

Carriage Town Ministries

Financial Statements

**December 31, 2022
(With Summarized Comparative
Information for 2021)**

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Independent Auditors' Report

Management and the Board of Trustees
Carriage Town Ministries
Flint, Michigan

Opinion

We have audited the accompanying financial statements of Carriage Town Ministries (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Carriage Town Ministries as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Carriage Town Ministries' ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, 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 generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Carriage Town Ministries' 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 Carriage Town Ministries' 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 Summarized Comparative Information

We have previously audited the Carriage Town Ministries' 2021 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 15, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Yeo & Yeo, P.C.

Flint, MI
May 31, 2023

Carriage Town Ministries
Statement of Financial Position
December 31, 2022
(With Summarized Comparative Information for 2021)

	2022	2021
Assets		
Current assets		
Cash and cash equivalents	\$ 913,606	\$ 1,168,591
Investments	3,546,605	2,542,377
Accounts receivable	320,170	200,486
Total current assets	4,780,381	3,911,454
Property and equipment, net	4,832,179	4,459,684
Other assets		
Beneficial interest in assets held by others	70,615	87,548
Total assets	\$ 9,683,175	\$ 8,458,686

See Accompanying Notes to the Financial Statements

Carriage Town Ministries
Statement of Financial Position
December 31, 2022
(With Summarized Comparative Information for 2021)

	2022	2021
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 30,240	\$ 9,118
Accrued expenses	44,355	46,582
Total liabilities	74,595	55,700
Net assets		
Without donor restrictions		
Undesignated	4,169,474	3,117,658
Invested in property and equipment, net	4,832,179	4,459,684
Total without donor restrictions	9,001,653	7,577,342
With donor restrictions		
Perpetual in nature	70,615	87,548
Purpose restrictions	536,312	738,096
Total with donor restrictions	606,927	825,644
Total net assets	9,608,580	8,402,986
Total liabilities and net assets	\$ 9,683,175	\$ 8,458,686

See Accompanying Notes to the Financial Statements

Carriage Town Ministries
Statement of Activities
For the Year Ended December 31, 2022
(With Summarized Comparative Information for 2021)

	Without Donor	With Donor	Total	
	Restrictions	Restrictions	2022	2021
Revenue and support				
Direct Contributions	\$ 1,166,724	\$ 858,403	\$ 2,025,127	\$ 2,258,814
Emergency Shelter Program (ESP Funding)	528,703	-	528,703	330,736
Trusts, foundations, and corporate support	1,163,530	-	1,163,530	495,461
Federal and state grants and contracts	142,811	-	142,811	63,979
Contributed nonfinancial assets	421,488	-	421,488	346,134
Net investment income	24,818	-	24,818	47
Change in value of beneficial interest in assets held by others	-	(16,933)	(16,933)	7,287
Miscellaneous income	18,611	-	18,611	15,091
PPP loan forgiveness	-	-	-	199,600
Net assets released from restrictions	1,060,187	(1,060,187)	-	-
 Total revenue and support	 4,526,872	 (218,717)	 4,308,155	 3,717,149
Expenses				
Program services				
Mission activities	2,635,132	-	2,635,132	2,369,675
Management and general	165,767	-	165,767	159,238
Fundraising	301,662	-	301,662	277,424
 Total expenses	 3,102,561	 -	 3,102,561	 2,806,337
 Change in net assets	 1,424,311	 (218,717)	 1,205,594	 910,812
Net assets - beginning of year	7,577,342	825,644	8,402,986	7,492,174
Net assets - end of year	\$ 9,001,653	\$ 606,927	\$ 9,608,580	\$ 8,402,986

See Accompanying Notes to the Financial Statements

Carriage Town Ministries
Statement of Functional Expenses
For the Year Ended December 31, 2022
(With Summarized Comparative Information for 2021)

