



## ReFrame Ministries

Combined Financial Statements  
and Supplementary Information  
Years Ended June 30, 2021 and 2020

## **ReFrame Ministries**

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Combined Financial Statements and Supplementary Information  
Years Ended June 30, 2021 and 2020

# ReFrame Ministries

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## Independent Auditor's Report

The Boards of Directors  
ReFrame Ministries  
Grand Rapids, Michigan

### ***Opinion***

We have audited the combined financial statements of ReFrame Ministries (the Agency), which comprise the combined statements of financial position as of June 30, 2021 and 2020, and the related combined statements of activities, functional expenses, changes in net assets, and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the financial position of the Agency as of June 30, 2021 and 2020, and the changes in their net assets and their 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 Combined Financial Statements* section of our report. We are required to be independent of the Agency 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 Combined Financial Statements***

Management is responsible for the preparation and fair presentation of the combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern within one year after the date that the combined financial statements are issued or available to be issued.



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

Our objectives are to obtain reasonable assurance about whether the combined 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 combined 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 combined 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 combined 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 the Agency'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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency'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.

*BDO USA, LLP*

October 5, 2021

## **Combined Financial Statements**

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# ReFrame Ministries

## Combined Statement of Financial Position

*June 30, 2021*

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 2,482,205	\$ 361,891	\$ 2,844,096
Investments held by CRCNA Funds, LLC	7,146,630	-	7,146,630
Beneficial interest in assets held by Barnabas Foundation	-	1,402,062	1,402,062
Other investments	47,906	13,532	61,438
Cash surrender value of life insurance	593,605	-	593,605
Accounts receivable and other	1,210,883	-	1,210,883
Property and equipment	352,158	-	352,158
Less: accumulated depreciation	(78,279)	-	(78,279)
<b>Total Assets</b>	<b>\$ 11,755,108</b>	<b>\$ 1,777,485</b>	<b>\$ 13,532,593</b>
<b>Liabilities and Net Assets</b>			
<b>Liabilities</b>			
Accounts payable and accrued liabilities	\$ 292,502	\$ -	\$ 292,502
Due to Christian Reformed Church in North America	57,470	-	57,470
Refundable advances - other	233,022	-	233,022
Annuities payable	210,856	-	210,856
<b>Total Liabilities</b>	<b>793,850</b>	<b>-</b>	<b>793,850</b>
<b>Net Assets</b>			
Without donor restrictions:			
Undesignated	6,357,306	-	6,357,306
Board-designated	4,660,986	-	4,660,986
Foreign currency translation adjustment	(57,034)	-	(57,034)
<b>Total Net Assets Without Donor Restrictions</b>	<b>10,961,258</b>	<b>-</b>	<b>10,961,258</b>
With donor restrictions	-	1,777,485	1,777,485
<b>Total Net Assets</b>	<b>10,961,258</b>	<b>1,777,485</b>	<b>12,738,743</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 11,755,108</b>	<b>\$ 1,777,485</b>	<b>\$ 13,532,593</b>

