



SUMMER INSTITUTE OF LINGUISTICS, INC.

Consolidated Financial Statements  
With Independent Auditors' Report

September 30, 2022 and 2021

# SUMMER INSTITUTE OF LINGUISTICS, INC.

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## **INDEPENDENT AUDITORS' REPORT**

Audit Committee of the Board of Directors  
Summer Institute of Linguistics, Inc.  
Dallas, Texas

### ***Opinion***

We have audited the accompanying consolidated financial statements of Summer Institute of Linguistics, Inc., which comprise the consolidated statements of financial position as of September 30, 2022 and 2021, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Summer Institute of Linguistics, Inc. as of September 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

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

### ***Responsibilities of Management for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

We did not audit the consolidated financial statements of Stewardship Insurance, LTD., an investee of which Summer Institute of Linguistics, Inc. has a significant influence. Those consolidated statements were audited by other auditors, whose report has been furnished to us, and our opinion, insofar as it relates to the investment in Stewardship Insurance, Ltd. is based solely on the report of the other auditors. The investee entity reports on the insurance basis of accounting as required by the Bermuda Insurance Regulators which is a financial reporting framework other than generally accepted accounting principles in the United States. We have applied audit procedures on the conversion adjustments to the consolidated financial statements of Stewardship Insurance, Ltd., which conforms those consolidated financial statements to accounting principles generally accepted in the United States of America. Our opinion, insofar as it relates to the amounts included for Stewardship Insurance, Ltd., prior to these conversion adjustments, is based solely on the report of other auditors. The investment in Stewardship Insurance, Ltd. made up 3% of Summer Institute of Linguistics, Inc.'s total assets for each of the years ended September 30, 2022 and 2021. The gain on investment of captive insurance arrangements is 0% and 1% of its change in net assets for the years ended September 30, 2022 and 2021, respectively.

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

Audit Committee of the Board of Directors  
Summer Institute of Linguistics, Inc.  
Dallas, Texas

***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements, continued***

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.

*Capin Crouse LLP*

Irving, Texas  
March 31, 2023

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Consolidated Statements of Financial Position

(in thousands of dollars)

|                                                                 | September 30,     |                   |
|-----------------------------------------------------------------|-------------------|-------------------|
|                                                                 | 2022              | 2021              |
| <b>ASSETS:</b>                                                  |                   |                   |
| Cash                                                            | \$ 21,488         | \$ 27,815         |
| Accounts receivable–net (Note 2)                                | 1,941             | 2,001             |
| Notes receivable (Note 4)                                       | 132               | 806               |
| Amounts due from related entities (Note 9)                      | 5,589             | 4,911             |
| Inventory                                                       | 2,415             | 1,934             |
| Investments (Note 3)                                            | 46,393            | 52,086            |
| Other assets (Note 2)                                           | 3,859             | 3,765             |
| Property and equipment–net of accumulated depreciation (Note 5) | 50,638            | 38,998            |
| <b>Total Assets</b>                                             | <b>\$ 132,455</b> | <b>\$ 132,316</b> |
| <b>LIABILITIES AND NET ASSETS:</b>                              |                   |                   |
| Liabilities:                                                    |                   |                   |
| Accounts payable and accrued expenses                           | \$ 4,732          | \$ 4,704          |
| Deferred income and advances                                    | 3,030             | 2,231             |
| Amounts due to staff and related entities (Note 9)              | 27,086            | 31,511            |
| Other liabilities (Note 2)                                      | 1,002             | 1,044             |
| <b>Total liabilities</b>                                        | <b>35,850</b>     | <b>39,490</b>     |
| Net assets:                                                     |                   |                   |
| Net assets without donor restrictions:                          |                   |                   |
| Undesignated                                                    | 19,741            | 26,482            |
| Board-designated (Note 10)                                      | 13,978            | 13,892            |
| Equity in property and equipment–net                            | 49,687            | 38,017            |
|                                                                 | 83,406            | 78,391            |
| Net assets with donor restrictions:                             |                   |                   |
| Restricted by purpose or time (Note 10)                         | 12,805            | 14,041            |
| Restricted in perpetuity (Note 10 & 11)                         | 394               | 394               |
|                                                                 | 13,199            | 14,435            |
| <b>Total net assets</b>                                         | <b>96,605</b>     | <b>92,826</b>     |
| <b>Total Liabilities and Net Assets</b>                         | <b>\$ 132,455</b> | <b>\$ 132,316</b> |

See notes to consolidated financial statements

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Consolidated Statement of Activities

(in thousands of dollars)

Year Ended September 30, 2022

|                                                      | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total            |
|------------------------------------------------------|-------------------------------|----------------------------|------------------|
| OPERATING SUPPORT AND REVENUE:                       |                               |                            |                  |
| Support from related entities (Note 9)               | \$ 1,517                      | \$ 23,951                  | \$ 25,468        |
| Contributions                                        | 3,234                         | 5,482                      | 8,716            |
| Donations of nonfinancial assets—property (Note 2)   | 9,258                         | -                          | 9,258            |
| Donations of nonfinancial assets—services (Note 2)   | 99,658                        | -                          | 99,658           |
| Program service revenue (Note 2)                     | 2,036                         | -                          | 2,036            |
| Sales and service income (Note 2)                    | 12,741                        | -                          | 12,741           |
| Gain on sale of fixed assets                         | 44                            | -                          | 44               |
| Other loss                                           | (82)                          | -                          | (82)             |
| Net assets released from restrictions:               |                               |                            |                  |
| Satisfaction of time restrictions                    | 3,842                         | (3,842)                    | -                |
| Satisfaction of program restrictions                 | 26,827                        | (26,827)                   | -                |
| Total operating support and revenue                  | <u>159,075</u>                | <u>(1,236)</u>             | <u>157,839</u>   |
| OPERATING EXPENSES:                                  |                               |                            |                  |
| Program services:                                    |                               |                            |                  |
| Language development and training                    | <u>117,513</u>                | <u>-</u>                   | <u>117,513</u>   |
| Supporting services:                                 |                               |                            |                  |
| General and administrative                           | 30,914                        | -                          | 30,914           |
| Fund-raising                                         | 1,978                         | -                          | 1,978            |
|                                                      | <u>32,892</u>                 | <u>-</u>                   | <u>32,892</u>    |
| Total operating expenses                             | <u>150,405</u>                | <u>-</u>                   | <u>150,405</u>   |
| Change in net assets from operating activities       | <u>8,670</u>                  | <u>(1,236)</u>             | <u>7,434</u>     |
| NON-OPERATING ACTIVITIES:                            |                               |                            |                  |
| Interest and dividends (Note 3)                      | 967                           | -                          | 967              |
| Net realized/unrealized loss on investments (Note 3) | (4,622)                       | -                          | (4,622)          |
| Change in net assets from non-operating activities   | <u>(3,655)</u>                | <u>-</u>                   | <u>(3,655)</u>   |
| Change in Net Assets                                 | 5,015                         | (1,236)                    | 3,779            |
| Net Assets, Beginning of Year                        | <u>78,391</u>                 | <u>14,435</u>              | <u>92,826</u>    |
| Net Assets, End of Year                              | <u>\$ 83,406</u>              | <u>\$ 13,199</u>           | <u>\$ 96,605</u> |

See notes to consolidated financial statements

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Consolidated Statement of Activities

(in thousands of dollars)

