

**GENERAL CONFERENCE OF THE
BRETHREN IN CHRIST**
FINANCIAL STATEMENTS
FOR THE YEARS ENDED
DECEMBER 31, 2025 AND 2024
AND
INDEPENDENT AUDITOR'S REPORT

HAMILTON & MUSSER, P.C.
Certified Public Accountants

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST
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For the Years Ended December 31, 2025 and 2024

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INDEPENDENT AUDITOR'S REPORT

To the Board of the
General Conference of the Brethren in Christ
Mechanicsburg, Pennsylvania

Opinion

We have audited the accompanying financial statements of General Conference of the Brethren in Christ (a nonprofit organization), which comprise the statements of financial position as of December 31, 2025 and 2024, 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 General Conference of the Brethren in Christ as of December 31, 2025 and 2024, 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. 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 General Conference of the Brethren in Christ and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the 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 General Conference of the Brethren in Christ'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 General Conference of the Brethren in Christ'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 General Conference of the Brethren in Christ'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.

June 3, 2026

Mechanicsburg, Pennsylvania



Certified Public Accountants

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Statements of Financial Position

December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Assets		
Cash and Cash Equivalents	\$ 8,145,290	\$ 7,340,605
Investments (Note 3)	11,535,854	11,055,238
Investments Restricted for Perpetual Endowments (Note 11)	2,813,449	2,793,528
Other Receivables (Note 5)	114,657	70,920
Notes Receivable (Note 6)	205,749	210,512
Other Assets	197,258	232,563
Asset for Pension Benefit (Note 14)	164,989	92,361
Fixed Assets, Net (Note 8)	97,253	97,316
Right-of-Use Assets, Net (Note 9)	<u>24,013</u>	<u>41,183</u>
Total Assets	<u>\$ 23,298,512</u>	<u>\$ 21,934,226</u>
Liabilities		
Accounts Payable	\$ 147,327	\$ 174,969
Accrued Wages and Vacation Payable	24,835	23,463
Deposit Agreements	5,000	5,000
Notes Payable (Note 12)	149,749	154,512
Lease Liabilities, Net (Note 9)	<u>24,013</u>	<u>41,183</u>
Total Liabilities	<u>350,924</u>	<u>399,127</u>
Net Assets		
Without Donor Restrictions	5,252,617	5,232,320
With Donor Restrictions (Note 11)	<u>17,694,971</u>	<u>16,302,779</u>
Total Net Assets	<u>22,947,588</u>	<u>21,535,099</u>
Total Liabilities and Net Assets	<u>\$ 23,298,512</u>	<u>\$ 21,934,226</u>

The Accompanying Notes are an Integral Part of the Financial Statements

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Statement of Activities

For the Year Ended December 31, 2025

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Revenue			
Contributions	\$ 3,020,028	\$ 4,014,386	\$ 7,034,414
Investment Income (Note 3)	389,128	1,224,221	1,613,349
Other	77,544	-	77,544
Net Assets Released From Restrictions	<u>3,846,415</u>	<u>(3,846,415)</u>	<u>-</u>
Total Revenue	<u>7,333,115</u>	<u>1,392,192</u>	<u>8,725,307</u>
Expenses			
Program Services	6,692,832	-	6,692,832
Supporting Services			
Management and General	743,248	-	743,248
Fundraising	<u>174,542</u>	<u>-</u>	<u>174,542</u>
Total Expenses	<u>7,610,622</u>	<u>-</u>	<u>7,610,622</u>
Change in Net Assets	(277,507)	1,392,192	1,114,685
Net Assets, Beginning of Year	5,232,320	16,302,779	21,535,099
Pension-Related Changes Other Than Net Periodic Pension Cost	<u>297,804</u>	<u>-</u>	<u>297,804</u>
Net Assets, End of Year	<u>\$ 5,252,617</u>	<u>\$ 17,694,971</u>	<u>\$ 22,947,588</u>

The Accompanying Notes are an Integral Part of the Financial Statements

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Statement of Activities

For the Year Ended December 31, 2024

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Revenue			
Contributions	\$ 2,989,374	\$ 3,291,153	\$ 6,280,527
Investment Income (Note 3)	393,527	1,092,159	1,485,686
Other	161,408	-	161,408
Net Assets Released From Restrictions	<u>3,625,795</u>	<u>(3,625,795)</u>	<u>-</u>
Total Revenue	<u>7,170,104</u>	<u>757,517</u>	<u>7,927,621</u>
Expenses			
Program Services	6,414,428	-	6,414,428
Supporting Services			
Management and General	736,252	-	736,252
Fundraising	<u>172,627</u>	<u>-</u>	<u>172,627</u>
Total Expenses	<u>7,323,307</u>	<u>-</u>	<u>7,323,307</u>
Change in Net Assets	(153,203)	757,517	604,314
Net Assets, Beginning of Year	4,986,967	15,545,262	20,532,229
Pension-Related Changes Other Than Net Periodic Pension Cost	<u>398,556</u>	<u>-</u>	<u>398,556</u>
Net Assets, End of Year	<u>\$ 5,232,320</u>	<u>\$ 16,302,779</u>	<u>\$ 21,535,099</u>

The Accompanying Notes are an Integral Part of the Financial Statements

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Statement of Functional Expenses

