



**WISCONSIN AND NORTHERN MICHIGAN
DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD**

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Presbyters
Wisconsin and Northern Michigan District Council of the Assemblies of God
Waupaca, Wisconsin

Opinion

We have audited the accompanying financial statements of Wisconsin and Northern Michigan District Council of the Assemblies of God (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities, functional expenses, 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 Wisconsin and Northern Michigan District Council of the Assemblies of God as of December 31, 2022 and 2021, and the changes in 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 audit 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 Financial Statements section of our report. We are required to be independent of Wisconsin and Northern Michigan District Council of the Assemblies of God and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Wisconsin and Northern Michigan District Council of the Assemblies of God'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 Wisconsin and Northern Michigan District Council of the Assemblies of God'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 Wisconsin and Northern Michigan District Council of the Assemblies of God'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 audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The departmental statements of financial position and activities as of and for the year ended December 31, 2022 are presented for purposes of additional analysis and are 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 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 financial statements as a whole.

Kaizen Assurance PLLC

Kenosha, Wisconsin

March 6, 2023

**WISCONSIN AND NORTHERN MICHIGAN
DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
STATEMENTS OF FINANCIAL POSITION
December 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,352,572	\$ 1,056,752
Other investments	2,540,386	1,997,499
Accounts receivable	4,612	1,614
Prepaid expense	<u>37,945</u>	<u>30,915</u>
Total Current Assets	3,935,515	3,086,780
LONG-TERM ASSETS		
Note receivable	392,163	408,204
Property and equipment, net	<u>3,336,434</u>	<u>3,179,252</u>
Total Long-Term Assets	<u>3,728,597</u>	<u>3,587,456</u>
TOTAL ASSETS	<u>\$ 7,664,112</u>	<u>\$ 6,674,236</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 128,891	\$ 145,959
Unearned Income	5,017	5,530
Accrued payroll deductions	737	785
Accrued executive benefits	69,143	61,887
Current portion of long-term debt	<u>62,019</u>	<u>59,985</u>
Total Current Liabilities	265,807	274,146
LONG-TERM LIABILITIES		
Mortgages payable, net of current portion	<u>260,118</u>	<u>321,139</u>
TOTAL LIABILITIES	525,925	595,285
NET ASSETS		
Without donor restrictions	5,133,969	4,724,628
Without donor restrictions — Board designated	<u>1,558,502</u>	<u>950,916</u>
Total without donor restrictions	6,692,471	5,675,544
With donor restrictions	<u>445,716</u>	<u>403,407</u>
Total net assets	<u>7,138,187</u>	<u>6,078,951</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 7,664,112</u>	<u>\$ 6,674,236</u>

See accompanying notes and independent auditor's report.

**WISCONSIN AND NORTHERN MICHIGAN
DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
STATEMENTS OF ACTIVITIES
For the Years Ended December 31, 2022 and 2021**

	2022	2021
CHANGES IN UNRESTRICTED NET ASSETS		
REVENUES AND OTHER SUPPORT		
Offerings and gifts	\$ 2,349,753	\$ 2,020,808
Events, activities, and programs	1,372,011	1,098,974
Rental of property and equipment	578,333	478,780
Sales	229,291	193,233
Investment income	76,665	53,973
Net assets released from restriction	478,831	276,806
Board designated income	604,862	83,124
Other	5,501	417,673
Total Revenues and Other Support	5,695,247	4,623,371
EXPENSES		
Program services expense		
Camps	1,719,980	1,547,350
Ministries	924,033	648,476
Missions	479,307	309,122
Total program expenses	3,123,320	2,504,948
Supporting services expense		
Management and general	1,554,999	1,429,401
Fundraising and development	-	-
Total supporting services expenses	1,554,999	1,429,401
Total expenses	4,678,319	3,934,349
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	1,016,928	689,022
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
REVENUES AND OTHER SUPPORT		
Offerings and gifts	521,139	252,489
Events, activities, and programs	-	30,911
Net assets released from restrictions	(478,831)	(276,806)
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS	42,308	6,594
CHANGE IN NET ASSETS	1,059,236	695,616
NET ASSETS, BEGINNING OF YEAR	6,078,951	5,383,335
NET ASSETS, END OF YEAR	\$ 7,138,187	\$ 6,078,951

See accompanying notes and independent auditor's report.