*See accompanying notes to combined financial statements.*

**ReFrame Ministries**  
**Combined Statement of Financial Position**

*June 30, 2020*

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 1,993,483	\$ 378,296	\$ 2,371,779
Investments held by CRCNA Funds, LLC	6,085,768	-	6,085,768
Beneficial interest in assets held by Barnabas Foundation	-	1,063,550	1,063,550
Other investments	33,810	21,782	55,592
Cash surrender value of life insurance	511,261	-	511,261
Accounts receivable and other	633,903	-	633,903
Due from Christian Reformed Church in North America	850,224	-	850,224
Property and equipment	353,491	-	353,491
Less: accumulated depreciation	(45,868)	-	(45,868)
<b>Total Assets</b>	<b>\$ 10,416,072</b>	<b>\$ 1,463,628</b>	<b>\$ 11,879,700</b>
<b>Liabilities and Net Assets</b>			
<b>Liabilities</b>			
Accounts payable and accrued liabilities	\$ 366,936	\$ -	\$ 366,936
Refundable advance - PPP loan	1,275,623	-	1,275,623
Refundable advances - other	230,996	-	230,996
Annuities payable	229,463	-	229,463
<b>Total Liabilities</b>	<b>2,103,018</b>	<b>-</b>	<b>2,103,018</b>
<b>Net Assets</b>			
Without donor restrictions:			
Undesignated	3,706,585	-	3,706,585
Board-designated	4,747,435	-	4,747,435
Foreign currency translation adjustment	(140,966)	-	(140,966)
<b>Total Net Assets Without Donor Restrictions</b>	<b>8,313,054</b>	<b>-</b>	<b>8,313,054</b>
With donor restrictions	-	1,463,628	1,463,628
<b>Total Net Assets</b>	<b>8,313,054</b>	<b>1,463,628</b>	<b>9,776,682</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 10,416,072</b>	<b>\$ 1,463,628</b>	<b>\$ 11,879,700</b>

*See accompanying notes to combined financial statements.*



## ReFrame Ministries

### Combined Statement of Activities

*Year ended June 30, 2021*

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues and Other Support</b>			
Denominational ministry shares	\$ 2,708,765	\$ -	\$ 2,708,765
Individual gifts and ministry support	3,568,487	30,000	3,598,487
Legacies	2,187,559	-	2,187,559
Investment income, net	1,135,402	332,059	1,467,461
Other	197,048	-	197,048
Net assets released from restrictions	48,202	(48,202)	-
<b>Total Revenues and Other Support</b>	<b>9,845,463</b>	<b>313,857</b>	<b>10,159,320</b>
<b>Expenses</b>			
Program services:			
North America	2,298,915	-	2,298,915
International	2,774,217	-	2,774,217
<b>Total Program Services</b>	<b>5,073,132</b>	<b>-</b>	<b>5,073,132</b>
Support services:			
Management and general	886,778	-	886,778
Fundraising	1,321,281	-	1,321,281
<b>Total Support Services</b>	<b>2,208,059</b>	<b>-</b>	<b>2,208,059</b>
<b>Total Expenses</b>	<b>7,281,191</b>	<b>-</b>	<b>7,281,191</b>
<b>Changes in Net Assets</b>	<b>\$ 2,564,272</b>	<b>\$ 313,857</b>	<b>\$ 2,878,129</b>

*See accompanying notes to combined financial statements.*

## ReFrame Ministries

### Combined Statement of Activities

*Year ended June 30, 2020*

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues and Other Support</b>			
Denominational ministry shares	\$ 2,610,523	\$ -	\$ 2,610,523
Individual gifts and ministry support	3,094,629	270,600	3,365,229
Legacies	2,035,482	-	2,035,482
Investment income, net	256,209	2,168	258,377
Other	491,774	-	491,774
Net assets released from restrictions	63,293	(63,293)	-
<b>Total Revenues and Other Support</b>	<b>8,551,910</b>	<b>209,475</b>	<b>8,761,385</b>
<b>Expenses</b>			
Program services:			
North America	2,399,994	-	2,399,994
International	3,130,313	-	3,130,313
<b>Total Program Services</b>	<b>5,530,307</b>	<b>-</b>	<b>5,530,307</b>
Support services:			
Management and general	990,200	-	990,200
Fundraising	1,664,325	-	1,664,325
<b>Total Support Services</b>	<b>2,654,525</b>	<b>-</b>	<b>2,654,525</b>
<b>Total Expenses</b>	<b>8,184,832</b>	<b>-</b>	<b>8,184,832</b>
<b>Changes in Net Assets</b>	<b>\$ 367,078</b>	<b>\$ 209,475</b>	<b>\$ 576,553</b>