Year Ended September 30, 2021

|                                                                 | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total            |
|-----------------------------------------------------------------|-------------------------------|----------------------------|------------------|
| OPERATING SUPPORT AND REVENUE:                                  |                               |                            |                  |
| Support from related entities (Note 9)                          | \$ 6,118                      | \$ 22,217                  | \$ 28,335        |
| Contributions                                                   | 2,790                         | 4,383                      | 7,173            |
| Donations of nonfinancial assets—services and<br>goods (Note 2) | 102,237                       | 7                          | 102,244          |
| Program service revenue (Note 2)                                | 1,933                         | -                          | 1,933            |
| Sales and service income (Note 2)                               | 11,469                        | -                          | 11,469           |
| Gain on sale of fixed assets                                    | 1,879                         | -                          | 1,879            |
| Other income                                                    | 23                            | -                          | 23               |
| Net assets released from restrictions:                          |                               |                            |                  |
| Satisfaction of program restrictions                            | 21,712                        | (21,712)                   | -                |
| Total operating support and revenue                             | <u>148,161</u>                | <u>4,895</u>               | <u>153,056</u>   |
| OPERATING EXPENSES:                                             |                               |                            |                  |
| Program services:                                               |                               |                            |                  |
| Language development and training                               | <u>116,578</u>                | <u>-</u>                   | <u>116,578</u>   |
| Supporting services:                                            |                               |                            |                  |
| General and administrative                                      | 27,901                        | -                          | 27,901           |
| Fund-raising                                                    | 1,875                         | -                          | 1,875            |
|                                                                 | <u>29,776</u>                 | <u>-</u>                   | <u>29,776</u>    |
| Total operating expenses                                        | <u>146,354</u>                | <u>-</u>                   | <u>146,354</u>   |
| Change in net assets from operating activities                  | <u>1,807</u>                  | <u>4,895</u>               | <u>6,702</u>     |
| NON-OPERATING ACTIVITIES:                                       |                               |                            |                  |
| Interest and dividends (Note 3)                                 | 775                           | -                          | 775              |
| Net realized/unrealized gain on investments (Note 3)            | 4,604                         | -                          | 4,604            |
| Change in net assets from non-operating activities              | <u>5,379</u>                  | <u>-</u>                   | <u>5,379</u>     |
| Change in Net Assets                                            | 7,186                         | 4,895                      | 12,081           |
| Net Assets, Beginning of Year                                   | <u>71,205</u>                 | <u>9,540</u>               | <u>80,745</u>    |
| Net Assets, End of Year                                         | <u>\$ 78,391</u>              | <u>\$ 14,435</u>           | <u>\$ 92,826</u> |

See notes to consolidated financial statements

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Consolidated Statements of Cash Flows (in thousands of dollars)

|                                                                                                       | Year Ended September 30, |                         |
|-------------------------------------------------------------------------------------------------------|--------------------------|-------------------------|
|                                                                                                       | 2022                     | 2021                    |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>                                                          |                          |                         |
| Change in net assets                                                                                  | \$ 3,779                 | \$ 12,081               |
| Adjustments to reconcile change in net assets<br>to net cash provided (used) by operating activities: |                          |                         |
| Depreciation                                                                                          | 4,429                    | 3,859                   |
| Gain on sale of fixed assets                                                                          | (44)                     | (1,879)                 |
| Noncash gifts of property and capitalizable services                                                  | (12,839)                 | (2,694)                 |
| Gifts restricted for long-lived assets                                                                | (2,329)                  | (2,423)                 |
| Net realized/unrealized (gain) loss on investments                                                    | 4,623                    | (4,437)                 |
| Gain on investment in captive insurance company                                                       | (1)                      | (167)                   |
| Changes in assets and liabilities:                                                                    |                          |                         |
| Accounts receivable                                                                                   | 60                       | 448                     |
| Amounts due from staff and affiliated entities                                                        | (678)                    | (3,876)                 |
| Inventory                                                                                             | (481)                    | 132                     |
| Other assets                                                                                          | (94)                     | (324)                   |
| Accounts payable, accrued expenses, and other liabilities                                             | (14)                     | 191                     |
| Deferred income and advances                                                                          | 799                      | 138                     |
| Amounts due to staff and related entities                                                             | (4,425)                  | 14,575                  |
| Net Cash Provided (Used) by Operating Activities                                                      | <u>(7,215)</u>           | <u>15,624</u>           |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>                                                          |                          |                         |
| Purchase of investments                                                                               | (1,067)                  | (4,326)                 |
| Transfer from Wycliffe Global Alliance                                                                | -                        | (6,033)                 |
| Purchase of property and equipment                                                                    | (3,806)                  | (4,447)                 |
| Proceeds from sale of investments                                                                     | 2,138                    | 1,950                   |
| Proceeds from sale of property and equipment                                                          | 620                      | 2,298                   |
| Issuance of notes receivable                                                                          | -                        | (635)                   |
| Payments on notes receivable                                                                          | 674                      | 29                      |
| Net Cash Used by Investing Activities                                                                 | <u>(1,441)</u>           | <u>(11,164)</u>         |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>                                                          |                          |                         |
| Cash restricted for long-lived assets                                                                 | <u>2,329</u>             | <u>2,423</u>            |
| Net Change in Cash                                                                                    | (6,327)                  | 6,883                   |
| Cash, Beginning of Year                                                                               | <u>27,815</u>            | <u>20,932</u>           |
| Cash, End of Year                                                                                     | <u><u>\$ 21,488</u></u>  | <u><u>\$ 27,815</u></u> |

See notes to consolidated financial statements

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 1. NATURE OF ORGANIZATION:

The Summer Institute of Linguistics, Inc. (dba SIL International) (SIL) is registered as a Texas non-profit corporation. SIL is a global faith-based organization that works with over 1,300 ethnolinguistic communities to develop language solutions that expand their possibilities for a better life. SIL's work is fueled by a desire to see people flourishing in community using the languages they value most.

SIL advocates, builds capacity, and works with local communities to apply language expertise that advances meaningful development, education, and engagement with Scripture. SIL's specialized contributions include linguistic research, orthography development, training in translation principles, literacy methods, mother tongue-based multilingual education, consultant help, and development of relevant tools and materials.

SIL's work is carried out primarily by more than 4,000 individuals, many of whom are recruited and supported by member organizations of the Wycliffe Global Alliance (the Alliance). This support is SIL's primary source of revenue. Alliance organizations contribute to the holistic flourishing of all peoples through Scripture access and related services. This support is SIL's primary source of revenue. The Alliance is not included in these consolidated financial statements because it is financially and administratively independent of SIL.

SIL is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code (Code) and comparable state law. It is classified as a publicly supported organization, which is not a private foundation under Section 509(a)(1) of the Code.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

#### PRINCIPLES OF CONSOLIDATION

The consolidated financial statements of SIL include SIL, its field offices, JAARS, Inc. (JAARS), SIL LEAD, Inc. (SIL LEAD), and Derivation, LLC, because they are under the control of SIL. Significant transactions and balances between the organizations and offices have been eliminated for consolidated financial statement purposes.

Derivation, LLC was formed as a limited liability company on July 29, 2021, in Delaware and is a single member LLC and is a subsidiary of SIL International.

JAARS, Inc. exists to make Bible translation and language development possible, especially in the most remote and difficult places on earth, by enabling locally-appropriate and sustainable solutions in transportation, technology, media, and training. SIL LEAD, Inc. helps local, community-based organizations use their own language to improve their quality of life. Derivation LLC's purpose is to provide language-related products and services that enable organizations to expand their market reach and operate in more languages.

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### PRINCIPLES OF CONSOLIDATION, continued

These consolidated financial statements include the activities and balances of SIL field offices located overseas. As of September 30, 2022, assets held overseas, including cash, accounts receivable, inventory and other assets, totaled \$9,115,000 and property and equipment, net of accumulated depreciation, amounted to \$19,579,000. As of September 30, 2021, assets held overseas, including cash, accounts receivable, inventory and other assets, totaled \$8,957,000 and property and equipment, net of accumulated depreciation, amounted to \$19,841,000.

Related entities, not included in these consolidated financial statements due to their financial and administrative independence, are listed below:

- Wycliffe Bible Translators, Inc. (Wycliffe USA) is an interdenominational, nonprofit, missionary organization with the goal of serving with the body of Christ to advance Bible translation and work together so people from every language understand the Bible and are transformed. Wycliffe USA controls and has an economic interest in Wycliffe Foundation (WF) and The Wycliffe Seed Company, Inc. (SC).
- SC works with local translators and international partner organizations as well as financial and prayer partners in a concentrated effort to make God's Word readily available for faster church planting, effective discipleship, and greater community transformation. These partnerships ensure the Scriptures are translated accurately and provided in the most accessible forms for maximum impact in the local communities.
- Wycliffe Bible Translators International (dba Wycliffe Global Alliance), (the Alliance) promotes the efforts of organizations (over 100 Alliance Organizations) as they engage the worldwide Church in providing resources for Bible translation and related ministry around the globe.
- RIA Charitable Investments Inc. (RIACII) exists to provide a pooled investment opportunity for SIL and Wycliffe Global Alliance member organizations.
- Dallas International University (DIU) is a graduate professional institute that provides training and research opportunities and equips students with the skills to train and serve others.