**WISCONSIN AND NORTHERN MICHIGAN
DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
STATEMENTS OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2022**

	Program Services				Management and General	Fundraising and Development	Total
	Camps	Ministries	Missions	Total			
Offerings and gifts	\$ 21,186	\$ 290,780	\$ 338,169	\$ 650,135	\$ 134,346	\$ -	\$ 784,481
Compensation and benefits	682,054	213,845	42,599	938,498	1,072,516	-	2,011,014
Events, activities, and programs	17,082	210,604	63,118	290,804	131,206	-	422,010
Purchases for resale	53,446	51,862	-	105,308	1,301	-	106,609
Administrative	50,222	94,192	30,205	174,619	120,079	-	294,698
Property	894,963	54,764	4,810	954,537	76,420	-	1,030,957
Committee	1,027	7,986	406	9,419	15,646	-	25,065
Loss on disposal of fixed assets	-	-	-	-	3,485	-	3,485
Total expenses by function	\$ 1,719,980	\$ 924,033	\$ 479,307	\$ 3,123,320	\$ 1,554,999	\$ -	\$ 4,678,319

For the Year Ended December 31, 2021

	Program Services				Management and General	Fundraising and Development	Total
	Camps	Ministries	Missions	Total			
Offerings and gifts	\$ 27,356	\$ 165,214	\$ 197,074	\$ 389,644	\$ 75,844	\$ -	\$ 465,488
Compensation and benefits	594,602	199,253	42,519	836,374	1,050,557	-	1,886,931
Events, activities, and programs	6,669	120,267	35,214	162,150	97,243	-	259,393
Purchases for resale	76,930	34,168	-	111,098	1,538	-	112,636
Administrative	43,316	71,947	28,460	143,723	120,408	-	264,131
Property	797,802	48,046	4,105	849,953	68,494	-	918,447
Committee	675	9,581	1,750	12,006	15,317	-	27,323
Other	-	-	-	-	-	-	-
Total expenses by function	\$ 1,547,350	\$ 648,476	\$ 309,122	\$ 2,504,948	\$ 1,429,401	\$ -	\$ 3,934,349

See accompanying notes and independent auditor's report.

**WISCONSIN AND NORTHERN MICHIGAN
DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2022 and 2021**

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets before non-recurring item	\$ 1,059,236	\$ 695,616
Net realized gains on investments	53,974	53,974
Loss on disposal of fixed assets	3,485	-
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	283,024	266,172
Effects of changes in operating assets and liabilities:		
Decrease (increase) in Accounts receivable	(2,998)	(86)
Decrease (increase) in Prepaid expense	(7,030)	(7,685)
Increase (decrease) in Accounts payable	(17,068)	42,819
Increase (decrease) in Unearned income	(513)	(18,891)
Increase (decrease) in Payroll deductions	(48)	126
Increase (decrease) in Accrued executive benefits	7,256	6,304
Net cash provided by operating activities	1,379,318	1,038,349
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(443,690)	(364,124)
Purchases of other investments	(596,862)	(388,701)
Net cash used by investing activities	(1,040,552)	(752,825)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments received on note receivable	16,041	15,399
Repayment of mortgages	(58,987)	(52,136)
Net cash used by financing activities	(42,946)	(36,737)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	295,820	248,787
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	1,056,752	807,965
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 1,352,572	\$ 1,056,752
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Interest paid	\$ 11,906	\$ 13,783

See accompanying notes and independent auditor's report.

**WISCONSIN AND NORTHERN MICHIGAN
DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
NOTES TO FINANCIAL STATEMENTS
December 31, 2022**

NOTE 1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Wisconsin and Northern Michigan District Council of the Assemblies of God is a nonprofit organization established in July, 1934. The District was formed for the following purposes: To proclaim the Word of God in accordance with the Apostolic teaching and practices; to labor for the evangelization of the world; to promote Christianity in the Wisconsin and Northern Michigan District, the United States, and elsewhere through the united efforts of the various Assemblies of God by all legal and practical means, but especially by missionary and evangelistic work, by conduct of educational, charitable, and benevolent work, and by establishment and maintenance of the ministry of churches. Programs utilized to accomplish this mission include camping, missions, adult, and youth ministries.

Cash and Cash Equivalents

The District considers all highly liquid investments with original maturities of three months or less, which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

Other Investments

Other temporary investments consist of certificates of deposit with original maturities from thirteen months to twenty-four months. These investments are stated at cost.

Fair Value of Financial Instruments

Due to the short-term nature of cash equivalents, receivables, prepaid expenses, and accounts payable, their fair value approximates carrying value.

