



Wisconsin Foundation
United Church of Christ

FINANCIAL STATEMENTS

December 31, 2022 and 2021

CONTENTS

Independent Auditor's Report	1
Statements of Financial Position.....	3
Statements of Activities.....	4
Statements of Functional Expenses	6
Statements of Cash Flows	7
Notes to Financial Statements	8

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Wisconsin Foundation United Church of Christ, Inc.
DeForest, Wisconsin

Opinion

We have audited the financial statements of Wisconsin Foundation United Church of Christ, Inc., 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 accompanying financial statements present fairly, in all material respects, the financial position of Wisconsin Foundation United Church of Christ, 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.

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 Wisconsin Foundation United Church of Christ, 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.

Correction of Error

As described in Note 10 to the financial statements, there was an error in the previously issued financial statements related to funds held for other organizations for agency endowments. Accordingly, the amount reported for funds held for other organizations for agency endowments has been restated in the 2021 financial statements now presented, and an adjustment has been made to net assets with donor restrictions as of December 31, 2021, to correct the error. 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 Wisconsin Foundation United Church of Christ, 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 Wisconsin Foundation United Church of Christ, 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 Wisconsin Foundation United Church of Christ, 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
Madison, Wisconsin
May 31, 2023

WISCONSIN FOUNDATION UNITED CHURCH OF CHRIST, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
ASSETS		
Cash	\$ 240,663	\$ 81,624
Contributions receivable	-	32,972
Due from Wisconsin Conference UCC	75,984	157,627
Notes receivable	930,000	574,000
Investments	<u>9,354,384</u>	<u>10,067,358</u>
Total assets	<u><u>\$ 10,601,031</u></u>	<u><u>\$ 10,913,581</u></u>
LIABILITIES		
Funds held for other organizations as agency endowments	\$ 10,093,545	\$ 10,549,981
Accounts payable	<u>7,126</u>	<u>1,294</u>
Total liabilities	10,100,671	10,551,275
NET ASSETS		
Without donor restrictions	202,870	177,400
With donor restriction	<u>297,490</u>	<u>184,906</u>
Total net assets	<u>500,360</u>	<u>362,306</u>
Total liabilities and net assets	<u><u>\$ 10,601,031</u></u>	<u><u>\$ 10,913,581</u></u>

See accompanying notes.

WISCONSIN FOUNDATION UNITED CHURCH OF CHRIST, INC.
STATEMENT OF ACTIVITIES
Year Ended December 31, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING SUPPORT AND REVENUE			
Total contributions	\$ 1,915,622	\$ 215,513	\$ 2,131,135
Less amounts received for agency funds	(1,860,147)	-	(1,860,147)
Contributions	55,475	215,513	270,988
Total investment return, net	(1,449,506)	(4,386)	(1,453,892)
Less amounts received for agency funds	1,413,984	-	1,413,984
Investment return, net	(35,522)	(4,386)	(39,908)
Fees	49,844	-	49,844
Other	2,719	-	2,719
Total operating support and revenue	72,516	211,127	283,643
OPERATING EXPENSES			
Program services	84,905	-	84,905
Management and general	54,678	-	54,678
Fundraising	6,006	-	6,006
Total operating expenses	145,589	-	145,589
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of program restrictions	98,543	(98,543)	-
Change in net assets	25,470	112,584	138,054
Net assets at beginning of year	177,400	184,906	362,306
Net assets at end of year	<u>\$ 202,870</u>	<u>\$ 297,490</u>	<u>\$ 500,360</u>

See accompanying notes.

