

**BIBLICAL MINISTRIES
WORLDWIDE, INC.**

**FINANCIAL STATEMENTS
AND SCHEDULES
October 31, 2021**

(With Independent Auditors' Report Thereon)

BIBLICAL MINISTRIES WORLDWIDE, INC.
October 31, 2021

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MARTIN · SMITH

& COMPANY CPAs

INDEPENDENT AUDITORS' REPORT

Board of Directors
Biblical Ministries Worldwide, Inc.
Lawrenceville, Georgia

Report on the Financial Statements

We have audited the accompanying statement of financial position of Biblical Ministries Worldwide, Inc. (a nonprofit organization) as of October 31, 2021, and the related statements of activities, cash flows, functional expenses, and notes to the financial statements for the year then ended.

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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 auditor's 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Biblical Ministries Worldwide, Inc. as of December 22, 2021, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Report on Supplementary Schedules

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included in the schedules is presented for purposes of additional analysis and is not a required part of the financial statements. The other supplementary information has been subjected to the auditing procedures applied to 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 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.

Martin Smith and Company CPAs PA

Greenville, South Carolina
December 22, 2021

Member: American Institute of Certified Public Accountants • South Carolina Association of Certified Public Accountants

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BIBLICAL MINISTRIES WORLDWIDE, INC.
STATEMENT OF FINANCIAL POSITION
October 31, 2021

ASSETS

Cash and cash equivalents	\$ 7,374,921
Cash held for others	47,850
Investments	1,530,589
Investments with donor restrictions	125,318
Notes receivable	91,667
Property and equipment, net	<u>1,930,029</u>
Total Assets	<u><u>\$ 11,100,374</u></u>

LIABILITIES AND NET ASSETS

Liabilities:	
Accounts payable and accrued expenses	\$ 342,070
Deferred compensation	47,850
Notes payable	<u>127,189</u>
	<u>517,109</u>
Net assets:	
Without donor restrictions:	
Investment in property and equipment, net of related debt	1,802,840
Designated for endowment	460,355
Reserved for capital improvements, mission projects, and contingencies	860,000
Undesignated	<u>5,323,120</u>
Total without donor restrictions	8,446,315
With donor restrictions	<u>2,136,950</u>
	<u>10,583,265</u>
Total Liabilities and Net Assets	<u><u>\$ 11,100,374</u></u>

See accompanying notes to financial statements.

BIBLICAL MINISTRIES WORLDWIDE, INC.
STATEMENT OF ACTIVITIES
For the Year Ended October 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and revenues:			
Contributions	\$ 122,013	\$ 13,381,040	\$ 13,503,053
Service fees	894,561	-	894,561
Rent income	162,231	-	162,231
Investment income	163,718	-	163,718
Other	184,167	-	184,167
Net assets released from purpose or time restrictions:			
Missionary support	11,232,746	(11,232,746)	-
Mission projects	1,226,057	(1,226,057)	-
Capital additions	38,779	(38,779)	-
Total support and revenues	<u>14,024,272</u>	<u>883,458</u>	<u>14,907,730</u>
Expenses:			
Program services:			
Missionary support	11,232,746	-	11,232,746
Mission projects	1,482,387	-	1,482,387
	<u>12,715,133</u>	<u>-0-</u>	<u>12,715,133</u>
Supporting services:			
General and administrative	1,063,813	-	1,063,813
	<u>1,063,813</u>	<u>-0-</u>	<u>1,063,813</u>
Total expenses	<u>13,778,946</u>	<u>-0-</u>	<u>13,778,946</u>
Changes in net assets before non-recurring item	245,326	883,458	1,128,784
Non-recurring item	<u>1,542,000</u>	<u>-</u>	<u>1,542,000</u>
Changes in net assets	1,787,326	883,458	2,670,784
Net assets at beginning of year	<u>6,658,989</u>	<u>1,253,492</u>	<u>7,912,481</u>
Net assets at end of year	<u>\$ 8,446,315</u>	<u>\$ 2,136,950</u>	<u>\$ 10,583,265</u>

See accompanying notes to financial statements.