*See accompanying notes to combined financial statements.*

## ReFrame Ministries

### Combined Statement of Functional Expenses

*Year ended June 30, 2021*

	Program Services			Support Services			Total Expenses
	North America	International	Total	Management and General	Fundraising	Total	
Salaries and benefits	\$ 1,370,341	\$ 488,329	\$ 1,858,670	\$ 348,055	\$ 961,210	\$ 1,309,265	\$ 3,167,935
Production and broadcasting	164,676	2,114,981	2,279,657	-	-	-	2,279,657
Publications and printed materials	292,511	62,212	354,723	4,180	61,770	65,950	420,673
Professional fees and contracted services	186,565	17,640	204,205	46,139	139,043	185,182	389,387
Finance, human resources, and payroll services	-	-	-	223,939	-	223,939	223,939
Miscellaneous	46,498	15,928	62,426	103,426	21,861	125,287	187,713
Information technology	63,831	32,303	96,134	15,757	37,290	53,047	149,181
Postage	75,648	6,148	81,796	602	49,876	50,478	132,274
Gift entry	-	-	-	122,922	-	122,922	122,922
Occupancy costs	27,277	16,867	44,144	11,901	25,573	37,474	81,618
Software, web hosting, and development	55,766	7,542	63,308	3,226	9,535	12,761	76,069
Depreciation	11,247	8,035	19,282	4,822	9,641	14,463	33,745
Travel, meetings, and staff development	4,555	4,232	8,787	1,809	5,482	7,291	16,078
<b>Total</b>	<b>\$ 2,298,915</b>	<b>\$ 2,774,217</b>	<b>\$ 5,073,132</b>	<b>\$ 886,778</b>	<b>\$ 1,321,281</b>	<b>\$ 2,208,059</b>	<b>\$ 7,281,191</b>

*See accompanying notes to combined financial statements.*

## ReFrame Ministries

### Combined Statement of Functional Expenses

*Year ended June 30, 2020*

	Program Services			Support Services			Total Expenses
	North America	International	Total	Management and General	Fundraising	Total	
Salaries and benefits	\$ 1,316,454	\$ 557,137	\$ 1,873,591	\$ 357,744	\$ 855,712	\$ 1,213,456	\$ 3,087,047
Production	439,496	1,310,444	1,749,940	-	-	-	1,749,940
Broadcasting	14,957	775,455	790,412	-	-	-	790,412
Professional fees and contracted services	-	167,091	167,091	80,432	353,074	433,506	600,597
Publications and printed materials	222,305	61,544	283,849	11,439	180,652	192,091	475,940
Occupancy costs	145,852	66,896	212,748	46,039	71,468	117,507	330,255
Travel, meetings, and staff development	31,491	129,910	161,401	53,168	73,994	127,162	288,563
Finance, human resources, and payroll services	-	-	-	232,108	-	232,108	232,108
Information technology	82,164	42,514	124,678	21,866	48,544	70,410	195,088
Gift entry	-	-	-	162,130	-	162,130	162,130
Postage	97,153	7,260	104,413	1,122	38,392	39,514	143,927
Miscellaneous	45,581	8,854	54,435	22,153	38,491	60,644	115,079
Depreciation	4,541	3,208	7,749	1,999	3,998	5,997	13,746
<b>Total</b>	<b>\$ 2,399,994</b>	<b>\$ 3,130,313</b>	<b>\$ 5,530,307</b>	<b>\$ 990,200</b>	<b>\$ 1,664,325</b>	<b>\$ 2,654,525</b>	<b>\$ 8,184,832</b>

*See accompanying notes to combined financial statements.*

## ReFrame Ministries

### Combined Statements of Changes in Net Assets

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	Without Donor Restrictions	With Donor Restrictions	Total
<b>Balance, July 1, 2019</b>	\$ 7,975,487	\$ 1,254,153	\$ 9,229,640
Changes in net assets	367,078	209,475	576,553
Foreign currency translation adjustment	(29,511)	-	(29,511)
<b>Balance, June 30, 2020</b>	8,313,054	1,463,628	9,776,682
Changes in net assets	2,564,272	313,857	2,878,129
Foreign currency translation adjustment	83,932	-	83,932
<b>Balance, June 30, 2021</b>	\$ 10,961,258	\$ 1,777,485	\$ 12,738,743

