

The Corporation for the Relief
of the Widows and Children of
Clergymen in the Communion of
the Protestant Episcopal Church
in the Commonwealth of
Pennsylvania
(D/B/A the Clergy Assurance
Fund)

Financial Statements
Years Ended March 31, 2023 and 2022



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CLERGY ASSURANCE FUND

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INDEPENDENT AUDITOR'S REPORT

The Members of The Corporation for the Relief of the Widows and Children of Clergymen in the Communion of the Protestant Episcopal Church in the Commonwealth of Pennsylvania Philadelphia, Pennsylvania

Opinion

We have audited the accompanying financial statements of The Corporation for the Relief of the Widows and Children of Clergymen in the Communion of the Protestant Episcopal Church in the Commonwealth of Pennsylvania d/b/a the Clergy Assurance Fund (a nonprofit organization), which comprise the statements of financial position as of March 31, 2023 and 2022, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Clergy Assurance Fund as of March 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with U.S. generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Clergy Assurance Fund 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.

Change in Accounting Principle

As discussed in Note 2 to the financial statements, on April 1, 2022, Clergy Assurance Fund adopted ASU 2016-02 Leases (Topic 842). Our opinion is not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 13 through 15 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

BBD LLP

**Philadelphia, Pennsylvania
September 6, 2023**

CLERGY ASSURANCE FUND

STATEMENTS OF FINANCIAL POSITION

March 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Cash (including money market funds of \$433,997 and \$572,658 in 2023 and 2022, respectively)	\$ 871,011	\$ 684,845
Investments	70,013,986	76,936,399
Investment income receivable	58,301	76,208
Premiums due and deferred	12,678	19,907
Prepaid expenses	20,063	-
Operating lease right-of-use-asset	<u>288,783</u>	<u>-</u>
Total assets	<u>\$ 71,264,822</u>	<u>\$ 77,717,359</u>
LIABILITIES		
Policy reserves for payment of future benefits	\$ 41,250,000	\$ 41,590,000
Accrued expenses	794,551	487,767
Grants payable	550,000	650,953
Premium refunds	121,886	131,636
Operating lease liability	<u>288,783</u>	<u>-</u>
Total liabilities	<u>43,005,220</u>	<u>42,860,356</u>
NET ASSETS		
Without donor restrictions		
Operating	25,542,927	32,143,028
Board designated		
Endowment for spousal death benefits	2,500,000	2,500,000
Spousal death benefits funds	70,000	70,000
Grants	129,000	126,800
Yeates trust	<u>7,675</u>	<u>7,175</u>
	28,249,602	34,847,003
With donor restrictions	<u>10,000</u>	<u>10,000</u>
Total net assets	<u>28,259,602</u>	<u>34,857,003</u>
Total liabilities and net assets	<u>\$ 71,264,822</u>	<u>\$ 77,717,359</u>

See accompanying notes

CLERGY ASSURANCE FUND

STATEMENTS OF ACTIVITIES

Years ended March 31, 2023 and 2022

	2023			2022		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE						
Premiums	\$ 97,574	\$ -	\$ 97,574	\$ 105,730	\$ -	\$ 105,730
Investment loss	(4,350,511)	-	(4,350,511)	(624,800)	-	(624,800)
Other income	66,531	-	66,531	13,218	-	13,218
Total revenue	<u>(4,186,406)</u>	<u>-</u>	<u>(4,186,406)</u>	<u>(505,852)</u>	<u>-</u>	<u>(505,852)</u>
BENEFITS AND OTHER EXPENSES						
Death claims	1,583,303	-	1,583,303	2,600,344	-	2,600,344
Operating expenses	460,964	-	460,964	404,144	-	404,144
Premium refunds	122,391	-	122,391	108,942	-	108,942
Grants	584,337	-	584,337	699,959	-	699,959
Total benefits and other expenses	<u>2,750,995</u>	<u>-</u>	<u>2,750,995</u>	<u>3,813,389</u>	<u>-</u>	<u>3,813,389</u>
CHANGE IN NET ASSETS BEFORE OTHER CHANGES	(6,937,401)	-	(6,937,401)	(4,319,241)	-	(4,319,241)
OTHER CHANGES						
Loss from misappropriation (See Note 8)	-	-	-	(219,500)	-	(219,500)
Actuarially required decrease in policy reserves	340,000	-	340,000	648,000	-	648,000
Total other changes	<u>340,000</u>	<u>-</u>	<u>340,000</u>	<u>428,500</u>	<u>-</u>	<u>428,500</u>
CHANGE IN NET ASSETS	<u>(6,597,401)</u>	<u>-</u>	<u>(6,597,401)</u>	<u>(3,890,741)</u>	<u>-</u>	<u>(3,890,741)</u>
NET ASSETS						
Beginning of year	34,847,003	10,000	34,857,003	38,737,744	10,000	38,747,744
End of year	<u>\$ 28,249,602</u>	<u>\$ 10,000</u>	<u>\$ 28,259,602</u>	<u>\$ 34,847,003</u>	<u>\$ 10,000</u>	<u>\$ 34,857,003</u>