Financial Instruments Risk

The District manages deposit concentration risk by placing cash, money market accounts, and certificates of deposit with financial institutions believed by them to be creditworthy. At times, amounts on deposit may exceed insured limits. To date, the District has not experienced losses in any of these accounts.

Income Taxes

No provision or benefit for income taxes has been included in these financial statements since the entity is exempt from Federal income taxes, except for tax on unrelated business income, under Section 501(c)(3) of the Internal Revenue Code. The District had no unrelated business income for the years ended December 31, 2022 and 2021.

NOTES TO FINANCIAL STATEMENTS

The District adopted the FASB's requirements for accounting for uncertain tax positions on January 1, 2009. The District determined that it was not required to record a liability related to uncertain tax positions as a result of implementing the new requirements.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Property and Equipment

Expenditures for the acquisition of property and equipment are capitalized at cost when the cost is greater than \$1,000 and the useful life is expected to be at least 3 years. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets. Useful lives of the assets are as follows:

Land improvements	5 – 33 years
Buildings and improvements	7 – 33 years
Furniture and equipment	3 – 10 years
Vehicles	5 years

When assets are sold or otherwise disposed of, the cost and related depreciation are removed from the accounts, and any resulting gain or loss is included in the statement of activities. Costs of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

Impairment of Long-Lived Assets

The District reviews its investment in real estate for impairment whenever events or changes in circumstances indicate that the carrying value of such property may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the real estate to the future net undiscounted cash flow expected to be generated by rental property and any estimated proceeds from the eventual disposition of the real estate. If the real estate is considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the real estate exceeds the fair value of such property. Assets to be disposed of are reported the lower of carrying amount or fair value less cost to sell.

Net Assets

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

Net Assets Without Donor Restrictions — net assets available for use in general operations and not subject to donor restrictions.

NOTES TO FINANCIAL STATEMENTS

Undesignated

Unrestricted net assets include all net assets which are neither temporarily or permanently restricted. Gains or losses on investments are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or law.

Board Designated

It is the policy of the Board of Presbyters of the District to review its plans for future operations and periodically appropriate sums for those plans.

Net Assets With Donor Restrictions — net assets subject to donor imposed restrictions.

Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Revenue and Revenue Recognition

Rent revenue is recognized as rents become due. Rent payments received in advance are deferred until earned. All leases between the District and the tenants of the property are operating leases.

Contributions are recorded as support at fair value at the date of donation. Such contributions are reported as support without donor restrictions unless the donor has specified the contribution to be used for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as support with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the District reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The District reclassifies net assets with donor restrictions to net assets without donor restrictions at that time.

Unconditional promises to give are recognized as revenues when the donor's commitment is received.

Faith pledges, which include the words, "as the Lord enables" or similar wording are not considered to be an enforceable promise to give and, therefore, are not recorded as revenues until the contributions are actually received.

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

The value of donated services is recognized in the financial statements if the service creates or enhances a nonfinancial asset or represents a specialized skill that would be

NOTES TO FINANCIAL STATEMENTS

purchased if not otherwise donated. Such donated services are recorded at their fair value. There were no donated services for the years ended December 31, 2022 and 2021.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

NOTE 2) FUNCTIONALIZED EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that allocated are compensation and benefits which are allocated based on time and effort. All other expenses are categorized directly to the program or supporting function to which they relate.

NOTE 3) OTHER INVESTMENTS

The District records its investments in certificates of deposit at cost in accordance with *FASB ASC 958-325 Other Investments*. Interest income from investments in certificates of deposit for the years ended December 31, 2022 and 2021 was \$76,665 and \$53,973, respectively.

NOTE 4) LIQUIDITY AND AVAILABILITY

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

	2022	2021	
Cash and cash equivalents	\$ 1,352,572	\$ 1,056,752	
Other investments	2,540,386	1,997,499	
Accounts receivable	4,612	1,614	
Total	\$ 3,897,570	\$ 3,055,865	

As part of the District’s liquidity management plan, cash in excess of daily requirements is invested in short-term investments, CDs, and money market funds. Occasionally, the Board designates a portion of any operating surplus to its operating reserve, which was \$1,558,502 and \$950,916 at December 31, 2022 and 2021, respectively.

NOTES TO FINANCIAL STATEMENTS

NOTE 5) NOTES RECEIVABLE

Notes receivable consist of the following:

A zero interest, uncollateralized loan receivable from City on a Hill. Repayment consists of 60 monthly installments of \$4,167, which will begin on May 1, 2023 and end on April 1, 2028.