*See accompanying notes to combined financial statements.*

# ReFrame Ministries

## Combined Statements of Cash Flows

<i>Year ended June 30,</i>	<b>2021</b>	<b>2020</b>
<b>Cash Flows from Operating Activities</b>		
Changes in net assets	\$ 2,878,129	\$ 576,553
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Change in value of annuities payable	10,018	(22,749)
Net change in fair value of investments	(1,406,878)	(283,157)
Increase (decrease) in cash surrender value of life insurance	(72,345)	33,401
Depreciation	33,745	13,746
Changes in assets and liabilities:		
Accounts receivable and other	(576,980)	121,223
Interest receivable	-	11,155
Due from Christian Reformed Church in North America, net	907,694	(932,361)
Accounts payable and accrued liabilities	(74,435)	84,890
Refundable advances - other	(2,500)	(35,500)
Refundable advances - PPP loan	(1,275,623)	1,275,623
<b>Net Cash Provided by Operating Activities</b>	<b>420,825</b>	<b>842,824</b>
<b>Cash Flows from Investing Activities</b>		
Purchases of property and equipment	-	(99,129)
Purchases of investments	(15,000)	(1,520,600)
Proceeds from sale of investments	18,825	16,134
Premiums paid for life insurance policies	(10,000)	(11,650)
<b>Net Cash Used in Investing Activities</b>	<b>(6,175)</b>	<b>(1,615,245)</b>
<b>Cash Flows from Financing Activities</b>		
Payments on annuities payable	(28,625)	(11,000)
<b>Effect of Exchange Rates on Cash</b>	<b>86,292</b>	<b>(25,323)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>472,317</b>	<b>(808,744)</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>2,371,779</b>	<b>3,180,523</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>\$ 2,844,096</b>	<b>\$ 2,371,779</b>
<b>Supplemental Disclosure of Cash Flow Information</b>		
Cash paid during the year for interest	\$ 14,548	\$ 6,370

*See accompanying notes to combined financial statements.*

# ReFrame Ministries

## Notes to Combined Financial Statements

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### 1. Organization

The combined financial statements include the accounts of ReFrame Ministries (an Illinois nonprofit corporation) and ReFrame Ministries (a Canadian nonprofit corporation) (collectively, the Agency or Agencies). The purpose of the Agency is to proclaim God's Word using electronic media to reframe lives around the world. The Agency engages in appropriate follow-up with those who respond, sharing God's story, discipling believers, and strengthening local churches.

The Agency changed its legal name effective January 4, 2021 from Back to God Ministries International to ReFrame Ministries, uniting its brand. Previously, ReFrame Media was the brand associated with the English language ministry programming, and Back to God Ministries International was more closely aligned with the international language ministries.

The Agency's program services are described as follows:

- *North America* - The Agency uses various forms of media, such as radio, the Internet, daily emails, smartphone applications, and printed discipleship and devotional materials throughout North America. It offers a suite of programs tailored for specific audiences:
  - *Church Juice* - A program providing resources for church leaders to intentionally engage their congregations and communities in meaningful ways. It includes free resources to help refine church websites, social media, branding, and marketing.
  - *Family Fire* - An online community exploring what it means to be Holy Spirit-led in families, dating, marriages, parenting, in-law relationships, and other topics. A team of therapists, pastors, and writers stoke the Spirit's flame through live retreat events and encouragement on the web, social media, and email.
  - *Groundwork* - A half-hour radio program and podcast to build a biblical foundation for life. Christian Reformed Church in North America (CRCNA) and Reformed Church in America (RCA) hosts invite listeners into conversation that digs deeply into the substance of God's Word.
  - *Kids Corner* - A half-hour kids audio adventure for radio and podcast. Fun stories show kids how they are an important part of God's big story. Kids Corner includes web-based resources to help parents guide their children as they grow in lifelong relationships with Jesus.
  - *Think Christian* - An online magazine and podcast where Christians bridge the perceived gap between faith and culture. Thoughtful discussions explore God's sovereignty over culture and what it means to live and think as a Christian.
  - *Today* - A daily devotional that helps people refresh, refocus, and renew their faith. Today contributors provide reflection and insight, from years of ministry experience, into biblical themes developed over an entire month, like a 30-day Bible study. Today is distributed in print, on the web, as a mobile app, as a two-minute audio version, and via daily emails.
  - *Prayer Ministry* - A program coordinating a team of over 7,200 prayer volunteers who pray for the hundreds of individuals who request prayer through one of the above six programs each week. Volunteers are provided with resources to help them grow in knowledge and gain confidence for their prayer lives.