See accompanying notes

CLERGY ASSURANCE FUND

STATEMENTS OF CASH FLOWS

Years ended March 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
<i>Change in net assets</i>	\$ (6,597,401)	\$ (3,890,741)
<i>Adjustments to reconcile change in net assets to net cash used for operating activities</i>		
Net unrealized losses on investments	4,231,232	6,455,312
Net realized losses (gains) on investments	408,892	(4,665,273)
Actuarially required decrease in policy reserves	(340,000)	(648,000)
(Increase) decrease in		
Investment income receivable	17,907	25,819
Premiums due and deferred	7,229	(5,027)
Prepaid expenses	(20,063)	-
Operating lease right-of-use-asset	(288,783)	-
Increase (decrease) in		
Accrued expenses	306,784	443,525
Grants payable	(100,953)	128,953
Premium refunds	(9,750)	(27,823)
Operating lease liability	288,783	-
Net cash used for operating activities	<u>(2,096,123)</u>	<u>(2,183,255)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	25,075,844	30,741,039
Purchases of investments	<u>(22,793,555)</u>	<u>(28,490,965)</u>
Net cash provided by investing activities	<u>2,282,289</u>	<u>2,250,074</u>
Net change in cash	186,166	66,819
CASH		
Beginning of year	<u>684,845</u>	<u>618,026</u>
End of year	<u>\$ 871,011</u>	<u>\$ 684,845</u>

See accompanying notes

CLERGY ASSURANCE FUND

NOTES TO FINANCIAL STATEMENTS

March 31, 2023 and 2022

(1) ORGANIZATION

The Corporation for the Relief of the Widows and Children of Clergymen in the Communion of the Protestant Episcopal Church in the Commonwealth of Pennsylvania d/b/a the Clergy Assurance Fund (the "**Corporation**") was founded in 1769, and its purpose then and now is to provide financial security, primarily through life insurance policies and grants, to the families of Episcopal clergy in the Commonwealth of Pennsylvania.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

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

Basis of Presentation

The Corporation reports information regarding its financial position and activities according to the following classes of net assets:

Without donor restrictions

Net assets that are not subject to donor-imposed restrictions.

With donor restrictions

Net assets that are subject to donor-imposed restrictions that will be satisfied by actions of the Corporation and/or the passage of time. When a restriction is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Also included in this category are net assets subject to donor-imposed restrictions that require the net assets be maintained indefinitely while permitting the Corporation to expend the income generated in accordance with the provisions of the contribution.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value with gains and losses included in the statement of activities. Investment income is recorded as earned.

The Corporation invests in a professionally managed portfolio that contains various types of securities (**See Note 3**). Such investments are exposed to market and credit risk. Due to the level of risk associated with such investments, and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in the near term would materially affect investment balances and the amounts reported in the financial statements.

CLERGY ASSURANCE FUND

NOTES TO FINANCIAL STATEMENTS

March 31, 2023 and 2022

Fair Value Measurements of Assets and Liabilities

Generally accepted accounting principles ("**GAAP**") define fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date. GAAP establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Corporation. Unobservable inputs reflect the Corporation's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 – Valuations based on quoted prices in active markets for identical assets or liabilities that the Corporation has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these assets and liabilities does not entail a significant degree of judgment.

Level 2 – Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 – Valuations based on inputs that are unobservable, that is, inputs that reflect the Corporation's own assumptions.

Premiums and Policy Reserves for Payment of Future Benefits

Premiums are reported as earned when due. Policy reserves for future benefits are computed by generally accepted actuarial methods. For the reserve calculation, the Corporation utilized the 2001 CSO Male, Non-smoker Table of Mortality assuming 3% interest. As of March 31, 2023 and 2022, the total death benefit of life insurance policies in force was \$60,741,351 and \$61,597,654, respectively.

