (notes 3,9 and 10)	-	28,629	28,629	26,673
Total investments	432,148	39,139	471,287	392,913
Prepaid expenses and other assets	3,117	-	3,117	2,479
Property and equipment, net (note 5)	15,940	-	15,940	16,851
Contributions receivable from trusts (notes 3 and 7)	-	5,475	5,475	5,425
Beneficial interests in perpetual trusts (notes 3,7 and 9)	-	179,389	179,389	157,045
Total assets	$ 453,595	$ 224,003	$ 677,598	$ 577,746
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable and accrued liabilities	$ 11,775	$ -	$ 11,775	$ 11,456
Amounts appropriated to missions	17	-	17	38,410
Accrued postretirement and postemployment benefit obligations (note 8)	119,780	-	119,780	128,978
Total liabilities	131,572	-	131,572	178,844
Net assets:				
Without donor restrictions (note 4)	322,023	-	322,023	199,094
With donor restrictions (note 9)	-	224,003	224,003	199,808
Total net assets	322,023	224,003	546,026	398,902
Total liabilities and net assets	$ 453,595	$ 224,003	$ 677,598	$ 577,746

International Mission of the Southern Baptist Convention
Statement of Activities
Year Ended September 30, 2021, with Comparative Totals for 2020
(Dollars in Thousands)

	2021			2020
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Contributions:				
Cooperative Program	$ 96,823	$ -	$ 96,823	$ 97,241
Lottie Moon Christmas Offering®	162,760	14,883	177,643	159,454
Hunger and relief	-	6,140	6,140	6,081
Endowments	-	325	325	19
Other contributions	135	2,028	2,163	21,755
Total contributions	259,718	23,376	283,094	284,550
Other income:				
Investment income, net	51,983	1,724	53,707	21,844
Change in value of split interest agreements (note 7)	-	20,761	20,761	1,846
Income from overseas real estate sales	4,189	-	4,189	14,860
Income from foundations and other	17,903	-	17,903	5,924
Total other income	74,075	22,485	96,560	44,474
Total contributions and other income	333,793	45,861	379,654	329,024
Net assets released from restrictions (note 9)	21,666	(21,666)	-	-
Total contributions, other income and net assets released from restrictions	355,459	24,195	379,654	329,024
Expenses:				
Overseas programs:				
Global engagement	156,746	-	156,746	152,664
Field support and other activities	61,178	-	61,178	37,747
Hunger and relief ministries	5,750	-	5,750	5,194
Ministry gifts	14,680	-	14,680	14,058
Total overseas programs expenses	238,354	-	238,354	209,663
Stateside supporting:				
Administrative	26,805	-	26,805	51,951
Promotional	6,909	-	6,909	8,209
Total stateside supporting expenses	33,714	-	33,714	60,160
Total overseas programs and stateside supporting expenses	272,068	-	272,068	269,823
Change in net assets before other changes	83,391	24,195	107,586	59,201
Other changes:				
Return of unused previously granted funds to overseas (note 11)	(36,068)	-	(36,068)	-
Changes in postretirement benefit liability other than net periodic postretirement benefit costs	(3,470)	-	(3,470)	18,428
Change in net assets	122,929	24,195	147,124	40,773
Net assets, beginning of year	199,094	199,808	398,902	358,129
Net assets, end of year	$ 322,023	$ 224,003	$ 546,026	$ 398,902

International Mission of the Southern Baptist Convention
Statement of Functional Expenses
Year Ended September 30, 2021, with Comparative Totals for 2020
(Dollars in Thousands)

	Overseas Programs				
	Global Engagement	Field Support and Other Activities	Hunger and Relief Ministries	Ministry Gifts	Total Overseas Expenses
Salaries and wages	$ 63,270	$ 21,254	$ -	$ -	$ 84,524
Employee benefits	44,275	17,785	-	-	62,060
Travel	8,324	1,923	-	-	10,247
Real property management	15,338	3,706	-	3	19,047
Ministry	587	1,205	5,750	14,321	21,863
Contract services	705	3,906	-	-	4,611
Children's education	7,757	937	-	-	8,694
Technology	49	2,075	-	-	2,124
Creative access	2,163	1,362	-	200	3,725
Residency	5,011	1,077	-	-	6,088
Vehicles	1,480	2,324	-	-	3,804
Relocation	3,672	701	-	-	4,373
Office	1,440	2,446	-	-	3,886
Training	2,176	252	-	156	2,584
Media	245	223	-	-	468
National partners	254	2	-	-	256
Total expenses	$ 156,746	$ 61,178	$ 5,750	$ 14,680	$ 238,354

	Stateside Supporting			Total	
	Administrative	Promotional	Total Stateside Supporting	2021 Expenses	2020 Expenses
Salaries and wages	$ 12,081	$ 1,567	$ 13,648	$ 98,172	$ 97,485
Employee benefits	943	1,189	2,132	64,192	59,637
Travel	1,114	171	1,285	11,532	15,027
Real property management	2,682	56	2,738	21,785	22,143
Ministry	367	480	847	22,710	19,205
Contract services	4,954	952	5,906	10,517	11,494
Children's education	41	4	45	8,739	8,783
Technology	2,596	7	2,603	4,727	5,746
Creative access	-	-	-	3,725	5,342
Residency	13	-	13	6,101	5,154
Vehicles	11	-	11	3,815	6,191
Relocation	109	14	123	4,496	3,701
Office	1,797	79	1,876	5,762	5,482
Training	92	5	97	2,681	2,557
Media	5	2,385	2,390	2,858	1,579
National partners	-	-	-	256	297
Total expenses	$ 26,805	$ 6,909	$ 33,714	$ 272,068	$ 269,823

See accompanying notes.