BIBLICAL MINISTRIES WORLDWIDE, INC.
STATEMENT OF CASH FLOWS
For the Year Ended October 31, 2021

Cash flows from operating activities:	
Increase in net assets	\$ 2,670,784
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	138,427
Unrealized gain on investments	(129,561)
Forgiveness of PPP loan	(1,542,000)
Contribution of mission property to church	236,952
(Increase) decrease in assets:	
Prepaid expenses	2,158
Notes receivable	(91,667)
Increase (decrease) in liabilities:	
Accounts payable and accrued expenses	(44,654)
Deferred compensation	(145)
Contributions restricted for purchases of property and equipment	(38,779)
Net cash provided by operating activities	<u>1,201,515</u>
 Cash flows from investing activities:	
Purchases of investments, net	(299,341)
Purchase of property and equipment	(367,015)
Net cash used in investing activities	<u>(666,356)</u>
 Cash flows from financing activities:	
Contributions restricted for purchases of property and equipment	38,779
Payments on notes payable	(23,739)
Payments on annuities payable	(554)
Net cash provided by financing activities	<u>14,486</u>
 Net increase in cash	549,645
 Cash and cash equivalents at beginning of year	<u>6,873,126</u>
 Cash and cash equivalents at end of year	<u>\$ 7,422,771</u>
 Supplemental disclosure:	
Interest paid	<u>\$ 1,083</u>

See accompanying notes to financial statements.

BIBLICAL MINISTRIES WORLDWIDE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended October 31, 2021

	<u>Program Services</u>		<u>Supporting Services</u>	
	<u>Missionary Support</u>	<u>Mission Projects</u>	<u>General and Administrative</u>	<u>Total</u>
Missionary support	\$ 10,377,978	\$ -	\$ -	\$ 10,377,978
Mission projects	-	1,387,831	-	1,387,831
Medical reimbursement	756,536	-	-	756,536
Compensation	-	-	568,579	568,579
Travel	98,232	3,863	70,757	172,852
Depreciation	-	90,693	47,734	138,427
Field leader expenses	-	-	201,698	201,698
Mailing and shipping	-	-	50,461	50,461
Other expenses	-	-	50,771	50,771
Insurance	-	-	29,339	29,339
Utilities	-	-	20,799	20,799
Interest expense	-	-	15,037	15,037
Office expense	-	-	8,638	8,638
	<u>\$ 11,232,746</u>	<u>\$ 1,482,387</u>	<u>\$ 1,063,813</u>	<u>\$ 13,778,946</u>

See accompanying notes to financial statements.

BIBLICAL MINISTRIES WORLDWIDE, INC.
NOTES TO FINANCIAL STATEMENTS
October 31, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Organization

Biblical Ministries Worldwide, Inc. (“the Ministry”) is a non-profit corporation formed in January 1988 as a California corporation. The Ministry was formed by the merger of United Missionary Fellowship, founded in 1949, and Worldwide European Fellowship, founded in 1959.

The Ministry’s purpose is to maintain and conduct mission’s activities, to provide buildings and land for its corporate objectives, and to exercise any and all powers and privileges allowed or permitted by a non-profit religious organization. The Ministry functions as a mission board for its missionaries serving around the world, operates a radio station in Utah, and operates a residential community for deaf and blind individuals in California.

b) Basis of Accounting

The financial statements of the Ministry have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

The Ministry segregates its accounts into the General Fund, Mission Fund, Missionary Fund, Plant Fund, Trust Fund, Annuity Fund, and Endowment Fund. For financial statement purposes, these funds have been combined.

c) Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (“FASB”) in the *Accounting Standards Codification* (“ASC”), which requires the Ministry to report information regarding its financial position and activities according to these classes of net assets: net assets without donor restrictions and net assets with donor restrictions. Net assets without donor restrictions are those currently available at the discretion of the board for use in the Ministry’s operations and those resources invested in property and equipment. Net assets with donor restrictions are those which are stipulated by donors for specific operating purposes, for the acquisition of property and equipment, or to be maintained in perpetuity as endowments or irrevocable trusts. All contributions are considered available for unrestricted use, unless specifically restricted by the donor or subject to other legal restrictions.

d) Contributions and Revenue

Contributions received are recorded as contributions without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends, or purpose restriction is accomplished), net assets are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

e) Donated Assets

Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair values at the date of donation.

f) Donated Property and Equipment

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as net assets without donor restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as net assets with donor restrictions.

BIBLICAL MINISTRIES WORLDWIDE, INC.
NOTES TO FINANCIAL STATEMENTS
October 31, 2021

1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

f) Donated Property and Equipment, continued

Absent donor stipulations regarding how long those donated assets must be maintained, the Ministry reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Ministry reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

g) Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in interest bearing accounts (checking and savings), short-term investments in certificates of deposit with original maturities of less than 90 days, and money market accounts.

h) Investments

Investments are reported at fair market value, using the three-level hierarchy established under the *Fair Value Measurement* topic of the FASB ASC. Gains and losses on investments generally are reported as increases and decreases in net assets without donor restrictions unless explicit donor stipulations restrict their use.

i) Property, Equipment, and Intangible Assets

Buildings and equipment along with the license fee for the radio station are recorded at cost less accumulated depreciation and amortization. Fixed assets are defined by the Ministry as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Depreciation and amortization are computed on the straight-line basis over the estimated useful lives of the assets. Equipment is depreciated over 10 years, buildings are depreciated from 31 to 35 years, and the radio station license is amortized over 3 1/2 years.

j) Annuities

Annuities payable are recorded using the actuarial method of accounting for annuities.

k) Income Taxes

The Ministry is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). The Ministry has adopted the provisions of the *Accounting for Uncertainty in Income Taxes* topic of the FASB ASC. This guidance addresses the accounting uncertainty in income taxes recognized in an organization's financial statements and prescribes a threshold of more-likely-than-not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. It also provides related guidance on measurement classification, interest and penalties, and disclosure. As a result of the implementation of this guidance, the Ministry has determined that it has no uncertain tax positions requiring accrual and disclosure.

l) Total (Memorandum Only) Column

Amounts in the "Memorandum Only - Total" columns in the supplemental schedules represent an aggregation of the combined financial statement line-items to facilitate financial analysis. Amounts in the "Memorandum Only - Total" columns are not comparable to a consolidation.

m) Use of Estimates

The presentation 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 and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

BIBLICAL MINISTRIES WORLDWIDE, INC.
NOTES TO FINANCIAL STATEMENTS
October 31, 2021

1) **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

n) **Functional Allocation of Expenses**

The costs of providing the various programs and supporting activities of the Ministry have been summarized on a functional basis in the Statement of Activities and supplemental schedules. Accordingly, certain costs have been allocated among the program and supporting activities.

2) **CREDIT RISKS**

The Ministry maintains cash balances at seven financial institutions located in Georgia, Utah, California, and Mississippi. The balances are insured up to \$250,000 per institution by the Federal Deposit Insurance Corporation ("FDIC"). At October 31, 2021, the Ministry had uninsured cash balances of \$5,766,575.

At October 31, 2021, the Ministry had an available and unused line of credit with a financial institution in the amount of \$100,000, with interest payable at the prime rate plus 1% on any borrowings.

3) **NOTES RECEIVABLE**

The Ministry has periodically provided notes receivable to its missionaries for the purpose of building churches and other mission activities. There was one note receivable with a balance of \$91,667 at October 31, 2021.