A balloon note receivable from God Touch Milwaukee, Inc. in the amount of \$175,000, with a 4% interest rate payable in 59 monthly installments of \$835 commencing on April 1, 2020 with a balloon payment due on March 1, 2025, and secured by church property.

The receivable balances on December 31, 2022 and 2021 were as follows:

	2022	2021
City on a Hill	\$ 250,000	\$ 250,000
God Touch Milwaukee, Inc.	142,163	158,204
Total notes receivable	\$ 392,163	\$ 408,204

NOTE 6) PROPERTY AND EQUIPMENT

Property and equipment carried at cost are categorized as follows:

	2022	2021
Land	\$ 188,699	\$ 188,699
Land improvements	676,931	666,485
Buildings	6,172,186	5,888,115
Furniture and equipment	1,608,593	1,472,855
Vehicles	122,094	122,094
Total property and equipment, at cost	8,768,503	8,338,248
Accumulated depreciation	(5,432,069)	(5,158,996)
Total	\$ 3,336,434	\$ 3,179,252

Depreciation expense was \$283,024 and \$266,172 for the years ended December 31, 2022 and 2021, respectively.

NOTE 7) MORTGAGES PAYABLE

Mortgages payable are as follows:

On July 29, 2020, the District refinanced its secured note with the Farmers State Bank of Waupaca. The new face value of the note was \$442,922, with a variable rate starting at 3.35%, a 20-year term, and monthly installments of principal and interest totaling

NOTES TO FINANCIAL STATEMENTS

\$2,547. The note is collateralized by the Waupaca district office and Spencer Lake Camp properties. Ending principal balances were \$322,137 and \$381,124 on December 31, 2022 and 2021, respectively.

Interest expense incurred on the above mortgage payable for the years ended December 31, 2022 and 2021 was \$11,906 and \$13,783 respectively.

Future maturities of long-term debt within the next 5 years are as follows:

2023	\$	62,019
2024		64,135
2025		66,354
2026		68,650
2027		<u>60,979</u>
	<u>\$</u>	<u>322,137</u>

NOTE 8) PAYCHECK PROTECTION PROGRAM

On January 26, 2021, the District received a round two Paycheck Protection Program loan in the amount of \$414,705 from the Farmers State Bank of Waupaca. The full amount was forgiven on June 14, 2021.

NOTE 9) EFFECTS OF THE PANDEMIC

Because of the COVID-19 outbreak in March of 2020, the District had to discontinue camp operations and many events. It is estimated that over \$2,000,000 was lost from the cancelled activities. The District held some virtual events but was not charging for them. Camp operations fully resumed in 2021, but attendance was depressed due to lingering COVID-19 fears. However, by 2022, event attendance had returned to pre-pandemic levels, with minimal financial impact on operations.

NOTE 10) PENSION AND BENEFIT PLANS

Accrued Executive Benefits

A retirement benefit has been established for the District Superintendent, Secretary, Student Ministries Director, Missions Director, and Discipleship Director. This benefit is equal to either their weekly gross salary or a percentage of weekly gross salary, multiplied by their number of years of service. It will be given to them upon leaving the Organization. The total accrued executive benefit at December 31, 2022 and 2021 was \$69,143 and \$61,887, respectively.

NOTES TO FINANCIAL STATEMENTS

403(b) Defined Contribution Plan

The Organization sponsors a 403(b) defined contribution retirement plan for all regular full-time employees. Eligibility and benefit level are based on years of service and position. This plan is funded on a monthly basis. The employer contributions totaled \$80,454 and \$83,685 to the 403(b) plan in 2022 and 2021, respectively.

NOTE 11) REVENUE FROM CONTRACTS WITH CUSTOMERS

Events, activities and programs

The District conducts events, activities and programs to carry out its mission. Revenue earned from these activities is recorded at the time of occurrence.

Rental of property and equipment

The District rents property and equipment to individuals. Rent revenue is recognized as rents become due.

Sales

All the departments of the District sell supplies, snacks and concessions. This revenue is recognized at the point in time of the sale.