International Mission of the Southern Baptist Convention
Statement of Cash Flows
Year Ended September 30, 2021, with Comparative Totals for 2020
(Dollars in Thousands)

	2021	2020
Cash flows from operating activities:		
Cash received from contributions	**$ 281,461**	$ 276,434
Interest and dividends, net of investment expense	**11,057**	7,230
Other receipts	**58,160**	20,784
Contributions for restricted endowments	**(325)**	(19)
Overseas expenses	**(280,037)**	(221,810)
Stateside expenses	**(35,086)**	(58,895)
Net cash provided by operating activities	**35,230**	23,724
Cash flows from investing activities:		
Purchases of property and equipment	**(475)**	(225)
Proceeds from sales of investments	**394,029**	289,727
Purchases of investments	**(429,752)**	(316,312)
Net cash used in investing activities	**(36,198)**	(26,810)
Cash flows from financing activities:		
Contributions for restricted endowments	**325**	19
Net cash provided by financing activities	**325**	19
Net decrease in cash	**(643)**	(3,067)
Cash, beginning of year	**3,033**	6,100
Cash, end of year	**$ 2,390**	$ 3,033
Reconciliation of changes in net assets to net cash provided by operating activities:		
Change in net assets	**$ 147,124**	$ 40,773
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	**1,386**	1,471
Unrealized and realized gains on investments, net	**(42,651)**	(14,614)
Assets contributed to trusts	**(1,633)**	(8,116)
Change in value of split interest agreements	**(20,761)**	(1,846)
Contributions for restricted endowments	**(325)**	(19)
Effects of changes in operating assets and liabilities:		
Prepaid expenses and other assets	**(638)**	1,691
Accounts payable and accrued liabilities	**319**	207
Amounts appropriated to missions	**(38,393)**	(6,406)
Accrued postretirement and postemployment benefit obligations	**(9,198)**	10,583
Net cash provided by operating activities	**$ 35,230**	$ 23,724
Supplemental schedule of noncash financing activities:		
Contributions to perpetual trusts and split interest agreements	**$ 1,633**	$ 8,116

See accompanying notes.

Notes to Financial Statements

1. Nature of Organization and Significant Accounting Policies

The International Mission Board of the Southern Baptist Convention (the Board) is a nonprofit organization, which began operations in 1845 and was incorporated on February 23, 1901, in the Commonwealth of Virginia. Its mission is to partner with churches to empower limitless missionary teams who are making disciples and multiplying churches among unreached peoples and places for the glory of God. The Board has nearly 3,515 field personnel serving 1,084 people groups, and its outreach continues to grow with approximately 78,368 churches and over 496,832 members worldwide. The Board also conducts hunger and relief ministries.

The Board is an agency of the Southern Baptist Convention (SBC) and receives most of its financial support from gifts received through the Executive Committee of the SBC, mainly through the Cooperative Program and the annual Lottie Moon Christmas Offering®. The Cooperative Program is Southern Baptists' method of supporting missions and ministry efforts of state conventions, associations, and the SBC. The revenues are received ratably over the course of the year based on the annual budget allocation of the SBC. The Lottie Moon Christmas Offering® honors the life and work of Charlotte Digges "Lottie" Moon and is given to the Board to enable field personnel to share the good news of Jesus Christ overseas. In 2021, Lottie Moon Christmas Offering included other ministry contributions with donor restrictions. Other primary revenue sources include investment income and distributions from foundations.

A summary of the Board's significant accounting policies follows:

Basis of accounting

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and are stated in United States dollars.

Basis of financial reporting

The accompanying financial statements were prepared from the accounts maintained by the Board. They do not include the accounts of the finance centers in international countries through which the major portion of field appropriations (overseas program expenses) is disbursed and whose accounts are reported upon separately. The intention of management is to utilize foreign field property and equipment and other assets for the benefit of the local ministries. In many cases, title to this property is transferred to the local ministries; accordingly, the accompanying statement of financial position does not reflect the substantial amount of property and equipment and other assets used in international countries.

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

Net assets without donor restrictions

Net assets that are not subject to donor-imposed stipulations, representing investment of property and equipment and the portion of expendable resources that are available without limitation for support of Board operations and certain future retirement and insurance benefits for home office and field personnel and retirees.

Net assets with donor restrictions

Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Board and/or the passage of time. These net assets result from contributions and other income whose use by the Board is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the board pursuant to their stipulations. Also included are net assets that are subject to donor-imposed stipulations that the principal be invested permanently, and the income be used either for a designated purpose or for general operations of the Board. The donors of these assets permit the Board to use all or part of the income earned on the related investments.

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. Investment income and gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation and/or by law.

Contributions restricted by the donor are reported as an increase in net assets without donor restrictions if the time or purpose restriction is met in the reporting period in which the contribution is recognized.

Other contributions

Other contributions are recognized as revenue upon notification of the existence of the contribution. Contributions of assets other than cash are recorded at their estimated fair value on date of gift.

Investments

Investments are carried at fair value based upon quoted market prices or net asset value (NAV) provided by external investment managers or other independent sources, which are reviewed by management. If such inputs are not available, investments are valued based on management's best estimate of fair value.