WISCONSIN FOUNDATION UNITED CHURCH OF CHRIST, INC.
STATEMENT OF ACTIVITIES
Year Ended December 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING SUPPORT AND REVENUE			
Total contributions	\$ 1,483,537	\$ 55,407	\$ 1,538,944
Less amounts received for agency funds	(1,470,331)	-	(1,470,331)
Contributions	13,206	55,407	68,613
Total investment return	810,412	3,678	814,090
Less amounts received for agency funds	(803,972)	-	(803,972)
Investment return, net	6,440	3,678	10,118
Fees	64,889	-	64,889
Total operating support and revenue	84,535	59,085	143,620
OPERATING EXPENSES			
Program services	129,501	-	129,501
Management and general	53,365	-	53,365
Fundraising	4,229	-	4,229
Total operating expenses	187,095	-	187,095
NET ASSETS RELEASED FROM RESTRICTIONS			
Satisfaction of program restrictions	87,913	(87,913)	-
Change in net assets	(14,647)	(28,828)	(43,475)
Net assets at beginning of year - as restated	192,047	213,734	405,781
Net assets at end of year	<u>\$ 177,400</u>	<u>\$ 184,906</u>	<u>\$ 362,306</u>

See accompanying notes.

WISCONSIN FOUNDATION UNITED CHURCH OF CHRIST, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended December 31, 2022 and 2021

	2022			Total Expenses
	Program Services	Administration	Fundraising	
Total grants	\$ 473,715	\$ -	\$ -	\$ 473,715
Less grants from agency funds	(426,218)	-	-	(426,218)
Grants	47,497	-	-	47,497
Office expenses	3,506	23,086	3,506	30,098
Professional fees	3,337	25,554	-	28,891
Conferences and meetings	25,648	-	-	25,648
Personnel	2,500	5,000	2,500	10,000
Occupancy	2,375	-	-	2,375
Insurance	-	1,038	-	1,038
Travel	42	-	-	42
Total expenses	\$ 84,905	\$ 54,678	\$ 6,006	\$ 145,589
	2021			
	Program Services	Administration	Fundraising	Total Expenses
Total grants	\$ 173,057	\$ -	\$ -	\$ 173,057
Less grants from agency funds	(84,403)	-	-	(84,403)
Grants	88,654	-	-	88,654
Office expenses	1,729	21,193	1,729	24,651
Professional fees	6,219	25,911	-	32,130
Conferences and meetings	30,049	-	-	30,049
Personnel	2,500	5,000	2,500	10,000
Occupancy	-	806	-	806
Insurance	-	455	-	455
Travel	350	-	-	350
Total expenses	\$ 129,501	\$ 53,365	\$ 4,229	\$ 187,095

See accompanying notes.

WISCONSIN FOUNDATION UNITED CHURCH OF CHRIST, INC.
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	\$ 138,054	\$ (43,475)
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Net realized and unrealized (gain) loss on investments	1,579,096	(823,280)
Contributed notes receivable	(110,000)	-
Contributions restricted for long-term purposes	(450)	(6,039)
(Increase) decrease in assets		
Contributions receivable	32,972	(8,252)
Due from Wisconsin Conference UCC	81,643	(124,363)
Increase (decrease) in liabilities		
Funds held for other organizations as agency endowments	(456,436)	2,177,331
Accounts payable	5,832	(9,034)
Due to Wisconsin Conference UCC	-	(51,998)
	<u>1,270,711</u>	<u>1,110,890</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of and interest retained in certificates of deposits	-	(326)
Redemption of certificates of deposits	-	23,658
Issuance of notes receivable	(290,000)	(500,000)
Collections on notes receivable	44,000	48,000
Proceeds from sales of investments	1,292,179	1,677,465
Purchases of and interest retained in investments	(2,158,301)	(2,448,752)
	<u>(1,112,122)</u>	<u>(1,199,955)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Contributions restricted for permanent endowment	<u>450</u>	<u>6,039</u>
Net change in cash	159,039	(83,026)
Cash at beginning of year	<u>81,624</u>	<u>164,650</u>
Cash at end of year	<u>\$ 240,663</u>	<u>\$ 81,624</u>
SUPPLEMENTARY DISCLOSURES		
Noncash investing transactions		
Contributed notes receivable	\$ 110,000	\$ -

See accompanying notes.