4) **INVESTMENTS**

Investments are summarized as follows at October 31, 2021:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
Without donor restrictions:			
Certificates of deposit	\$ 670,337	\$ 670,337	\$ 670,337
Mutual funds	415,944	473,252	473,252
Equities	320,347	381,978	381,978
Alternative investments	4,909	5,022	5,022
	<u>1,411,537</u>	<u>1,530,589</u>	<u>1,530,589</u>
With donor restrictions:			
Bond and stock funds	36,675	61,103	61,103
Certificates of deposit	64,215	64,215	64,215
	<u>100,890</u>	<u>125,318</u>	<u>125,318</u>
	<u>\$ 1,512,427</u>	<u>\$ 1,655,907</u>	<u>\$ 1,655,907</u>

Investments of \$125,318 at October 31, 2021, are donor restricted to provide missionary support and make annuity payments.

Interest and dividend income of \$10,473, unrealized gains of \$129,561, and realized gains of \$23,684 are included as investment income without donor restrictions for the year ended October 31, 2021, in the Statement of Activities.

The certificates of deposit balances are insured by the FDIC.

BIBLICAL MINISTRIES WORLDWIDE, INC.
NOTES TO FINANCIAL STATEMENTS
October 31, 2021

5) PROPERTY AND EQUIPMENT

Property and equipment consist of the following at October 31, 2021:

Land	\$	677,689
Buildings		4,168,542
Equipment		<u>660,548</u>
		5,506,779
Less accumulated depreciation		<u>(3,576,750)</u>
	\$	<u>1,930,029</u>

Depreciation expense for the year ended October 31, 2021 is \$138,427, which has been allocated as follows in the Statement of Activities:

Mission projects	\$	90,693
General and administrative		<u>47,734</u>
	\$	<u>138,427</u>

6) INTANGIBLE ASSET

The cost of the Ministry's radio station licensing agreement of \$88,490 has been fully amortized as of October 31, 2021.

7) NOTE PAYABLE

In a previous year, the Ministry borrowed \$1,542,000 through the Paycheck Protection Program ("PPP") under the Coronavirus Aid, Relief, and Economic Security Act ("CARES"). This program allowed eligible entities to borrow up to 2.5 times the average monthly eligible payroll costs for the previous year. These funds could be used solely for specified purposes, which included payroll expenses, rent, interest payments, and utilities. To the extent the borrower met certain requirements, the loan would be forgiven. The Ministry expended the funds in such a manner that it met the requirements for full forgiveness of the loan, and the loan was forgiven during the year ended October 31, 2021. See Note 14 for further discussion.

The Ministry had interest expense of \$15,037 for the year ended October 31, 2021.

In connection with the Ministry's church planting efforts in Utah, the Ministry has previously obligated itself under two loan agreements for the purchase of church facilities. See Note 10 for further discussion.

BIBLICAL MINISTRIES WORLDWIDE, INC.
NOTES TO FINANCIAL STATEMENTS
October 31, 2021

8) SUPPLEMENTAL COMPENSATION PROGRAM

The Board of Directors (“the Board”) has approved a modified Board intention to provide supplemental compensation to certain key executives. This policy directs that supplemental compensation payments of specified amounts, including “gross-up” amounts for taxes, will be paid to the eligible executives over a specified time ranging from ten to fourteen years. An accrual has been recorded, representing the present value of the expected payments. The balance of the accrual at October 31, 2021, is \$310,101, and is included in accounts payable and accrued expenses in the Statement of Financial Position. Payments of \$52,721 were made under this policy for the year ended October 31, 2021. The amounts payable under this policy are being funded by a combination of cash received upon liquidating existing life insurance policies and cash from other sources.