NOTE 12) NET ASSETS WITHOUT DONOR RESTRICTIONS – BOARD DESIGNATED

Net assets without donor restrictions have been internally designated by the Board as follows:

	2022	2021
Camp funds	\$ 81,716	\$ 78,991
Development	30,000	30,000
General	343,831	253,872
Designated	248,599	74,693
Ministry funds	63,531	54,352
Mission funds	790,825	459,008
Total net assets without donor restrictions – Board designated	\$ 1,558,502	\$ 950,916

NOTES TO FINANCIAL STATEMENTS

NOTE 13) NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes:

	2022	2021
Benevolence Fund	\$ 92,492	\$ 94,107
Pastor Events	-	36,497
Spencer Lake Capital Projects	-	6,349
APBC Capital Projects	3,392	40
Church Planting	184,185	117,387
Home Missions	-	325
World Missions	19,801	24,312
Youth Camp Ministry	7,691	8,161
Designated	87,056	73,188
College Ministries	10,630	7,684
Royal Rangers Pathfinders and Projects	15,756	13,141
Girls Ministry Penny Fund	24,713	22,216
Total net assets with donor restrictions	\$ 445,716	\$ 403,407

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by the donors, as follows:

	2022	2021
Construction of buildings and other improvements	\$ 20,649	\$ 38,239
Support of pastors and missionaries	454,447	222,030
Programs	3,735	16,537
Total net assets released from donor restrictions	\$ 478,831	\$ 276,806

NOTE 14) SUBSEQUENT EVENTS

Management evaluated subsequent events through March 6, 2023, the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

WISCONSIN AND NORTHERN MICHIGAN DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
DEPARTMENTAL STATEMENT OF FINANCIAL POSITION
December 31, 2022 — Page 1 of 3

	Development	General	Designated	DSOM	Spencer Lake Christian Center	Assembly Park Bible Camp	Leasehold Property	Church Planting
ASSETS								
Cash and cash equivalents	\$ 401,860	\$ (1,063,212)	\$ 335,655	\$ 4,287	\$ 149,529	\$ 43,719	\$ 81,716	\$ 378,156
Other investments	-	2,286,230	-	-	-	-	-	-
Accounts receivable	-	4,612	-	-	-	-	-	-
Prepaid expense	-	2,908	-	-	17,509	-	-	85
Notes receivable — External	-	-	-	-	-	-	-	-
Notes receivable — Internal	-	-	-	-	-	-	-	-
Property and equipment, net	-	225,137	-	-	2,879,460	177,487	-	1,716
TOTAL ASSETS	<u>\$ 401,860</u>	<u>\$ 1,455,675</u>	<u>\$ 335,655</u>	<u>\$ 4,287</u>	<u>\$ 3,046,498</u>	<u>\$ 221,206</u>	<u>\$ 81,716</u>	<u>\$ 379,957</u>
LIABILITIES AND NET ASSETS								
LIABILITIES								
Accounts payable	\$ -	\$ 40,122	\$ -	\$ 789	\$ 30,039	\$ 1,689	\$ 43,252	\$ 1,561
Unearned Income	-	-	-	1,247	-	-	-	520
Accrued payroll deductions	-	597	-	-	140	-	-	-
Accrued executive benefits	-	69,143	-	-	-	-	-	-
Mortgages payable	-	220,257	-	-	101,880	-	-	-
Notes payable — Internal	-	-	-	-	-	-	-	-
Total liabilities	-	330,119	-	2,036	132,059	1,689	43,252	2,081
NET ASSETS								
Without donor restrictions	371,860	689,233	-	2,251	2,914,439	216,125	(43,252)	181,187
Without donor restrictions — Board designated	30,000	343,831	248,599	-	-	-	81,716	12,504
Total Without donor restrictions	401,860	1,033,064	248,599	2,251	2,914,439	216,125	38,464	193,691
With donor restrictions	-	92,492	87,056	-	-	3,392	-	184,185
Total net assets	401,860	1,125,556	335,655	2,251	2,914,439	219,517	38,464	377,876
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 401,860</u>	<u>\$ 1,455,675</u>	<u>\$ 335,655</u>	<u>\$ 4,287</u>	<u>\$ 3,046,498</u>	<u>\$ 221,206</u>	<u>\$ 81,716</u>	<u>\$ 379,957</u>

See independent auditor's report on supplementary information.

