



Humanists

INTERNATIONAL

FINANCIAL STATEMENTS

December 31, 2022 and 2021

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Humanists International, Inc.
New York, New York

Opinion

We have audited the accompanying financial statements of Humanists International, Inc., which comprise the consolidated statements of financial position as of December 31, 2022 and 2021, and the related consolidated 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 Humanists International, Inc. as of December 31, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Humanists International 2020, an organization in which Humanists International is the sole member, which statements reflect total assets of \$451,525 and \$670,350, respectively as of December 31, 2022 and 2021, and total revenues of \$807,064 and \$695,217, respectively, for the years then ended. Those statements, which were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, were audited by other auditors, whose report has been furnished to us. We have applied audit procedures on the conversion adjustments to the financial statements of Humanists International 2020, which conform those financial statements to accounting principles generally accepted in the United States of America. Our opinion, insofar as it relates to the amounts included for Humanists International 2020, prior to these conversion adjustments, is based solely on the report of the other auditors.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Humanists International, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Adoption of New Accounting Guidance

As discussed in Note 1 to the financial statements, Humanists International, Inc. adopted the Financial Accounting Standards Board's Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*, and all subsequently issued clarifying ASUs as of January 1, 2022. Our opinion is not modified with respect to this matter.

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 Humanists International, Inc.'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 GAAS 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 GAAS, 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 Humanists International, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Humanists International, Inc.'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.

Wegner CPAs LLP

Wegner CPAs, LLP
Alexandria, Virginia
May 31, 2023

HUMANISTS INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
December 31, 2022 and 2021

	2022	2021
ASSETS		
Cash	\$ 1,210,739	\$ 1,471,135
Unconditional promises to give	8,432	8,037
Prepaid expenses	2,410	2,679
Computer and equipment, net	415	1,668
Cash restricted for endowment	105,888	105,888
Investments	2,292,672	2,854,021
Total assets	\$ 3,620,556	\$ 4,443,428
LIABILITIES		
Accounts payable and accrued expenses	\$ 50,146	\$ 24,905
NET ASSETS		
Without donor restrictions	722,472	915,184
With donor restrictions	2,847,938	3,503,339
Total net assets	3,570,410	4,418,523
Total liabilities and net assets	\$ 3,620,556	\$ 4,443,428

See accompanying notes.

HUMANISTS INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF ACTIVITIES
Years Ended December 31, 2022 and 2021

	2022	2021
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
SUPPORT AND REVENUE		
Contributions	\$ 448,051	\$ 403,291
Grant revenue	115,066	-
Interest	33	12
	<u>563,150</u>	<u>403,303</u>
Total support and revenue without donor restrictions	563,150	403,303
EXPENSES		
Program Services		
Supporting and Developing Humanist Organizations	311,955	208,052
Supporting Humanists at Risk	146,509	125,436
Advocating Humanist Values	111,244	162,340
Supporting Activities		
Management and General	339,759	300,815
Fundraising	31,264	39,221
	<u>940,731</u>	<u>835,864</u>
Total expenses	940,731	835,864
NET ASSETS RELEASED FROM RESTRICTIONS		
Satisfaction of purpose restrictions	438,867	996,222
OTHER CHANGES		
Loss on foreign currency transactions	(253,998)	(10,118)
Change in net assets without donor restrictions	(192,712)	553,543
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS		
Contributions	343,885	297,177
Investment return, net	(560,419)	435,389
Net assets released from restrictions	(438,867)	(996,222)
	<u>(655,401)</u>	<u>(263,656)</u>
Change in net assets with donor restrictions	(655,401)	(263,656)
Change in net assets	(848,113)	289,887
Net assets at beginning of year	4,418,523	4,128,636
Net assets at end of year	<u>\$ 3,570,410</u>	<u>\$ 4,418,523</u>

See accompanying notes.

HUMANISTS INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended December 31, 2022 and 2021