Ordinary income and net gains (losses) on investments are reported as follows:

As increases or decreases in net assets with donor restrictions if the terms of the gift (in conjunction with the Board's gift policy) or the Board's interpretation of relevant state law require that they be added to the principal of a permanent endowment fund.

- As increases or decreases in net assets with donor restrictions if the terms of the gift impose restrictions on the use of the income. If the restriction is met in the same reporting period such income and net gains are reported as net assets without donor restrictions.
- As increases or decreases in net assets without donor restrictions in all other cases.

Income from overseas real estate sales

When overseas real estate is sold and the proceeds are returned, the Board records income from overseas, foundations and other income in the statement of activities. These amounts are added to investments designated by the Board on the statement of financial position.

Use of estimates

Management of the Board has made a number of estimates and assumptions relating to the reporting of assets, liabilities, revenues and expenses, and disclosure of contingent assets and liabilities to prepare these financial statements in conformity with U.S. GAAP. Actual results could differ from those estimates.

Property and equipment

Property and equipment is recorded at cost. Depreciation of buildings and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis (generally 15 to 40 years for buildings, 3 to 7 years for equipment and 15 years for land improvements).

Expenditures for repairs and maintenance are charged to expense as incurred. The costs of major renewals and betterments in excess of $10 are capitalized. The cost and related accumulated depreciation of property and equipment are removed from the books upon retirement or other disposition; any resulting gain or loss is reflected in the statement of activities.

Long-lived assets

Long-lived assets, such as property and equipment, are evaluated for impairment when events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable through the estimated undiscounted future cash flows from the use of these assets. When any such impairment exists, the related assets will be reduced to fair value. No impairment losses have been recorded for the years ended September 30, 2021 and 2020.

Amounts appropriated to missions

The Board provides grants to missions throughout the world. Amounts appropriated to missions are recognized as liabilities upon notification of the grant to the mission.

Self-insurance

The Board self-insures its employee medical, dental, life and disability benefits provided to field personnel and home office employees. The Board recognizes a liability for incurred but not reported (IBNR) claims of the benefits program based on an analysis of actuarial standard factors applied to historical claims data. The IBNR report is prepared by the Board's independent third-party benefits processing company and reflects estimated claims at $5,561 and $5,529 for 2021 and 2020, respectively. This liability is funded from current operations and is presented on the statement of financial position under the caption accounts payable and accrued liabilities.

Postretirement and postemployment benefit plans

The Board provides health care and other benefits to substantially all retired home office employees and their eligible spouses and all retired field personnel and their eligible family members. Home office employees and field personnel who have a combined age and service with the Board that totals 80 years and providing their age is at least 55 years, are eligible for these benefits. Certain benefit plans are contributory; other benefit plans are noncontributory. The Board measures the costs of its obligations based on its best estimates as calculated by actuarial specialists. The net periodic postretirement benefit costs are recognized as employees render the services necessary to earn the postretirement benefits.

The Board follows Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 715, *Compensation – Retirement Benefits*. FASB ASC 715 requires organizations to recognize the over-funded or under-funded status of a postretirement benefit plan as an asset or liability in the statement of financial position. The Board utilizes a measurement date of September 30, 2021 and 2020.

Expense allocations

Beginning in 2021, the Board expenses salaries to functional expense categories directly for field personnel. Benefits are allocated to functional expense categories based on field personnel headcounts. Salaries and benefits for home office staff are allocated to functional expense categories based on home office staff headcounts.

In 2020, the Board expensed salaries to functional expense categories directly. Benefits were allocated to functional expense categories based on field personnel headcounts. Benefits were allocated to functional expense categories based on a percentage of salaries expense for home office staff.

Tax-exempt status

SBC received a favorable determination letter from the Internal Revenue Service (IRS) dated April 27, 1977, stating that it is exempt from income taxes as defined by Section 501(c)(3) of the Internal Revenue Code (IRC). The Board is covered by the group exemption held by SBC. As a nonprofit organization, the Board is subject to unrelated business income tax (UBIT), if applicable. The Board had no unrelated business taxable income for years ended September 30, 2021 and 2020.

Accounting for uncertainty in income taxes

The Board adheres to the guidance for *Accounting for the Uncertainty in Income Taxes*, which establishes thresholds as they relate to accounting for uncertain income tax positions. Management has evaluated the Board's tax positions and concluded that the Board has taken no uncertain tax positions that require adjustment to the financial statements to comply with the accounting standard on accounting for uncertainty in income taxes.

Prior year summarized information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Board's financial statements for the year ended September 30, 2020, from which the summarized information was derived.

Recent accounting pronouncements

In February 2016, the Financial Accounting Standards Board (FASB), issued Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheet for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available.

On June 3, 2020, the FASB issued ASU 2020-05, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842): Effective Dates for Certain Entities*, extending one-year delays to certain companies to provide immediate, near-term relief for whom these standards are either currently effective or imminently effective. The ASU permits private companies and not-for-profit organizations that have not yet issued (or made available) financial statements reflecting the implementation of ASC 842 Leases, to defer implementation one year to annual reporting periods beginning after December 15, 2021. Therefore, the Board has chosen to delay the implementation of ASC 842 and will adopt the standard on its September 30, 2023 year-end financial statements. Management is currently evaluating the impact of our pending adoption of the new standard on its financial statements.

(Dollars in thousands)

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement*. The ASU removes, modifies, and adds certain disclosures required under Topic 820, Fair Value Measurement. The ASU is effective for fiscal years beginning after December 15, 2019, with early adoption permitted. The amendments to disclosure requirements on changes in unrealized gains and losses, the range and weighted average of significant observable inputs used to develop Level 3 fair value measurements, and the narrative description of measurement uncertainty should be applied prospectively. All other amendments should be applied retrospectively to all periods presented. The Board has elected to adopt this guidance for the year ended September 30, 2021.