WISCONSIN AND NORTHERN MICHIGAN DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
DEPARTMENTAL STATEMENT OF FINANCIAL POSITION
December 31, 2022 — Page 2 of 3

	US Missions	Native American Ministries	World Missions	Light For The Lost	Men	Network Women	Youth Camp Ministries	Student Ministries
ASSETS								
Cash and cash equivalents	\$ 564,092	\$ 14,757	\$ 51,785	\$ 67,441	\$ 1,746	\$ 4,156	\$ 50,692	\$ 30,607
Other investments	254,156	-	-	-	-	-	-	-
Accounts receivable	-	-	-	-	-	-	-	-
Prepaid expense	-	-	-	-	-	-	17,137	-
Notes receivable — External	392,163	-	-	-	-	-	-	-
Notes receivable — Internal	-	-	-	-	-	-	-	-
Property and equipment, net	-	-	-	-	-	-	3,218	2,005
TOTAL ASSETS	<u>\$ 1,210,411</u>	<u>\$ 14,757</u>	<u>\$ 51,785</u>	<u>\$ 67,441</u>	<u>\$ 1,746</u>	<u>\$ 4,156</u>	<u>\$ 71,047</u>	<u>\$ 32,612</u>
LIABILITIES AND NET ASSETS								
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,539
Unearned Income	-	-	-	-	-	-	-	-
Accrued payroll deductions	-	-	-	-	-	-	-	-
Accrued executive benefits	-	-	-	-	-	-	-	-
Mortgages payable	-	-	-	-	-	-	-	-
Notes payable — Internal	-	-	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-	-	1,539
NET ASSETS								
Without donor restrictions	457,250	14,757	6,824	67,441	1,746	4,156	63,356	31,073
Without donor restrictions — Board designated	753,161	-	25,160	-	-	-	-	-
Total Without donor restrictions	1,210,411	14,757	31,984	67,441	1,746	4,156	63,356	31,073
With donor restrictions	-	-	19,801	-	-	-	7,691	-
Total net assets	1,210,411	14,757	51,785	67,441	1,746	4,156	71,047	31,073
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,210,411</u>	<u>\$ 14,757</u>	<u>\$ 51,785</u>	<u>\$ 67,441</u>	<u>\$ 1,746</u>	<u>\$ 4,156</u>	<u>\$ 71,047</u>	<u>\$ 32,612</u>

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**WISCONSIN AND NORTHERN MICHIGAN DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
DEPARTMENTAL STATEMENT OF FINANCIAL POSITION**

December 31, 2022 — Page 3 of 3

	Youth Alive Ministries	College Ministries	Discipleship	Royal Rangers	Girls Ministries	Eliminations	Total
ASSETS							
Cash and cash equivalents	\$ 61,210	\$ 39,291	\$ 66,712	\$ 33,969	\$ 34,404	\$ -	\$ 1,352,572
Other investments	-	-	-	-	-	-	2,540,386
Accounts receivable	-	-	-	-	-	-	4,612
Prepaid expense	153	-	153	-	-	-	37,945
Notes receivable — External	-	-	-	-	-	-	392,163
Notes receivable — Internal	-	-	-	-	-	-	-
Property and equipment, net	8,242	-	-	38,614	555	-	3,336,434
TOTAL ASSETS	<u>\$ 69,605</u>	<u>\$ 39,291</u>	<u>\$ 66,865</u>	<u>\$ 72,583</u>	<u>\$ 34,959</u>	<u>\$ -</u>	<u>\$ 7,664,112</u>
LIABILITIES AND NET ASSETS							
LIABILITIES							
Accounts payable	\$ 2,920	\$ 710	\$ 2,284	\$ 3,986	\$ -	\$ -	\$ 128,891
Unearned Income	3,250	-	-	-	-	-	5,017
Accrued payroll deductions	-	-	-	-	-	-	737
Accrued executive benefits	-	-	-	-	-	-	69,143
Mortgages payable	-	-	-	-	-	-	322,137
Notes payable — Internal	-	-	-	-	-	-	-
Total liabilities	6,170	710	2,284	3,986	-	-	525,925
NET ASSETS							
Without donor restrictions	18,577	27,951	62,541	37,841	8,613	-	5,133,969
Without donor restrictions — Board designated	44,858	-	2,040	15,000	1,633	-	1,558,502
Total Without donor restrictions	63,435	27,951	64,581	52,841	10,246	-	6,692,471
With donor restrictions	-	10,630	-	15,756	24,713	-	445,716
Total net assets	63,435	38,581	64,581	68,597	34,959	-	7,138,187
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 69,605</u>	<u>\$ 39,291</u>	<u>\$ 66,865</u>	<u>\$ 72,583</u>	<u>\$ 34,959</u>	<u>\$ -</u>	<u>\$ 7,664,112</u>

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WISCONSIN AND NORTHERN MICHIGAN DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
DEPARTMENTAL STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022 — Page 1 of 3