Leases

Effective with the implementation of ASU 2016-02, Leases (Topic 842) and subsequent amendments to the initial guidance (collectively, Topic 842) on April 1, 2022, operating leases are recorded as right-of-use-assets and lease liabilities in the statements of financial position. Leases with a term of twelve months or less are considered short term leases and are accounted for as an expense in the statements of activities as rental payments are incurred.

Operating lease assets represent the Corporation's right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments arising from the lease. Operating lease assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The Corporation uses the implicit rate when readily determinable. When the lease does not provide an implicit rate, the Corporation uses a secured borrowing rate based on the information available at commencement date in determining the present value of lease payments.

Operating lease expense for lease payments are recognized on a straight-line basis over the lease term. Prior to April 1, 2022 and the implementation of ASU 2016-02, Leases (Topic 842), operating leases were accounted for as expense in the statements of activities when the rental payment was incurred. No asset or liability was recorded for operating leases. The Corporation elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed the Corporation to carry forward the historical lease classification. The Corporation has also elected the practical expedient to not separate lease components from non-lease components. As a result of the adoption of Topic 842 on April 1, 2022, the Corporation recognized \$316,901 as a lease liability and right of use asset. There was no impact on net assets as a result of adoption on April 1, 2022.

CLERGY ASSURANCE FUND

NOTES TO FINANCIAL STATEMENTS

March 31, 2023 and 2022

Functional Allocation of Expenses

The costs of providing various program and supporting services have been presented on a functional basis in Note 7. Expenses directly attributable to a specific functional area are reported as expenses of that functional area. Expenses not directly attributable to a specific functional area are allocated. Significant expenses that are allocated include salaries and benefits and office expenses which are allocated to functional areas based on estimates of time and effort.

Income Taxes

The Corporation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Corporation's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Corporation qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(3).

GAAP requires entities to evaluate, measure, recognize and disclose any uncertain tax positions. GAAP prescribes a minimum threshold that a tax position is required to meet in order to be recognized in the financial statements. The Corporation believes that it had no uncertain tax positions as defined in GAAP.

(3) INVESTMENTS

Investments consisted of the following at March 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Mutual funds		
Fixed income – short term	\$ 114,352	\$ 1,634,563
Fixed income – long term	6,478,669	6,795,796
Equity	11,143,689	13,708,963
Common stocks	8,277,903	9,055,534
Corporate, U.S. Treasury and U.S. government agency bonds	9,322,835	9,260,666
Limited partnerships	<u>34,676,538</u>	<u>36,480,877</u>
	<u>\$70,013,986</u>	<u>\$76,936,399</u>

Investment income (loss) was comprised of the following:

	<u>2023</u>	<u>2022</u>
Interest and dividends	\$ 823,881	\$ 1,657,747
Net realized (losses) gains	(408,892)	4,665,273
Net unrealized losses	(4,231,232)	(6,455,312)
Investment advisory fees	<u>(534,268)</u>	<u>(492,508)</u>
	<u>\$ (4,350,511)</u>	<u>\$ (624,800)</u>

Limited partnerships consisted of the following at March 31, 2023:

	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Fixed income funds (a)	\$ 4,419,651	none	monthly, bi-monthly	5 & 45 days
Equity long/short funds (b)	29,109,896	none	monthly, quarterly, and semi-annual	10, 30, 60, 65, and 120 days
Private equity funds (c)	<u>1,146,991</u>	\$375,000	none	none
	<u>\$34,676,538</u>			

CLERGY ASSURANCE FUND

NOTES TO FINANCIAL STATEMENTS

March 31, 2023 and 2022

- (a) This category includes investments in two limited partnerships. One limited partnership invests primarily in publicly-traded debt obligations of U.S. and foreign governments, their agencies and supranationals. The other limited partnership invests in below-investment grade credit, distressed credit and structured credit. The fair values of the investments in this category have been estimated using the net asset value per share.
- (b) This category includes investments in eleven limited partnerships that primarily invest in both long and short U.S. and non-U.S. equities. The fair values of the investments in this category have been estimated using the net asset value per share. One of the limited partnerships with a net asset value of \$2,396,347 at March 31, 2023 has lock up restrictions until June 2023. Another limited partnership with a net asset value of \$1,953,332 at March 31, 2023 has no lock up restrictions, but only allows redemptions of 1/6 of the market value quarterly. Another limited partnership with a net asset value of \$1,579,774 at March 31, 2023 has no lock up restrictions, but only allows redemptions of 1/4 of the market value quarterly.
- (c) This category includes two private equity and venture capital partnerships focused in natural resources and real estate. These investments can never be redeemed, instead distributions will be received through the liquidation of the underlying assets of the fund. The fair values of the investments in this category have been estimated using the equity method.

