



ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.  
D/B/A ABWE INTERNATIONAL

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020





## REPORT OF INDEPENDENT AUDITOR

The Board of Directors  
Association of Baptists for World Evangelism, Inc. d/b/a ABWE International  
New Cumberland, Pennsylvania

### ***Opinion***

We have audited the accompanying consolidated financial statements of Association of Baptists for World Evangelism, Inc. d/b/a ABWE International ("ABWE"), which consist of the consolidated statements of financial position as of December 31, 2021 and 2020, and the related consolidated statements of activities, cash flows, and functional expenses 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 Association of Baptists for World Evangelism, Inc. d/b/a ABWE International as of December 31, 2021 and 2020, the consolidated changes in its net assets and its consolidated 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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of ABWE 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 the 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 ABWE's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

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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 risk 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 ABWE'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ABWE'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.

***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplemental consolidating statements of financial position as of December 31, 2021 and 2020, and the related supplemental consolidating statements of activities for the years then ended are presented for purposes of additional analysis 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 information has been subjected to the auditing procedures applied in the audits 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.



BATTS MORRISON WALES & LEE, P.A.

Orlando, Florida  
May 31, 2022

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
**D/B/A ABWE INTERNATIONAL**  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

**ASSETS**

	December 31,	
	2021	2020
<b>ASSETS</b>		
Cash and cash equivalents	\$ 5,079,671	\$ 6,070,819
Cash designated for health insurance reserves	1,062,789	1,111,801
Cash restricted for long-term purposes	1,025,000	1,025,000
Investments	55,006,833	46,523,041
Investments held in trust	4,761,277	4,459,907
Beneficial interest in trust	2,993,390	2,575,131
Other assets	954,117	1,044,399
Property and equipment, net	8,057,212	7,882,738
<b>Total assets</b>	<b>\$ 78,940,289</b>	<b>\$ 70,692,836</b>

**LIABILITIES AND NET ASSETS**

<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 2,395,041	\$ 2,155,500
Amounts held for others	166,225	214,047
Net pension obligation	13,813,117	19,712,415
Trust liabilities	3,919,679	3,625,394
Annuities payable	1,625,114	1,705,320
<b>Total liabilities</b>	<b>21,919,176</b>	<b>27,412,676</b>
<b>NET ASSETS</b>		
Without donor restrictions		
Undesignated	2,945,368	9,172,911
Designated		
Deficit associated with net pension obligation	(13,813,117)	(19,712,415)
Funds held in missionary accounts	29,866,503	26,167,392
Investment in property and equipment	8,057,212	7,882,738
Operational contingency reserves	7,500,000	250,000
Health insurance reserves	1,062,789	1,111,801
Donor-advised funds	692,185	758,831
Total designated	33,365,572	16,458,347
Total without donor restrictions	36,310,940	25,631,258
With donor restrictions	20,710,173	17,648,902
<b>Total net assets</b>	<b>57,021,113</b>	<b>43,280,160</b>
<b>Total liabilities and net assets</b>	<b>\$ 78,940,289</b>	<b>\$ 70,692,836</b>

The Accompanying Notes are an Integral  
Part of These Consolidated Financial Statements

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
**D/B/A ABWE INTERNATIONAL**  
CONSOLIDATED STATEMENTS OF ACTIVITIES

	For The Years Ended December 31,	
	2021	2020
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>		
Public support and revenue		
Contributions	\$ 48,175,996	\$ 45,715,776
Investment income, net	5,564,704	5,860,507
Grant revenue	—	1,746,400
Other income	1,406,687	1,255,311
Change in value of trusts and charitable gift annuities	(111,440)	(39,096)
Total public support and revenue	55,035,947	54,538,898
Net assets released from restrictions	3,281,956	2,571,977
Total public support and revenue and net assets released from restrictions	58,317,903	57,110,875
Expenses		
Program activities	44,944,410	40,637,774
Supporting activities		
Management and general	5,792,436	5,773,490
Fundraising	4,269,123	3,442,692
Total supporting activities	10,061,559	9,216,182
Total expenses	55,005,969	49,853,956
<b>Change in net assets without donor restrictions         before pension liability adjustment</b>	<b>3,311,934</b>	<b>7,256,919</b>
Pension liability adjustment	7,367,748	(42,587)
<b>Change in net assets without donor restrictions</b>	<b>10,679,682</b>	<b>7,214,332</b>
<b>CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS</b>		
Contributions	5,911,526	7,398,663
Change in beneficial interest in trust	418,259	331,709
Investment income, net	61,937	107,792
Change in value of trusts and charitable gift annuities	(48,495)	21,453
Net assets released from restrictions	(3,281,956)	(2,571,977)
<b>Change in net assets with donor restrictions</b>	<b>3,061,271</b>	<b>5,287,640</b>
<b>CHANGE IN NET ASSETS</b>	<b>13,740,953</b>	<b>12,501,972</b>
<b>NET ASSETS - Beginning of year</b>	<b>43,280,160</b>	<b>30,778,188</b>
<b>NET ASSETS - End of year</b>	<b>\$ 57,021,113</b>	<b>\$ 43,280,160</b>

The Accompanying Notes are an Integral  
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**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
**D/B/A ABWE INTERNATIONAL**  
CONSOLIDATED STATEMENTS OF CASH FLOWS