For the Year Ended December 31, 2025

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Business Meals	\$ 39,973	\$ 140	\$ 1,268	\$ 41,381
Church Planting Grants - Domestic	175,000	-	-	175,000
Church Planting Grants - Global	79,423	-	-	79,423
Conference & Events	9,328	-	-	9,328
Contracted Services	225,274	23,458	7,417	256,149
Depreciation Expense	18,598	4,419	-	23,017
Disability Insurance	19,929	571	169	20,669
Global Compassion Aid	90,648	-	-	90,648
Leadership Training Scholarships	135,832	-	-	135,832
Maintenance	35,807	-	-	35,807
Memberships	20,489	399	50	20,938
Ministry Project Grants	1,291,461	-	-	1,291,461
Office Expenses	77,136	33,931	2,056	113,123
Other	74,063	-	-	74,063
Periodic Pension Costs	-	225,176	-	225,176
Printing & Promotion	17,702	290	1,840	19,832
Regional Conference Ministry Grant	126,000	-	-	126,000
Rent Expense	54,133	12,688	2,556	69,377
Salary, Taxes, and Benefits	3,309,942	437,122	153,177	3,900,241
Seminary Grants	4,770	-	-	4,770
Shaping Leaders for Tomorrow Grant	25,921	-	-	25,921
SPICE Sponsorship Grants	174,822	-	-	174,822
Support of Related Organizations	186,385	-	-	186,385
Training & Development	88,443	4,077	15	92,535
Travel Expenses	411,753	977	5,994	418,724
	<u>\$ 6,692,832</u>	<u>\$ 743,248</u>	<u>\$ 174,542</u>	<u>\$ 7,610,622</u>

The Accompanying Notes are an Integral Part of the Financial Statements

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Statement of Functional Expenses

For the Year Ended December 31, 2024

	Program Services	Supporting Services		Total
		Management and General	Fundraising	
Business Meals	\$ 38,323	\$ 143	\$ 768	\$ 39,234
Church Planting Grants - Domestic	175,000	-	-	175,000
Church Planting Grants - Global	53,430	-	-	53,430
Conference & Events	144,509	-	-	144,509
Contracted Services	226,731	22,681	6,900	256,312
Depreciation Expense	19,169	3,799	526	23,494
Disability Insurance	20,358	628	169	21,155
Global Compassion Aid	132,779	-	-	132,779
Leadership Training Scholarships	117,261	-	-	117,261
Maintenance	40,633	-	-	40,633
Memberships	24,849	1,908	1,034	27,791
Ministry Project Grants	1,047,711	-	-	1,047,711
Office Expenses	81,822	35,702	1,796	119,320
Other	29,993	-	-	29,993
Periodic Pension Costs	-	208,973	-	208,973
Printing & Promotion	21,206	-	2,290	23,496
Regional Conference Ministry Grant	126,000	-	-	126,000
Rent Expense	48,763	10,494	2,114	61,371
Salary, Taxes, and Benefits	3,203,159	446,082	151,392	3,800,633
Seminary Grants	9,500	-	-	9,500
Shaping Leaders for Tomorrow Grant	11,759	-	-	11,759
SPICE Sponsorship Grants	169,468	-	-	169,468
Support of Related Organizations	226,736	-	-	226,736
Training & Development	73,975	1,784	145	75,904
Travel Expenses	371,294	4,058	5,493	380,845
	<u>\$ 6,414,428</u>	<u>\$ 736,252</u>	<u>\$ 172,627</u>	<u>\$ 7,323,307</u>
Total Expenses				

The Accompanying Notes are an Integral Part of the Financial Statements

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Statements of Cash Flows

For the Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash Flows from Operating Activities:		
Change in Net Assets	\$ 1,114,685	\$ 604,314
Adjustment to Reconcile Change in Net Assets to Net Cash and Cash Equivalents Provided (Used) by Operating Activities:		
Realized Gain on Sale of Investments	(431,742)	(1,393,854)
Unrealized (Gain) Loss on Investments	(549,559)	601,087
Contributions Received Restricted for Perpetual Endowment	(19,921)	(1,000)
Depreciation Expense	23,017	23,494
Right-of-Use Asset Amortization	17,170	16,951
(Increase) Decrease in:		
Other Receivables	(43,737)	4,079
Notes Receivables	4,763	10,635
Other Assets	35,305	(61,995)
Increase (Decrease) in:		
Accounts Payable	(27,642)	(20,775)
Accrued Wages and Vacation Payable	1,372	1,614
Lease Liabilities	(17,170)	(16,951)
Net Cash and Cash Equivalents Provided (Used) by Operating Activities	<u>106,541</u>	<u>(232,401)</u>
Cash Flows from Investing Activities:		
Purchase of Investments	(428,532)	(599,491)
Proceeds from Sale of Investments	909,296	3,394,665
Purchase of Fixed Assets	(22,954)	(15,876)
Net Cash and Cash Equivalents Provided by Investing Activities	<u>457,810</u>	<u>2,779,298</u>
Cash Flows from Financing Activities:		
Principal Payments on Notes Payable	(4,763)	(10,635)
Contributions Received Restricted for Perpetual Endowment	19,921	1,000
Change in Ministers Pension Fund Components	225,176	208,973
Net Cash and Cash Equivalents Provided by Financing Activities	<u>240,334</u>	<u>199,338</u>
Net Increase in Cash and Cash Equivalents	804,685	2,746,235
Cash and Cash Equivalents, Beginning of the Year	<u>7,340,605</u>	<u>4,594,370</u>
Cash and Cash Equivalents, End of Year	<u>\$ 8,145,290</u>	<u>\$ 7,340,605</u>
<u>Supplemental Cash Flow Disclosures:</u>		
Cash Paid for Interest	\$ 9,520	\$ 9,958
Cash Paid for Income Taxes	-	-

The Accompanying Notes are an Integral Part of the Financial Statements

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities:

The General Conference of the Brethren in Christ (the BIC US) was incorporated on June 18, 1940 in the Commonwealth of Pennsylvania as a charitable, non-profit religious organization. The BIC US is supported by contributions from Brethren in Christ congregations as well as direct contributions from individuals and other entities.