WISCONSIN FOUNDATION UNITED CHURCH OF CHRIST, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Wisconsin Foundation United Church of Christ, Inc. (Foundation) is a collaboration of charitable funds established by 217 churches throughout Wisconsin. The primary function of the Foundation is to award grants that align with the Foundation's mission, which includes promoting positive change, promoting a culture of generosity, and connecting people in working for a just world. The Foundation is primarily supported through contributions and investment returns.

Contributions Receivable

Contributions receivable 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 contributions receivable are recognized only when the conditions on which they depend are substantially met and the contribution becomes unconditional. All receivables are due within one year.

Note Receivable

Note receivable consists of one unsecured, interest-free note due and three secured, interest-bearing notes. Notes receivable are written down once management determines that the borrower does not have the ability to repay the note in full. Allowances for credit losses and doubtful accounts are maintained in amounts considered to be appropriate in relation to the notes receivable. At December 31, 2022 and 2021, no allowance for loan loss was recorded on the Foundation's note receivable.

Investments

The Foundation reports investments in equity securities with readily determinable fair values and debt securities at their fair values in the statements of financial position. The Foundation reports equity securities without readily determinable fair values at cost. Realized and unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Contributions

Contributions received are recorded as increases in net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statements of activities as net assets released from restrictions.

Revenue Recognition

The Foundation assesses an administrative fee on each agency fund held within the Foundation. The fee is collected at the end of each month, based on the prior month-end fair value of the fund.

Income Tax Status

The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

WISCONSIN FOUNDATION UNITED CHURCH OF CHRIST, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 1—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Expense Allocation

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

Estimates

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

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

The Foundation maintains its cash at one financial institution in Wisconsin. Accounts at this institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2022, the Foundation's uninsured balances total \$6,963. At December 31, 2021, there were no uninsured balances.

NOTE 3—INVESTMENTS

Investments consist of the following:

	2022	2021
Mutual funds	\$ 2,713,574	\$ 2,714,320
Common stocks	5,913,236	6,409,012
Real estate investment trust	-	2,654
Government securities	501,766	-
Cash and money market accounts	225,808	941,372
Investments	\$ 9,354,384	\$ 10,067,358

Fair values for mutual funds, common stocks, and government securities are determined by reference to quoted market prices and other relevant information generated by market transactions, which is considered a Level 1 fair value measurement. There is no quoted market price for the real estate investment trust and the Foundation has not obtained or developed a valuation model to determine the fair values of these securities because the cost is not practical.

WISCONSIN FOUNDATION UNITED CHURCH OF CHRIST, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 4—NOTE RECEIVABLE

The Foundation has an interest-free note receivable from Epikos Church due in 2023 with a balance of \$30,000 and \$74,000 at December 31, 2022 and 2021. Interest will be charged at 5% per year if the borrower defaults on the payments.

The Foundation has two 3.5% notes from United Church Camps, Inc. due in 2026 with balances totaling \$750,000 and \$500,000 at December 31, 2022 and 2021. The notes require interest-only payments totaling \$6,659 per quarter through October 1, 2025 until the maturity date of January 1, 2026 when the entire principal balances are due.

The Foundation has a 5% note from Torn Ministries due in 2027 with a balance of \$40,000 at December 31, 2022. The note requires monthly interest-only payments of \$215 through December 31, 2027, when the entire principal balance is due. Interest will be charged at 7% if the balance is unpaid after maturity.

The Foundation also has a 5% note from the Bergets due in 2024 with a balance of \$110,000 at December 31, 2022. The note requires monthly interest-only payments of \$458 through August 1, 2024 when the entire principal balance is due.

Future required principal payments are \$30,000, \$110,000, \$750,000 and \$40,000 for the years ending December 31, 2023, 2024, 2026, and 2027, respectively.