9) DONOR RESTRICTED AND BOARD DESIGNATED NET ASSETS

Net assets restricted by donors are available for the following purposes as of October 31, 2021:

Missionary support	\$ 2,031,950
Capital additions	<u>105,000</u>
	<u>\$ 2,136,950</u>

The Board has designated \$460,355 of net assets without donor restrictions for endowment as of October 31, 2021. The Ministry has reserved \$860,000 of net assets without donor restrictions for capital improvements, mission projects, and contingencies as of October 31, 2021.

10) OTHER CONTINGENCIES

In connection with the Ministry’s church planting efforts in Utah, the Ministry has previously obligated itself under two loan agreements for the purchase of church facilities. The congregations of these Utah churches intend to repay these obligations; however, the Ministry remains liable until the loans are completely repaid. The Ministry recorded these obligations, including them as notes payable in the Statement of Financial Position. The Ministry also recorded the land and buildings related to these churches, including them at cost as property and equipment in the Statement of Financial Position. The total contingent liability at October 31, 2021, under this church planting program is \$127,189.

11) FAIR VALUE OF FINANCIAL INSTRUMENTS

The Ministry has adopted the provisions of the *Fair Value Measurements and Disclosures* topic of FASB ASC. This guidance defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

This guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value. Level 1 inputs represent fair values obtained using quoted prices in active markets. Level 2 inputs represent fair values obtained from observable market data but not from quoted market prices. Level 3 inputs represent unobservable inputs that are supported by little or no market activity and are generally based on the entity’s own assumptions.

BIBLICAL MINISTRIES WORLDWIDE, INC.
NOTES TO FINANCIAL STATEMENTS
October 31, 2021

11) FAIR VALUE OF FINANCIAL INSTRUMENTS, Continued

The following methods and assumptions are used to estimate the fair value of each financial instrument:

Cash and cash equivalents, prepaid expenses, accounts payable, and deferred compensation – the carrying values approximate fair value due to their short maturities.

Investments – the fair values are based on quoted market prices (Level 1 inputs) of the underlying investment securities. Investments are carried at fair value in the accompanying Statement of Financial Position.

Annuities payable – the fair values are determined by discounting the future cash flows of each instrument at rates currently offered by the Ministry for similar instruments of comparable maturities. The carrying amount of annuities payable approximates fair value.

Notes receivable and payable – the fair values are determined by discounting the future cash flows of each debt instrument at rates currently offered by or to the Ministry for similar debt instruments of comparable maturities. The carrying amount of notes receivable and payable approximates fair value.

12) ENDOWMENT FUNDS

The Ministry's endowment consists of Board designated endowment funds. Effective July 1, 2008, the state of Georgia adopted legislation that incorporates the provisions outlined in the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). The *Endowments of Not-for-Profit Organizations* topic of FASB ASC provides guidance for organizations with endowment funds subject to the UPMIFA. The Ministry has adopted the provisions of this guidance.

Board designated endowment net assets include gifts and other revenues that have been designated by the Board to function as endowment. These funds may be expended at the discretion of the Board. The amount of Board designated net assets increased to \$460,355 as of October 31, 2021 as the result of current year investment gains.

BIBLICAL MINISTRIES WORLDWIDE, INC.
NOTES TO FINANCIAL STATEMENTS
October 31, 2021

13) LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following table reflects the Ministry's financial assets as of October 31, 2021, reduced by amounts not available for general expenditure within one year. Financial assets are considered unavailable because certain net assets are donor restricted (see Footnote 8). The Ministry has the following financial assets that could readily be made available within one year of the Statement of Financial Position date to fund expenses without limitations:

Financial assets:	
Cash and cash equivalents	\$ 7,374,921
Investments	1,655,907
Financial assets, at year-end	<u>9,030,828</u>
Less those unavailable for general expenditures within one year due to:	
Donor imposed restrictions:	
Restrictions by donor with purpose restrictions	(2,136,950)
Board designated net assets for endowment	(460,355)
Board designated net assets for capital improvements, mission projects, and contingencies	<u>(860,000)</u>
	<u>(2,996,950)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 6,033,878</u>

The Ministry has a policy to structure its financial assets to be available as its general expenses, liabilities and other obligations come due. The Ministry monitors its liquidity so that it is able to meet its operating needs and other contractual commitments while maximizing the investment of its excess operating cash.