	Mission Activities	Management and General	Fundraising	Total	
				2022	2021
Salaries and related costs					
Salaries and wages	\$ 1,060,199	\$ 73,255	\$ 40,501	\$ 1,173,955	\$ 1,123,920
Payroll taxes	84,029	1,327	734	86,090	83,046
Employee benefits	12,920	5,372	2,970	21,262	24,495
Retirement	15,365	1,062	587	17,014	19,125
Total salaries and related costs	1,172,513	81,016	44,792	1,298,321	1,250,586
Administration	-	35,583	-	35,583	37,809
Advertising and marketing	128,878	-	239,344	368,222	338,403
Auto expense	17,127	901	-	18,028	7,347
Bank charges	-	13,210	-	13,210	6,089
Building expense	137,725	7,248	-	144,973	206,067
Client services	46,930	-	-	46,930	26,605
Contract services	-	-	-	-	8,840
Depreciation	207,517	9,799	-	217,316	195,973
Emergency aid	732,255	-	-	732,255	530,704
Housing allowance	32,400	1,800	1,800	36,000	36,000
Miscellaneous	-	7,800	-	7,800	-
Office expenses	20,708	1,090	-	21,798	4,447
Promotional supplies	-	-	15,726	15,726	18,769
Utilities	139,079	7,320	-	146,399	138,698
Total expenses by function	\$ 2,635,132	\$ 165,767	\$ 301,662	\$ 3,102,561	\$ 2,806,337

See Accompanying Notes to the Financial Statements

Carriage Town Ministries
Statement of Cash Flows
For the Year Ended December 31, 2022
(With Summarized Comparative Information for 2021)

	2022	2021
Cash flows from operating activities		
Change in net assets	\$ 1,205,594	\$ 910,812
Items not requiring cash		
Depreciation	217,316	195,973
Investment income	(24,818)	(47)
Change in value of beneficial interest in assets held by others	16,933	(7,287)
Changes in operating assets and liabilities		
Short-term investments	(979,410)	(725,149)
Accounts receivable	(119,684)	29,281
Accounts payable	21,122	402
Accrued expenses	(2,227)	6,752
PPP loan forgiveness	-	(199,600)
Net cash provided by operating activities	334,826	211,137
Cash flows from investing activities		
Purchases of property and equipment	(589,811)	(320,560)
Net change in cash and cash equivalents	(254,985)	(109,423)
Cash and cash equivalents - beginning of year	1,168,591	1,278,014
Cash and cash equivalents - end of year	\$ 913,606	\$ 1,168,591

See Accompanying Notes to the Financial Statements

Carriage Town Ministries
Notes to the Financial Statements
December 31, 2022
(With Summarized Comparative Information for 2021)

Note 1 - Summary of Significant Accounting Policies

Nature of Activities

Started in 1949, Carriage Town Ministries (the Organization), formerly Carriage Town Mission, is a non-profit Michigan Organization whose purpose is to assist, encourage, and promote the well-being of mankind. The Organization furnishes food, clothing, shelter, and emotional assistance to the needy and less fortunate in the Flint area.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

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

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

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.

The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as

increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Comparative Financial Information

The financial information for the year December 31, 2021 is presented for comparative purposes is not intended to be a complete financial statement presentation.

Cash and Cash Equivalents

The Organization considers all highly liquid investments purchased with maturity of three months or less to be cash equivalents. As of December 31, 2022 \$684,514, of cash and cash equivalents was in excess of the amount insured by the FDIC.

Accounts Receivable

Accounts receivable consists of amounts due from the emergency shelter program and Raiser's Edge contributions. Based on management's judgment, there is no allowance for doubtful accounts established as all accounts receivable is deemed collectible.

Investments

Investments are stated at fair value. Donated investments are reflected as contributions at their fair values at date of receipt. Investment income is reported net of direct investment expenses.