	For The Years Ended	
	December 31,	
	2021	2020
<b>OPERATING CASH FLOWS</b>		
Cash received from contributors	\$ 54,087,522	\$ 52,114,439
Other income received	1,406,687	1,255,311
Investment income	900,468	803,714
Cash paid for operating activities and costs	(52,597,390)	(47,985,153)
<b>Net operating cash flows</b>	<b>3,797,287</b>	<b>6,188,311</b>
<b>INVESTING CASH FLOWS</b>		
Net purchases of investments	(3,757,619)	(3,994,278)
Purchases of and improvements to property and equipment	(1,079,828)	(967,014)
<b>Net investing cash flows</b>	<b>(4,837,447)</b>	<b>(4,961,292)</b>
<b>FINANCING CASH FLOWS</b>		
Borrowings	—	1,746,400
Contributions restricted for long-term purposes	—	1,000,000
<b>Net financing cash flows</b>	<b>—</b>	<b>2,746,400</b>
<b>NET CHANGE IN CASH, CASH EQUIVALENTS, DESIGNATED CASH, AND RESTRICTED CASH</b>	<b>(1,040,160)</b>	<b>3,973,419</b>
<b>CASH, CASH EQUIVALENTS, DESIGNATED CASH, AND RESTRICTED CASH - Beginning of year</b>	<b>8,207,620</b>	<b>4,234,201</b>
<b>CASH, CASH EQUIVALENTS, DESIGNATED CASH, AND RESTRICTED CASH - End of year</b>	<b>\$ 7,167,460</b>	<b>\$ 8,207,620</b>
<b>REPORTED IN THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS FOLLOWS</b>		
Cash and cash equivalents	\$ 5,079,671	\$ 6,070,819
Cash designated for health insurance reserves	1,062,789	1,111,801
Cash restricted for long-term purposes	1,025,000	1,025,000
<b>Total cash, cash equivalents, designated cash, and restricted cash</b>	<b>\$ 7,167,460</b>	<b>\$ 8,207,620</b>

**SUPPLEMENTAL DISCLOSURE**

During the year ended December 31, 2020, \$1,746,400 of principal reductions of a certain note payable is included in "grant revenue" in the consolidated statement of activities. See Note I.

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
**D/B/A ABWE INTERNATIONAL**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**For The Year Ended December 31, 2021**

	Supporting activities			Total supporting activities	Total expenses
	Program activities	Management and general	Fundraising		
Wages and benefits	\$ 27,749,914	\$ 3,174,228	\$ 2,966,269	\$ 6,140,497	\$ 33,890,411
General ministry	6,195,557	191,243	240,914	432,157	6,627,714
Grants	4,143,718	279,277	234,299	513,576	4,657,294
Office and supplies	2,164,035	677,210	223,080	900,290	3,064,325
Travel	2,084,636	265,872	390,363	656,235	2,740,871
Facilities management	516,385	520,888	4,747	525,635	1,042,020
Vehicles and aircraft	810,644	—	175,158	175,158	985,802
Non-capitalized project expenditures	964,076	1,050	12,695	13,745	977,821
Professional fees	230,215	388,120	6,993	395,113	625,328
Service fees	999	247,027	10	247,037	248,036
Public relations	84,231	47,521	14,595	62,116	146,347
<b>Total expenses</b>	<b>\$ 44,944,410</b>	<b>\$ 5,792,436</b>	<b>\$ 4,269,123</b>	<b>\$ 10,061,559</b>	<b>\$ 55,005,969</b>

The Accompanying Notes are an Integral  
Part of These Consolidated Financial Statements

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.****D/B/A ABWE INTERNATIONAL****CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

For The Year Ended December 31, 2020

	Supporting activities			Total supporting activities	Total expenses
	Program activities	Management and general	Fundraising		
Wages and benefits	\$ 25,695,536	\$ 3,349,720	\$ 2,618,450	\$ 5,968,170	\$ 31,663,706
General ministry	5,407,418	89,048	191,982	281,030	5,688,448
Grants	3,462,459	393,642	156,828	550,470	4,012,929
Office and supplies	2,244,786	727,608	187,957	915,565	3,160,351
Travel	1,597,433	218,318	184,706	403,024	2,000,457
Facilities management	528,358	498,336	19,594	517,930	1,046,288
Vehicles and aircraft	798,948	—	26,954	26,954	825,902
Non-capitalized project expenditures	657,193	1,098	11,771	12,869	670,062
Professional fees	182,066	236,557	36,904	273,461	455,527
Service fees	425	232,387	8	232,395	232,820
Public relations	63,152	26,776	7,538	34,314	97,466
Total expenses	<u>\$ 40,637,774</u>	<u>\$ 5,773,490</u>	<u>\$ 3,442,692</u>	<u>\$ 9,216,182</u>	<u>\$ 49,853,956</u>

The Accompanying Notes are an Integral  
Part of These Consolidated Financial Statements



**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
**D/B/A ABWE INTERNATIONAL**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**NOTE A – NATURE OF ACTIVITIES**

Association of Baptists for World Evangelism, Inc. d/b/a ABWE International (“ABWE”) is a not-for-profit New Jersey corporation established in 1971 to operate exclusively as a worldwide Christian missionary organization in the proclamation and spread of the gospel of the Lord Jesus Christ, as revealed in God’s Word, the Bible, and to engage in such other religious, charitable, and educational activities as shall be necessary, incidental, or appropriate to the foregoing, including but not limited to evangelism, teaching, medical services, and assisting in the establishment of indigenous and autonomous Baptist churches. ABWE also serves as the trustee and plan sponsor of the ABWE Missionary Retirement Plan and the ABWE Staff Retirement Plan (“the Retirement Plans”).

In conformity with accounting principles generally accepted in the United States of America (“GAAP”), the consolidated financial statements of ABWE include the accounts of the following organizations, which are separate legal entities. All significant inter-organization accounts and transactions have been eliminated in consolidation.

- ABWE Foundation, LLC (“the Foundation”) is a Pennsylvania limited liability company whose purpose is to solicit, hold, invest, and administer funds for the benefit of ABWE. ABWE is the sole voting member of the Foundation.
- Global Neighbors, LLC (“Global Neighbors”) is a Pennsylvania limited liability company that supports ABWE by employing workers serving in certain foreign countries. ABWE is the sole voting member of Global Neighbors.

References to “ABWE” in these footnotes include each of the organizations described above.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Revenue and support**

ABWE recognizes cash contributions as revenue when the contributions are received by ABWE. Contributions are recorded as without or with donor restrictions, depending on the existence and/or nature of any donor restrictions or time restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as “net assets released from restrictions.”