Basis of Accounting:

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

Basis of Presentation:

Financial statement presentation follows the *Not-for-Profit Entities* topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) which requires the BIC US to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Revenue Recognition – Contributions:

Contributions received are recorded as increases in net assets with or without donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires (i.e., when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities as net assets released from restrictions.

Conditional contributions, where the donor imposes both a barrier and a right of return/release, are recognized as revenue only when the barrier is substantially met.

The BIC US recognizes receipts when given by the supporting congregations. As a result, approximately twenty business days are required after year-end to properly recognize these December receipts. Additionally, the BIC US allows the Common Ministry Program to make the appropriate allocations to other BIC US programs and external organizations before the year-end close.

Revenue Recognition – Exchange Transactions:

The BIC US recognizes revenue from exchange transactions upon the transfer of control of promised goods or services to customers in an amount that reflects the consideration the BIC US expects to receive in exchange for those goods or services, following the five-step model in ASC 606.

Ministry Activities:

The BIC US is strongly committed to functioning as one organization, in support of various ministries, as they seek to accomplish the mission of the church to make and grow disciples. The following list is illustrative of the ministry activities supported by the BIC US in 2025 and 2024:

- Regional Conference Leadership
- Commission on Ministry and Doctrine
- General Assembly Meeting
- Denominational Communications
- World Missions
 - Missionary Support
 - International Leadership Development
 - Global Compassion Fund
- Ministers Pension Fund

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fixed Assets:

It is the policy of the BIC US to record purchased fixed assets at cost and donated assets at their fair value at the date of donation. Depreciation is provided on the straight-line method over the estimated useful lives of the assets.

New acquisitions of fixed assets having a low acquisition cost, or which are not expected to last for more than a year, are expensed in the year of acquisition. Repairs and maintenance charges are capitalized and depreciated when they materially extend the useful life of the related asset.

Taxation:

The BIC US is exempt from federal income tax as provided by Code Section 501(c)(3) of the Internal Revenue Code. Donors are entitled to deductions for federal income tax purposes for contributions made to the BIC US in accordance with the Internal Revenue Code. Accordingly, no income tax is incurred unless the BIC US earns income considered to be unrelated business income. The BIC US conducted no activities that were subject to income taxes.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the BIC US, including whether the entity is exempt from income taxes. Management evaluated the tax positions taken and concluded that the BIC US had taken no uncertain tax positions that require recognition or disclosure in the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements. With few exceptions, the BIC US is no longer subject to income tax examinations by the U.S. federal, state or local tax authorities for years before December 31, 2022.

Receivables:

Receivables are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of outstanding balances, it has concluded that losses on balances outstanding at year-end will be immaterial. Therefore, an allowance has not been established.

Investments:

Financial instruments are valued at fair market value on a recurring basis in the Statements of Financial Position.

Fair Value Reporting requires an establishment of a hierarchy that ranks the quality and reliability of inputs, or assumptions, used in the determination of fair value and requires financial assets and liabilities carried at fair value to be classified and disclosed in one of the following three categories:

Level 1 – Quoted prices in active markets for identical assets and liabilities

Level 2 – Directly or indirectly observable inputs other than Level 1 quoted prices

Level 3 – Unobservable inputs not corroborated by market data

For financial instruments that have quoted market prices in active markets, the BIC US uses the quoted market prices as fair values and includes those investments in Level 1 of the fair value hierarchy. When quoted market prices in active markets are not available, various pricing services are used to determine fair value of investments that are included in Level 2 of the fair value hierarchy. Level 3 represents financial assets whose fair value is determined based upon inputs that are unobservable and include the BIC US's own determinations of the assumptions that a market participant would use in pricing the asset.

Investment income restricted by donors, including realized and unrealized gains, is reported as an increase in net assets with donor restrictions in the reporting period in which the income and gains are recognized.

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

NOTE 1 – NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments (Continued):

Financial instruments are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in the value of investments, it is at least reasonably possible changes in risks in the near term would materially affect investment assets reported in the Statements of Financial Position.

Contributed Services:

The BIC US receives a substantial amount of donated services in carrying out the various ministries of the BIC US. No amounts have been reflected in the financial statements for those services since they do not meet the criteria for recognition.

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents:

For the purpose of the Statements of Cash Flows, cash and cash equivalents include all highly liquid investments with an initial maturity of three months or less.

Functional Allocation of Expenses:

The cost of providing the various programs and activities has been summarized on a functional basis in the Statements of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Right-of-Use Assets and Liabilities:

The BIC US determines if an arrangement is or contains a lease at inception of the contract. The right-of-use (ROU) assets represent the right to use the underlying assets for the lease term, and the lease liabilities represent the obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized based on the present value of the future minimum lease payments over the lease term at the commencement date. As the BIC US's leases generally do not provide an implicit rate, the BIC US's incremental borrowing rate or a risk-free borrowing rate at the commencement date is used to determine the present value of future payments. Both finance and operating leases are recorded at the present value of future lease payments. The operating ROU asset is reduced based on the lease amortization schedule. Lease terms may include options to extend the lease, terminate the lease, or purchase the leased asset. The value of a lease option is reflected in the valuation if it is reasonably certain management will exercise the option. Leases with a term of twelve months or less are considered short term, and no asset or liability needs to be recognized. BIC US has elected not to separate the lease components from non-lease components for all asset classes.