(4) NET ASSETS WITHOUT DONOR RESTRICTIONS – BOARD DESIGNATED

Net assets without donor restrictions are board designated for the following purposes:

	Balance March 31, 2022	Additions	Releases	Balance March 31, 2023
Endowment for spousal death benefits	\$2,500,000	\$ -	\$ -	\$2,500,000
Spousal death benefits	70,000	30,000	(30,000)	70,000
Grants	126,800	129,000	(126,800)	129,000
Yeates trust	<u>7,175</u>	<u>500</u>	<u>-</u>	<u>7,675</u>
	<u>\$2,703,975</u>	<u>\$159,500</u>	<u>\$(156,800)</u>	<u>\$2,706,675</u>

	Balance March 31, 2021	Additions	Releases	Balance March 31, 2022
Endowment for spousal death benefits	\$2,500,000	\$ -	\$ -	\$2,500,000
Spousal death benefits	75,000	25,000	(30,000)	70,000
Grants	113,000	126,800	(113,000)	126,800
Yeates trust	<u>6,175</u>	<u>1,000</u>	<u>-</u>	<u>7,175</u>
	<u>\$2,694,175</u>	<u>\$152,800</u>	<u>\$(143,000)</u>	<u>\$2,703,975</u>

(5) NET ASSETS WITH DONOR RESTRICTIONS

Net assets to be maintained indefinitely consist of the Margaret and Catharine Yeates Trust. The income is available for grants to aged ministers of the Protestant Episcopal Church of the United States.

(6) LEASES

The Corporation has an operating lease for office space that expires June 30, 2030 and contains provisions for rental escalators. The lease requires the Organization to pay its proportionate share of operating expenses. Rent expense under this operating lease was \$36,729 and \$38,177 for 2023 and 2022, respectively.

CLERGY ASSURANCE FUND

NOTES TO FINANCIAL STATEMENTS

March 31, 2023 and 2022

The maturities of the operating lease liability as of March 31, 2023, were as follows:

Year ending December 31,

2024	\$ 40,817
2025	42,450
2026	44,149
2027	45,914
2028	47,751
Thereafter	<u>114,346</u>
	335,427
Less: Interest	<u>(46,644)</u>
Present value of operating leases liability	<u>\$288,783</u>

The weighted average remaining lease term on operating leases was 7.25 years and the weighted average discount rate was 4% as of March 31, 2023.

(7) FUNCTIONAL EXPENSE CLASSIFICATION

Expenses functionally classified for the year ended March 31, 2023 are as follows:

	<u>Program</u>	<u>General and Administrative</u>	<u>Total</u>
Salaries and benefits	\$ 69,968	\$ 23,322	\$ 93,290
Grants	584,337	-	584,337
Death claims	1,583,303	-	1,583,303
Premium refunds	122,391	-	122,391
Office expenses	89,739	29,912	119,651
Professional fees	<u>68,109</u>	<u>179,914</u>	<u>248,023</u>
	<u>\$2,517,847</u>	<u>\$233,148</u>	<u>\$2,750,995</u>

Expenses functionally classified for the year ended March 31, 2022 are as follows:

	<u>Program</u>	<u>General and Administrative</u>	<u>Total</u>
Salaries and benefits	\$ 152,905	\$ 50,968	\$ 203,873
Grants	699,959	-	699,959
Death claims	2,600,344	-	2,600,344
Premium refunds	108,942	-	108,942
Office expenses	63,170	21,057	84,227
Professional fees	<u>87,033</u>	<u>29,011</u>	<u>116,044</u>
	<u>\$3,712,353</u>	<u>\$101,036</u>	<u>\$3,813,389</u>

(8) LOSS FROM MISAPPROPRIATION

In March of 2022, the Acting Committee of the Corporation became aware of a possible financial misappropriation. Subsequently, in performing the financial audit, BBD identified a total loss from embezzlement of \$1,456,806. Of this total, \$219,500 occurred in fiscal year 2022. The Corporation has notified appropriate authorities. During the year ended March 31, 2023, the Corporation received insurance reimbursements of \$60,000. Neither the likelihood of receiving future restitution or monies from an insurance claim could be reasonably estimated at the time of the issuance of these financial statements. Funds that are recovered through restitution or claims with our insurer will be shown as a gain in the year recovered.