All contributions are received as donations to ABWE and not to specific individuals. Contributions which donors request to be used to support the ministry activities of specific missionaries are under the full control of ABWE. ABWE accounts for such contributions as board designated until they are expended for appropriate ministry purposes.

**Cash and cash equivalents**

Investments purchased or donated with original maturities of three months or less are considered to be cash equivalents.

**Cash designated for health insurance reserves**

Cash designated for health insurance reserves consists of cash set aside for future claims related to self-funded components of ABWE’s health insurance plans.

**Cash restricted for long-term purposes**

Cash restricted for long-term purposes consists of amounts held for future building projects and a certain endowment for cemetery maintenance.

# ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.

## D/B/A ABWE INTERNATIONAL

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

#### **NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### **Split-interest gifts**

For irrevocable split-interest arrangements such as charitable gift annuities, charitable remainder trusts, and similar arrangements in which the Foundation is a trustee or custodian, the assets of such arrangements are reflected in the consolidated financial statements as further described in Note E. The carrying values of such investments conform to GAAP, which generally require that investment securities be carried at estimated fair value at all times and that other assets be carried at the estimated fair value of the assets on the date the assets are contributed, unadjusted for subsequent changes in value. Also, for arrangements in which the Foundation is a trustee or custodian, a liability is recognized for the estimated present value of benefits payable to other beneficiaries. For split-interest arrangements in which the Foundation is not the trustee or custodian, the Foundation recognizes an asset for the estimated present value of the Foundation's benefits under the arrangements. For all irrevocable split-interest arrangements, regardless of whether or not the Foundation acts as trustee or custodian, contribution revenue without or with donor restrictions is recognized for the estimated present value of the Foundation's benefits under each such arrangement in the year the arrangement is established or in the year in which the Foundation is provided sufficient information about the existence and nature of the arrangement. Periodic adjustments are made for changes in estimated present values using applicable mortality tables and appropriate discount rates. State law imposes certain restrictions on the manner in which charitable gift annuity assets may be invested.

##### **Property and equipment**

Property and equipment are stated at cost, if purchased, or estimated fair value on the date of donation, if donated. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

##### **Donor-advised funds**

The Foundation administers various donor-advised funds. Donor gifts to such funds are made irrevocably with the understanding that while the donor retains an advisory role in the distribution of funds, the Foundation retains ultimate control over the use of the funds. Accordingly, such gifts are reflected as contributions without donor restrictions and designated net assets in the accompanying consolidated financial statements.

##### **Net assets**

Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes. From time to time, the Board may designate a portion of these net assets for specific purposes, which makes them unavailable for use at management's discretion. The Board has designated a portion of net assets without donor restrictions for missionary accounts, investment in property and equipment, operational contingency reserves, health insurance reserves, and donor-advised funds. Net assets with donor restrictions consist of amounts with uses limited by donor-imposed time and/or purpose restrictions.

##### **Functional allocation of expenses**

The consolidated statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. Indirect costs that benefit multiple functional areas are allocated among the various functional areas based primarily on employee time.

##### **Income taxes**

Association of Baptists for World Evangelism, Inc. d/b/a ABWE International is exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code and from state income tax pursuant to state law and is further classified as a public charity and not a private foundation for federal tax purposes. The Foundation and Global Neighbors are considered disregarded entities for income tax purposes. None of the organizations have incurred unrelated business income taxes. As a result, no income tax provision or liability has been provided for in the accompanying consolidated financial statements.

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
**D/B/A ABWE INTERNATIONAL**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Use of estimates**

Management uses estimates and assumptions in preparing consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Significant estimates used in preparing these consolidated financial statements include those used in estimating the fair value of investments, the useful lives of property and equipment, the accrued pension liability, and the liabilities for trusts and annuities. Actual results could differ from the estimates.

**Economic uncertainties**

In January 2020, the World Health Organization (“WHO”) announced a global health emergency related to the outbreak of a virus originating in China. In March 2020, WHO elevated the classification of the outbreak to a pandemic (“the pandemic”). Management is closely monitoring the potential impact of the pandemic on ABWE’s financial condition and has taken actions to mitigate its impact. Such actions include availing ABWE of relief measures available under federal law and reducing the overall scope and cost of operations, both domestically and internationally. Because of the unknown impact on global commerce, management is not able to estimate the effects of the pandemic on its operating results, financial condition, or liquidity for 2022.

**NOTE C – LIQUIDITY AND AVAILABILITY OF RESOURCES**

Financial assets available for general expenditure within one year of the date of the consolidated statements of financial position are as follows:

	December 31,	
	2021	2020
Cash and cash equivalents	\$ 5,079,671	\$ 6,070,819
Cash designated for health insurance reserves	1,062,789	1,111,801
Cash restricted for long-term purposes	1,025,000	1,025,000
Investments	55,006,833	46,523,041
Investments held in trust	4,761,277	4,459,907
Total financial assets available within one year	66,935,570	59,190,568
Less amounts unavailable for general expenditure within one year due to:		
Donor-imposed restrictions	(16,875,185)	(14,239,258)
Board-designations	(9,254,974)	(2,120,632)
Amounts held to satisfy charitable gift annuity obligations	(4,788,795)	(4,586,632)
Amounts held as trustee for revocable and irrevocable trusts	(4,761,277)	(4,459,907)
Net financial assets available within one year	\$ 31,255,339	\$ 33,784,139

ABWE is primarily supported by contributions. As part of ABWE’s liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Board of Directors has designated certain amounts for operational contingency reserves, health insurance reserves, and donor-advised funds. Because of the designations, those amounts are not available for general expenditure within one year; however, the Board of Directors could make them available if necessary. The Board has designated certain amounts for missionary accounts which are available for general expenditure within the next year.