2. Liquidity and Availability of Financial Assets

The Board's financial assets available within one year of the statement of financial position date for general expenditures are as follows:

	2021	2020
Cash	**$ 2,390**	$ 3,033
Investments, unrestricted	**95,036**	120,698
	$ 97,426	$ 123,731

The Board manages liquidity by monitoring contribution receipts weekly and projecting general expenditures monthly. The Board's contribution receipts are higher in January through May due to the Lottie Moon Christmas Offering® giving cycle. During other months, the Board utilizes short-term investments for general expenditures as they come due.

In addition, as of September 30, 2021 and 2020, the Board had $337,112 and $234,877, respectively, in amounts designated by the Board that, with the Trustees' and management's approval, could be made available for operations.

3. Fair Value Measurements

The Board utilizes guidance contained within the provisions of FASB ASC 820, *Fair Value Measurement,* for fair value measurements of assets and liabilities that are recognized or disclosed at fair value in the financial statements.

FASB ASC 820 establishes a three-tier hierarchy to distinguish between: (1) inputs based on market data obtained from sources independent of the reporting entity (observable inputs) and (2) inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing an asset or liability, which are developed based on the best information available in the circumstances (unobservable inputs).

The inputs are summarized in the three broad levels listed below:

Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical and unrestricted investments

Level 2 Quoted prices in markets that are not active or based on quoted prices for similar assets or liabilities, or for which all significant inputs are observable, directly or indirectly

Level 3 Valuations based on inputs that are both unobservable and significant, inclusive of the assumptions of the fund's management about market participants, would use in determining the fair value of investments

The hierarchy established under ASC 820 gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The Board's investments are classified within the fair value hierarchy based on the lowest level that is significant to the fair value measurement. The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments.

Following is a description of the valuation methodologies used for financial instruments measured at fair value and their classification in the valuation hierarchy. These methodologies are consistent from year to year.

Cash and cash equivalents include all highly-liquid investments with original maturities of three months or less.

Equity securities listed on a national market or exchange are valued at the last sales price, or if there is no sale and the market is still considered active, at the mean of the last bid and asked prices on such exchange. Such securities are classified within Level 1 of the valuation hierarchy.

Debt securities consisting of corporate bonds and government bonds are generally valued at the most recent price of the equivalent quoted yield for such securities, or those of comparable maturity, quality, and type. Such debt securities are generally classified within Level 1 of the valuation hierarchy.

Real estate consists of real estate holdings. Real estate is valued based on independent appraisal or management's best estimate of fair value and is classified within Level 3 of the valuation hierarchy.

Alternative investments include investments in the following: equity long/short hedge funds, commodity and contract futures, multi-strategy hedge and real estate hedge funds, private equity funds, distressed credit hedge funds and ultra-short duration lending. These amounts are measured at the NAV using the practical expedient in ASC 820 and are no longer required to be categorized in the fair value measurement hierarchy.

Investments held by foundations are measured at NAV using the practical expedient in ASC 820 and are no longer required to be categorized in the fair value measurement hierarchy. Underlying investments consist of marketable securities. There are no redemption restrictions or notification periods related to investments held by foundations.

Amounts held for life insurance are invested in mutual funds and money market funds, and are classified within Level 1 of the valuation hierarchy.

Beneficial interests in perpetual trusts are permanent, irrevocable trusts held primarily at state Baptist foundations and public banking institutions. The valuation techniques are characterized in Level 3. The availability of valuation techniques and observable inputs can vary from security, trust, foundation, and banking institution and is affected by a wide variety of factors. To the extent that the valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment.

The Board utilizes the beginning of reporting period method for determining transfers between levels. There were no transfers between levels for years ended September 30, 2021 and 2020.

(Dollars in thousands)

The following tables provide the fair value measurements of applicable Board assets by level within the fair value hierarchy as of September 30, 2021 and 2020. These assets are measured on a recurring basis:

	2021			
	Level 1	Level 2	Level 3	Total
Investments:				
Cash and cash equivalents	$ 17,960	$ -	$ -	$ 17,960
Equity securities	221,523	-	-	221,523
Corporate bonds	108,971	-	-	108,971
Government bonds	40,729	-	-	40,729
Real estate	-	-	4,987	4,987
Amounts held for life insurance – mutual funds and money market funds	9,360	-	-	9,360
	$ 398,543	$ -	$ 4,987	403,530
Alternative investments – at net asset value (a)				66,512
Investments held by foundations – at net asset value (a)				1,245
				$ 471,287
Contributions receivable from trusts	$ -	$ -	$ 5,475	$ 5,475
Beneficial interests in perpetual trusts	$ -	$ -	$ 179,389	$ 179,389

	2020			
	Level 1	Level 2	Level 3	Total
Investments:				
Cash and cash equivalents	$ 25,216	$ -	$ -	$ 25,216
Equity securities	158,234	-	-	158,234
Corporate bonds	90,522	-	-	90,522
Government bonds	48,701	-	-	48,701
Real estate	-	-	3,485	3,485
Amounts held for life insurance – mutual funds and money market funds	10,406	-	-	10,406
	$ 333,079	$ -	$ 3,485	336,564
Alternative investments – at net asset value (a)				55,297
Investments held by foundations – at net asset value (a)				1,052
				$ 392,913
Contributions receivable from trusts	$ -	$ -	$ 5,425	$ 5,425
Beneficial interests in perpetual trusts	$ -	$ -	$ 157,045	$ 157,045

(Dollars in thousands)

(a) In accordance with FASB ASC 820-10, certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amount presented in this table is intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position.