14) OTHER

In December 2019, an outbreak of novel coronavirus ("COVID-19") originated in China and spread to other countries, including the U.S. In March 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. declared a state of emergency and limited most aspects of business, education, travel, and personal physical interactions. Beginning in March 2020, the Ministry was forced to bring some of its foreign missionaries to the United States and move many of its employees in its various programs and administrative functions to remote work. These necessary actions did cause certain revenue sources to decrease and additional expenses to be incurred.

In response to the pandemic, Congress passed the Coronavirus Aid, Relief, and Economic Security Act ("CARES"), which introduced additional aid to effected organizations through the Paycheck Protection Program ("PPP"). This program allowed eligible entities to borrow up to 2.5 times the average monthly eligible payroll costs for the previous year, to be used solely for specified purposes, which include payroll expenses, rent, interest payments, and utilities. To the extent the borrower met certain requirements, the loan may be forgiven.

The Ministry determined its eligibility for PPP and borrowed \$1,542,000 under this program in May 2020. The Ministry accounted for the loan as a financial liability in accordance with FASB ASC 470 *Debt*. Based on this accounting guidance, the proceeds from the loan would remain recorded as a liability until either 1) the loan is, in part or wholly, forgiven and the Ministry has been legally released or 2) the Ministry paid off the loan.

During the year ended October 31, 2021, the Ministry met the conditions for full forgiveness of the PPP loan, applied for, and was granted such forgiveness. This forgiveness is included as a non-recurring item – contribution for forgiveness of PPP loan of \$1,542,000 in the Statement of Activities.

BIBLICAL MINISTRIES WORLDWIDE, INC.
NOTES TO FINANCIAL STATEMENTS
October 31, 2021

14) OTHER, Continued

With the substantial improvements in experience with Covid-19 regionally and nationally, the Ministry has been operating normally through the winter of 2021. However, there remains some uncertainty. Future significant impacts could include continued possible adjustments to the Ministry's operations and could include disruptions or restrictions on employees' ability to work. Changes in the operating environment may also increase operating costs.

15) SUBSEQUENT EVENTS

In preparing these financial statements, the Ministry has evaluated events and transactions for potential recognition or disclosure through December 22, 2021, the date the financial statements were available to be issued. There were no such events requiring recording or disclosure for the year ended October 31, 2021.

BIBLICAL MINISTRIES WORLDWIDE, INC.
SCHEDULE OF FUND BALANCES
 October 31, 2021

Schedule 1

	General	Mission	Missionary	Plant	Trust	Annuity	Endowment	(Memorandum only) Total
ASSETS								
Cash and cash equivalents	\$ 7,315,008	\$ 24,330	\$ 1,158	\$ -	\$ 4,714	\$ 16,585	\$ 13,126	\$ 7,374,921
Cash held for others	-	-	47,850	-	-	-	-	47,850
Interfund receivable	-	1,646,289	5,125,193	-	112,624	-	39,955	6,924,061
Investments	802,200	-	-	-	281,160	-	447,229	1,530,589
Investments with donor restrictions	10,000	61,104	-	-	-	54,214	-	125,318
Notes receivable	-	91,667	-	-	-	-	-	91,667
Property and equipment, net	-	-	-	1,930,029	-	-	-	1,930,029
Total assets	<u>\$ 8,127,208</u>	<u>\$ 1,823,390</u>	<u>\$ 5,174,201</u>	<u>\$ 1,930,029</u>	<u>\$ 398,498</u>	<u>\$ 70,799</u>	<u>\$ 500,310</u>	<u>\$ 18,024,435</u>
LIABILITIES AND FUND BALANCES								
Accounts payable and accrued expenses	\$ 313,150	\$ 6,831	\$ 22,089	\$ -	\$ -	\$ -	\$ -	\$ 342,070
Interfund payable	6,630,857	-	-	241,075	-	52,129	-	6,924,061
Deferred compensation	-	-	47,850	-	-	-	-	47,850
Notes payable	-	-	-	127,189	-	-	-	127,189
Total liabilities	<u>6,944,007</u>	<u>6,831</u>	<u>69,939</u>	<u>368,264</u>	<u>-0-</u>	<u>52,129</u>	<u>-0-</u>	<u>7,441,170</u>
Fund balances	<u>1,183,201</u>	<u>1,816,559</u>	<u>5,104,262</u>	<u>1,561,765</u>	<u>398,498</u>	<u>18,670</u>	<u>500,310</u>	<u>10,583,265</u>
Total liabilities and fund balances	<u>\$ 8,127,208</u>	<u>\$ 1,823,390</u>	<u>\$ 5,174,201</u>	<u>\$ 1,930,029</u>	<u>\$ 398,498</u>	<u>\$ 70,799</u>	<u>\$ 500,310</u>	<u>\$ 18,024,435</u>