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
**D/B/A ABWE INTERNATIONAL**  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**NOTE C - LIQUIDITY AND AVAILABILITY OF RESOURCES (Continued)**

ABWE has certain donor restricted net assets limited to use for donor-restricted purposes. Because a donor's restriction requires resources to be used in a specific manner or in a future period, ABWE must maintain sufficient resources to meet its responsibilities to its donors. Thus, those financial assets may not be available for general expenditure within one year of December 31, 2021 and 2020, and are excluded from net financial assets available to meet general expenditures within one year. Management believes ABWE has sufficient investments available for general operations that may be drawn upon in the event of an unanticipated financial distress or an immediate liquidity need.

**NOTE D - CONCENTRATION OF CREDIT RISK**

ABWE maintains its cash and cash equivalents in deposit accounts which may not be federally insured, may exceed federally insured limits or may be insured by an entity other than an agency of the federal government. ABWE has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk related to cash and cash equivalents.

**NOTE E - INVESTMENTS**

ABWE holds investments of various types, both as trustee or custodian and as owner. Investments are carried at estimated fair value. Investments were held for the following purposes or activities:

	December 31,	
	2021	2020
<u>Investments held as trustee or in a similar capacity</u>		
• Investments held to satisfy charitable gift annuity obligations	\$ 4,788,795	\$ 4,586,632
• Investments held as trustee for irrevocable trusts	3,151,633	3,044,184
• Investments held as trustee for revocable trusts	1,609,644	1,415,723
 <u>Investments held for other purposes</u>		
• Investments held for general operations	33,675,668	27,963,320
• Investments held for donor restricted purposes	15,850,185	13,214,258
• Investments held for donor-advised funds	692,185	758,831
Total investments	\$ 59,768,110	\$ 50,982,948

Investments (including investments held in trust) consisted of the following:

	December 31,	
Category	2021	2020
Money market and similar funds	\$ 2,081,480	\$ 3,604,950
Common and preferred stocks	23,643,761	19,978,300
Mutual funds	22,421,572	19,213,689
Government securities	10,775,009	7,097,889
Nonpublicly traded investments	567,946	595,235
Corporate bonds	252,707	460,439
Debt securities	25,635	32,446
Total investments	\$ 59,768,110	\$ 50,982,948

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
**D/B/A ABWE INTERNATIONAL**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**NOTE F – INVESTMENTS HELD IN TRUST**

Investments held in trust were for the following purposes:

Category	December 31,	
	2021	2020
Investments held for irrevocable trusts	\$ 3,151,633	\$ 3,044,184
Investments held for revocable trusts	1,609,644	1,415,723
Total investments held in trust	\$ 4,761,277	\$ 4,459,907

Liabilities and net assets held in trust consisted of the following:

Category	December 31,	
	2021	2020
Irrevocable charitable beneficiary liabilities	\$ 2,310,035	\$ 2,209,671
Revocable charitable beneficiary liabilities	1,609,644	1,415,723
Total liabilities	3,919,679	3,625,394
Net assets with donor restrictions for irrevocable charitable remainder trusts	841,598	834,513
Total investments held in trust	\$ 4,761,277	\$ 4,459,907

**NOTE G – FAIR VALUE MEASUREMENTS**

GAAP defines fair value for an investment generally as the price an organization would receive upon selling the investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. The information available to measure fair value varies depending on the nature of each investment and its market or markets. Accordingly, GAAP recognizes a hierarchy of “inputs” an organization may use in determining or estimating fair value. The inputs are categorized into “levels” that relate to the extent to which an input is objectively observable and the extent to which markets exist for identical or comparable investments.

In determining or estimating fair value, an organization is required to maximize the use of observable market data (to the extent available) and minimize the use of unobservable inputs. The hierarchy assigns the highest priority to unadjusted quoted prices in active markets for identical items (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). A financial instrument’s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Following is a description of each of the three levels of input within the fair value hierarchy:

Level 1 – Unadjusted quoted market prices in active markets for identical items

Level 2 – Other significant observable inputs, such as quoted prices for similar items. Liabilities for trusts and annuities are based on estimated present value, applying certain assumptions regarding interest rates and life expectancies.

Level 3 – Significant unobservable inputs

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
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**NOTE G – FAIR VALUE MEASUREMENTS (Continued)**

The estimated fair value of certain assets (liabilities) measured on a recurring basis at December 31, 2021 are as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Common and preferred stocks	\$ 23,643,761	\$ 23,643,761	\$ —	\$ —
Mutual funds	22,421,572	22,421,572	—	—
Government securities	10,775,009	10,775,009	—	—
Nonpublicly traded investments	567,946	—	—	567,946
Corporate bonds	252,707	252,707	—	—
Debt securities	25,635	25,635	—	—
Beneficial interest in trust	<u>2,993,390</u>	<u>—</u>	<u>—</u>	<u>2,993,390</u>
Total	<u>\$ 60,680,020</u>	<u>\$ 57,118,684</u>	<u>\$ —</u>	<u>\$ 3,561,336</u>
Liabilities for trusts	\$ (3,919,679)	\$ —	\$ (3,919,679)	\$ —
Liabilities for gift annuities	<u>(1,625,114)</u>	<u>—</u>	<u>(1,625,114)</u>	<u>—</u>
Total	<u>\$ (5,544,793)</u>	<u>\$ —</u>	<u>\$ (5,544,793)</u>	<u>\$ —</u>

The estimated fair value of certain assets (liabilities) measured on a recurring basis at December 31, 2020 are as follows:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Common and preferred stocks	\$ 19,978,300	\$ 19,978,300	\$ —	\$ —
Mutual funds	19,213,689	19,213,689	—	—
Government securities	7,097,889	7,097,889	—	—
Nonpublicly traded investments	595,235	—	—	595,235
Corporate bonds	460,439	460,439	—	—
Debt securities	32,446	32,446	—	—
Beneficial interest in trust	<u>2,575,131</u>	<u>—</u>	<u>—</u>	<u>2,575,131</u>
Total	<u>\$ 49,953,129</u>	<u>\$ 46,782,763</u>	<u>\$ —</u>	<u>\$ 3,170,366</u>
Liabilities for trusts	\$ (3,625,394)	\$ —	\$ (3,625,394)	\$ —
Liabilities for gift annuities	<u>(1,705,320)</u>	<u>—</u>	<u>(1,705,320)</u>	<u>—</u>
Total	<u>\$ (5,330,714)</u>	<u>\$ —</u>	<u>\$ (5,330,714)</u>	<u>\$ —</u>

Investments in nonpublicly traded investments consist primarily of an interest in a limited partnership, the estimated fair value of which is based on an amount provided by the investee. The estimated fair value of the beneficial interest in trust is based on an amount provided by a certain bank and considers life expectancy tables and other relevant factors. The activity for Level 3 assets during 2021 and 2020 was immaterial.