#### BASIS OF ACCOUNTING

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

#### ESTIMATES

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

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### CASH

Cash consists primarily of checking accounts deposited with financial institutions. Deposits in excess of FDIC insurance limits (including cash held outside the U.S.) at September 30, 2022 and 2021, were approximately \$20 million and \$26 million, respectively. Due to the diverse locations and financial cycles of SIL, management does not believe there is significant unmitigated risk.

SIL operates a system that facilitates the financial interaction between SIL and Wycliffe Global Alliance member organizations. As part of that system, SIL holds deposits from these organizations, which are included in cash and investments and amounts due to staff and related entities, in the amounts of approximately \$25 million and \$28 million as of September 30, 2022 and 2021, respectively.

Restricted cash received for long-term purposes totaled approximately \$2,329,000 and \$2,423,000 for the years ended September 30, 2022 and 2021, respectively. As of September 30, 2022 and 2021, unspent cash restricted for long-term purposes totaled \$567,000 and \$245,000, respectively.

#### INVESTMENTS

Investments in money market funds and mutual funds are reported at fair market value. The investment in the captive insurance company is accounted for using the equity method. Other investments are carried at cost on the consolidated statements of financial position. Realized and unrealized gains and losses are included in non-operating activities in the consolidated statements of activities. Investment income consist primarily of interest.

RIA Charitable Investments, Inc. (RIACII) operates as an investment pool available to SIL, JAARS, and certain Alliance organizations. Funds deposited with RIACII are invested in a variety of fixed income securities including U.S. Treasury issues, corporate bonds and mortgage backed bonds, which borrow and pay in U.S. dollars. RIACII carries two investment pools. The short-term portfolio pays interest at a stated rate as determined from time to time by the board of directors (2.50% and 2.00% for the years ended September 30, 2022 and 2021, respectively) to participants in proportion to the amount they have on deposit in the pool. The short-term portfolio is carried at the value of actual deposits made plus accrued interest. The long-term pool does not pay out interest, but allocates all net income or loss to the participants deposit in the pool. The long-term pool also invests in equity securities, mutual funds, and exchange traded funds. SIL's interest in the long-term pool is carried at Net Asset Value.

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### INVESTMENTS, continued

Interest income and dividends recorded in the consolidated statements of activities for 2022 and 2021, was approximately \$967,000 and \$775,000 respectively. As of September 30, 2022 and 2021, RIACII reported total assets with a fair value of approximately \$87,788,000 and \$97,178,000, respectively, of which SIL holds approximately \$41,889,000 (48%) and \$47,410,000 (49%), respectively. Credit risk is the failure of another party to perform in accordance with the contract terms. SIL is exposed to credit risk for the amount invested in the pool, which management believes is mitigated because the RIACII investment pool is only available to a small closed-group of related entities with common missional purposes and RIACII has a limited scope of business as a supporting organization to the small closed-group of related organizations.

Dividend income from the captive insurance company recorded in the consolidated statements of activities for the years ended September 30, 2022 and 2021, was approximately \$300,000 and \$266,000, respectively.

#### ACCOUNTS RECEIVABLE

Accounts receivable are primarily related to amounts due from mission organizations and other local organizations and individuals and an aircraft lease. As of September 30, 2022 and 2021, an allowance of \$9,800 and \$10,700, respectively, has been recorded.

#### INVENTORY

Inventory consists primarily of books, publications, construction materials, aviation and other parts, supplies and consumer goods that are held for sale. Inventory is stated at the lower of cost or net realizable value. Cost is determined using the weighted-average method, the retail method, or the first-in, first-out method, depending on the type of inventory. 54% and 57% of inventories are held at overseas locations as of September 30, 2022 and 2021, respectively.

The organization classifies certain aviation parts and materials with other assets. These items are maintained for future use as replacement parts because there are limited supply sources for such parts.

#### MUSEUMS AND COLLECTIONS

JAARS established the Mexico Museum and the Museum of the Alphabet (Museums) on its campus. The collections of the Museums at JAARS, which were acquired through purchases and contributions since the organization's inception, are not recognized as assets on the consolidated statements of financial position and, thus, are not reflected on the consolidated financial statements. Purchases of collection items are recorded as decreases in net assets without donor restrictions in the year in which the items are acquired or as net assets with donor restrictions if the assets used to purchase the items are restricted by donors. Proceeds for deaccessions or insurance recoveries are reflected as increases in the appropriate net asset classes.

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### PROPERTY AND EQUIPMENT

Effective October 1, 2019, expenditures in excess of \$10,000 are capitalized at cost. Prior to October 1, 2019, expenditures of \$5,000 or more were capitalized at cost. SIL allows its smaller offices to set a capitalization limit lower than \$10,000 based on local accounting rules. Depreciation is provided using the straight-line method over the estimated useful lives of the depreciable assets as follows:

|                        |                |
|------------------------|----------------|
| Buildings              | 10 to 40 years |
| Equipment              | 3 to 15 years  |
| Furniture and fixtures | 7 to 10 years  |
| Internal use software  | 3 to 5 years   |

#### OTHER ASSETS

Other assets of \$3,859,000 and \$3,765,000 as of September 30, 2022 and 2021, respectively, consist of the following:

*Beneficial interest in split-interest agreements:* At September 30, 2022 and 2021, the Wycliffe Foundation holds charitable gift annuities in the amount of \$501,000 and \$654,000 for JAARS, respectively. The amount represents the beneficial interest JAARS has in those charitable gift annuities.

*Aviation parts held for internal use (rather than those held for sale, which are included in Inventory):* \$1,898,910 and \$1,731,000 at September 30, 2022 and 2021, respectively.

*Prepaid expenses:* \$1,459,000 and \$1,380,000 at September 30, 2022 and 2021, respectively.

#### OTHER LIABILITIES

Other liabilities consists primarily of Asset Retirement Obligations (ARO) for SIL and JAARS. As of September 30, 2022, the balances were \$370,000 and \$581,000, respectively, for SIL and JAARS. As of September 30, 2021, the balances were \$395,000 and \$585,000, respectively, for SIL and JAARS.

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### NET ASSETS

The net assets of SIL are classified into net asset categories according to externally (donor or legal) imposed restrictions as follows:

*Net assets without donor restrictions* are those available for the general operations of SIL, funds designated for specific uses by the board of directors (including designations by the executive committees of overseas offices), and equity in property and equipment. Equity in property and equipment is reported net of related notes payable and asset retirement obligations.

*Net assets with donor restrictions* are stipulated by donors for specific operating purposes or for the acquisition of property and equipment or are time restricted. These include donor restrictions requiring the net assets be held in perpetuity or for a specified term with investment return available for operations or specific purposes.

#### REVENUE

Revenue is recognized when earned and support when contributions are made, which may be when cash is received, unconditional promises are made, or ownership of donated assets is transferred to the organization.

#### SALES AND SERVICE INCOME

SIL provides sales and services to external organizations for language and operational services. There are also sales and services for use by staff whose work requires them to reside in remote locations and the local economy does not provide what is needed for either staff personal needs or work needs. This includes aviation services, housing, and maintenance, as well as more personal needs such as groceries or basic medical services.

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### CONTRIBUTIONS OF NONFINANCIAL ASSETS:

For the year ended September 30, contributed nonfinancial assets recognized within the consolidated statements of activities included (in thousands):

|                                            | <u>Year Ended September 30,</u> |                   |
|--------------------------------------------|---------------------------------|-------------------|
|                                            | <u>2022</u>                     | <u>2021</u>       |
| Without donor restrictions:                |                                 |                   |
| Real property                              | \$ 9,258                        | \$ -              |
| Services                                   | 99,658                          | 102,237           |
|                                            | <u>108,916</u>                  | <u>102,237</u>    |
| With donor restrictions:                   |                                 |                   |
| Services and goods                         | -                               | 7                 |
|                                            | <u>-</u>                        | <u>7</u>          |
| Total contributions of nonfinancial assets | <u>\$ 108,916</u>               | <u>\$ 102,244</u> |

SIL received a donation of real property of \$9,258,100 from an Alliance Organization in the year ended September 30, 2022. SIL used comparable publicly available values to determine the fair value measurement for the donation.