Property and Equipment

The Organization follows the practice of capitalizing all expenditures in excess of \$1,000 for property and equipment at cost; the fair value of donated fixed assets is similarly capitalized. Major improvements are capitalized while ordinary maintenance and repairs are expensed.

The Organization evaluates long-lived assets for impairment using a discounted cash flow method whenever events or changes in circumstances indicate that the carrying amount of an asset may not be

Carriage Town Ministries
Notes to the Financial Statements
December 31, 2022
(With Summarized Comparative Information for 2021)

recoverable in accordance with accounting principles generally accepted in the United States of America.

Depreciation is computed using the straight-line method over the estimated useful lives of the related assets.

Gifts of land, buildings, equipment and other long-lived assets are also reported as revenue without donor restrictions and net assets, unless subject to time restrictions. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of net assets with donor restrictions as net assets without donor restrictions are reported when the long-lived assets are placed in service.

Beneficial Interest in Assets Held by Others

The Vernon Martin Irrevocable Trust is an irrevocable trust that was established by Vernon A. Martin on December 28, 1970 and amended on December 29, 1972. The Organization is a 25 percent beneficiary. The trust distributes an amount equal to 5 percent of the net fair market value as valued on the first day of the taxable year. The distributions shall be paid from income and, to the extent income is not sufficient, from principal. Capital gains and losses net of other expenses are considered changes to the trust corpus. The Organization received disbursements of \$3,353 and \$3,975 during the years ended December 31, 2022 and 2021, respectively.

The value of the beneficial interest of the Vernon Martin Trust of \$70,615 and \$87,548 has been shown on the financial statements at the trust's current market value at December 31, 2022 and 2021, respectively.

Revenue and Revenue Recognition

Revenue is recognized when earned. Program service fees are deferred to the applicable period in which the performance obligations are met. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized

until the conditions on which they depend have been substantially met.

Donated Services and Goods

The Organization records the value of donated goods as contributions using estimated fair values at the date of receipt. The Organization's policy is to utilize, rather than monetize, donated services and goods.

Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills and would typically need to be purchased if not provided by donation are recorded at their fair values in the period received.

Paycheck Protection Program (PPP) Loan

The Organization accounts for the PPP loan as a financial liability in accordance with *FASB ASC 470 Debt*. The PPP loan was fully forgiven in 2021.

Advertising

The Organization expenses advertising costs the first time the advertising occurs. Advertising expense for the years ended December 31, 2022 and 2021 was \$368,222 and \$338,403, respectively.

Functional Expenses

The costs of providing the Organization's program and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated between the program and supporting services benefit. Those expenses include salaries and benefits, depreciation and amortization, and occupancy. Salaries and benefits are allocated based on where efforts are made. Occupancy, depreciation and amortization are allocated based on both square footage basis and FTE occupying space.

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Income Tax Status

The Organization is qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The Organization files information returns in the U.S. Federal and Michigan jurisdiction.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Date of Management's Review

Management has evaluated subsequent events through May 31, 2023, which is the date the financial statements were available to be issued.

Adoption of New Accounting Standard

The Organization adopted FASB Topic, Presentation and Disclosures by Not-For-Profit Entities for Contributed Nonfinancial Assets, as of the beginning of the year ended December 31, 2022. This was applied on a retrospective basis and adoption of the standard had no impact on the financial statement presentation.

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at December 31, 2022 and 2021:

	2022	2021
Cash and cash equivalents	\$ 913,606	\$ 1,168,591
Short-term investments	3,546,605	2,542,377
Accounts receivable	320,170	200,486
 Total financial assets - end of year	 4,780,381	 3,911,454
 Less: Financial assets unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions		
Restricted by donor with time or purpose restrictions	(536,312)	(738,096)
 Financial assets available to meet cash needs for general expenditures within one year	 <u>\$ 4,244,069</u>	 <u>\$ 3,173,358</u>

The Organization's goal is generally to maintain financial assets to meet a minimum of 90 days of operating expenses. As part of its liquidity plan, excess cash is invested in short-term investments, including money market accounts.