CLERGY ASSURANCE FUND

NOTES TO FINANCIAL STATEMENTS

March 31, 2023 and 2022

(9) ASSETS AND LIABILITIES MEASURED AT FAIR VALUE ON A RECURRING BASIS

The following is a summary of assets and liabilities measured at fair value on a recurring basis and the valuation inputs used to value them at March 31:

<u>2023</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Assets				
Investments				
Mutual funds	\$17,736,710	\$17,736,710	\$ -	\$ -
Corporate, U.S. Treasury and U.S. government agency bonds	9,322,835	-	9,322,835	-
Common stocks	8,277,903	8,277,903	-	-
Limited partnerships measured at net asset value (a)	34,676,538	N/A	N/A	N/A
	<u>\$70,013,986</u>	<u>\$26,014,613</u>	<u>\$ 9,322,835</u>	<u>\$ -</u>
Liabilities				
Policy reserves for payment of future benefits	\$41,250,000	\$ -	\$41,250,000	\$ -
Grants payable	550,000	-	550,000	-
	<u>\$41,800,000</u>	<u>\$ -</u>	<u>\$41,800,000</u>	<u>\$ -</u>
<u>2022</u>	<u>Fair Value</u>	<u>Quoted Prices in Active Markets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Assets				
Investments				
Mutual funds	\$22,139,322	\$22,139,322	\$ -	\$ -
Corporate, U.S. Treasury and U.S. government agency bonds	9,260,666	-	9,260,666	-
Common stocks	9,055,534	9,055,534	-	-
Limited partnerships measured at net asset value (a)	36,480,877	N/A	N/A	N/A
	<u>\$76,936,399</u>	<u>\$31,194,856</u>	<u>\$ 9,260,666</u>	<u>\$ -</u>
Liabilities				
Policy reserves for payment of future benefits	\$41,590,000	\$ -	\$41,590,000	\$ -
Grants payable	650,953	-	650,953	-
	<u>\$42,240,953</u>	<u>\$ -</u>	<u>\$42,240,953</u>	<u>\$ -</u>

(a) Certain investments that are measured at fair value using the net asset value per share practical expedient have not been classified in the fair value hierarchy. These investments have been included in this table to permit reconciliation to the amounts presented in the statements of financial position.

CLERGY ASSURANCE FUND

NOTES TO FINANCIAL STATEMENTS

March 31, 2023 and 2022

(10) LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Corporation's financial assets as of the statements of financial position date and the amounts available within one year of the statements of financial position date.

	<u>2023</u>	<u>2022</u>
Cash	\$ 871,011	\$ 684,845
Investments	70,013,986	76,936,399
Investment income receivable	58,301	76,208
Premiums due and deferred	<u>12,678</u>	<u>19,907</u>
Total financial assets	70,955,976	77,717,359
Less: Financial assets not available for general operations within one year		
Restricted by donors in perpetuity	(10,000)	(10,000)
Investments with liquidity horizons greater than one year	(1,798,102)	(4,434,728)
Unfunded commitments to private equity funds	(375,000)	(385,000)
Board designated funds	<u>(2,706,675)</u>	<u>(2,703,975)</u>
	<u>\$66,066,199</u>	<u>\$70,183,656</u>

Liquidity Management

As part of the Corporation's liquidity management, it invests cash in excess of daily requirements in short-term investments, typically money market funds.

(11) SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 6, 2023, the date on which the financial statements were available to be issued. No material subsequent events have occurred since March 31, 2023 that required recognition or disclosure in the financial statements.

SUPPLEMENTARY INFORMATION

CLERGY ASSURANCE FUND

SCHEDULE OF LIFE INSURANCE IN FORCE

Year ended March 31, 2023

BALANCE, MARCH 31, 2022, as adjusted	\$ 61,597,654
New policies issued	727,000
Death claims	<u>(1,583,303)</u>
BALANCE, MARCH 31, 2023	<u>\$ 60,741,351</u>