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
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**NOTE H – PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following:

Category	December 31,	
	2021	2020
Land	\$ 3,047,990	\$ 3,047,990
Buildings and building improvements	6,791,826	6,341,716
Vehicles	5,647,773	5,456,114
Furniture and equipment	<u>2,237,189</u>	<u>2,166,103</u>
Total property and equipment	17,724,778	17,011,923
Less: Accumulated depreciation	<u>(9,667,566)</u>	<u>(9,129,185)</u>
Net property and equipment	<u>\$ 8,057,212</u>	<u>\$ 7,882,738</u>

Depreciation expense was approximately \$905,000 and \$866,000 during 2021 and 2020, respectively.

In connection with its activities, ABWE maintains certain property in foreign countries. ABWE has estimated the historical cost of certain of these properties based upon the property assessments of foreign governments and other information available to management. As of December 31, 2021 and 2020, ABWE held property in foreign countries with carrying values (net of accumulated depreciation) of approximately \$1,151,000 and \$1,154,000, respectively. In addition, at December 31, 2021 and 2020, ABWE missionaries located throughout the world held for the benefit of ABWE vehicles and equipment with carrying values (net of accumulated depreciation) of approximately \$1,615,000 and \$1,778,000, respectively.

ABWE may have interests in other assets, particularly real estate, in foreign jurisdictions that are not reflected in the accompanying consolidated statements of financial position due to political instability in the foreign jurisdiction and/or the lack of documentation clearly indicating ABWE’s rights in the property, if any. Upon receipt of further documentation supporting the existence, ownership, and valuation of such properties, ABWE may recognize an asset related to its rights in these properties in future years.

**NOTE I – PAYCHECK PROTECTION PROGRAM**

During 2020, ABWE obtained a Paycheck Protection Program note payable (“PPP loan”) of \$1,746,400. The PPP loan was unsecured and payable to a financial institution at a fixed rate of 1.00% per annum with a deferral of interest and principal payments for a certain period. The PPP loan was forgiven entirely by the Small Business Administration during 2020 based on the nature of ABWE’s expenditures during an applicable period. Accordingly, ABWE recognized grant revenue of \$1,746,400 in the accompanying consolidated statement of activities for the year ended December 31, 2020.

**NOTE J – DEFINED BENEFIT PLANS**

ABWE is the trustee and plan sponsor for the following defined benefit pension plans:

*ABWE Missionary Retirement Plan* – A noncontributory defined benefit pension plan maintained for the benefit of full-term missionaries who meet certain eligibility requirements. Benefits, which are normally payable upon the attainment of age 65, are based on qualifying years of service and marital status.

*ABWE Staff Retirement Plan* – A noncontributory defined benefit pension plan maintained for the benefit of staff employees with five or more years of credited service. Benefits, which are normally payable upon the attainment of age 65, are based on a certain percentage of average monthly compensation.

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**NOTE J – DEFINED BENEFIT PLANS (Continued)**

The following information is presented for the plans on a consolidated basis.

	2021	2020
Change in benefit obligation:		
Benefit obligation, January 1	\$ 63,290,999	\$ 57,718,131
Service cost	1,468,450	1,297,598
Interest cost	1,420,527	1,744,859
Benefits paid	(2,713,253)	(3,414,420)
Change in discount rate assumption	(2,700,594)	5,294,385
Change in demographic assumptions	208,610	(60,135)
Actuarial loss	570,683	710,581
Benefit obligation, December 31	61,545,422	63,290,999
Change in plan assets:		
Estimated fair value of plan assets, January 1	43,578,584	39,345,901
Employer contributions	1,333,597	1,290,811
Benefits paid	(2,713,253)	(3,414,420)
Net gain on plan assets	5,533,377	6,356,292
Estimated fair value of plan assets, December 31	47,732,305	43,578,584
Unfunded status (liability)	\$(13,813,117)	\$(19,712,415)
Components of net periodic benefit cost:		
Service cost	\$ 1,468,450	\$ 1,297,598
Interest cost	1,420,527	1,744,859
Expected return on plan assets	(2,915,674)	(2,627,540)
Amortization of unrecognized prior service cost	(123,175)	(123,175)
Amortization of unrecognized loss	1,095,404	985,450
Total net periodic benefit cost recognized	\$ 945,532	\$ 1,277,192

Following are the weighted average assumptions and additional information related to the pension plans:

	2021	2020
<i>Weighted-average assumptions</i>		
Discount rate for ABWE Missionary Retirement Plan	2.68%	2.29%
Discount rate for ABWE Staff Retirement Plan	2.65%	2.26%
Expected return on plan assets	6.50%	7.00%
Rate of compensation increase (for ABWE Staff Retirement Plan only)	2.50%	2.50%
Average remaining service in years for ABWE Missionary Retirement Plan	6.6	6.6
Average remaining service in years for ABWE Staff Retirement Plan	7.3	7.0

*Selection of assumptions*

The selection of the discount rate assumption reflects an estimate made based on the rates of return on high-quality fixed-income investments currently available and expected to be available during the period to maturity of the pension benefits.



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**NOTE J – DEFINED BENEFIT PLANS (Continued)**

The selection of the expected return on plan assets reflects an estimate from within a reasonable range, based on future long-term asset growth expectations and acknowledging recent return experience.