NOTE 5—NET ASSETS

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

Purpose	2022	2021
Calvary Memorial UCC Fund for grants	\$ 44,383	\$ 90,070
Campbellsport Legacy Fund	164,950	-
Ken and Carol Peters Camp Scholarship Fund	23,100	-
Damascus Project Fund	22,358	45,498
Literacy support, Jane Illgen endowment earnings	(4,140)	3,554
Interfaith Peace Working Group	4,456	3,851
Perpetual in nature		
Jane Illgen Literacy Fund	42,383	41,933
Total net assets with donor restrictions	\$ 297,490	\$ 184,906

NOTE 6—RELATED PARTY

Wisconsin Foundation United Church of Christ, Inc. is the wholly owned subsidiary of Wisconsin Conference of the United Church of Christ, Inc. (Conference). The Foundation was created to promote a culture of generosity, distribute grants, and connect people across the UCC. The following transactions occurred during 2022 and 2021 between the two entities.

Common Services

The Foundation paid \$14,000 and \$16,568 in 2022 and 2021 to the Conference for administrative services and use of the general space and printer.

WISCONSIN FOUNDATION UNITED CHURCH OF CHRIST, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 6—RELATED PARTY (continued)

Personnel

In 2022 and 2021, the Conference provided \$10,000 of personnel services to the Foundation. Of the \$10,000, \$2,500 is included in program services, \$5,000 is included in management and general, and \$2,500 is included in fundraising on the statements of activities.

Due from Wisconsin Conference UCC

The Foundation has a receivable of \$75,984 and \$157,627 from the Conference at December 31, 2022 and 2021.

NOTE 7—FUNDS HELD FOR OTHER ORGANIZATIONS AS AGENCY ENDOWMENTS

Current authoritative accounting guidance establishes standards for transactions in which a recipient entity accepts a contribution from a donor and agrees to transfer those assets, the return on investment of those assets, or both, to an entity that is specified by the donor. This guidance specifically requires that if a not-for-profit organization establishes a fund at the recipient entity with its own funds and specifies itself as the beneficiary of that fund, the recipient entity must account for the transfer of such assets as a liability. The Foundation refers to such funds as agency endowments.

The Foundation maintains variance power and legal ownership of agency endowment funds and, as such, continues to report the funds as assets of the Foundation. However, in accordance with current authoritative accounting guidance, a liability has been established for the present value of the future payments expected to be made to the not-for-profit organizations, which is generally equivalent to the fair value of the funds.

The Foundation was the owner of 51 agency endowment funds in 2022 and 37 agency endowment funds in 2021 with a combined fair value of \$10,093,545 and \$10,549,981, respectively. All financial activity for the year then ended related to these funds is excluded from the statements of activities and has been classified as a liability in the statements of financial position.

NOTE 8—ENDOWMENTS

The Foundation has set up endowment funds which comply with and follow current authoritative literature, which provides guidance on classifying net assets associated with endowment funds held by organizations that are subject to an enacted version of Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). A key component of the guidance is a requirement to classify the donor-restricted endowment fund as net assets with donor restrictions until appropriated for expenditure.

The Foundation's endowments consist of individual donor-restricted funds established for multiple purposes. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

WISCONSIN FOUNDATION UNITED CHURCH OF CHRIST, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 8—ENDOWMENTS (continued)

Interpretation of Relevant Law

The board of directors of the Foundation has interpreted the Wisconsin Uniform Prudent Management of Institutional Funds Act (WUPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as donor restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as net assets with donor restrictions to be appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence described by WUPMIFA.

In accordance with WUPMIFA, the Board of Directors considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund,
- The purposes of the organization and the donor-restricted endowment fund,
- The possible effect of inflation and deflation,
- Other resources of the organization,
- The investment policies of the organization,
- The expected total return from income and the appreciation of investments, and
- General economic conditions.

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor restricted funds that the Foundation must hold in perpetuity or for a donor-specified period(s).

Under this policy, as approved by the Board of Directors, the endowment assets are invested in accounts with Northern Trust while assuming a low level of investment risk. The Foundation expects its endowment funds, over time, to provide an average rate of return consistent with a broadly diversified portfolio of long-term high-quality bonds and common stocks with varying equity allocations to obtain the desired degree of risk/return tradeoff.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation to equities that a typical balanced fund would have.