# ReFrame Ministries

## Notes to Combined Financial Statements

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- *International* - Using relevant media to reach specific people groups, the Agency carries out programming internationally in ten of the major world languages (those with over 100 million speaking the language). Individuals around the world have access to God's Word in their own language every day. Responses have been received from nearly every country.

Each Agency is exempt from income taxes in their respective countries, and contributions are deductible for federal tax purposes.

## 2. Summary of Significant Accounting Policies

### *Combined Financial Statements*

The combined financial statements are prepared on the accrual basis of accounting expressed in United States dollars and are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). All interagency balances, accounts, and transactions have been eliminated.

Net assets and changes therein are classified and reported as follows:

- *Without Donor Restrictions* - This class consists of net assets that are not subject to donor-imposed stipulations. Net assets without donor restrictions are available for use at the discretion of the respective U.S. and Canadian Corporation Boards (the Boards) as recommended by the Council of Delegates (the COD) and/or management for general operating purposes. From time-to-time, the Boards designate a portion of these net assets for specific purposes as recommended by the COD, which makes them unavailable for use at management's discretion. The Boards have designated a portion of net assets without donor restrictions as a quasi-term endowment (an amount to be treated by management as if it were part of the donor-restricted term endowment) for the purpose of securing the Agency's long-term financial viability. See Note 13 for more information on the composition of net assets without donor restrictions.
- *With Donor Restrictions* - This class consists of net assets subject to donor-imposed stipulations that may or will be met either by actions of the Agency and/or the passage of time. Some net assets with donor restrictions include a stipulation that assets provided be maintained permanently by the Agency. The donors of these assets have stipulated that the net assets be invested and that any income earned be utilized for purposes. The Agency reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires—that is, when a stipulated time restriction ends or purpose restriction is accomplished—the net assets are reclassified as net assets without donor restriction and reported in the combined statements of activities as net assets released from restrictions. See Notes 14 and 15 for more information on the composition of net assets with donor restrictions and the release of restrictions, respectively.

Revenues and contributions are reported as follows:

- Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions



# ReFrame Ministries

## Notes to Combined Financial Statements

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unless their use is restricted by explicit donor stipulations. Expirations of donor restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. Contributions received with donor restrictions and expended for the designated purpose in the same year are reflected in net assets without donor restrictions.

- Contributions are recognized as revenues in the period received. Unconditional promises to give are recognized as revenue in the year the promise is made. Conditional promises to give are not recognized until they become unconditional—that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Denominational ministry shares are recommended gifts from churches based on active professing members age 18 and over. Legacy gifts are gifts received through estates and trusts based on donor bequests.

### ***Functional Currency***

The functional currency for foreign activities is the applicable local currency. The translation from the applicable foreign currency to United States dollars is performed in accounts of the combined statements of financial position using current exchange rates in effect at June 30, 2021 and 2020, and for revenue and expense accounts using an average exchange rate during the year. Gains or losses resulting from foreign currency translations are included as a separate component of net assets. Gains or losses from foreign currency transactions were not material and are reflected in management and general expenses.

### ***Use of Estimates***

The preparation of the combined financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect amounts reported therein. Due to the inherent uncertainty involved in making estimates, actual results reported in future periods may differ from those estimates.

### ***Cash and Cash Equivalents***

Cash and cash equivalents consist of highly liquid financial instruments with original maturities of less than three months when purchased.