The selection of the rate of compensation increase for the staff retirement plan reflects an estimate from within a reasonable range, based on both recent salary increases and future expectations.

Expected employer contributions for the year ending December 31, 2022 are approximately \$1,297,000.

During 2021 and 2020, ABWE made contributions totaling approximately \$1,334,000 and \$1,291,000 to the plans, respectively.

Approximate projected benefit payments for the years ending December 31 are as follows:

2022	\$ 5,500,000
2023	\$ 4,274,000
2024	\$ 4,186,000
2025	\$ 4,032,000
2026	\$ 3,989,000
2027 – 2031	\$ 18,236,000

The estimated fair value of plan assets consisted of the following:

Category	December 31,	
	2021	2020
Cash and equivalents	\$ 1,061,512	\$ 799,165
Equity securities (including mutual funds)	27,235,871	25,995,998
Fixed income securities (including fixed income mutual funds)	19,434,922	16,783,421
Total	\$ 47,732,305	\$ 43,578,584

Assets of ABWE’s defined benefit plans are invested in portfolios that are designed to generate returns sufficient to meet obligations to beneficiaries at acceptable levels of risk. The overall investment strategy of the defined benefit plans is to achieve a mix of approximately 20% to 60% of investments in equity securities and approximately 40% to 80% of investments in fixed income securities, with a diversification of asset types. For fair value measurement purposes, the plan assets are considered to fall within Level 1 of the fair value hierarchy.

GAAP requires that an employer report the service cost component separately from the other components of net benefit cost. The service cost component is reported in the same lines of the consolidated statements of activities as other compensation costs arising from services rendered by the pertinent employees during the period and allocated between program, management and general, and fundraising activities accordingly. The other components of net benefit cost and other changes in the pension liability are reported as “pension liability adjustment” in the consolidated statements of activities.

Service costs are included in the consolidated statements of activities as follows:

Category	2021	2020
Program activities	\$ 1,199,195	\$ 1,050,192
Management and general	142,408	141,773
Fundraising	126,847	105,633
Total service costs	\$ 1,468,450	\$ 1,297,598

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**

**D/B/A ABWE INTERNATIONAL**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

**NOTE K - NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions were for the following purposes during the year ended December 31, 2021:

	<u>Balance</u> <u>January 1,</u>	<u>Contributions</u> <u>and other</u>	<u>Releases</u>	<u>Balance</u> <u>December 31,</u>
Missionary projects	\$ 13,078,531	\$ 5,911,526	\$ (3,281,956)	\$ 15,708,101
Beneficial interest in trust	2,575,131	418,259	—	2,993,390
Future building projects	1,000,000	—	—	1,000,000
Irrevocable charitable remainder trusts	834,513	7,085	—	841,598
Funds held for retired missionary	135,727	6,357	—	142,084
Endowment for cemetery maintenance	<u>25,000</u>	<u>—</u>	<u>—</u>	<u>25,000</u>
Total	<u>\$ 17,648,902</u>	<u>\$ 6,343,227</u>	<u>\$ (3,281,956)</u>	<u>\$ 20,710,173</u>

Net assets with donor restrictions were for the following purposes during the year ended December 31, 2020:

	<u>Balance</u> <u>January 1,</u>	<u>Contributions</u> <u>and other</u>	<u>Releases</u>	<u>Balance</u> <u>December 31,</u>
Missionary projects	\$ 9,251,845	\$ 6,398,663	\$ (2,571,977)	\$ 13,078,531
Beneficial interest in trust	2,243,422	331,709	—	2,575,131
Future building projects	—	1,000,000	—	1,000,000
Irrevocable charitable remainder trusts	720,860	113,653	—	834,513
Funds held for retired missionary	120,135	15,592	—	135,727
Endowment for cemetery maintenance	<u>25,000</u>	<u>—</u>	<u>—</u>	<u>25,000</u>
Total	<u>\$ 12,361,262</u>	<u>\$ 7,859,617</u>	<u>\$ (2,571,977)</u>	<u>\$ 17,648,902</u>

**NOTE L - RETIREMENT PLAN**

ABWE maintains a 403(b) retirement plan (“the Plan”) through GuideStone Financial Resources of the Southern Baptist Convention. Employees are eligible to participate upon meeting the eligibility requirements described in the Plan document. Eligible employees may make tax-deferred contributions to the Plan. Employer contributions to the Plan are discretionary. During 2021 and 2020, ABWE made employer discretionary contributions to the Plan totaling approximately \$168,000 and \$156,000, respectively.

**NOTE M - SUBSEQUENT EVENTS**

Subsequent to December 31, 2021, the Foundation received approximately \$3,455,000 as the final distribution from its beneficial interest in a certain trust. ABWE has evaluated for possible financial reporting and disclosure of subsequent events through May 31, 2022, the date as of which the consolidated financial statements were available to be issued.

**SUPPLEMENTAL SCHEDULES**

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
**D/B/A ABWE INTERNATIONAL**  
**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**December 31, 2021**

**ASSETS**

	Association of Baptists for World Evangelism, Inc.	ABWE Foundation, LLC	Global Neighbors, LLC	Eliminations	Total
<b>ASSETS</b>					
Cash and cash equivalents	\$ 2,743,724	\$ 2,243,337	\$ 92,610	\$ —	\$ 5,079,671
Cash designated for health insurance reserves	1,062,789	—	—	—	1,062,789
Cash restricted for long-term purposes	1,025,000	—	—	—	1,025,000
Investments	49,383,769	5,623,064	—	—	55,006,833
Investments held in trust	—	4,761,277	—	—	4,761,277
Beneficial interest in trust	—	2,993,390	—	—	2,993,390
Other assets	954,117	—	—	—	954,117
Property and equipment, net	8,057,212	—	—	—	8,057,212
<b>Total assets</b>	<b>\$ 63,226,611</b>	<b>\$ 15,621,068</b>	<b>\$ 92,610</b>	<b>\$ —</b>	<b>\$ 78,940,289</b>