SILs policy related to contributions of nonfinancial assets is to utilize the assets given in carrying out the mission of the organization, whether that be through use of the asset or service, grant of the asset or service to another SIL partner, or sale of the asset. No nonfinancial assets were monetized during the years ended September 30, 2022 or 2021.

Contributed goods are recorded at fair market value at the time of donation and fair value may be determined by use of licensed appraiser, specialist, or evaluation of market prices.

Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by SIL. These services are recorded at market rates which are determined using Bureau of Labor statistics.

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

#### PROGRAM SERVICE INCOME

Program service income is generated from the sale of inventory and use of services provided by JAARS and SIL LEAD, net of related expense.

#### ALLOCATION OF EXPENSES

Expenses are recorded when incurred in accordance with the accrual basis of accounting. The consolidated financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of SIL. These expenses included depreciation, information technology, and facilities operations and maintenance. Depreciation is allocated based on square footage. Costs of other categories were allocated based on estimates of time and effort.

#### FOREIGN CURRENCY TRANSLATION

SIL has offices in over 40 countries. The U.S. Dollar is the functional currency throughout the organization. Transactions made in other currencies are translated into U.S. Dollars at an average exchange rate during the month of the transaction. For the years ending September 30, 2022 and 2021, exchange gains and losses were (\$82,000) and \$24,000, respectively, which are reported in consolidated statements of activities as other income.

#### RECENTLY ADOPTED ACCOUNTING STANDARD:

In 2020, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2020-07, *Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. SIL adopted the provisions of this new standard during the year ended September 30, 2022. The standard requires nonprofits to present contributed nonfinancial assets as a separate line item in the consolidated statements of activities apart from contributions of cash or other financial assets, including disaggregating by category the types of contributed nonfinancial assets a nonprofit entity has received. Adoption of this standard did not have a significant impact on the consolidated financial statements, with the exception of increased disclosure.

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 3. INVESTMENTS:

SIL's investments consist of the following (in thousands):

|                                                        | September 30,    |                  |
|--------------------------------------------------------|------------------|------------------|
|                                                        | 2022             | 2021             |
| Investments held at other than fair value:             |                  |                  |
| Deposits with RIA Charitable Investments, Inc.:        |                  |                  |
| Short-term portfolio, at cost                          | \$ 26,259        | \$ 27,181        |
| Long-term portfolio, at net asset value                | 15,630           | 20,229           |
| Investment in captive insurance company, equity method | 3,747            | 3,746            |
| Certificates of deposit, at cost                       | 316              | 182              |
|                                                        | <u>45,952</u>    | <u>51,338</u>    |
| Investments at fair value:                             |                  |                  |
| Mutual funds                                           | 441              | 748              |
|                                                        | <u>\$ 46,393</u> | <u>\$ 52,086</u> |

SIL's investments consist of the following (in thousands):

|                                                                      | September 30,    |                  |
|----------------------------------------------------------------------|------------------|------------------|
|                                                                      | 2022             | 2021             |
| Investments to be held in perpetuity                                 | \$ 394           | \$ 394           |
| Investments available for general operations and restricted purposes | <u>45,999</u>    | <u>51,692</u>    |
|                                                                      | <u>\$ 46,393</u> | <u>\$ 52,086</u> |

SIL and eight other not-for-profit organizations are members of an offshore captive insurance holding company entitled Stewardship Insurance, Ltd. (Stewardship). There is one wholly-owned subsidiary of Stewardship, Stewardship Reinsurance, Ltd (SRL). SIL accounts for its investments based on the equity method of accounting.

Stewardship captive insures claims relating to workers' compensation, property, general liability, and auto liability. Stewardship reinsures the first \$1,000,000 of any claim. Of that \$1,000,000 Stewardship pays the first \$250,000 and SRL pays the next \$750,000. The next \$1,000,000 is reinsured with a primary insurance carrier. The policy limits are \$2,000,000 with statutory workers' compensation benefits. Umbrella insurance coverage is purchased for claims exceeding \$2,000,000. Claim experience will be identified to each participating entity and subsequent premiums will be modified based on an entity's experience.

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 3. INVESTMENTS, continued:

Included within investments is \$3,747,000 (cost basis \$330,000) and \$3,746,000 (cost basis \$330,000), which represents SIL's investment in captive insurance as of both September 30, 2022 and 2021, representing 10% and 9% of Stewardship. Investment balances are measured as of July 31, 2022, for fiscal year 2022, and July 31, 2021, for fiscal year 2021, which represent the most recent data available. SIL is not aware of any material differences to these balances as of September 30. SIL has paid approximately \$479,000 and \$400,000 in premiums to the captive during the years ended September 30, 2022 and 2021, respectively.

SIL uses net asset value (NAV) to determine the fair value of all underlying investments which (a) do not have a readily determinable fair value and (b) prepare their consolidated financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. SIL's interest in the long-term investment portfolio calculates NAV per share (or its equivalent) and uses an investment strategy that includes long and short-term strategies. As discussed in Note 2, SIL invests in portfolios operated by RIA Charitable Investments, Inc. The RIACII long-term investment pool is valued at net asset value and gains/losses are allocated to each participant. This fund has redemption restrictions that require SIL to give a 15 day advance notice for all withdrawals, not more than two withdrawals can be made per quarter and a maximum of five withdrawals can be made per year. There are no unfunded commitments at year end. SIL's investment in this fund was approximately \$15,630,000 and \$20,229,000 as of September 30, 2022 and 2021, respectively.

Investment income consists of the following (in thousands):

|                                                 | Year Ended September 30, |                 |
|-------------------------------------------------|--------------------------|-----------------|
|                                                 | 2022                     | 2021            |
| Interest and dividends                          | \$ 967                   | \$ 775          |
| Net realized/unrealized (loss) gain             | (4,623)                  | 4,437           |
| Gain on investment in captive insurance company | 1                        | 167             |
|                                                 | <u>\$ (3,655)</u>        | <u>\$ 5,379</u> |

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 4. NOTES RECEIVABLE:

Note receivable consist of the following (in thousands):

|                                                                                                                                                                                                                                                                                                                                             | September 30, |               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
|                                                                                                                                                                                                                                                                                                                                             | 2022          | 2021          |
| Unsecured line of credit with Wycliffe Germany for \$500,000. Interest payments are due at a quarterly rate of 2.74% and 1.92%, respectively at September 30, 2022 and 2021. Principal payments for a minimum of \$10,000 quarterly began June 2021, two years after the initial distribution. The final payment is due September 30, 2025. | \$ 132        | \$ 176        |
| Secured note receivable from Global Recording Network on August 1, 2021, from the sale of property in Arizona. Monthly payments are due at an interest rate of 3.5% for 15 years. The note was fully paid in October 2021.                                                                                                                  | -             | 630           |
|                                                                                                                                                                                                                                                                                                                                             | <u>\$ 132</u> | <u>\$ 806</u> |

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 5. PROPERTY AND EQUIPMENT–NET:

Property and equipment–net at September 30, 2022, consist of the following (in thousands):

|                               | Domestic         | International    | Total            |
|-------------------------------|------------------|------------------|------------------|
| Land and land improvements    | \$ 2,989         | \$ 2,861         | \$ 5,850         |
| Buildings                     | 33,087           | 30,366           | 63,453           |
| Furniture and equipment       | 6,340            | 4,293            | 10,633           |
| Software                      | 5,241            | 14               | 5,255            |
| Vehicles                      | 365              | 3,303            | 3,668            |
| Aircraft                      | 5,595            | 9,128            | 14,723           |
| Utilities                     | 371              | 540              | 911              |
|                               | 53,988           | 50,505           | 104,493          |
| Less accumulated depreciation | (31,679)         | (32,085)         | (63,764)         |
|                               | 22,309           | 18,420           | 40,729           |
| Construction in progress      | 8,750            | 1,159            | 9,909            |
|                               | <u>\$ 31,059</u> | <u>\$ 19,579</u> | <u>\$ 50,638</u> |