CLERGY ASSURANCE FUND

SCHEDULE OF NEW POLICIES ISSUED

Year ended March 31, 2023

<u>POLICY NO.</u>	<u>POLICY HOLDER</u>	<u>AMOUNT</u>
2797	The Rev Erin Morey	\$ 100,000
2798	The Rev Edward Christopher	100,000
2799	The Rev Sean Slack	100,000
2800	The Rev Timothy Johnson	100,000
2801	The Rev Eric Hungerford	150,000
2802	Christopher Alan Cole	150,000
8479	The Rev Dr Charles L Howard	1,000
8480	Pastor Richard Baumann	1,000
8481	The Rev Laura Palmer	1,000
8482	The Rev Emily Zimbrick-Rogers	1,000
8483	Deacon Barbara Manzo	1,000
8484	The Rev Edward Christopher	1,000
8485	The Rev Erin Morey	1,000
8486	Carlos de la Torre	1,000
8487	The Rev Bradley Mattson	1,000
8488	The Rev Martha Harris	1,000
8489	The Rev Millard Cook	1,000
8490	The Rev Joseph Smith	1,000
8491	The Rev Wesley Hill	1,000
8492	The Rev Cameron Soulis	1,000
8493	The Rev Christopher Decatur	1,000
8494	The Rev Annis Rogers	1,000
8495	The Rev Jennifer Trenary	1,000
8496	The Rev Timothy Johnson	1,000
8497	The Rev John Marcantonio	1,000
8498	The Rev Betsy Sentigar	1,000
8499	The Rev Maryann Philbrook	1,000
8500	The Rev Dr June Allison St. Louis	1,000
8501	The Rev Dana Hall	1,000
8502	Deacon Joseph German	1,000
8503	Deacon Kristin Waskowicz	1,000
8504	Deacon Andrea Gardner	1,000
8505	The Rev Alyssa Pasternak-Post	1,000
		<u>\$ 727,000</u>

CLERGY ASSURANCE FUND

SCHEDULE OF DEATH CLAIMS PAID

Year ended March 31, 2023

<u>POLICY NO.</u>	<u>POLICY HOLDER</u>	<u>AMOUNT</u>
31	Rev. Dee Doheny Faison	\$ 1,000
57	Rev. Arthur Fischer Brunner	1,000
85	Rev. John Hewitt Rodgers, Jr.	1,000
155	Rev. John W. Kline	1,000
333	Rev. Ann Staples	1,000
342	Rev. James Byrum	1,000
401	Rev. F. Kay Johnson	1,000
403	Rev. Terrence Johnson	1,000
423	Rev. Richard Newman	1,000
454	Rev. S. Walton Peabody	1,000
528	Rev. David G. Badgley	1,000
540	Rev. George L. Werner	1,000
644	Rev. John Jong-Kun Kim	1,000
660	Rev. Joanna McDermot	1,000
800	Rev. Elizabeth Kostic	1,000
886	Rev. Barbara Kelley	1,000
925	Rev. Howard Wood	1,000
997	Rev. Lorne Ruby	1,000
1485	Rev. Charles Roger Butler	50,250
1556	Rt. Rev. Frank T. Griswold, III	50,250
1619	Rev. Donald H. Knapp	33,500
1754	Bishop John Paul Croneberger	83,750
1761	Rev. Jeremy W. Bond	33,500
1770	Rev. Charles Howard Huffman	83,750
1792	Rev. James Robert Harkins	33,500
1823	Rev. Robert B. Appleyard	67,000
1826	Rev. Elbert K. St. Claire, Jr.	83,750
1828	Rev. Dr. James Edgar Morris	83,750
1839	Rev. David I. Shoulders	40,200
1889	Rev. Jackson, Thd	13,400
1911	Rev. Rodgers Tayler Wood	67,000
1960	Rev. Pumphrey	10,050
2044	Rev. Robert James	134,000
2048	Rev. Elbert K. St. Claire, Jr.	50,250
2053	Rev. John R. Numamaker Tinklepaugh	31,403
2109	Rev. Jeremy W. Bond	33,500
2119	Rev. Elbert K. St. Claire, Jr.	117,250
2131	Rev. Robert James	117,250
2192	Rev. Elbert K. St. Claire, Jr.	83,750
2272	Rev. John W. Kline	48,575
2381	Rev. John W. Kline	21,775
2442	Rev. Dee Doheny Faison	13,400
2447	Rev. George L. Werner	33,500
2509	Rev. S. Walton Peabody	67,000
2659	Rev. Dee Doheny Faison	2,000
2793	Rev. John W. Symonds	75,000
8231	Rev. Esther Michaela Keener	1,000
8265	Rev. Robyn Robb	1,000
8325	Rev. John W. Symonds	1,000
		<u>\$ 1,583,303</u>