**LIABILITIES AND NET ASSETS**

<b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ 2,280,921	\$ —	\$ 114,120	\$ —	\$ 2,395,041
Amounts held for others	166,225	—	—	—	166,225
Net pension obligation	13,813,117	—	—	—	13,813,117
Trust liabilities	—	3,919,679	—	—	3,919,679
Annuities payable	—	1,625,114	—	—	1,625,114
<b>Total liabilities</b>	<b>16,260,263</b>	<b>5,544,793</b>	<b>114,120</b>	<b>—</b>	<b>21,919,176</b>
<b>NET ASSETS</b>					
Without donor restrictions					
Undesignated	(2,440,140)	5,407,018	(21,510)	—	2,945,368
Designated					
Deficit associated with net pension obligation	(13,813,117)	—	—	—	(13,813,117)
Funds held in missionary accounts	29,866,503	—	—	—	29,866,503
Investment in property and equipment	8,057,212	—	—	—	8,057,212
Operational contingency reserves	7,500,000	—	—	—	7,500,000
Health insurance reserves	1,062,789	—	—	—	1,062,789
Donor-advised funds	—	692,185	—	—	692,185
<b>Total designated</b>	<b>32,673,387</b>	<b>692,185</b>	<b>—</b>	<b>—</b>	<b>33,365,572</b>
<b>Total without donor restrictions</b>	<b>30,233,247</b>	<b>6,099,203</b>	<b>(21,510)</b>	<b>—</b>	<b>36,310,940</b>
With donor restrictions	16,733,101	3,977,072	—	—	20,710,173
<b>Total net assets</b>	<b>46,966,348</b>	<b>10,076,275</b>	<b>(21,510)</b>	<b>—</b>	<b>57,021,113</b>
<b>Total liabilities and net assets</b>	<b>\$ 63,226,611</b>	<b>\$ 15,621,068</b>	<b>\$ 92,610</b>	<b>\$ —</b>	<b>\$ 78,940,289</b>

See the Accompanying Report of Independent Auditor

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**  
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**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**December 31, 2020**

**ASSETS**

	Association of Baptists for World Evangelism, Inc.	ABWE Foundation, LLC	Global Neighbors, LLC	Eliminations	Total
<b>ASSETS</b>					
Cash and cash equivalents	\$ 4,681,888	\$ 1,323,895	\$ 65,036	\$ —	\$ 6,070,819
Cash designated for health insurance reserves	1,111,801	—	—	—	1,111,801
Cash restricted for long-term purposes	1,025,000	—	—	—	1,025,000
Investments	41,041,850	5,481,191	—	—	46,523,041
Investments held in trust	—	4,459,907	—	—	4,459,907
Beneficial interest in trust	—	2,575,131	—	—	2,575,131
Other assets	1,034,699	—	9,700	—	1,044,399
Property and equipment, net	7,882,738	—	—	—	7,882,738
<b>Total assets</b>	<b>\$ 56,777,976</b>	<b>\$ 13,840,124</b>	<b>\$ 74,736</b>	<b>\$ —</b>	<b>\$ 70,692,836</b>

**LIABILITIES AND NET ASSETS**

<b>LIABILITIES</b>					
Accounts payable and accrued expenses	\$ 2,069,388	\$ —	\$ 86,112	\$ —	\$ 2,155,500
Amounts held for others	214,047	—	—	—	214,047
Net pension obligation	19,712,415	—	—	—	19,712,415
Trust liabilities	—	3,625,394	—	—	3,625,394
Annuities payable	—	1,705,320	—	—	1,705,320
<b>Total liabilities</b>	<b>21,995,850</b>	<b>5,330,714</b>	<b>86,112</b>	<b>—</b>	<b>27,412,676</b>
<b>NET ASSETS</b>					
Without donor restrictions					
Undesignated	4,979,079	4,205,208	(11,376)	—	9,172,911
Designated					
Deficit associated with net pension obligation	(19,712,415)	—	—	—	(19,712,415)
Funds held in missionary accounts	26,167,392	—	—	—	26,167,392
Investment in property and equipment	7,882,738	—	—	—	7,882,738
Operational contingency reserves	250,000	—	—	—	250,000
Health insurance reserves	1,111,801	—	—	—	1,111,801
Donor-advised funds	—	758,831	—	—	758,831
<b>Total designated</b>	<b>15,699,516</b>	<b>758,831</b>	<b>—</b>	<b>—</b>	<b>16,458,347</b>
<b>Total without donor restrictions</b>	<b>20,678,595</b>	<b>4,964,039</b>	<b>(11,376)</b>	<b>—</b>	<b>25,631,258</b>
With donor restrictions	14,103,531	3,545,371	—	—	17,648,902
<b>Total net assets</b>	<b>34,782,126</b>	<b>8,509,410</b>	<b>(11,376)</b>	<b>—</b>	<b>43,280,160</b>
<b>Total liabilities and net assets</b>	<b>\$ 56,777,976</b>	<b>\$ 13,840,124</b>	<b>\$ 74,736</b>	<b>\$ —</b>	<b>\$ 70,692,836</b>