	Program Services			Supporting Activities		Total Expenses
	Supporting and Developing Humanist Organizations	Supporting Humanists at Risk	Advocating Humanist Values	Management and General	Fundraising	
<u>2022</u>						
Personnel	\$ 63,143	\$ 65,494	\$ 57,985	\$ 192,155	\$ 22,191	\$ 400,968
Professional fees	92,582	121	50,750	51,576	784	195,813
Office expenses	57	66	66	13,775	5,102	19,066
Conferences and meetings	-	-	-	17,861	1,103	18,964
Insurance	-	-	-	3,144	-	3,144
Occupancy	-	-	-	28,807	1,486	30,293
Advertising	-	-	-	1,375	-	1,375
Information technology	-	-	-	19,416	598	20,014
Travel	19,625	-	-	6,446	-	26,071
Miscellaneous	3,839	-	-	5,204	-	9,043
Grants and assistance	132,709	80,828	2,443	-	-	215,980
Total expenses	\$ 311,955	\$ 146,509	\$ 111,244	\$ 339,759	\$ 31,264	\$ 940,731
<u>2021</u>						
Personnel	\$ 47,825	\$ 78,549	\$ 97,188	\$ 151,362	\$ 28,633	\$ 403,557
Professional fees	18,432	11,093	62,516	53,372	4,567	149,980
Office expenses	1,228	1,432	1,432	12,652	6,021	22,765
Conferences and meetings	-	-	-	22,188	-	22,188
Insurance	-	-	-	623	-	623
Occupancy	-	-	-	27,655	-	27,655
Information technology	-	-	-	32,431	-	32,431
Miscellaneous	-	-	-	532	-	532
Grants and assistance	140,567	34,362	1,204	-	-	176,133
Total expenses	\$ 208,052	\$ 125,436	\$ 162,340	\$ 300,815	\$ 39,221	\$ 835,864

See accompanying notes.

HUMANISTS INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (848,113)	\$ 289,887
Adjustments to reconcile change in net assets to net change in cash flows from operating activities		
Computers and equipment assumed	-	(2,782)
Depreciation	1,098	1,111
Loss on disposal of equipment	155	-
Net realized and unrealized (gain) loss on investments	601,265	(379,177)
Increase in assets		
Unconditional promises to give	(395)	(8,037)
Prepaid expenses	269	(2,679)
(Increase) decrease in liabilities		
Accounts payable and accrued expenses	25,241	24,905
Net cash flows from operating activities	<u>(220,480)</u>	<u>(76,772)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of investments	-	931,929
Interest and dividends retained in investments	(39,916)	(56,149)
Net cash flows from investing activities	<u>(39,916)</u>	<u>875,780</u>
Change in cash and restricted cash	(260,396)	799,008
Cash and restricted cash at beginning of year	<u>1,577,023</u>	<u>778,015</u>
Cash and restricted cash at end of year	<u><u>\$ 1,316,627</u></u>	<u><u>\$ 1,577,023</u></u>
SUPPLEMENTAL DISCLOSURE		
Cash and restricted cash is comprised of the following:		
Cash	\$ 1,210,739	\$ 1,471,135
Cash restricted for endowment	105,888	105,888
Cash and restricted cash	<u><u>\$ 1,316,627</u></u>	<u><u>\$ 1,577,023</u></u>

See accompanying notes.

HUMANISTS INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Humanists International, Inc. and Humanists International 2020 (collectively, “Humanists International”) are charitable, nonprofit organizations located in the United States and United Kingdom. Inspired by humanist values, Humanists International is optimistic for a world where everyone can have a dignified and fulfilling life. Humanists International's mission is to build, support and represent the global humanist movement and work to champion human rights and secularism. Humanists International's mission is underpinned by its values: democracy, human rights, and the rule of law. Humanists International is supported primarily by contributions and grants.

Principles of Consolidation

The financial statements include the accounts of Humanists International, Inc. and Humanists International 2020 as Humanists International, Inc. is the sole member of Humanist International 2020. All significant inter-entity balances and transactions have been eliminated in consolidation.

Promises to Give

Unconditional promises to give are recognized as revenues in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. At December 31, 2022 and 2021, all unconditional promises to give are collectible within one year.

Investments

Humanists International reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the consolidated statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying consolidated statements of activities.

Investment securities, in general, are exposed to various risks, such as interest rates, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the consolidated statements of financial position.

Computers and Equipment

Humanists International capitalizes all significant expenditures for computers and equipment that are expected to have useful lives of greater than one year. Purchased computers and equipment are carried at cost. Depreciation is computed using the straight-line method. For the year ended December 31, 2022 and 2021, depreciation expense totaled \$1,098 and \$1,111, respectively.

HUMANISTS INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or a purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

Leases

Humanists International does not recognize short-term leases in the consolidated statements of financial position. For these leases, Humanists International recognizes the lease payments in the change in net assets on a straight-line basis over the lease term and variable lease payments in the period in which the obligation for those payments is incurred. Humanists International also does not separate nonlease components from lease components for all classes of underlying assets and instead accounts for each separate lease component and the nonlease components associated with that lease component as a single lease component. If the rate implicit in the lease is not readily determinable, Humanists International uses a risk-free rate as the discount rate for the lease for all classes of underlying assets.