There were no issuances, purchases, or transfers of Level 3 assets measured at fair value.

The following tables present information about investments measured at NAV as of September 30, 2021 and 2020:

	2021			
	Fair Value	**Unfunded Commitments**	**Redemption Frequency (If Currently Eligible)**	**Redemption Notice Period**
Equity long/short hedge funds (a)	**$ 8,602**	**$ -**	**Quarterly**	**20-25 days**
Managed futures (b)	**8,619**	**-**	**Daily**	**1 day**
Multi-strategy hedge funds (c)	**9,972**	**-**	**Quarterly & Semiannually**	**65-95 days**
Private equity funds-capital call structured (d)	**30,100**	**1,725**	**Quarterly**	**N/A**
Distressed credit hedge fund (e)	**3,841**	**1,053**	**Quarterly**	**0-60 days**
Real property (f)	**1,245**	**-**	**N/A**	**N/A**
Private equity funds-open ended (g)	**1,061**	-	**Quarterly**	**N/A**
Private debt funds (h)	**1,108**	**349**	**N/A**	**N/A**
Ultra-short duration lending (i)	**3,209**	**-**	**Quarterly**	**30 days**
	$ 67,757	**$ 3,127**		

	2020			
	Fair Value	**Unfunded Commitments**	**Redemption Frequency (If Currently Eligible)**	**Redemption Notice Period**
Equity long/short hedge funds (a)	$ 8,598	$ -	Monthly & Quarterly	20-65 days
Managed futures (b)	7,216	-	Monthly	1 day
Multi-strategy hedge funds (c)	8,995	-	Quarterly & Semiannually	65-95 days
Private equity funds-capital call structured (d)	25,641	2,934	Quarterly	N/A
Distressed credit hedge fund (e)	4,847	1,865	Quarterly	0-60 days
Real property (f)	1,052	-	N/A	N/A
	$ 56,349	$ 4,799		

(a) This class includes investments in hedge funds that invest both long and short primarily in U.S. common stocks. Management of the hedge funds has the ability to shift investments from value to growth strategies, from small to large capitalization stocks and from a net long position to a net short position. The fair values of the investments in this class have been estimated using the NAV per share of the investments. The investments in this category have a one-year lock-up period. All assets for the Board have surpassed the lock-up period.

(b) This class includes investments that seek to achieve capital appreciation through speculative trading, directly or indirectly, in commodity interests generally including, commodity futures and commodity option contracts on U.S. exchanges and certain foreign exchanges and swaps. There are no lock-up periods.

(c) This class includes investments in hedge funds that pursue multiple strategies and seeks to provide investors with low volatility and low beta to equity and fixed income indices. The fund makes allocations to specialized relative-value and event-driven managers that are identified through a disciplined, research-driven investment process. This investment vehicle is intended for U.S. non-taxable entities or non-U.S. investors. There are no lock-up periods.

(d) This class includes investments in private equity that typically invests globally in non-public entities and companies with a value-add approach, acquiring undervalued or underperforming companies or companies with significant growth potential. This investment vehicle offers attractive long-term risk-adjusted return characteristics that may provide performance in excess of the public markets. Asset classes within the sector include buyout, venture capital and mezzanine debt, with structures including single manager portfolios or fund of funds. As these are closed-end investment vehicles, redemptions are either not permitted or limited.

(e) This class includes investments in senior and super-senior United States or non-United States residential mortgage-backed securities, commercial mortgage-backed securities, asset-backed securities, corporate credit default indices and structured products backed by or referencing credits. One-year initial lock-up period; after one year, quarterly lock-up periods.

(f) This class consists of an investment in real property held by the Foundation for the benefit of the Board.

(g) This class includes open-ended funds in private equity that seeks to build a globally diversified portfolio focused on direct and secondary private market investments, in addition to select primary commitments, private debt investments and liquid market securities.

(h) This class includes direct lending funds that focuses on senior secured, middle market lending to borrowers with EBITDA greater than $15 million, strong cash flows, good credit metrics and defensible market positions.

(i) This class includes a strategy that enters direct repurchase agreements with high-quality counterparties, providing them with liquidity that would typically be sourced from a “middleman” dealer bank. These repurchase agreements are backed by collateral held directly that can be liquidated immediately in the event of a counterparty default.

4. Amounts Designated by Board and Net Assets Without Donor Restrictions

Board-designated assets represent amounts designated by management and the Board of Trustees as reserve funds but are available for use by the Board for other purposes. The contingency reserve has been set up at the instruction of the SBC to provide for deficits that may result from decreased receipts or emergencies. The contingency reserve may not exceed the operating budget requirements for six months. The Board of Trustees has set the balance in the contingency reserve sufficient to cover five and a half months of the current operating budget needs.

(Dollars in thousands)

Additionally, the Board established the following funds to provide for other specified purposes. These funds are the postretirement/postemployment fund, global capital fund, Vision 2025 fund, and catastrophic medical fund. The postretirement/postemployment fund provides for the expected future benefit obligations based on the actuary report. This fund provided partially for the obligation in 2020. The global capital fund provides for overseas vehicles, housing, equipment provisioning, and office purchases for field personnel support. The Vision 2025 fund provides for operating needs specific to accomplishing 2025 strategic goals. The catastrophic medical fund provides for unexpected and large medical expenses.