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

NOTE 2 – AVAILABILITY AND LIQUIDITY

The following represents the BIC US's financial assets at December 31:

	<u>2025</u>	<u>2024</u>
Financial Assets:		
Cash and Cash Equivalents	\$ 8,145,290	\$ 7,340,605
Investments	14,349,303	13,848,766
Other Receivables	<u>114,657</u>	<u>70,920</u>
Total Financial Assets	<u>22,609,250</u>	<u>21,260,291</u>
Less Amounts not available to be used within one year:		
Net Assets with Donor Restrictions	17,694,971	16,302,779
Board-Designated Funds	<u>1,498,762</u>	<u>1,510,398</u>
Total	<u>19,193,733</u>	<u>17,813,177</u>
Financial Assets Available to Meet Expenses Over the Next Year	<u>\$ 3,415,517</u>	<u>\$ 3,447,114</u>

The BIC US's plan is generally to maintain financial assets to meet 90 days of operating expenses as explained in the BIC US's Operating Reserve Fund Policy.

NOTE 3 – INVESTMENTS

Investments are summarized as follows at December 31, 2025 and 2024:

	<u>2025</u>	
	<u>Cost</u>	<u>Market Value</u>
Stewardship Investment Certificates (SICs)	\$ 4,944,157	\$ 4,944,157
Trust Investments and Deposit Accounts (BICF)	<u>8,759,003</u>	<u>9,405,146</u>
Total	<u>\$ 13,703,160</u>	<u>\$ 14,349,303</u>
	<u>2024</u>	
	<u>Cost</u>	<u>Market Value</u>
Stewardship Investment Certificates (SICs)	\$ 5,151,596	\$ 5,151,596
Trust Investments and Deposit Accounts (BICF)	<u>8,604,107</u>	<u>8,697,170</u>
Total	<u>\$ 13,755,703</u>	<u>\$ 13,848,766</u>

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

NOTE 3 – INVESTMENTS (CONTINUED)

Investment income is summarized as follows for the years ended December 31:

	<u>2025</u>	<u>2024</u>
Realized Gain on Sale of Investments	\$ 431,742	\$ 1,393,854
Unrealized Gain (Loss) on Investments	549,559	(601,087)
Interest and Dividends	702,399	757,431
Custodial Fees	<u>(70,351)</u>	<u>(64,512)</u>
Total	<u>\$ 1,613,349</u>	<u>\$ 1,485,686</u>

NOTE 4 – FAIR VALUE MEASUREMENTS

Fair values of investments and money markets are summarized as follows at December 31, 2025 and 2024:

	<u>December 31, 2025</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and Cash Equivalents				
Money Market	\$ -	\$ 2,644,250	\$ -	\$ 2,644,250
Total Cash and Cash Equivalents	<u>-</u>	<u>2,644,250</u>	<u>-</u>	<u>2,644,250</u>
Investments				
Stewardship Investment Certificates	-	4,944,157	-	4,944,157
Trust Investments and Deposit Accounts	<u>-</u>	<u>9,405,146</u>	<u>-</u>	<u>9,405,146</u>
Total Investments	<u>-</u>	<u>14,349,303</u>	<u>-</u>	<u>14,349,303</u>
Total	<u>\$ -</u>	<u>\$ 16,993,553</u>	<u>\$ -</u>	<u>\$ 16,993,553</u>
	<u>December 31, 2024</u>			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and Cash Equivalents				
Money Market	\$ -	\$ 2,085,444	\$ -	\$ 2,085,444
Total Cash and Cash Equivalents	<u>-</u>	<u>2,085,444</u>	<u>-</u>	<u>2,085,444</u>
Investments				
Stewardship Investment Certificates	-	5,151,596	-	5,151,596
Trust Investments and Deposit Accounts	<u>-</u>	<u>8,697,170</u>	<u>-</u>	<u>8,697,170</u>
Total Investments	<u>-</u>	<u>13,848,766</u>	<u>-</u>	<u>13,848,766</u>
Total	<u>\$ -</u>	<u>\$ 15,934,210</u>	<u>\$ -</u>	<u>\$ 15,934,210</u>

GENERAL CONFERENCE OF THE BROTHERS IN CHRIST

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

NOTE 4 – FAIR VALUE MEASUREMENTS (CONTINUED)

Level 2:

The BIC US's accounts held with the Brethren in Christ Foundation, Inc. (BICF) are considered Level 2. A description of the various investments is as follows:

Money Market Funds – valued at the net asset value (NAV) of shares held by the BIC US at year-end. NAV is used as a practical expedient to fair value and shares may be redeemed on a daily basis. Money Market Funds are held with the BICF and are considered to be Level 2.

BIC Foundation Stewardship Investment Certificates – investment in Stewardship Investment Certificates (SICs) are held with the BICF and considered to be a Level 2 Investment. These SICs are similar to a certificate of deposit and valued at cost.

Trust Investments and Deposit Accounts:

BIC Foundation Growth with Income Fund – a non-quoted investment fund which only invests in financial assets quoted in active markets. The Growth with Income Fund's investment objective is asset growth and protection against inflation by investing primarily in stocks, combined with secondary components in bonds and short-term/money market investments. Any amount can be withdrawn from an account up to the total account balance.

BIC Foundation Fixed Income Fund – a non-quoted investment fund which only invests in financial assets quoted in active markets. The Fixed Income Fund's investment objective is to seek a higher and more sustainable level of interest income and not long-term growth in capital by investing in fixed income holdings of U.S. government or U.S. government agencies with a 60% target allocation to U.S. agency mortgage-backed securities and 40% to U.S. short-term treasury securities. Any amount can be withdrawn from an account up to the total account balance.

Mutual Funds – valued at the net asset value (NAV) of shares held by the BIC US at year-end. NAV is used as a practical expedient to fair value and shares may be redeemed on a daily basis.