BIBLICAL MINISTRIES WORLDWIDE, INC.
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Year Ended October 31, 2021

	General	Mission	Missionary	Plant	Trust	Annuity	Endowment	(Memorandum only) Total
<u>SUPPORT AND REVENUES</u>								
Contributions	\$ 122,013	\$ 1,226,057	\$ 12,116,204	\$ 38,779	\$ -	\$ -	\$ -	\$ 13,503,053
Service fees	894,561	-	-	-	-	-	-	894,561
Rent income	9,450	152,781	-	-	-	-	-	162,231
Investment income	143,212	6,978	-	-	13,075	453	-	163,718
Other	12,236	55,007	199,583	(83,213)	-	554	-	184,167
Total support and revenues	1,181,472	1,440,823	12,315,787	(44,434)	13,075	1,007	-0-	14,907,730
<u>EXPENDITURES</u>								
Program services	-	1,387,135	11,232,746	4,559	-	-	-	12,624,440
General and administrative	1,015,429	-	-	-	-	650	-	1,016,079
Depreciation	-	-	-	138,427	-	-	-	138,427
Total expenditures	1,015,429	1,387,135	11,232,746	142,986	-0-	650	-0-	13,778,946
Excess (deficiency) of support and revenues over expenditures	166,043	53,688	1,083,041	(187,420)	13,075	357	-	1,128,784
Non-recurring item - contribution recorded for forgiveness of PPP loan	1,000,000	340,000	-	202,000	-	-	-	1,542,000
Transfers in (out)	(765,355)	100,000	190,000	15,000	-	-	460,355	-
Changes in fund balance	400,688	493,688	1,273,041	29,580	13,075	357	460,355	2,670,784
Fund balances at October 31, 2020	782,513	1,322,871	3,831,221	1,532,185	385,423	18,313	39,955	7,912,481
Fund balances at October 31, 2021	\$ 1,183,201	\$ 1,816,559	\$ 5,104,262	\$ 1,561,765	\$ 398,498	\$ 18,670	\$ 500,310	\$ 10,583,265

BIBLICAL MINISTRIES WORLDWIDE, INC.
SCHEDULE OF GENERAL FUND GENERAL AND ADMINISTRATIVE EXPENSES
For the Year Ended October 31, 2021

Compensation	\$ 568,579
Travel	70,757
Field leader expenses	201,698
Mailing and shipping	50,461
Insurance	29,737
Electricity and other utilities	20,799
Interest expense	15,037
Office expense	8,638
Bank fees	21,525
Auto	10,752
Telephone	7,224
Property expense	6,226
Maintenance	2,804
Employee benefits	<u>1,192</u>
Total general and administrative expenses	<u>\$ 1,015,429</u>