Net assets without donor restrictions for the years ended September 30, 2021 and 2020, consist of the following:

	2021	2020
Undesignated	**$ (15,089)**	$ (35,783)
Contingency reserve	**117,000**	123,000
Global capital fund	**60,432**	53,877
Postretirement and postemployment fund	**119,780**	54,000
Vision 2025 fund	**35,900**	-
Catastrophic medical fund	**4,000**	4,000
	$ 322,023	$ 199,094

5. Property and Equipment

Property and equipment on September 30, 2021 and 2020, consist of the following:

	2021	2020
Land and improvements	**$ 2,847**	$ 2,847
Buildings	**50,688**	50,548
Equipment	**879**	1,983
	54,414	55,378
Accumulated depreciation	**38,474**	38,527
Property and equipment, net	**$ 15,940**	$ 16,851

Depreciation expense was $1,386 and $1,471 for the years ended September 30, 2021 and 2020, respectively.

6. Concentrations of Credit Risk

The Board maintains a significant amount of its cash in a commercial bank in Richmond, Virginia. As of September 30, 2021, and 2020, balances in the Board's deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250 per depositor per bank. As of September 30, 2021, and 2020, the Board had cash balances in excess of the FDIC insured limit in the amount of $2,046 and $3,242, respectively.

7. Beneficial Interests in Perpetual Trusts and Contributions Receivable from Trusts

The Board is the beneficiary of certain irrevocable perpetual trusts held and administered by independent trustees. Under the terms of the trusts, the Board has the irrevocable right to receive the income earned on the trust assets in perpetuity. The fair value is recognized as an asset and as a contribution with donor restrictions at the date the trust is established.

The Board is also the beneficiary of certain irrevocable charitable remainder unitrusts and charitable remainder annuity trusts held and administered by independent trustees. Under the terms of these trusts, the Board has the irrevocable right to receive the underlying assets of the trust. The fair value is recognized as an asset and as a contribution with donor restrictions at the date the trust is established. The Board's estimate of fair value is based on the fair value information received from trustees.

The assets in trusts are not subject to the control or direction by the Board. Gains and losses, which are not distributed by the trusts, are reflected as change in value of split interest agreements in the statement of activities.

8. Pension Plans and Postemployment/Postretirement Benefits

The Board has pension plans covering substantially all employees as follows:

Field personnel pension plans

Beginning in 1981, the Board established a noncontributory defined benefit pension plan for field personnel. Effective December 31, 1995, the Annuity Board of the Southern Baptist Convention (Annuity Board, currently known as GuideStone) assumed responsibility for this plan. All plan assets, liabilities and administrative responsibilities were transferred to the Annuity Board on that date. At the time of transfer to the Annuity Board, plan assets were substantially equal to plan liabilities.

The Field Personnel Pension Plan is a defined contribution plan administered by GuideStone which began 1982. The Board contributes a non-matched, fixed-dollar amount based on four longevity-years-of-service ranges. In addition, the Board contributes a matched, fixed-dollar amount based on four longevity-years-of-service ranges. The matched amount is 100% of the field personnel's individual contributions limited to a maximum employer match dollar amount. Total contributions charged to pension expense for this defined contribution plan for the years ended September 30, 2021 and 2020, were $7,290 and $7,251, respectively.

Home office pension plan

The Home Office Pension Plan is a defined contribution plan administered by GuideStone. Under this plan, the Board annually contributes 5% of employee pay plus a 100% match up to 3% of the employee's individual contributions to the employee's individual account. Total contributions charged to pension expense for this defined contribution plan for the years ended September 30, 2021 and 2020, were $3,737 and $3,683, respectively.

(Dollars in thousands)

Postemployment and Postretirement Benefits Other Than Pensions

Postemployment benefits

The Board provides certain postemployment benefits to eligible employees following employment but before retirement. These benefits include tuition assistance for field personnel children, health care and certain disability benefits for field personnel and home office personnel. The Board's postemployment plan is currently not funded. The Board has provided a designated postretirement/postemployment fund that equals the actuary report obligation. This fund partially provided for the obligation in 2020.

The following tables set forth information related to the plan as of and for the years ended September 30, 2021 and 2020:

	2021	2020
Accumulated postemployment benefit obligations	$ (7,039)	$ (6,179)
Plans assets at fair value	-	-
Funded status at fair value	(7,039)	(6,179)
Unrecognized prior service costs	-	-
Accrued postemployment benefit cost	$ (7,039)	$ (6,179)
Benefit obligation at beginning of period	$ 6,179	$ 6,109
Service cost	43	48
Interest cost	89	145
Change in discount rate assumption	(90)	310
Change in health care cost trend rate assumption	-	(96)
Change in other assumptions	4	(248)
Actuarial loss	2,405	944
Benefits paid	(1,591)	(1,033)
Benefit obligation at end of period	$ 7,039	$ 6,179

	2021	2020
Change in plan assets:		
Plan assets at fair value, beginning	$ -	$ -
Contributions	1,591	1,033
Benefits paid	(1,591)	(1,033)
Plan assets at fair value, ending	$ -	$ -
Service cost	$ 43	$ 48
Interest cost	89	145
Amortization of unrecognized prior service costs	-	2
Loss on the extent recognized	2,321	911
Net periodic postemployment benefit cost	$ 2,453	$ 1,106
Benefits paid	$ 1,591	$ 1,033

(Dollars in thousands)