NOTE 5 – OTHER RECEIVABLES

Other receivables consisted of the following at December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Education Loans Receivable	\$ 5,973	\$ 7,969
ASEL Receivable	541	541
Shared Services Receivables	101,143	55,410
Administrative and Other Advances	<u>7,000</u>	<u>7,000</u>
Total	<u>\$ 114,657</u>	<u>\$ 70,920</u>

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

NOTE 6 – NOTES RECEIVABLE

Notes receivable are summarized as follows at December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Missionary Loans	\$ 56,000	\$ 56,000
Hoyo-Spain Church Receivable	<u>149,749</u>	<u>154,512</u>
Total Notes Receivable	<u>\$ 205,749</u>	<u>\$ 210,512</u>

During 2023, the BIC US entered into a note receivable agreement with a missionary for \$28,000. The unpaid principal shall be payable in full on any future date on which the BIC US demands repayment. Starting in June 2023, interest shall be payable every month at a rate of 2.82% per annum. The balance was \$28,000 at December 31, 2025 and 2024.

During 2019, the BIC US entered into a note receivable agreement with a missionary for \$28,000. Starting in 2020, the missionary will begin paying interest at a rate of 1.68% per annum. The unpaid principal shall be payable in full on any future date on which the BIC US demands repayment. The BIC US will provide a 90-day notice to the missionary. The balance was \$28,000 at December 31, 2025 and 2024.

During 2014, the BIC US entered into a note receivable agreement with a church for \$216,480. The church is to make monthly payments in the amount of \$1,190 at 6.25% and \$1,236 at 6.50% interest during the years ended December 31, 2025 and 2024, respectively. The balance was \$149,749 and \$154,512 at December 31, 2025 and 2024, respectively.

NOTE 7 – MASP EMPLOYEE HEALTHCARE ASSISTANCE BENEFIT PROGRAM

The BIC US participates in a self-funded employee healthcare assistance benefit program, Mutual Aid Sharing Program (MASP). The MASP is a not-for-profit employee benefit plan whereby mission and service agencies of the Anabaptist Community share with each other the cost of providing healthcare assistance and death benefits to their employees.

Under the MASP, the BIC US is responsible for claims up to the retention of \$17,500 per person (retained claims). Claims in excess of the retention up to \$250,000 will be pooled with the other agencies. Claims in excess of the retention and the \$250,000 are reinsured by a stop loss policy that covers all MASP agencies. The stop loss reinsurance defines a claim as the total medical claims per individual per MASP fiscal year (October 1 through September 30). The BIC US has expensed its retained claims and its monthly payments to the MASP for its expected share of pooled claims and administrative costs including stop loss premiums. The payments include the actuarially projected amount to cover claims that exceed the agency retention up to \$250,000. The actual amount may differ from this estimate based on the BIC US's and pooled agencies' actual experience.

The MASP maintains a reserve fund, which can be drawn upon in the event of a large single claim or a series of large claims or if the MASP chooses to allocate a portion of the reserve fund to lower the aggregate shared claims limit. Claims are expensed as incurred. The BIC US has determined its estimated share of the reserve fund to be \$141,551 and \$121,123 at December 31, 2025 and 2024, respectively. These funds are included in Other Assets.

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

NOTE 8 – FIXED ASSETS

Fixed assets are summarized as follows at December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Real Estate	\$ 145,966	\$ 145,966
Furniture and Equipment	<u>213,163</u>	<u>198,250</u>
	359,129	344,216
Less: Accumulated Depreciation	<u>(261,876)</u>	<u>(246,900)</u>
Fixed Assets, Net	<u>\$ 97,253</u>	<u>\$ 97,316</u>

The estimated useful lives for purposes of computing depreciation are as follows:

Real Estate	40 years
Furniture and Equipment	3-10 years

Depreciation expense was \$23,017 and \$23,494 for the years ended December 31, 2025 and 2024, respectively.

NOTE 9 – LEASES

BIC US entered into a five-year operating lease for a copier in October 2018 with monthly payments of \$530. BIC US also entered into a five-year operating lease for office space in September 2021 with monthly payments of \$972, increasing 3% annually. In November 2023, BIC US entered into a five-year operating lease for a copier with monthly payments of \$445. At that time, BIC US recognized an operating lease right-of-use asset and lease liability of \$24,915.

BIC US recognized the following lease costs associated with the leases during the years ended December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
2023 Copier Lease	\$ 5,340	\$ 5,340
2018 Copier Lease	-	530
Office Space Lease	<u>12,874</u>	<u>12,499</u>
Total Lease Cost	<u>\$ 18,214</u>	<u>\$ 18,369</u>

BIC US had the following cash and non-cash activities associated with the operating leases during the years ended December 31, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Cash paid for amounts included in the measurement of lease liabilities	\$ 18,214	\$ 18,369
Weighted average remaining lease term for leases (years)	2.21	2.83
Weighted average discount rate	3.47%	2.96%

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

NOTE 9 – LEASES (CONTINUED)

The future minimum lease payments due under the operating leases as of December 31, 2025, are as follows:

2026	\$	14,092
2027		5,340
2028		5,340
2029		<u>444</u>
Total Lease Payments		<u>25,216</u>
Imputed Interest		<u>(1,203)</u>
Total Operating Lease Liabilities	\$	<u><u>24,013</u></u>

The right-of-use asset net of amortization was \$24,013 and \$41,183 at December 31, 2025 and 2024, respectively.