WISCONSIN FOUNDATION UNITED CHURCH OF CHRIST, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 8—ENDOWMENTS (continued)

Spending Policy and How the Investment Objectives Relate to Spending Policy

In accordance with UPMIFA, the Board of Directors generally authorizes spending up to 5% of the 12-quarter rolling fair value of the investments from an endowment on an annual basis.

Endowment net asset composition by type of fund is as follows:

	2022	2021
Donor restricted endowment funds:		
Original donor-restricted gift amount	\$ 42,383	\$ 41,933
Accumulated investment gains	(4,140)	3,554
	<u>\$ 38,243</u>	<u>\$ 45,487</u>
Total funds	<u>\$ 38,243</u>	<u>\$ 45,487</u>

Changes in endowment net assets that are subject to appropriation and spending policies for the year ended December 31:

	2022	2021
Endowment net assets at beginning of year	\$ 45,487	\$ 35,894
Contributions	450	6,039
Investment return, net	(7,694)	3,554
	<u>\$ 38,243</u>	<u>\$ 45,487</u>
Endowment net assets at end of year	<u>\$ 38,243</u>	<u>\$ 45,487</u>

NOTE 9—LIQUIDITY AND AVAILABILITY

The table below reflects the Foundation's financial assets as of the dates of the statement of financial position reduced by amounts that are not available to meet general expenditures within one year of the dates of the statement of financial position because of contractual or donor-imposed restrictions:

	2022	2021
Financial assets, at year-end	\$ 10,601,031	\$ 10,913,581
Less those unavailable for general expenditures within one year due to:		
Contractual or donor-imposed restrictions:		
Restricted by donor with purpose restrictions	(255,107)	(142,973)
Restricted by donor in perpetuity	(42,383)	(41,933)
Funds held for other organizations as agency endowments	(10,093,545)	(10,549,981)
Long-term note receivable	(900,000)	(526,000)
	<u>(11,291,035)</u>	<u>(11,660,887)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ (690,004)</u>	<u>\$ (347,306)</u>

The Foundation regularly monitors liquidity required to meet its operating needs and other commitments, while also striving to maximize the investment of its available funds. The Foundation has various sources of liquidity at its disposal, including cash, certificates of deposit, and equity securities.

WISCONSIN FOUNDATION UNITED CHURCH OF CHRIST, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2022 and 2021

NOTE 10—CORRECTION OF AN ERROR

Certain errors resulting in an overstatement of previously reported funds held for other organizations as agency endowment, net assets without donor restrictions, and investment return were discovered during the current year. The following table details the adjustments for the years ended December 31, 2021 and December 31, 2020.

	<u>Previous balances</u>	<u>Adjustments</u>	<u>Corrected balances</u>
December 31, 2020			
Net assets without donor restrictions	\$ 247,539	\$ (55,492)	\$ 192,047
Funds held for other others organizations as agency endowments	8,317,158	55,492	8,372,650
December 31, 2021			
Net assets without donor restrictions	226,531	(49,131)	177,400
Funds held for other others organizations as agency endowments	10,500,850	49,131	10,549,981
Change in net assets	(49,836)	6,361	(43,475)
Investment return, net	3,757	6,361	10,118

NOTE 11—SUBSEQUENT EVENT

On March 29, 2023, the Conference sold the Trost Center building and land for \$1,350,000. Part of the transaction included a 4.5% note receivable for \$200,000 that was assigned to the Foundation to be receivable that is due April 1, 2026. The note requires monthly interest-only payments of \$750 through April 30, 2024, monthly principal and interest payments of \$2,000 until April 30, 2025, and monthly principal and interest payments of \$3,000 until March 31, 2026 when the entire principal balance is due. Future required principal payments are \$-, \$10,992, \$23,896, and \$165,811 for the years ending December 31, 2023, 2024, 2025, and 2026, respectively.