Property and equipment–net at September 30, 2021, consist of the following (in thousands):

|                               | Domestic         | International    | Total            |
|-------------------------------|------------------|------------------|------------------|
| Land and land improvements    | \$ 2,711         | \$ 2,773         | \$ 5,484         |
| Buildings                     | 23,655           | 30,436           | 54,091           |
| Furniture and equipment       | 6,180            | 4,595            | 10,775           |
| Software                      | 2,588            | 14               | 2,602            |
| Vehicles                      | 321              | 3,405            | 3,726            |
| Aircraft                      | 4,794            | 9,355            | 14,149           |
| Utilities                     | 371              | 548              | 919              |
|                               | 40,620           | 51,126           | 91,746           |
| Less accumulated depreciation | (29,250)         | (31,391)         | (60,641)         |
|                               | 11,370           | 19,735           | 31,105           |
| Construction in progress      | 7,787            | 106              | 7,893            |
|                               | <u>\$ 19,157</u> | <u>\$ 19,841</u> | <u>\$ 38,998</u> |

SIL believes the above assets are properly stated as of September 30, 2022 and 2021, respectively. However, the political situation in many countries is subject to rapid change which could adversely affect the realizable value of the assets. In addition, the carrying value of assets may not be representative of the amount that would be realized should the assets be sold. For the years ended September 30, 2022 and 2021, 38% and 41%, respectively, of the international property and equipment is in Papua New Guinea, 9% and 10%, respectively, is held in Cameroon, and 9% for both years is in Australia.

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 6. UNCONDITIONAL AND CONDITIONAL CONTRIBUTIONS:

SIL receives both unconditional and conditional multi-year agreements from related parties and Alliance organizations. Under ASU 2018-08, the following represents the impact of this ASU on the consolidated financials statements for the years ended September 30, 2022 and 2021:

#### UNCONDITIONAL CONTRIBUTIONS:

As of September 30, 2022, SIL had \$4,616,000 of unconditional promises to give that are included in amounts due from related entities on the consolidated statement of financial position. \$4,456,000 is expected to be collected during the year ended September 30, 2023.

As of September 30, 2021, SIL had \$4,140,000 of unconditional promises to give that is included in amounts due from related entities on the consolidated statement of financial position. These amounts were received during the year ended September 30, 2022.

#### CONDITIONAL CONTRIBUTIONS:

SIL receives conditional contributions in the form of multi-year agreements from SC and Wycliffe USA. These agreements contains both measurable performance barriers and the right of return. Funds received and not yet spent as part of these agreements were \$2,345,000 and \$1,641,000 as of September 30, 2022 and 2021, respectively, and have been recorded as part of deferred income and advances on the consolidated statements of financial position.

As of September 30, 2022, conditional contributions consist of:

|                           |                             |
|---------------------------|-----------------------------|
| Due in less than one year | \$ 8,300,000                |
| Due in one to five years  | <u>7,300,000</u>            |
|                           | <u><u>\$ 15,600,000</u></u> |

These conditional contributions represent funds expected to be received in future years and do not include the \$2,345,000 of funds already received and recorded as deferred income and advances on the consolidated statements of financial position.

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 7. NATURAL CLASSIFICATION OF EXPENSES:

Functional expenses by natural classification for the year ended September 30, 2022, (in thousands):

|                                           | Program Expenses        |                      |                          |                     |                  |                   |
|-------------------------------------------|-------------------------|----------------------|--------------------------|---------------------|------------------|-------------------|
|                                           | Language<br>Development | Language<br>Services | Support and<br>Logistics | Admin-<br>istration | Fund-<br>raising | Total<br>Expenses |
| Salaries, benefits, and<br>donated labor  | \$ 52,423               | \$ 16,268            | \$ 22,961                | \$ 24,504           | \$ 1,730         | \$ 117,886        |
| Other                                     | 1,620                   | -                    | 5,065                    | 704                 | 118              | 7,507             |
| Travel                                    | 2,428                   | 925                  | -                        | 1,869               | 34               | 5,256             |
| Facilities, equipment,<br>and maintenance | 926                     | 279                  | 2,843                    | 637                 | 3                | 4,688             |
| Depreciation                              | 42                      | 68                   | 4,052                    | 265                 | 2                | 4,429             |
| Grants/contributions                      | 1,551                   | 727                  | 16                       | 1,571               | -                | 3,865             |
| Professional services                     | 860                     | 1,111                | 503                      | 1,090               | 87               | 3,651             |
| Training                                  | 1,070                   | 503                  | 51                       | 273                 | 4                | 1,901             |
| Publications and<br>printing              | 663                     | 549                  | 9                        | 1                   | -                | 1,222             |
|                                           | <u>\$ 61,583</u>        | <u>\$ 20,430</u>     | <u>\$ 35,500</u>         | <u>\$ 30,914</u>    | <u>\$ 1,978</u>  | <u>\$ 150,405</u> |

Functional expenses by natural classification for the year ended September 30, 2021, (in thousands):

|                                           | Program Expenses        |                      |                          |                     |                  |                   |
|-------------------------------------------|-------------------------|----------------------|--------------------------|---------------------|------------------|-------------------|
|                                           | Language<br>Development | Language<br>Services | Support and<br>Logistics | Admin-<br>istration | Fund-<br>raising | Total<br>Expenses |
| Salaries, benefits, and<br>donated labor  | \$ 53,587               | \$ 17,752            | \$ 22,240                | \$ 23,640           | \$ 1,588         | \$ 118,807        |
| Other                                     | 2,127                   | 47                   | 4,604                    | 800                 | 117              | 7,695             |
| Facilities, equipment,<br>and maintenance | 1,262                   | -                    | 2,611                    | 660                 | 2                | 4,535             |
| Depreciation                              | 52                      | 73                   | 3,422                    | 300                 | 12               | 3,859             |
| Grants/contributions                      | 2,438                   | -                    | 219                      | 959                 | -                | 3,616             |
| Professional services                     | 716                     | 662                  | 333                      | 910                 | 142              | 2,763             |
| Travel                                    | 1,288                   | 327                  | -                        | 415                 | 13               | 2,043             |
| Publications and<br>printing              | 847                     | 910                  | -                        | 31                  | -                | 1,788             |
| Training                                  | 773                     | 223                  | 65                       | 186                 | 1                | 1,248             |
|                                           | <u>\$ 63,090</u>        | <u>\$ 19,994</u>     | <u>\$ 33,494</u>         | <u>\$ 27,901</u>    | <u>\$ 1,875</u>  | <u>\$ 146,354</u> |

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 8. OPERATING LEASES:

Many SIL offices lease property or have been granted the use of property by the local government. For most of those offices, the leases are on a month-to-month basis and the amounts are immaterial. Others have terms of one year or longer. In addition, JAARS has entered into several leases for equipment.

Future minimum rental payments that are required under the annual or long-term leases are presented below (in thousands):

| <u>Year Ending September 30,</u> |                        |
|----------------------------------|------------------------|
| 2023                             | \$ 204                 |
| 2024                             | 134                    |
| 2025                             | 88                     |
| 2026                             | 78                     |
| 2027                             | 68                     |
| Thereafter                       | <u>473</u>             |
|                                  | <u><u>\$ 1,045</u></u> |

Total rental expense for the years ending September 30, 2022 and 2021, was \$1,401,000 and \$1,696,000, respectively.

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 9. TRANSACTIONS WITH RELATED ENTITIES:

SIL had investments with related entities as follows (in thousands):

|        | September 30, |      |
|--------|---------------|------|
|        | 2022          | 2021 |
| RIACII | \$ -          | \$ - |

SIL had amounts due from related entities as follows (in thousands):

|                                                    | September 30, |          |
|----------------------------------------------------|---------------|----------|
|                                                    | 2022          | 2021     |
| Staff                                              | \$ 60         | \$ 68    |
| The Alliance organizations                         | 1,549         | 1,001    |
| Alliance Organizations–restricted for future years | 3,980         | 3,842    |
|                                                    | 5,589         | 4,911    |
| Note receivable–Wycliffe Germany                   | 132           | 176      |
|                                                    | \$ 5,721      | \$ 5,087 |

SIL had amounts due to related entities as follows (in thousands):

|                                          | September 30, |           |
|------------------------------------------|---------------|-----------|
|                                          | 2022          | 2021      |
| Staff                                    | \$ 2,735      | \$ 2,892  |
| The Alliance organizations               | 127           | 165       |
| The Alliance organizations cash deposits | 24,224        | 28,454    |
|                                          | \$ 27,086     | \$ 31,511 |

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

9. TRANSACTIONS WITH RELATED ENTITIES, continued:

SIL received support from and provided support and revenue to related entities as follows (in thousands):

|                                                                              | Year Ended September 30, |           |
|------------------------------------------------------------------------------|--------------------------|-----------|
|                                                                              | 2022                     | 2021      |
| Received financial asset support from the Alliance organizations             | \$ 25,468                | \$ 28,335 |
| Received nonfinancial asset support—services from the Alliance organizations | \$ 94,608                | \$ 97,675 |
| Received nonfinancial asset support—property from the Alliance organizations | \$ 9,258                 | \$ -      |
| Provided support and revenue to the Alliance organizations                   | \$ 2,574                 | \$ 3,044  |

Of the nonfinancial asset support—services received from the Alliance organizations during the year ended September 30, 2022, \$3,135,000 was capitalized as part of fixed assets, \$73,164,000 is included in program expenses, \$17,183,000 is included in general and administrative expenses, and \$1,126,000 is included in fundraising.