NOTE 10 – BOARD-DESIGNATED FUNDS

Board-designated funds at December 31, 2025 and 2024 are available for the following purposes:

	<u>2025</u>	<u>2024</u>
Other - Global	\$ 687,358	\$ 687,358
Project 250 - National	86,629	98,265
Build the Future	<u>724,775</u>	<u>724,775</u>
Total	<u>\$ 1,498,762</u>	<u>\$ 1,510,398</u>

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS

Perpetually Restricted Net Assets – Endowment Funds

Interpretation of Relevant Law

The BIC US has interpreted the law that underlies the net asset classification of donor-restricted endowment funds 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 instructions. As a result of this interpretation, the BIC US classifies as perpetually restricted net assets (1) the original value of gifts to the perpetual endowment, (2) the original value of subsequent gifts to the perpetual endowment, and (3) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument. Absent explicit instructions from the donor, investment income from perpetually restricted funds is classified as purpose restricted and expensed as permitted by established endowment fund spending policies.

The BIC US considers the following factors when receiving donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the organization 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 the organization
7. The investment policies of the organization

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Investment Management Policy

Perpetually donor-restricted gifts are generally given with the donors' expectations that the funds will stay intact and grow from or at a minimum provide earnings that can be used to fund the purposes specified in the corresponding trust instrument. Therefore, the funds should be invested in accordance with these general policies:

1. *Preservation of Capital* – Both with respect to the overall Fund and to the assets assigned to each investment manager, the Finance Committee and the investment managers should make conscious efforts to preserve capital, understanding that losses may occur in individual securities.
2. *Risk Aversion* – Understanding that risk is present in all types of securities and investment styles, the Finance Committee recognizes that some risk is necessary to produce long-term investment results sufficient to meet the Fund's objectives. However, investment managers are to make reasonable efforts to control risk, and they will be evaluated regularly to ensure that the risk assumed is commensurate with the given investment style and objectives.
3. *Adherence to Investment Discipline* – Investment managers are expected to adhere to the investment management styles for which they were hired. Managers will be evaluated regularly for adherence to investment discipline.

Investment Objectives

Specifically, the primary objective in the investment management of fund assets shall be:

- To preserve purchasing power after spending
- To achieve returns that are more than the rate of inflation plus spending over the investment horizon in order to preserve purchasing power of fund assets
- To control risk in the investment of fund assets

Handling of Income from Endowment Fund Investments

All income earned, whether interest income, dividend income, or gains realized and unrealized will be classified as purpose restricted or board-designated until appropriated for expenditure by the BIC US. There are no restrictions on the use of the income other than time and purpose restrictions established by the trust instrument or board-designated restrictions.

Changes in endowment net assets for the years ended December 31, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Beginning of Year	\$ 2,793,528	\$ 2,792,528
Contributions to Perpetual Endowment	<u>19,921</u>	<u>1,000</u>
End of Year	<u>\$ 2,813,449</u>	<u>\$ 2,793,528</u>

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

NOTE 11 – NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)

Perpetually restricted net assets at December 31, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Leadership Training Endowment	\$ 641,376	\$ 641,376
New Frontiers Endowment	447,893	445,038
Shaping Leaders for Tomorrow (Formerly Seminary Students)	1,551,615	1,535,549
Spouses Training	13,745	13,745
Smith Pastoral Training	75,458	74,458
Renewal/Refocus Endowment	11,801	11,801
World Missions – So. African Women’s Ed. Fund	<u>71,561</u>	<u>71,561</u>
 Total	 <u>\$ 2,813,449</u>	 <u>\$ 2,793,528</u>

Purpose Restricted Net Assets

Purpose restricted net assets at December 31, 2025 and 2024 are available for the following purposes:

	<u>2025</u>	<u>2024</u>
Other – National	\$ 505,799	\$ 154,092
Shaping Leaders for Tomorrow	816,262	646,679
Honoring Leaders of Yesterday	84,017	80,798
CMD – Special Projects	87,717	68,592
Kipe Seminary Special Training	29,089	24,297
Smith Pastoral Training	31,114	21,529
Renewal/Refocus	30,028	25,349
Honor the Past	729,226	580,862
Build the Future	320,388	329,826
Thriving Congregations Initiative	1,029,181	1,173,494
Other – Global	2,358,589	2,172,657
Thrive – Global	2,403	2,403
Global Special Projects	1,333,784	991,630
Project 250 – Global	72,137	82,918
Spice Gift – Global	82,721	61,474
Leadership Training – Global	2,071,949	1,878,503
Personnel Training – Global	1,323,487	1,200,806
New Frontiers – Global	679,741	574,239
So. African Women’s Ed. Fund – Global	285,826	255,140
ECP – Global	460,013	421,703
Emergency Risk Mgt. – Global	657,710	634,087
Global Compassion – Global	264,113	238,874
Crisis Management – Global	42,467	60,767
Missionaries – Global	<u>1,583,761</u>	<u>1,828,532</u>
 Total	 <u>14,881,522</u>	 <u>13,509,251</u>
 Total Net Assets with Donor Restrictions	 <u>\$ 17,694,971</u>	 <u>\$ 16,302,779</u>

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

NOTE 12 – NOTE PAYABLE

During 2013, the BIC US entered into a thirty-year note payable with the BIC Foundation for \$216,480. The interest rate is variable at the sole discretion of the lender and was 6.25% and 6.50% at December 31, 2025 and 2024, respectively. Monthly installments of principal and interest were \$1,190 and \$1,236 during the years ended December 31, 2025 and 2024, respectively. The balance of the note payable was \$149,749 and \$154,512 at December 31, 2025 and 2024, respectively.

Minimum principal maturities for each of the subsequent five years and thereafter are as follows:

<u>Year</u>	<u>Amount</u>
2026	\$ 5,189
2027	5,509
2028	5,849
2029	6,209
2030	6,592
Thereafter	<u>120,401</u>
Total	<u>\$ 149,749</u>

Interest expense was \$9,520 and \$9,958 for the years ended December 31, 2025 and 2024, respectively.