Expense Allocation

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel, professional fees, and office expenses which are allocated on the basis of estimates of time and effort.

Income Tax Status

Humanists International is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, Humanists International qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2). Humanist International 2020 is a registered charity and is not subject to UK Corporation Tax on its charitable activities.

Estimates

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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

HUMANISTS INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Adoption of New Accounting Guidance

On February 25, 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2016-02, *Leases (Topic 842)*. The guidance in this Update and all subsequently issued clarifying Updates supersede the guidance in FASB Accounting Standards Codification (ASC) Topic 840, Leases, and creates FASB ASC Topic 842, Leases. The main difference between previous guidance and Topic 842 is the recognition of assets and liabilities by lessees for those leases classified as operating leases. A lessee should recognize in the statement of financial position a liability to make lease payments (the lease liability) and a right-of-use asset representing its right to use the underlying asset for the lease term. Also, under Topic 842, disclosures are required by lessees and lessors to report useful information to users of financial statements about the amount, timing, and uncertainty of cash flows arising from leases.

Humanists International adopted the requirements of Topic 842 as of January 1, 2022, using the optional transition method that allows Humanists International to initially apply the new guidance at the adoption date and recognize a cumulative-effect adjustment to the opening balance of net assets in the period of adoption. Humanists International's reporting for the year ended December 31, 2021, is in accordance with the previous guidance in Topic 840.

Humanists International elected the package of practical expedients permitted under the transition guidance within Topic 842. This package allowed Humanists International to account for its leases that commenced before the adoption date without reassessing whether any expired or existing contracts are or contain leases, the lease classification for any expired or existing leases, and initial direct costs for any existing leases. The adoption of Topic 842 did not have a material effect on Humanists International's change in net assets or cash flows.

Date of Management's Review

Management has evaluated subsequent events through May 31, 2023, the date which the financial statements were available to be issued.

NOTE 2—CONCENTRATIONS OF CREDIT RISK

Humanists International maintains cash balances at a financial institution in the United States and a financial institution in the United Kingdom. Accounts at the institution in the United States are insured by the Federal Deposit Insurance Corporation (FDIC), up to \$250,000, and accounts at the institution in the United Kingdom are insured by the Financial Services Compensation (FSC) Scheme up to a limit of £85,000 (approximately \$105,000). At times during the year, Humanist International's cash balances exceed the FDIC and FSC Insurance amounts. At December 31, 2022 and 2021, Humanists International's uninsured cash balances totaled \$965,000 and \$1,215,000, respectively.

HUMANISTS INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 3—COMPUTERS AND EQUIPMENT

Computers and equipment consist of the following:

	2022	2021
Computers and equipment	\$ 4,856	\$ 5,350
Accumulated depreciation	(4,441)	(3,682)
	<u>\$ 415</u>	<u>\$ 1,668</u>

NOTE 4—INVESTMENTS

Investments are comprised of the following:

	2022	2021
Cash	\$ 114,143	\$ 86,183
Equities	1,530,472	2,072,537
Fixed income bonds	648,057	695,301
	<u>\$ 2,292,672</u>	<u>\$ 2,854,021</u>

Fair values of equities are valued at the closing price reported on the active market on which the funds are traded and are considered Level 1 fair value measurements. Fixed income bonds are valued using a market approach that uses as inputs observed interest rates and yield curves, prices in active markets for similar assets, and prices for identical assets in inactive markets that have been adjusted by observable indexes, which are Level 2 fair value measurements.

NOTE 5—LEASES

Humanists International leases office space in the United Kingdom under a lease agreement, expiring in August 2025. Humanists International may terminate the lease with three months' notice, which Humanists International exercised in October 2022, effectively ending the lease in January 2023. For the years ended December 31, 2022 and 2021, rent expense for this lease totaled \$28,807 and \$27,655, respectively.

NOTE 6—RETIREMENT PLAN

Humanists International offers its employees a pension plan to contribute to, in which both Humanists International and eligible employees can contribute. Humanists International will contribute between 4% - 8% of eligible wages to employees' pension plans, depending upon years of service. For the years ended December 31, 2022 and 2021 retirement plan expense totaled \$16,907 and \$18,205, respectively.