Of the nonfinancial asset support—services received from the Alliance organizations during the year ended September 30, 2021, \$2,694,000 was capitalized as part of fixed assets, \$76,150,000 is included in program expenses, \$17,792,000 is included in general and administrative expenses, and \$1,039,000 is included in fundraising.

As described in Note 2, SIL received a donation of real property from an Alliance Organization during the year ended September 30, 2022, and it is included in donations of nonfinancial assets—property and equipment on the consolidated statement of activities.

As discussed in Note 2, SIL holds investments on behalf of Wycliffe Global Alliance member organizations (AOs) at RIACII, which is included in cash and amounts due to staff and related entities on the consolidated statements of financial position. In fiscal year 2021, the Alliance transferred the responsibility of the AO investments held at RIACII to SIL. This resulted in an approximate \$6,000,000 increase in investments and amounts due to staff and related entities on the consolidated statements of financial position for the year ended September 30, 2021. No such transaction occurred during the year ended September 30, 2022.

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 10. NET ASSETS:

Board-designated net assets consist of the following (in thousands):

|                                      | September 30,    |                  |
|--------------------------------------|------------------|------------------|
|                                      | 2022             | 2021             |
| Repair/replacement funds             | \$ 1,620         | \$ 1,624         |
| Aviation overhaul funds              | 4,431            | 4,196            |
| Stewardship Insurance, Ltd.          | 3,747            | 3,746            |
| International conference travel fund | 1,278            | 1,268            |
| Insurance reserves                   | 1,923            | 2,131            |
| Language development/publishing      | 917              | 866              |
| Scholarships                         | 62               | 61               |
|                                      | <u>\$ 13,978</u> | <u>\$ 13,892</u> |

Net assets with donor restrictions consist of the following (in thousands):

|                                                  | September 30,    |                  |
|--------------------------------------------------|------------------|------------------|
|                                                  | 2022             | 2021             |
| Restricted by purpose or time:                   |                  |                  |
| Language and literacy support projects           | \$ 6,453         | \$ 6,444         |
| Time restricted for following fiscal years       | 3,980            | 3,842            |
| Aviation and aircraft support projects           | 1,871            | 3,101            |
| Beneficial interest in charitable gift annuities | 501              | 654              |
|                                                  | <u>12,805</u>    | <u>14,041</u>    |
| Restricted in perpetuity:                        |                  |                  |
| Endowment funds                                  | <u>394</u>       | <u>394</u>       |
|                                                  | <u>\$ 13,199</u> | <u>\$ 14,435</u> |

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 10. NET ASSETS, continued:

*Minority interest:* SIL operates a school overseas in which partners hold a minority interest of 34% for the years ended September 30, 2022 and 2021. SIL has an interest of 66% in the school as of September 30, 2022 and 2021. SIL's majority interest and the minority interest in the school are included in SIL's net assets and change in net assets as follows (in thousands):

|                      | SIL Interest<br>September 30, |                 | Minority Interest<br>September 30, |               |
|----------------------|-------------------------------|-----------------|------------------------------------|---------------|
|                      | 2022                          | 2021            | 2022                               | 2021          |
| Beginning net assets | \$ 1,072                      | \$ 1,131        | \$ 555                             | \$ 586        |
| Change in net assets | (36)                          | (59)            | (19)                               | (31)          |
| Ending net assets    | <u>\$ 1,036</u>               | <u>\$ 1,072</u> | <u>\$ 536</u>                      | <u>\$ 555</u> |

### 11. ENDOWMENT FUNDS:

SIL's endowment assets consist of two individual funds established for a variety of purposes restricted in perpetuity. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. The disclosures required by the *Reporting Endowment Funds* topic of the FASB ASC have not been included in these consolidated financial statements due to immateriality.

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 12. FAIR VALUE MEASUREMENTS:

SIL follows the provisions of the *Fair Value Measurements and Disclosure* topic of the FASB ASC. These provisions define fair value, establish a framework for measuring fair value, and enhance disclosures about fair value measurements. Fair value is defined under the standards as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market between market participants on the measurement date.

SIL uses appropriate valuation techniques to determine fair value based on inputs available. When available, SIL measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available. Level 1 inputs consist of unadjusted quoted market prices in active markets for identical assets and have the highest priority, Level 2 inputs consist of observable inputs other than quoted prices for identical assets, and Level 3 inputs have the lowest priority.

*Changes in methods and assumptions* : None.

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying consolidated statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall.

Fair values of assets measured on a recurring basis are as follows (in thousands):

| September 30, 2022                               |        |         |         |
|--------------------------------------------------|--------|---------|---------|
|                                                  | Total  | Level 1 | Level 2 |
| Investments:                                     |        |         |         |
| Mutual funds                                     | \$ 441 | \$ 441  | \$ -    |
| Other assets:                                    |        |         |         |
| Beneficial interest in split-interest agreements | \$ 501 | \$ -    | \$ 501  |
| September 30, 2021                               |        |         |         |
|                                                  | Total  | Level 1 | Level 2 |
| Investments:                                     |        |         |         |
| Mutual funds                                     | \$ 748 | \$ 748  | \$ -    |
| Other assets:                                    |        |         |         |
| Beneficial interest in split-interest agreements | \$ 654 | \$ -    | \$ 654  |

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

12. FAIR VALUE MEASUREMENTS, continued:

Mutual funds are valued using unadjusted quoted market prices in active markets for identical assets. WF holds certain charitable gift annuities for JAARS. This amount represents the beneficial interest JAARS has in those charitable gift annuities. The annuity assets held at WF are reported at fair value based on observable inputs other than quoted prices for identical assets, which is Level 2 of the fair value hierarchy. The fair value for the beneficial interest in split-interest agreements is determined by calculating the present value of the future distributions expected to be received, using published life expectancy tables and an appropriate discount rate.

13. EMPLOYEE RETIREMENT PLAN:

SIL has a 403(b) retirement plan for qualifying US employees, meaning those employees who normally work more than 20 hours per week. Eligible employees may make deferral contributions up to limits set by law, which may be matched by employer contributions equal to 100% of the first 2.5% of compensation deferred. Employer matching contributions as of September 30, 2022 and 2021, were \$76,000 and \$59,000, respectively.

14. SEVERANCE LIABILITY:

As of September 30, 2022 and 2021, SIL had accrued approximately \$2,279,000 and \$2,266,000, respectively, which is made up entirely of severance liabilities required by local laws in many countries around the world in which SIL employs local citizens as staff. This amount is included in accounts payable and accrued expenses on the consolidated statements of financial position.