NOTE 13 – RELATED ENTITY

The BIC Foundation owns the building in Pennsylvania which serves as facilities for its principal office. The building is utilized by the BIC Foundation and the BIC US. No rental or lease payments are made to the BIC Foundation, but operating and maintenance costs are shared in lieu of rent. Operating and maintenance costs paid to the BIC Foundation were \$42,712 and \$37,820 during the years ended December 31, 2025 and 2024, respectively.

The BIC US provided services to the BIC Foundation for personnel services including, but not limited to: accounting, communications, human resources, benefit placement, and operational management. Costs for these services paid to the BIC US totaled \$0 and \$20,832 during the years ended December 31, 2025 and 2024, respectively.

The BIC US owed the BIC Foundation \$19,133 and \$15,926 at December 31, 2025 and 2024, respectively.

NOTE 14 – RETIREMENT PLANS

The BIC US has a 403(b)(9) Retirement Income Account plan. This plan covers all employees of the BIC US beginning at date of hire. Employees can contribute a percentage of their compensation each year up to specified limits. The BIC US made contributions to this plan on behalf of employees at a rate of 5.0% along with matching up to an additional 5.0% for 2025 and 2024. The BIC US contributed \$230,081 and \$225,158 to the plan during the years ended December 31, 2025 and 2024, respectively.

The BIC US maintains the Brethren in Christ Minister's Pension Fund (the Plan) which is a single-employer defined-benefit pension plan. The Plan covers all ordained or licensed senior pastors and pastors of single-pastor congregations; ordained or licensed full-time associate pastors, Christian education, or youth ministers; and ordained or licensed ministers of other denominational boards and agencies. Normal monthly retirement benefits are equal to \$9.00 multiplied by the years of benefit service up to a maximum of 40 years of benefit service. In addition, the Plan provides for death benefits for eligible participants. As of December 31, 2009, the Plan was "frozen", allowing no new participants to be added after that point.

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

NOTE 14 – RETIREMENT PLANS (CONTINUED)

The BIC US pays the full cost of the Plan, and employee contributions are not required. During 2010, the Plan Trustees requested that employers of eligible participants of the Plan contribute \$1,200 for participants who had not yet reached 55 years of age with 20 years of service or normal retirement year. This request expired at December 31, 2019, and was not renewed for future years. A \$7,000 and \$3,000 contribution, in addition to the annual contribution for the ordained or licensed ministers of the BIC US, was provided by the BIC US during the years ended December 31, 2025 and 2024, respectively.

The annual measurement date is December 31 for the pension benefits. The following tables provide further information about the BIC US's pension plan.

The following sets forth the Plan's actuarially determined funded status at December 31, 2025:

Obligations and Funded Status for 2025:

Benefit Obligation at December 31, 2025	\$ 6,010,957
Fair Value of Plan Assets at December 31, 2024	6,237,641
Employer Contributions	7,000
Actual Return on Assets	504,922
Benefit Payments	(573,617)
Fair Value of Plan Assets at December 31, 2025	<u>6,175,946</u>
Net Funded Status of the Plan at December 31, 2025	<u>\$ 164,989</u>

Net Periodic Pension Cost for 2025:

Service Cost	\$ -
Interest Cost	289,217
Expected Return on Plan Assets	(260,507)
Amortization of Net Transition (Asset) or Obligation	-
Amortization of Prior Service Cost	-
Amortization of Net (Gain) or Loss	<u>196,466</u>
Net Periodic Pension Cost for Period 1/1/2025 to 12/31/2025	<u>\$ 225,176</u>

Items Not Yet Recognized as a Component of Net Periodic Pension Cost for 2025:

Items Not Yet Recognized as a Component of Net Period Pension Cost at 12/31/2024	\$ 3,229,986
Amortization of Net Transition Asset or (Obligation)	-
Amortization of Prior Service Cost	-
Amortization of Net Gain or (Loss)	(196,466)
Change Due to Change in Experience and Assumptions at 12/31/2025	-
Change Due to Plan Amendment	-
Experience (Gain) or Loss at 1/1/2025	150,077
Asset (Gain) or Loss	<u>(244,415)</u>
Items Not Yet Recognized as a Component of Net Period Pension Cost at 12/31/2025	<u>\$ 2,939,182</u>

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

NOTE 14 – RETIREMENT PLANS (CONTINUED)

Assumptions:

Weighted-Average Assumptions Used to Determine Benefit Obligations at December 31, 2025:

Discount Rate	5.00 %
Rate of Compensation Increase	0.00 %

Weighted-Average Assumptions Used to Determine Net Periodic Benefit Cost for the Year Ended December 31, 2025:

Discount Rate	5.00 %
Expected Return on Plan Assets	5.50 %
Rate of Compensation Increase	0.00 %

The BIC US's expected rate of return on plan assets is determined by the plan assets' historical long-term investment performance, current asset allocation, and estimates of future long-term returns by asset class.

The discount rate is based on the FTSE Pension Liability Index rounding to the nearest 0.50%.

Plan Assets:

The BIC US's pension plan weighted-average asset allocations at December 31, 2025, by asset category are as follows:

Asset Category

Real Estate	3.68 %
Cash/Money Market Funds/SICs	52.88 %
International Equities	8.44 %
Large Cap Equities	20.87 %
Fixed Income	14.13 %
Total	<u>100.00 %</u>

All assets are considered Level 1 or 2.