The actuarial assumptions used in the determination of the postemployment benefit obligation and net periodic postemployment benefit cost consisted of the following as of and for the years ended September 30, 2021 and 2020:

	2021	2020
Discount rate	**1.81%**	1.54%
Expected long-term health care cost increases:		
Initial rate:		
Pre-65 (Medical/Rx)	**7.29%/7.00%**	7.70%/7.30%
Post-65 (Medical/Rx)	**3.90%/6.74%**	3.90%/7.00%
Ultimate rate:		
Pre-65 (Medical/Rx)	**4.40%/4.90%**	4.40%/4.90%
Post-65 (Medical/Rx)	**3.90%/4.90%**	3.90%/4.90%
Time to ultimate rate	**7 years**	8 years
Expected long-term dental care cost increases:		
Initial rate and ultimate rate	**2.60%**	2.60%
Expected long-term eye care cost increases:		
Initial rate and ultimate rate	**2.10%**	2.10%
Salary scale	**3.00%**	3.00%

The Board expects to contribute $1,145 to its postemployment benefit plan in 2022.

The Board's expected future postemployment benefit payments as presented in the actuary's report for the next ten years are expected as follows:

2022	$	**1,145**
2023		**1,110**
2024		**1,079**
2025		**889**
2026		**665**
2027-2031		**1,699**
	$	**6,587**

Postretirement benefits

The Board provides certain postretirement benefits to eligible retired employees. These benefits include health care, life insurance and tuition assistance for field personnel children, and health care and life insurance for home office personnel. The Board's postretirement plan is currently not funded. The Board has provided a designated postretirement/postemployment fund that equals the actuary report obligation. This fund partially provided for the obligation in 2020.

(Dollars in thousands)

The following tables set forth information related to the plan as of and for the years ended September 30, 2021 and 2020:

	2021	2020
Accumulated postemployment benefit obligations	**$ (112,741)**	$ (122,798)
Plan assets at fair value	**-**	-
Funded status at fair value	**(112,741)**	(122,798)
Unrecognized prior service costs	**(18,497)**	(14,567)
Unrecognized net gain	**21,116**	20,656
Accrued postemployment benefit cost	**(110,122)**	(116,710)
Accumulated changes in post-retirement benefit liability other than net periodic post-retirement benefit costs	**(2,619)**	(6,088)
Net recognized cost	**$ (112,741)**	$ (122,798)
Benefit obligation at beginning of period	**$ 122,798**	$ 112,288
Service cost	**2,678**	2,253
Interest cost	**2,684**	3,152
Change in discount rate assumption	**(2,336)**	7,308
Change in health care costs trend rate assumption	**-**	(1,105)
Change in other assumptions	**173**	(320)
Plan changes	**(6.910)**	-
Actuarial loss	**4,299**	9,564
Benefits paid	**(10,645)**	(10,342)
Benefit obligation at end of period	**$ 112,741**	$ 122,798
Change in plan assets:		
Plan assets at fair value, beginning	**$ -**	$ -
Contributions	**10,645**	10,342
Benefits paid	**(10,645)**	(10,342)
Plan assets at fair value, ending	**$ -**	$ -
Service cost	**$ 2,678**	$ 2,253
Interest cost	**2,684**	3,152
Amortization of unrecognized prior service cost	**(2,980)**	(2,980)
Loss to the extent recognized	**1,675**	-
Net periodic postretirement benefit cost	**$ 4,057**	$ 2,425
Changes in post-retirement benefit liability other than net periodic post-retirement benefit costs	**$ (3,469)**	$ 18,428

(Dollars in thousands)

Accumulated postretirement benefit obligation included the following components that have not yet been recognized as a component of net periodic postretirement benefit costs on September 30, 2021, but which has been reflected in net assets without donor restrictions; apart from expenses, on the accompanying statement of activities for the years ended September 30, 2021 and 2020.

	2021	2020
Unrecognized prior service costs	**$ 18,497**	$ 14,567
Unrecognized net loss	**(21,116)**	(20,655)
Accumulated changes in postretirement benefit liability other than net periodic postretirement benefit costs	**$ (2,619)**	$ (6,088)

The following amounts included in accumulated postretirement benefit obligation on September 30, 2021 and 2020, that have not yet been recognized as components of net periodic postretirement benefit costs are expected to be recognized as components of periodic postretirement benefit costs in 2021 and 2020, respectively:

	2021	2020
Amortization of prior service costs	**$ (4,955)**	$ (2,980)

The actuarial accrued postretirement benefit obligation for the years ended September 30, 2021 and 2020, as presented in the actuary's report was:

	2021	2020
Retirees and inactive participants	**$ 68,238**	$ 73,059
Active fully eligible plan participants	**13,159**	13,570
Other active plan participants	**31,344**	36,169
Accrued postretirement benefit obligation	**$ 112,741**	$ 122,798

The Board expects to contribute $14,097 to its postretirement benefit plan in 2022.