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Notes to Consolidated Financial Statements

September 30, 2022 and 2021

### 15. LIQUIDITY AND FUNDS AVAILABLE:

The following reflects SIL's financial assets (in thousands) as of September 30, 2022 and 2021, reduced by amounts not available for general use within one year because of contractual or donor-imposed restrictions. Amounts not available include amounts set aside for reserves designated by the board that could be drawn upon if the governing board approves that action.

|                                                                         | September 30,    |                  |
|-------------------------------------------------------------------------|------------------|------------------|
|                                                                         | 2022             | 2021             |
| Financial assets:                                                       |                  |                  |
| Cash                                                                    | \$ 21,488        | \$ 27,815        |
| Notes receivable                                                        | 132              | 806              |
| Amounts due from related entities                                       | 5,589            | 4,911            |
| Accounts receivable                                                     | 1,941            | 2,001            |
| Investments                                                             | 46,393           | 52,086           |
| Beneficial interest in split interest agreements                        | 501              | 654              |
| Financial assets, at year-end                                           | <u>76,044</u>    | <u>88,273</u>    |
| Less those unavailable for general expenditure within one year, due to: |                  |                  |
| Contractual or donor-imposed restrictions:                              |                  |                  |
| Investments to be held in perpetuity                                    | (394)            | (394)            |
| Beneficial interest in split interest agreements                        | (501)            | (654)            |
| Equity in offshore captive insurance company                            | (3,747)          | (3,746)          |
| Investments not available                                               | (50)             | (50)             |
| Funds held for Alliance Organizations                                   | (24,869)         | (28,797)         |
| Board-designated funds:                                                 |                  |                  |
| Board-designated for aviation overhaul reserves                         | (4,431)          | (4,196)          |
| Board-designated for international conferences                          | (1,278)          | (1,268)          |
| Board-designated for insurance reserves                                 | (1,923)          | (2,131)          |
|                                                                         | <u>(37,193)</u>  | <u>(41,236)</u>  |
|                                                                         | <u>\$ 38,851</u> | <u>\$ 47,037</u> |

As part of SIL's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

### 16. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through March 31, 2023, which represents the date the consolidated financial statements were available to be issued. Subsequent events after that date have not been evaluated.

## **SUPPLEMENTARY DATA**

**INDEPENDENT AUDITORS' REPORT  
ON SUPPLEMENTARY DATA**

Audit Committee of the Board of Directors  
Summer Institute of Linguistics, Inc.  
Dallas, Texas

We have audited the consolidated financial statements of Summer Institute of Linguistics, Inc. as of and for the years ended September 30, 2022 and 2021, and our report thereon dated March 31, 2023, which expressed an unmodified opinion on those consolidated financial statements, appears on page 1. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position and activities are presented for purposes of additional analysis of the consolidated financial statements, rather than to present financial position, results of operations, and cash flows of the individual organizations, and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Capin Crouse LLP*

Irving, Texas  
March 31, 2023

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Consolidating Statement of Financial Position

(in thousands of dollars)

September 30, 2022

|                                                           | Summer<br>Institute of<br>Linguistics | JAARS            | SIL Lead      | Derivation    | Eliminations    | Total             |
|-----------------------------------------------------------|---------------------------------------|------------------|---------------|---------------|-----------------|-------------------|
| <b>ASSETS:</b>                                            |                                       |                  |               |               |                 |                   |
| Cash                                                      | \$ 20,983                             | \$ 187           | \$ 255        | \$ 111        | \$ (48)         | \$ 21,488         |
| Accounts receivable                                       | 1,204                                 | 630              | 107           | -             | -               | 1,941             |
| Notes receivable                                          | 132                                   | -                | -             | -             | -               | 132               |
| Amounts due from related entities                         | 5,721                                 | -                | 2             | -             | (134)           | 5,589             |
| Inventory                                                 | 1,760                                 | 655              | -             | -             | -               | 2,415             |
| Investments                                               | 44,220                                | 2,731            | -             | -             | (558)           | 46,393            |
| Other assets                                              | 3,133                                 | 721              | 5             | -             | -               | 3,859             |
| Property and equipment—net of<br>accumulated depreciation | 44,080                                | 6,558            | -             | -             | -               | 50,638            |
| Total Assets                                              | <u>\$ 121,233</u>                     | <u>\$ 11,482</u> | <u>\$ 369</u> | <u>\$ 111</u> | <u>\$ (740)</u> | <u>\$ 132,455</u> |
| <b>LIABILITIES AND NET ASSETS:</b>                        |                                       |                  |               |               |                 |                   |
| Liabilities:                                              |                                       |                  |               |               |                 |                   |
| Accounts payable and<br>accrued expenses                  | \$ 4,279                              | \$ 369           | \$ 84         | \$ -          | \$ -            | \$ 4,732          |
| Deferred income and advances                              | 3,021                                 | -                | 9             | -             | -               | 3,030             |
| Amounts due to staff and<br>related entities              | 27,702                                | -                | -             | -             | (616)           | 27,086            |
| Other liabilities                                         | 370                                   | 632              | -             | -             | -               | 1,002             |
|                                                           | <u>35,372</u>                         | <u>1,001</u>     | <u>93</u>     | <u>-</u>      | <u>(616)</u>    | <u>35,850</u>     |
| Net assets:                                               |                                       |                  |               |               |                 |                   |
| Net assets without donor restrictions:                    |                                       |                  |               |               |                 |                   |
| Undesignated                                              | 19,457                                | (444)            | 270           | 111           | 347             | 19,741            |
| Board-designated                                          | 11,789                                | 2,189            | -             | -             | -               | 13,978            |
| Equity in property and<br>equipment—net                   | 43,323                                | 6,364            | -             | -             | -               | 49,687            |
|                                                           | <u>74,569</u>                         | <u>8,109</u>     | <u>270</u>    | <u>111</u>    | <u>347</u>      | <u>83,406</u>     |
| Net assets with donor restrictions:                       |                                       |                  |               |               |                 |                   |
| Restricted by purpose or time                             | 10,898                                | 2,372            | 6             | -             | (471)           | 12,805            |
| Restricted in perpetuity                                  | 394                                   | -                | -             | -             | -               | 394               |
|                                                           | <u>85,861</u>                         | <u>10,481</u>    | <u>276</u>    | <u>111</u>    | <u>(124)</u>    | <u>96,605</u>     |
| Total Liabilities and Net Assets                          | <u>\$ 121,233</u>                     | <u>\$ 11,482</u> | <u>\$ 369</u> | <u>\$ 111</u> | <u>\$ (740)</u> | <u>\$ 132,455</u> |

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Consolidating Statement of Activities

(in thousands of dollars)

Year Ended September 30, 2022

|                                                       | Summer<br>Institute of<br>Linguistics | JAARS            | SIL Lead      | Derivation    | Eliminations    | Total            |
|-------------------------------------------------------|---------------------------------------|------------------|---------------|---------------|-----------------|------------------|
| <b>OPERATING SUPPORT AND REVENUE:</b>                 |                                       |                  |               |               |                 |                  |
| Support from related entities                         | \$ 25,762                             | \$ 794           | \$ 11         | \$ -          | \$ (1,099)      | \$ 25,468        |
| Contributions                                         | 4,913                                 | 3,764            | 39            | -             | -               | 8,716            |
| Donations of nonfinancial assets—<br>equipment        | 9,258                                 | -                | -             | -             | -               | 9,258            |
| Donations of nonfinancial assets—<br>services         | 91,177                                | 8,529            | -             | -             | (48)            | 99,658           |
| Program service revenue                               | -                                     | 1,589            | 447           | -             | -               | 2,036            |
| Sales and service income                              | 13,270                                | -                | 138           | 2             | (669)           | 12,741           |
| Gain (loss) on sale of fixed assets                   | 57                                    | (13)             | -             | -             | -               | 44               |
| Other income                                          | (82)                                  | -                | -             | -             | -               | (82)             |
| Total operating support and revenue                   | <u>144,355</u>                        | <u>14,663</u>    | <u>635</u>    | <u>2</u>      | <u>(1,816)</u>  | <u>157,839</u>   |
| <b>OPERATING EXPENSES:</b>                            |                                       |                  |               |               |                 |                  |
| Program services:                                     |                                       |                  |               |               |                 |                  |
| Bible translation and related programs                | <u>105,391</u>                        | <u>13,147</u>    | <u>554</u>    | <u>-</u>      | <u>(1,579)</u>  | <u>117,513</u>   |
| Supporting services:                                  |                                       |                  |               |               |                 |                  |
| General and administrative                            | 29,629                                | 1,206            | 301           | 21            | (243)           | 30,914           |
| Fund-raising                                          | 568                                   | 1,385            | 25            | -             | -               | 1,978            |
|                                                       | <u>30,197</u>                         | <u>2,591</u>     | <u>326</u>    | <u>21</u>     | <u>(243)</u>    | <u>32,892</u>    |
| Total operating expenses                              | <u>135,588</u>                        | <u>15,738</u>    | <u>880</u>    | <u>21</u>     | <u>(1,822)</u>  | <u>150,405</u>   |
| Change in net assets from operating<br>activities     | <u>8,767</u>                          | <u>(1,075)</u>   | <u>(245)</u>  | <u>(19)</u>   | <u>6</u>        | <u>7,434</u>     |
| <b>NON-OPERATING ACTIVITIES:</b>                      |                                       |                  |               |               |                 |                  |
| Interest and dividends                                | 919                                   | 48               | -             | -             | -               | 967              |
| Net realized/unrealized loss                          | (4,597)                               | (25)             | -             | -             | -               | (4,622)          |
| Change in net assets from non-operating<br>activities | <u>(3,678)</u>                        | <u>23</u>        | <u>-</u>      | <u>-</u>      | <u>-</u>        | <u>(3,655)</u>   |
| Change in Net Assets                                  | 5,089                                 | (1,052)          | (245)         | (19)          | 6               | 3,779            |
| Investment in Derivation                              | -                                     | -                | -             | 130           | (130)           | -                |
| Net Assets, Beginning of Year                         | <u>80,772</u>                         | <u>11,533</u>    | <u>521</u>    | <u>-</u>      | <u>-</u>        | <u>92,826</u>    |
| Net Assets, End of Year                               | <u>\$ 85,861</u>                      | <u>\$ 10,481</u> | <u>\$ 276</u> | <u>\$ 111</u> | <u>\$ (124)</u> | <u>\$ 96,605</u> |