Mutual Funds – Valued at the net asset value (NAV) of shares held by the Plan at year-end. NAV is used as a practical expedient to fair value and shares may be redeemed on a daily basis.

BIC Foundation Stewardship Investment Certificates – The Plan's investment in Stewardship Investment Certificates (SICs) are held with the BICF and considered to be a Level 2 Investment. These SICs are similar to a certificate of deposit and valued at cost.

Cash Flows:

Contributions – The BIC US expects no contributions to its pension plan in 2026.

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

NOTE 14 – RETIREMENT PLANS (CONTINUED)

Estimated Future Benefit Payments – The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

2026	\$ 709,331
2027	704,957
2028	664,945
2029	623,011
2030	606,875
Years 2031-2035	<u>2,209,957</u>
Total	<u>\$ 5,519,076</u>

The following sets forth the Plan's actuarially determined funded status at December 31, 2024:

Obligations and Funded Status for 2024:

Benefit Obligation at December 31, 2024	<u>\$ 6,145,280</u>
Fair Value of Plan Assets at December 31, 2023	6,424,022
Employer Contributions	3,000
Actual Return on Assets	415,526
Benefit Payments	(604,907)
Fair Value of Plan Assets at December 31, 2024	<u>6,237,641</u>
Net Funded Status of the Plan at December 31, 2024	<u>\$ 92,361</u>

Net Periodic Pension Cost for 2024:

Service Cost	\$ -
Interest Cost	277,456
Expected Return on Plan Assets	(275,964)
Amortization of Net Transition (Asset) or Obligation	-
Amortization of Prior Service Cost	-
Amortization of Net (Gain) or Loss	<u>207,481</u>
Net Periodic Pension Cost for Period 1/1/2024 to 12/31/2024	<u>\$ 208,973</u>

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

NOTE 14 – RETIREMENT PLANS (CONTINUED)

Items Not Yet Recognized as a Component of Net Periodic Pension Cost for 2024:

Items Not Yet Recognized as a Component of Net Period Pension Cost at 12/31/2023	\$ 3,625,542
Amortization of Net Transition Asset or (Obligation)	-
Amortization of Prior Service Cost	-
Amortization of Net Gain or (Loss)	(207,481)
Change Due to Change in Experience and Assumptions at 12/31/2024	(202,740)
Change Due to Plan Amendment	-
Experience (Gain) or Loss at 1/1/2024	154,227
Asset (Gain) or Loss	<u>(139,562)</u>
 Items Not Yet Recognized as a Component of Net Period Pension Cost at 12/31/2024	 <u>\$ 3,229,986</u>

Assumptions:

Weighted-Average Assumptions Used to Determine Benefit Obligations at December 31, 2024:

Discount Rate	5.00 %
Rate of Compensation Increase	0.00 %

Weighted-Average Assumptions Used to Determine Net Periodic Benefit Cost for the Year Ended December 31, 2024:

Discount Rate	5.00 %
Expected Return on Plan Assets	5.50 %
Rate of Compensation Increase	0.00 %

The BIC US's expected rate of return on plan assets is determined by the plan assets' historical long-term investment performance, current asset allocation, and estimates of future long-term returns by asset class.

The discount rate is based on the FTSE Pension Liability Index rounding to the nearest 0.50%.

Plan Assets:

The BIC US's pension plan weighted-average asset allocations at December 31, 2024, by asset category are as follows:

Asset Category

Real Estate	3.42 %
Cash/Money Market Funds/SICs	52.62 %
International Equities	9.44 %
Large Cap Equities	20.02 %
Fixed Income	<u>14.50 %</u>
 Total	 <u>100.00 %</u>

All assets are considered Level 1 or 2.

GENERAL CONFERENCE OF THE BRETHREN IN CHRIST

Notes to Financial Statements

For the Years Ended December 31, 2025 and 2024

NOTE 14 – RETIREMENT PLANS (CONTINUED)

Mutual Funds – Valued at the net asset value (NAV) of shares held by the Plan at year-end. NAV is used as a practical expedient to fair value and shares may be redeemed on a daily basis.

BIC Foundation Stewardship Investment Certificates – The Plan’s investment in Stewardship Investment Certificates (SICs) are held with the BICF and considered to be a Level 2 Investment. These SICs are similar to a certificate of deposit and valued at cost.

Cash Flows:

Contributions – The BIC US expects no contributions to its pension plan in 2025.

Estimated Future Benefit Payments – The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

2025	\$	723,641
2026		684,733
2027		681,543
2028		641,237
2029		602,376
Years 2030-2034		<u>2,283,469</u>
Total	\$	<u>5,616,999</u>

NOTE 15 – CONCENTRATED CREDIT RISK

The BIC Foundation is a denominationally owned and sponsored corporation consisting of two divisions which holds investments for the BIC US. The Trust Division handles investments on behalf of church agencies. The Brotherhood Loan Fund Division serves the church in a manner similar to that of a credit union. This division accepts deposits from individuals and church agencies and loans funds to congregations and pastors for real estate transactions. The investments of the BIC US are held by the BIC Foundation, which are neither insured by any private or governmental agency, nor are the balances fully collateralized. Therefore, an off-balance-sheet and a concentrated credit risk exist.

Financial instruments that potentially subject the BIC US to concentrations of credit risk consist principally of cash and cash equivalents held with financial institutions. Accounts at financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per institution. The BIC US’s accounts at a financial institution exceeded the insurance obtained through the FDIC. Amounts in excess of the FDIC limit totaled \$558 and \$551 at December 31, 2025 and 2024, respectively.

NOTE 16 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through June 3, 2026, which is the date the financial statements were available to be issued.

Subsequent to year end, the rate on the note payable changed from 6.25% to 6.00%.