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Note 3 - Conditional Promises to Give

During the fiscal year, the Organization received conditional promises to give related to state and federal grants. Payment of the grants is contingent upon spending the funds for the designated allowable purpose and various compliance requirements in accordance with 2 CFR 200.

The conditional contributions consisted of the following as of December 31, 2022:

Condition/ Grant Purpose	Total Contract/Grant Amount	Spent to Date	Conditional Contribution
Salvation Army - Emergency Shelter Program 22-23	\$ 511,342	\$ 101,733	\$ 409,609
MDHHS - Emergency Shelter Services - COVID-19	35,000	34,175	825
City of Flint - CARES	89,595	86,543	3,052
	<u>\$ 635,937</u>	<u>\$ 222,451</u>	<u>\$ 413,486</u>

Note 4 - Investments

Fair value of marketable debt and equity securities at December 31, 2022 consist of:

	<u>Fair Value</u>
Available for sale	
Money market funds	<u>\$ 3,546,605</u>

Fair value of marketable debt and equity securities at December 31, 2021 consist of:

	<u>Fair Value</u>
Available for sale	
Money market funds	<u>\$ 2,542,377</u>

Investment income is composed of the following at December 31:

	<u>2022</u>	<u>2021</u>
Dividends and interest	<u>\$ 24,818</u>	<u>\$ 47</u>

Carriage Town Ministries
Notes to the Financial Statements
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(With Summarized Comparative Information for 2021)

Note 5 - Property and Equipment

Major classes of assets and related accumulated depreciation thereon are summarized as follows:

	<u>2022</u>	<u>2021</u>
Land, buildings, and improvements	\$ 7,084,791	\$ 6,831,060
Equipment	608,470	337,867
Vehicles	<u>149,384</u>	<u>83,907</u>
	7,842,645	7,252,834
Accumulated depreciation	<u>(3,010,466)</u>	<u>(2,793,150)</u>
Property and equipment, net	<u>\$ 4,832,179</u>	<u>\$ 4,459,684</u>

Depreciation expense for the years ended December 31, 2022 and 2021 was \$217,316 and \$195,973, respectively.

Note 6 - Paycheck Protection Program (PPP) Loan

During the prior fiscal year, the Organization received a Paycheck Protection Program (PPP) Loan of \$199,600 funded by the Federal government through the Small Business Administration. The PPP loan and any accrued interest are forgivable after twenty four weeks as long as the borrower meets certain criteria. The loan proceeds must be used for eligible purposes, including payroll, health insurance, retirement plans, state and local taxes assessed on employee compensation, mortgage interest, rent, and utilities. The criteria also reduces loan forgiveness for certain reductions in salaries or reductions in FTEs.

Final forgiveness was determined by the SBA in May 2021. Accordingly, \$199,600 of gain on extinguishment of debt has been realized in these financial statements.

Carriage Town Ministries
Notes to the Financial Statements
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(With Summarized Comparative Information for 2021)

Note 7 - Net Assets with Donor Restrictions

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

	<u>2022</u>	<u>2021</u>
Subject to expenditure for specified purpose:		
Mission activities	\$ 100,785	\$ 105,831
Summer school	25,996	17,862
Health care	16,594	23,502
Bakery	129,041	265,900
Food	-	63,176
Vehicle and equipment	-	54,600
Site improvements	<u>263,896</u>	<u>207,225</u>
	536,312	738,096
Not subject to spending policy or appropriation:		
Beneficial interest in perpetual trusts	<u>70,615</u>	<u>87,548</u>
Total net assets with donor restrictions	<u>\$ 606,927</u>	<u>\$ 825,644</u>