HUMANISTS INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 7—NET ASSETS WITH DONOR RESTRICTIONS

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

	<u>2022</u>	<u>2021</u>
Subject to expenditure for specified purpose:		
Growth and Development	\$ 8,473	\$ 184,132
Subsequent year operations	106,471	-
Humanists at Risk MB	629	7,144
Humanists at Risk Nepal	-	234
FORB Guides	-	1,182
Membership Growth Fund	3,186	3,509
Delegations Fund	-	1,637
Congress Travel Fund	6,594	6,409
Development Network	28,113	-
EUR Network Support	-	13,308
Travel grants	-	19,963
Human Wisdom Project	315,223	325,223
Subject to Humanist International's spending policy and appropriation		
IHEU Endowment Fund	105,888	105,888
Victor Kay Humanitarian Endowment	<u>2,273,361</u>	<u>2,834,710</u>
Net assets with donor restrictions	<u>\$ 2,847,938</u>	<u>\$ 3,503,339</u>

NOTE 8—LIQUIDITY AND AVAILABILITY

The following reflects Humanists International's financial assets as of the date of the consolidated statements of financial position, reduced by amounts not available for expenditures within one year of the date of consolidated statements of financial position because of donor-imposed restrictions.

	<u>2022</u>	<u>2021</u>
Financial assets at year-end	\$ 3,617,731	\$ 4,439,081
Less those unavailable for general expenditures within one year, due to:		
Restricted by donor with purpose restrictions	<u>(2,741,467)</u>	<u>(3,503,339)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 876,264</u>	<u>\$ 935,742</u>

As part of Humanists International's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations comes due. From time-to-time Humanists International receives contributions from a related party, which could be requested in the event of an unanticipated liquidity need.

HUMANISTS INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 9—ENDOWMENT

Humanist International's endowment is a donor-restricted fund established to support general operations of Humanists International. The Board of Directors of Humanists International has enacted New York Prudent Management of Institutional Funds Act (NYPMIFA) as not requiring the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, Humanists International considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the discretion of the applicable donor gift instrument. Humanists International has interpreted NYPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law.

In accordance with NYPMIFA, Humanists International considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) the purposes of Humanists International and the donor-restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of Humanists International, and (7) Humanists International's investment policies.

Investment Return Objectives, Risk Parameters, and Strategies. Humanists International has adopted investment and spending policies for endowment assets that are directed toward long-term performance and total return, rather than specific income goals. Endowment assets include those assets of donor-restricted funds that Humanists International must hold in perpetuity. Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is intended to provide for growth of capital and produce returns to fund operations, while assuming a moderate level of investment risk. To satisfy its long-term rate-of-return objectives, Humanists International relies on a total return strategy in which investment returns are achieved through both realized and unrealized gains/loss and interest and dividends. Humanists International targets a diversified asset allocation that places a greater emphasis on fixed income investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy: Absent explicit donor stipulations, Humanists International has a policy of allowing for appropriation for distribution each year of approximately 3% of the fund balance annually. This amount may vary annually depending upon the need to cover operating expenses. Over time, Humanists International expects its endowment assets to maintain sufficient cash reserves to provide liquidity and to meet needs without loss of capital value of assets. Any undistributed income in excess of amounts required to satisfy the spending rule shall be accumulated and added to the principal. In establishing this policy, Humanists International expects to achieve the objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return. Humanists International has a policy that permits spending from underwater endowment funds depending on the degree to which the fund is underwater, unless otherwise precluded by donor intent or relevant laws and regulations. During the year ended December 31, 2021, Humanists International took draws from the endowment in excess of the spending policy, totaling \$933,000, to help support cash flow needs.

HUMANISTS INTERNATIONAL, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 9—ENDOWMENT (continued)

Underwater Endowment Funds. From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or NYPMIFA requires Humanists International to retain as a fund of perpetual duration. At December 31, 2022, due to poor market conditions, Humanists International's endowment fund is underwater by \$226,639. The Board of Directors has committed to continue to ensure that the fund is invested prudently and is allowed to grow back to the \$2,605,888 value of donor-restricted gifts. At December 31, 2021, there are no donor-restricted endowment funds with deficiencies.

Endowment net asset composition by type of fund as of December 31, 2022 and 2021 is as follows:

	<u>2022</u>	<u>2021</u>
Donor-restricted endowment funds:		
Original donor-restricted gift amount	\$ 2,605,888	\$ 2,605,888
Accumulated investment gains (losses)	<u>(226,639)</u>	<u>334,710</u>
Total endowment funds	<u>\$ 2,379,249</u>	<u>\$ 2,940,598</u>

Changes in endowment net assets are as follows.

	<u>2022</u>	<u>2021</u>
Endowment net assets at beginning of year	\$ 2,940,598	\$ 3,438,272
Investment return, net	(561,349)	435,326
Amounts appropriated for expenditure	<u>-</u>	<u>(933,000)</u>
Endowment net assets at end of year	<u>\$ 2,379,249</u>	<u>\$ 2,940,598</u>