See the Accompanying Report of Independent Auditor

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**

**D/B/A ABWE INTERNATIONAL**

**CONSOLIDATING STATEMENT OF ACTIVITIES**

For The Year Ended December 31, 2021

	Association of Baptists for World Evangelism, Inc.	ABWE Foundation, LLC	Global Neighbors, LLC	Eliminations	Total
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>					
Public support and revenue					
Contributions	\$ 48,175,996	\$ —	\$ —	\$ —	\$ 48,175,996
Investment income, net	5,012,883	551,816	5	—	5,564,704
Other income	1,745,087	—	—	(338,400)	1,406,687
Change in value of trusts and charitable gift annuities	—	(111,440)	—	—	(111,440)
Intercompany grants	—	922,448	2,508,670	(3,431,118)	—
Total public support and revenue	54,933,966	1,362,824	2,508,675	(3,769,518)	55,035,947
Net assets released from restrictions	3,281,956	—	—	—	3,281,956
Total public support and revenue and net assets released from restrictions	58,215,922	1,362,824	2,508,675	(3,769,518)	58,317,903
Expenses					
Program activities	45,479,064	173,495	2,011,659	(2,719,808)	44,944,410
Supporting activities					
Management and general	6,185,575	48,705	284,441	(726,285)	5,792,436
Fundraising	4,364,379	5,460	222,709	(323,425)	4,269,123
Total supporting activities	10,549,954	54,165	507,150	(1,049,710)	10,061,559
Total expenses	56,029,018	227,660	2,518,809	(3,769,518)	55,005,969
Change in net assets without donor restrictions before pension liability adjustment	2,186,904	1,135,164	(10,134)	—	3,311,934
Pension liability adjustment	7,367,748	—	—	—	7,367,748
Change in net assets without donor restrictions	9,554,652	1,135,164	(10,134)	—	10,679,682
<b>CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS</b>					
Contributions	5,911,526	—	—	—	5,911,526
Change in beneficial interest in trust	—	418,259	—	—	418,259
Investment income, net	—	61,937	—	—	61,937
Change in value of trusts and charitable gift annuities	—	(48,495)	—	—	(48,495)
Net assets released from restrictions	(3,281,956)	—	—	—	(3,281,956)
Change in net assets with donor restrictions	2,629,570	431,701	—	—	3,061,271
<b>CHANGE IN NET ASSETS</b>	12,184,222	1,566,865	(10,134)	—	13,740,953
<b>NET ASSETS - Beginning of year</b>	34,782,126	8,509,410	(11,376)	—	43,280,160
<b>NET ASSETS - End of year</b>	\$ 46,966,348	\$ 10,076,275	\$ (21,510)	\$ —	\$ 57,021,113

See the Accompanying Report of Independent Auditor

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**

**D/B/A ABWE INTERNATIONAL**

**CONSOLIDATING STATEMENT OF ACTIVITIES**

For The Year Ended December 31, 2020

	Association of Baptists for World Evangelism, Inc.	ABWE Foundation, LLC	Global Neighbors, LLC	Eliminations	Total
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS</b>					
Public support and revenue					
Contributions	\$ 45,698,101	\$ 17,675	\$ —	\$ —	\$ 45,715,776
Investment income, net	5,167,287	693,178	42	—	5,860,507
Grant revenue	1,746,400	—	—	—	1,746,400
Other income	1,593,711	—	—	(338,400)	1,255,311
Change in value of trusts and charitable gift annuities	—	(39,096)	—	—	(39,096)
Intercompany grants	—	1,196,441	1,876,972	(3,073,413)	—
Total public support and revenue	54,205,499	1,868,198	1,877,014	(3,411,813)	54,538,898
Net assets released from restrictions	2,571,977	—	—	—	2,571,977
Total public support and revenue and net assets released from restrictions	56,777,476	1,868,198	1,877,014	(3,411,813)	57,110,875
Expenses					
Program activities	40,448,951	233,590	1,538,020	(1,582,787)	40,637,774
Supporting activities					
Management and general	7,435,599	19,491	31,845	(1,713,445)	5,773,490
Fundraising	3,326,005	10,624	221,644	(115,581)	3,442,692
Total supporting activities	10,761,604	30,115	253,489	(1,829,026)	9,216,182
Total expenses	51,210,555	263,705	1,791,509	(3,411,813)	49,853,956
Change in net assets without donor restrictions before pension liability adjustment	5,566,921	1,604,493	85,505	—	7,256,919
Pension liability adjustment	(42,587)	—	—	—	(42,587)
Change in net assets without donor restrictions	5,524,334	1,604,493	85,505	—	7,214,332
<b>CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS</b>					
Contributions	7,398,663	—	—	—	7,398,663
Change in beneficial interest in trust	—	331,709	—	—	331,709
Investment income, net	—	107,792	—	—	107,792
Change in value of trusts and charitable gift annuities	—	21,453	—	—	21,453
Net assets released from restrictions	(2,571,977)	—	—	—	(2,571,977)
Change in net assets with donor restrictions	4,826,686	460,954	—	—	5,287,640
<b>CHANGE IN NET ASSETS</b>	<b>10,351,020</b>	<b>2,065,447</b>	<b>85,505</b>	<b>—</b>	<b>12,501,972</b>
<b>NET ASSETS - Beginning of year</b>	<b>24,431,106</b>	<b>6,443,963</b>	<b>(96,881)</b>	<b>—</b>	<b>30,778,188</b>
<b>NET ASSETS - End of year</b>	<b>\$ 34,782,126</b>	<b>\$ 8,509,410</b>	<b>\$ (11,376)</b>	<b>\$ —</b>	<b>\$ 43,280,160</b>

See the Accompanying Report of Independent Auditor

**ASSOCIATION OF BAPTISTS FOR WORLD EVANGELISM, INC.**

**D/B/A ABWE INTERNATIONAL**

**NOTE TO CONSOLIDATING STATEMENTS OF FINANCIAL POSITION AND CONSOLIDATING STATEMENTS OF  
ACTIVITIES**

**NOTE 1 – BASIS OF PRESENTATION**

As of December 31, 2021 and 2020, ABWE Foundation, LLC holds nominal title for certain investments on behalf of Association of Baptists for World Evangelism, Inc. (“ABWE”). ABWE is the beneficiary of such investments, and therefore, the assets and related investment activities are included in ABWE’s 2021 and 2020 statements of financial position and activities.

As of December 31, 2021 and 2020, Association of Baptists for World Evangelism, Inc. holds nominal title for certain investments on behalf of ABWE Foundation, LLC (“the Foundation”). The Foundation is the beneficiary of such investments, and therefore, the assets and related investment activities are included in the Foundation’s 2021 and 2020 statements of financial position and activities.