Note 8 - Net Assets Released from Donor Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Satisfaction of purpose restrictions		
Mission activities	\$ 454,759	\$ 61,377
Summer school	2,191	2,871
Health care	40,648	7,811
Bakery	238,356	314,120
Food	118,661	19,059
Vehicle and equipment	57,494	4,000
Site improvements	<u>148,078</u>	<u>-</u>
Total net assets released from donor restrictions	<u>\$ 1,060,187</u>	<u>\$ 409,238</u>

Carriage Town Ministries
Notes to the Financial Statements
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(With Summarized Comparative Information for 2021)

Note 9 - Contributed Nonfinancial Assets

Contributed nonfinancial assets for the year ended December 31, 2022 were:

Category	Revenue Recognized	Utilization in Programs/Activities	Donor Restrictions	Valuation Techniques and Inputs
Food	343,543	Emergency Shelters	No associated donor restrictions	The Organization estimated the fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States.
Clothing	52,767	Emergency Shelters	No associated donor restrictions	In valuating clothing, the Organization estimated the fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States.
Construction services	24,495	Bakery	No associated donor restrictions	Contributed services from contractor are valued at the estimated fair value based on current rates for similar construction services. Criteria for recording revenue are not met; approximately 620 man hours were donated.
Volunteer services	-	Emergency Shelters	No associated donor restrictions	
	<u>\$ 420,805</u>			

Contributed nonfinancial assets for the year ended December 31, 2021 were:

Category	Revenue Recognized	Utilization in Programs/Activities	Donor Restrictions	Valuation Techniques and Inputs
Food	343,543	Emergency Shelters	No associated donor restrictions	The Organization estimated the fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States.
Clothing	52,767	Emergency Shelters	No associated donor restrictions	In valuating clothing, the Organization estimated the fair value on the basis of estimates of wholesale values that would be received for selling similar products in the United States.
Volunteer services	-	Emergency Shelters	No associated donor restrictions	Criteria for recording revenue are not met; approximately 560 man hours were donated.
	<u>\$ 396,310</u>			

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Note 10 - Fair Value Measurements

The following tables represent information about the Organization's assets and liabilities measured at fair value on a recurring basis at December 31, 2022 and 2021, and the valuation techniques used by the Organization to determine those fair values.

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in the entirety are categorized based on the lowest level input that is significant to the valuation. The Organization's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Disclosures concerning assets and liabilities measured at fair value on a recurring basis are as follows as of December 31, 2022:

	Balance at December 31, 2022	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobserv- able Inputs (Level 3)
Beneficial interest in trusts held by third party	\$ 70,615	\$ -	\$ -	\$ 70,615

Disclosures concerning assets and liabilities measured at fair value on a recurring basis are as follows as of December 31, 2021:

	Balance at December 31, 2021	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Unobserv- able Inputs (Level 3)
Beneficial interest in trusts held by third party	\$ 87,548	\$ -	\$ -	\$ 87,548

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Changes in level 3 assets and liabilities measured at fair value on a recurring basis include, but are not limited to:

	<u>2022</u>	<u>2021</u>
Beginning balance	\$ 87,548	\$ 80,261
Change in value of beneficial interest in trusts held by third party	<u>(16,933)</u>	<u>7,287</u>
Ending balance	<u>\$ 70,615</u>	<u>\$ 87,548</u>

Trusts held by third parties categorized as level 3 assets consist of a beneficial interest in a perpetual trust. The Organization estimates the fair value of these assets based upon the fair value of the assets in the trust.

Of the Level 3 assets that were held by third parties, the net change in the table above is attributable to the change in the value of the perpetual trust and is recognized in the statement of activities as a change in value of trust.

Both observable and unobservable inputs may be used to determine the fair value of positions classified as level 3 assets. As a result, the unrealized gains and losses for these assets presented in the tables above may include changes in fair value that were attributable to both observable and unobservable inputs.

Note 11 - Retirement Plan

The Organization participates in a tax deferred annuity plan with other missions. The plan covers all mission employees. In 2022 and 2021, pension expenses amounted to \$17,014 and \$19,125, respectively.