	Development	General	Designated	DSOM	Spencer Lake Christian Center	Assembly Park Bible Camp	Leasehold Property	Church Planting
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS								
Revenues, gains, and public support:								
Offerings and gifts	\$ -	\$ 1,600,535	\$ 110,730	\$ -	\$ 117,231	\$ 18,027	\$ -	\$ 104,644
Events, activities, and programs	-	117,609	-	40,761	570,013	83,360	-	8,310
Rentals of property and equipment	-	-	17,169	-	521,889	50,541	104,105	-
Sales	-	-	572	-	115,979	15,405	-	-
Investment income	-	66,490	-	-	-	-	-	-
Net assets released from restrictions	-	106,552	42,785	-	6,349	12,550	-	184,214
Board Designated income	-	89,959	173,906	-	-	-	-	376
Other revenues	-	965	-	18	1,790	227	-	316
Interfund transfers	122,138	-	-	-	389,468	17,000	-	26,744
Total revenues, gains, and public support	122,138	1,982,110	345,162	40,779	1,722,719	197,110	104,105	324,604
Expenses:								
Offerings and gifts	10,550	113,896	-	9,900	720	19,716	750	224,627
Compensation and benefits	-	1,050,048	-	22,468	634,834	47,220	-	42,599
Events, activities, and programs	-	125,329	-	5,877	11,580	5,358	144	37,801
Purchases for resale	-	-	29	1,272	44,423	9,023	-	-
Administrative	-	116,089	22	3,968	36,280	13,604	338	16,642
Property	-	76,355	-	65	778,030	64,645	52,288	4,010
Committee	-	15,646	-	-	-	-	1,027	406
Loss on disposal of fixed assets	-	3,485	-	-	-	-	-	-
Interfund transfers	15,591	274,511	171,206	1,261	39,417	5,003	42,000	-
Total expenses	26,141	1,775,359	171,257	44,811	1,545,284	164,569	96,547	326,085
Change in net assets without donor restrictions	95,997	206,751	173,905	(4,032)	177,435	32,541	7,558	(1,481)
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS								
Revenues, gains, and public support:								
Offerings and gifts	-	68,440	56,653	-	-	15,902	-	251,012
Events, activities, and programs	-	-	-	-	-	-	-	-
Net assets released from restrictions	-	(106,552)	(42,785)	-	(6,349)	(12,550)	-	(184,214)
Change in net assets with donor restrictions	-	(38,112)	13,868	-	(6,349)	3,352	-	66,798
CHANGES IN NET ASSETS	95,997	168,639	187,773	(4,032)	171,086	35,893	7,558	65,317
NET ASSETS, BEGINNING OF YEAR	305,863	956,917	147,882	6,283	2,743,353	183,624	30,906	312,559
NET ASSETS, END OF YEAR	\$ 401,860	\$ 1,125,556	\$ 335,655	\$ 2,251	\$ 2,914,439	\$ 219,517	\$ 38,464	\$ 377,876

See independent auditor's report on supplementary information.

WISCONSIN AND NORTHERN MICHIGAN DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
DEPARTMENTAL STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022 — Page 2 of 3

	US Missions	Native American Ministries	World Missions	Light For The Lost	Men	Network Women	Youth Camp Ministries	Student Ministries
CHANGES IN NET ASSETS								
WITHOUT DONOR RESTRICTIONS								
Revenues, gains, and public support:								
Offerings and gifts	\$ 3,142	\$ 13,462	\$ 5,478	\$ 6,663	\$ 600	\$ 120	\$ 700	\$ 238,954
Events, activities, and programs	-	18,575	3,798	-	-	2,661	697,236	117,212
Rentals of property and equipment	-	-	-	-	-	-	-	-
Sales	20,365	-	-	-	-	-	70,989	1,854
Investment income	10,175	-	-	-	-	-	-	-
Net assets released from restrictions	52,479	-	10,004	-	-	-	470	-
Board Designated income	331,441	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-	1,101
Interfund transfers	-	-	-	-	-	12,000	10,000	64,108
Total revenues, gains, and public support	417,602	32,037	19,280	6,663	600	14,781	779,395	423,229
Expenses:								
Offerings and gifts	95,477	6,890	11,175	-	-	-	35,700	191,361
Compensation and benefits	-	-	-	-	-	5,383	-	62,869
Events, activities, and programs	-	20,426	4,891	-	200	5,264	521,834	116,624
Purchases for resale	-	-	-	-	-	-	49,480	-
Administrative	153	3,619	9,791	4,668	109	2,304	28,670	26,616
Property	-	800	-	-	-	165	7,943	2,089
Committee	-	-	-	-	-	45	16,888	990
Loss on disposal of fixed assets	-	-	-	-	-	-	-	-
Interfund transfers	-	14,245	-	4,248	18	83	106,821	3,407
Total expenses	95,630	45,980	25,857	8,916	327	13,244	767,336	403,956
Change in net assets without donor restrictions	321,972	(13,943)	(6,577)	(2,253)	273	1,537	12,059	19,273
CHANGES IN NET ASSETS								
WITH DONOR RESTRICTIONS								
Revenues, gains, and public support:								
Offerings and gifts	52,154	-	5,493	-	-	-	-	-
Events, activities, and programs	-	-	-	-	-	-	-	-
Net assets released from restrictions	(52,479)	-	(10,004)	-	-	-	(470)	-
Change in net assets with donor restrictions	(325)	-	(4,511)	-	-	-	(470)	-
CHANGES IN NET ASSETS	321,647	(13,943)	(11,088)	(2,253)	273	1,537	11,589	19,273
NET ASSETS, BEGINNING OF YEAR	888,764	28,700	62,873	69,694	1,473	2,619	59,458	11,800
NET ASSETS, END OF YEAR	\$ 1,210,411	\$ 14,757	\$ 51,785	\$ 67,441	\$ 1,746	\$ 4,156	\$ 71,047	\$ 31,073