### ***Concentrations of Credit Risk***

Financial instruments that potentially subject the Agency to concentrations of credit risk consist of cash and cash equivalents. The Agency places its cash and cash equivalents with high-credit qualified institutions. At times, the amount of cash and cash equivalents may be in excess of the respective institutions' insurance limits. The Agency has not experienced any losses in such accounts, and management believes the Agency is not exposed to any unusual credit risk on cash and cash equivalents.

### ***Investments***

Investments are reported at fair value as determined by quoted market prices.

# ReFrame Ministries

## Notes to Combined Financial Statements

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### *Accounts Receivable, Pledges Receivable, and Other*

Accounts receivable are stated at the amount management expects to collect from outstanding balances.

Pledges receivable are stated at the amount management expects to receive from estate gifts they have been notified of by June 30, 2021 and 2020. The estate gifts are expected to be received within the timeframes in the table below and are recorded at their net realizable value.

<i>June 30,</i>		2021		2020
Pledges receivable within one year	\$	749,000	\$	549,200
Pledges receivable in 12-24 months		404,000		-
Pledges receivable beyond 24 months		12,000		-
<b>Total Pledges Receivable</b>	<b>\$</b>	<b>1,165,000</b>	<b>\$</b>	<b>549,200</b>

Pledges receivable are included in accounts receivable and other on the statement of financial position.

### *Cash Surrender Value of Life Insurance*

Life insurance policies held are valued based on cash surrender value of the policies. Premiums paid and unrealized gains or losses are included in other revenue.

### *Property and Equipment*

Property and equipment are carried at cost less accumulated depreciation. Property and equipment purchases of \$5,000 or more are capitalized and depreciated using the straight-line method over the estimated useful lives of the assets, which range from two to 40 years. For assets sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any related gain or loss is reflected in the combined statements of activities.

### *Functional Allocation of Expenses*

There are several methods ReFrame Ministries International uses to allocate costs shared among departments. Certain costs incurred have been allocated according to the amount the programs and supporting services benefited from such cost. Allocation values and percentages are reviewed at least annually.

- Payroll expenses are allocated to departments based on a percentage of time staff members spend providing services to those areas.
- Certain costs of providing programs and other activities are spread over various departments based on location headcount.
- At year-end, a cost-sharing allocation is performed between the U.S. and Canada for language ministry program expenses. Program costs are allocated based on a percentage of CRCNA denominational membership in each country. Fundraising and administration costs reside in the country where incurred.

# ReFrame Ministries

## Notes to Combined Financial Statements

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### *Investment Income, Net*

Investment income, net, consists of interest, dividends, realized and unrealized gains and losses on investments, the change in the present value of annuities payable, change in cash surrender value of life insurance, and investment expenses.

### *Income Taxes*

ReFrame Ministries International (U.S.) is included in the CRCNA's group exemption from income taxes. The Agency is not aware of any material uncertain tax positions.

### *Subsequent Events*

Management has evaluated subsequent events through October 5, 2021, the date the combined financial statements were available to be issued. Based on evaluation, there were no matters identified that had a significant impact on the combined financial statements as presented.

## 3. Liquidity

The Agency's financial assets available within one year of the combined statements of financial position date for general expenditures are as follows:

<i>June 30,</i>	2021	2020
Cash and cash equivalents - without donor restrictions	\$ 2,482,205	\$ 1,993,483
Investments held by CRCNA Funds, LLC	7,146,630	6,085,768
Other investments, without donor restrictions	47,906	33,810
Accounts receivable and other	1,210,883	633,903
Due from Christian Reformed Church in North America	-	850,224
<b>Total Financial Assets Available Within One Year</b>	<b>10,887,624</b>	<b>9,597,188</b>
Less:		
Amounts unavailable for general expenditures within one year, due to:		
Portion of accounts receivable and other not expected to be received within one year	(423,348)	(32,286)
<b>Total Amounts Unavailable for General Expenditures Within One Year</b>	<b>(423,348)</b>	<b>(32,286)</b>
Amounts unavailable to management without Board approval:		
Board-designated for general operations	(1,941,795)	(1,941,795)
Board-designated for Program and Capital Investment Fund	(468,270)	(807,944)
Board-designated for Stewardship Fund	(2,250,921)	(1,997,696)
<b>Total Amounts Unavailable to Management Without Board Approval</b>	<b>(4,660,986)</b>	<b>(4,747,435)</b>
<b>Total Financial Assets Available to Management for General Expenditure Within One Year</b>	<b>\$ 5,803,290</b>	<b>\$ 4,817,467</b>