The Board's expected future postretirement benefit payments as presented in the actuary's report for the next ten years are expected as follows:

2022	$ 14,097
2023	9,549
2024	8,875
2025	8,587
2026	7,801
2027-2031	34,956
	$ 83,865

(Dollars in thousands)

The actuarial assumptions used in the determination of the postretirement benefit obligation and net periodic postretirement benefit cost consisted of the following as of and for the years ended September 30, 2021 and 2020:

	2021	2020
Discount rate	**2.45%**	2.26%
Expected long-term health care cost increases:		
Initial rate:		
Pre-65 (Medical/Rx)	**7.29%/7.00%**	7.70%/7.30%
Post-65 (Medical/Rx)	**3.90%/6.74%**	3.90%/7.00%
Ultimate rate:		
Pre-65 (Medical/Rx)	**4.40%/4.90%**	4.40%/4.90%
Post-65 (Medical/Rx)	**3.90%/4.90%**	3.90%/4.90%
Time to ultimate rate	**7 years**	8 years
Expected long-term dental care cost increases:		
Initial rate and ultimate rate	**2.60%**	2.60%
Expected long-term eye care cost increases:		
Initial rate and ultimate rate	**2.10%**	2.10%
Salary scale	**3.00%**	3.00%

9. Net Assets with Donor Restrictions

Net assets with donor restrictions for the years ended September 30, 2021 and 2020, consisted of the following:

	2021	2020
Hunger and relief ministries	**$ 4,820**	$ 5,417
Split interest agreements, time	**5,475**	5,425
Ministry gifts for field personnel and related projects	**3,537**	3,309
Other mission projects	**2,153**	1,939
Endowments	**28,629**	26,673
Beneficial interests in perpetual trusts	**179,389**	157,045
Total with donor restrictions	**$ 224,003**	$ 199,808

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes as follows:

	2021	2020
Ministry gifts	**$ 14,681**	$ 14,047
Hunger and relief ministries	**5,750**	4,961
Global engagement	**180**	700
Field support and other activities	**1,055**	38
Total with donor restrictions	**$ 21,666**	$ 19,746

10. Endowments

The Board's endowment consists of 320 individual donor-restricted funds established for a variety of purposes. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence of donor-imposed restrictions.

Interpretation of relevant law

The Board's Trustees have interpreted the Commonwealth of Virginia enacted version of the Uniform Prudent Management of Institutional Fund Act of 2006 (VAUPMIFA) 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 Board classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (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.

In accordance with VAUPMIFA, the Board considers the following factors in deciding to appropriate or accumulate donor-restricted endowment funds:

The duration and preservation of the fund

The purposes of the organization and the donor-restricted endowment fund

General economic conditions

The possible effect of inflation and deflation

The expected total return from income and the application of investments

The investment policies of the organization

Return objectives and risk parameters

The Board has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Board must hold in perpetuity. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce modest results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. The Board expects its endowment funds, over time, to provide an average rate of return of approximately 5.5% annually. Actual returns in any given year may vary from this amount.

Strategies employed for achieving objectives

To satisfy its long-term rate of return objectives, the Board 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 Board targets a diversified asset allocation that places a greater emphasis on equity-based and alternative investments to achieve its long-term return objectives within prudent risk constraints.

(Dollars in thousands)

Spending policy and how the investment objectives relate to spending policy

In 2021 and 2020, the Board had a policy of appropriating for distribution 3% of its year-end endowment fund's balances from 2020 and 2019, respectively. In establishing a policy, the Board considers the long-term expected return on its endowment while balancing the need for annual cash distributions. Accordingly, over the long term, the Board expects the current spending policy to allow its endowment to grow an average of 2.5% annually. This is consistent with the Board's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return. The Board has a policy that permits spending from underwater endowment funds unless otherwise precluded by donor intent or relevant laws and regulations. The Board appropriated for expenditures $779 and $753 from underwater endowments for the years then ended September 30, 2021 and 2020, respectively.

Underwater endowment funds with deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or VAUPMIFA requires the Board to retain as a fund of perpetual duration. In accordance with U.S. GAAP, deficiencies of this nature are reported in net assets with donor restrictions. These deficiencies resulted from unfavorable market fluctuations and continued appropriation for certain programs that was deemed prudent by the Board.

Changes in endowment net assets for the year ended September 30, 2021 and 2020:

	With Donor Restrictions
Endowment net assets, October 1, 2019	$ 26,017
Net investment income (including realized and unrealized)	1,390
Contributions	19
Appropriation of endowment assets for expenditures	(753)
Endowment net assets, September 30, 2020	26,673
Net investment income (including realized and unrealized)	2,410
Contributions	325
Appropriation of endowment assets for expenditures	(779)
Endowment net assets, September 30, 2021	$ 28,629

	2021	**2020**
Underwater endowment funds with deficiencies:		
Original endowment gift value	**$ 27,502**	$ 27,464
Current fair value	**28,629**	26,673
Endowment funds with deficiencies	**$ 0**	$ 791

11. Return of Unused Previously Granted Funds to Overseas

Prior to 2015, approved operating budgets for overseas were expensed and recorded in amounts appropriated to missions in the statement of financial position. During these historical periods, overseas actual expenditures were less than the approved operating budgets granted. This practice created an overseas surplus that has remained unused. After 2015, the Board granted the actual amount of operating expenditures preventing these differences. For the year ended September 30, 2021, the Board has recorded $36,068 in return of unused previously granted funds to overseas as income on the statement of activities. This same amount has been reflected as a reduction in amounts appropriated to missions in the statement of financial position.

12. Subsequent Events

Management evaluated subsequent events through January 18, 2022, the date the financial statements were available to be issued. Events or transactions occurring after September 30, 2021, but prior to January 18, 2022, that provided additional evidence about conditions that existed on September 30, 2021, have been recognized in the financial statements for the years ended September 30, 2021. Events or transactions that provided evidence about conditions that did not exist on September 30, 2021 but arose before the financial statements were available to be issued have not been recognized in the financial statements for the year ended September 30, 2021.