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Consolidating Statement of Financial Position

(in thousands of dollars)

September 30, 2021

|                                                           | Summer<br>Institute of<br>Linguistics | JAARS            | SIL LEAD      | Eliminations      | Total             |
|-----------------------------------------------------------|---------------------------------------|------------------|---------------|-------------------|-------------------|
| <b>ASSETS:</b>                                            |                                       |                  |               |                   |                   |
| Cash                                                      | \$ 27,310                             | \$ 214           | \$ 391        | \$ (100)          | \$ 27,815         |
| Accounts receivable                                       | 1,366                                 | 483              | 176           | (24)              | 2,001             |
| Notes receivable                                          | 806                                   | -                | -             | -                 | 806               |
| Amounts due from related entities                         | 4,967                                 | -                | -             | (56)              | 4,911             |
| Inventory                                                 | 1,404                                 | 530              | -             | -                 | 1,934             |
| Investments                                               | 49,522                                | 3,420            | -             | (856)             | 52,086            |
| Other assets                                              | 2,920                                 | 837              | 8             | -                 | 3,765             |
| Property and equipment—net of<br>accumulated depreciation | 32,049                                | 6,949            | -             | -                 | 38,998            |
| <b>Total Assets</b>                                       | <b>\$ 120,344</b>                     | <b>\$ 12,433</b> | <b>\$ 575</b> | <b>\$ (1,036)</b> | <b>\$ 132,316</b> |
| <b>LIABILITIES AND NET ASSETS:</b>                        |                                       |                  |               |                   |                   |
| Liabilities:                                              |                                       |                  |               |                   |                   |
| Accounts payable and accrued<br>expenses                  | \$ 4,399                              | \$ 251           | \$ 54         | \$ -              | \$ 4,704          |
| Deferred advances                                         | 2,231                                 | -                | -             | -                 | 2,231             |
| Amounts due to staff and<br>related entities              | 32,547                                | -                | -             | (1,036)           | 31,511            |
| Other liabilities                                         | 395                                   | 649              | -             | -                 | 1,044             |
|                                                           | 39,572                                | 900              | 54            | (1,036)           | 39,490            |
| Net assets:                                               |                                       |                  |               |                   |                   |
| Net assets without donor restrictions:                    |                                       |                  |               |                   |                   |
| Undesignated                                              | 25,249                                | 439              | 418           | 376               | 26,482            |
| Board-designated                                          | 11,790                                | 2,102            | -             | -                 | 13,892            |
| Equity in property and<br>equipment—net                   | 32,780                                | 5,237            | -             | -                 | 38,017            |
|                                                           | 69,819                                | 7,778            | 418           | 376               | 78,391            |
| Net assets with donor restrictions:                       |                                       |                  |               |                   |                   |
| Restricted by purpose or time                             | 10,559                                | 3,755            | 103           | (376)             | 14,041            |
| Restricted in perpetuity                                  | 394                                   | -                | -             | -                 | 394               |
|                                                           | 80,772                                | 11,533           | 521           | -                 | 92,826            |
| <b>Total Liabilities and Net Assets</b>                   | <b>\$ 120,344</b>                     | <b>\$ 12,433</b> | <b>\$ 575</b> | <b>\$ (1,036)</b> | <b>\$ 132,316</b> |

# SUMMER INSTITUTE OF LINGUISTICS, INC.

## Consolidating Statement of Activities

(in thousands of dollars)

Year Ended September 30, 2021

|                                                         | Summer<br>Institute of<br>Linguistics | JAARS            | SIL LEAD      | Eliminations   | Total            |
|---------------------------------------------------------|---------------------------------------|------------------|---------------|----------------|------------------|
| <b>OPERATING SUPPORT AND REVENUE:</b>                   |                                       |                  |               |                |                  |
| Support from related entities                           | \$ 27,443                             | \$ 1,450         | \$ 5          | \$ (563)       | \$ 28,335        |
| Contributions                                           | 3,450                                 | 3,598            | 134           | (9)            | 7,173            |
| Donations of nonfinancial assets—<br>services and goods | 94,193                                | 8,065            | 5             | (19)           | 102,244          |
| Program service revenue                                 | -                                     | 1,435            | 498           | -              | 1,933            |
| Sales and service income                                | 11,958                                | -                | 164           | (653)          | 11,469           |
| Gain (loss) on sale of fixed assets                     | 1,925                                 | (46)             | -             | -              | 1,879            |
| Other income                                            | 23                                    | -                | -             | -              | 23               |
| Total operating support and revenue                     | <u>138,992</u>                        | <u>14,502</u>    | <u>806</u>    | <u>(1,244)</u> | <u>153,056</u>   |
| <b>OPERATING EXPENSES:</b>                              |                                       |                  |               |                |                  |
| Program services:                                       |                                       |                  |               |                |                  |
| Bible translation and related<br>programs               | <u>104,872</u>                        | <u>12,168</u>    | <u>496</u>    | <u>(958)</u>   | <u>116,578</u>   |
| Supporting services:                                    |                                       |                  |               |                |                  |
| General and administrative                              | 26,953                                | 1,014            | 292           | (358)          | 27,901           |
| Fund-raising                                            | 522                                   | 1,300            | 53            | -              | 1,875            |
|                                                         | <u>27,475</u>                         | <u>2,314</u>     | <u>345</u>    | <u>(358)</u>   | <u>29,776</u>    |
| Total operating expenses                                | <u>132,347</u>                        | <u>14,482</u>    | <u>841</u>    | <u>(1,316)</u> | <u>146,354</u>   |
| Change in net assets from<br>operating activities       | <u>6,645</u>                          | <u>20</u>        | <u>(35)</u>   | <u>72</u>      | <u>6,702</u>     |
| <b>NON-OPERATING ACTIVITIES:</b>                        |                                       |                  |               |                |                  |
| Interest and dividends                                  | 782                                   | 65               | -             | (72)           | 775              |
| Net realized/unrealized gain                            | <u>4,604</u>                          | <u>-</u>         | <u>-</u>      | <u>-</u>       | <u>4,604</u>     |
| Change in net assets from<br>non-operating activities   | <u>5,386</u>                          | <u>65</u>        | <u>-</u>      | <u>(72)</u>    | <u>5,379</u>     |
| Change in Net Assets                                    | 12,031                                | 85               | (35)          | -              | 12,081           |
| Net Assets, Beginning of Year                           | <u>68,741</u>                         | <u>11,448</u>    | <u>556</u>    | <u>-</u>       | <u>80,745</u>    |
| Net Assets, End of Year                                 | <u>\$ 80,772</u>                      | <u>\$ 11,533</u> | <u>\$ 521</u> | <u>\$ -</u>    | <u>\$ 92,826</u> |