See independent auditor's report on supplementary information.

WISCONSIN AND NORTHERN MICHIGAN DISTRICT COUNCIL OF THE ASSEMBLIES OF GOD
DEPARTMENTAL STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2022 — Page 3 of 3

	Youth Alive Ministries	College Ministries	Discipleship	Royal Rangers	Girls Ministries	Eliminations	Total
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS							
Revenues, gains, and public support:							
Offerings and gifts	\$ 105,718	\$ 19,427	\$ 39,159	\$ 8,565	\$ 3,824	\$ (47,226)	\$ 2,349,753
Events, activities, and programs	72,625	33,912	56,666	40,372	27,183	(518,282)	1,372,011
Rentals of property and equipment	-	-	-	4,595	-	(119,966)	578,333
Sales	-	-	-	2,400	1,727	-	229,291
Investment income	-	-	-	-	-	-	76,665
Net assets released from restrictions	-	58,413	-	1,750	3,265	-	478,831
Board Designated income	9,180	-	-	-	-	-	604,862
Other revenues	245	127	552	114	46	-	5,501
Interfund transfers	100	-	49,906	-	285	(691,749)	-
Total revenues, gains, and public support	187,868	111,879	146,283	57,796	36,330	(1,377,223)	5,695,247
Expenses:							
Offerings and gifts	2,231	61,777	36,581	2,037	3,588	(42,495)	784,481
Compensation and benefits	82,854	-	63,151	-	1,938	(2,350)	2,011,014
Events, activities, and programs	64,711	37,784	38,549	29,083	24,779	(628,224)	422,010
Purchases for resale	-	-	-	1,275	998	109	106,609
Administrative	9,874	9,208	6,559	4,520	2,204	(540)	294,698
Property	17,945	2	166	25,908	546	-	1,030,957
Committee	1,097	-	565	-	375	(11,974)	25,065
Loss on disposal of fixed assets	-	-	-	-	-	-	3,485
Interfund transfers	5,373	526	1,830	4,264	1,945	(691,749)	-
Total expenses	184,085	109,297	147,401	67,087	36,373	(1,377,223)	4,678,319
Change in net assets without donor restrictions	3,783	2,582	(1,118)	(9,291)	(43)	-	1,016,928
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS							
Revenues, gains, and public support:							
Offerings and gifts	-	61,359	-	4,365	5,761	-	521,139
Events, activities, and programs	-	-	-	-	-	-	-
Net assets released from restrictions	-	(58,413)	-	(1,750)	(3,265)	-	(478,831)
Change in net assets with donor restrictions	-	2,946	-	2,615	2,496	-	42,308
CHANGES IN NET ASSETS	3,783	5,528	(1,118)	(6,676)	2,453	-	1,059,236
NET ASSETS, BEGINNING OF YEAR	59,652	33,053	65,699	75,273	32,506	-	6,078,951
NET ASSETS, END OF YEAR	\$ 63,435	\$ 38,581	\$ 64,581	\$ 68,597	\$ 34,959	\$ -	\$ 7,138,187

See independent auditor's report on supplementary information.