As part of the Agency's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

# ReFrame Ministries

## Notes to Combined Financial Statements

### 4. Property and Equipment

Property and equipment consist of the following:

<i>June 30,</i>	<b>2021</b>	<b>2020</b>	Useful Life (Years)
Leasehold improvements	\$ 102,850	\$ 102,850	10-15
Equipment, furniture, and fixtures	249,308	250,641	2-10
Less: accumulated depreciation	(78,279)	(45,868)	
<b>Property and Equipment, Net</b>	<b>\$ 273,879</b>	<b>\$ 307,623</b>	

Depreciation expense was \$33,745 and \$13,746 in 2021 and 2020, respectively.

During the years ended June 30, 2021 and 2020, the Agency disposed of assets that were fully depreciated that totaled \$1,333 and \$202,993, respectively.

### 5. Investments

The Agency directs the majority of its investments through CRCNA Funds, LLC (CRCNA Funds), a related party. CRCNA Funds holds investments of participating agencies of the Christian Reformed Church. Participating agencies direct their investments into a money market account, a balanced portfolio, and a fixed-income portfolio, and are allocated their share of investment earnings and losses.

#### *Investment Risk*

The Agency invests in various securities, including government securities, corporate bonds, equity funds, money market funds, and other debt instruments. Investment securities, in general, are exposed to various risks, such as interest rate, 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 such changes could materially affect the amounts reported in the combined statements of financial position. Investments are summarized as follows:

<i>June 30,</i>	<b>2021</b>	<b>2020</b>
<b>CRCNA Funds, LLC</b>		
Fixed-income portfolio	\$ 1,897,331	\$ 1,873,792
Balanced portfolio	5,249,299	4,211,976
<b>Investments Held by CRCNA Funds, LLC</b>	<b>\$ 7,146,630</b>	<b>\$ 6,085,768</b>
<b>Beneficial Interest in Assets Held by Barnabas Foundation</b>	<b>\$ 1,402,062</b>	<b>\$ 1,063,550</b>
<b>Other Investments</b>		
Investment in International Stewardship Fund	\$ 13,532	\$ 21,782
Common stock	47,906	33,810
<b>Total Other Investments</b>	<b>\$ 61,438</b>	<b>\$ 55,592</b>

# ReFrame Ministries

## Notes to Combined Financial Statements

Investments are carried at fair value. The Agency had investments of \$1,402,062 and \$1,063,550 at June 30, 2021 and 2020, respectively, held in a beneficial trust at Barnabas Foundation in a donor-established trust that designates the Agency as the primary beneficiary.

Total investment income for the years ended June 30, 2021 and 2020 includes investment and dividend income of approximately \$7,000 and \$161,000, respectively; unrealized gains on investments of approximately \$1,406,000 and \$139,000, respectively; and other net unrealized investment gain (loss) of approximately \$54,000 and \$(42,000), respectively.

### 6. Fair Value Measurements

In accordance with the Financial Accounting Standards Board (FASB) standard relating to fair value measurements, the Agency classifies its investments and annuities payable into Level 1, which refers to securities valued using quoted prices from active markets for identical assets; Level 2, which refers to investments and annuities payable and not traded on an active market but for which observable market inputs are readily available; and Level 3, which refers to investments valued based on significant unobservable inputs. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The following tables set forth by level, within the fair value hierarchy, a summary of the Agency's investments and annuities payable measured at fair value on a recurring basis:

#### *June 30, 2021*

	Level 1	Level 2	Level 3	Total
Investments held by CRCNA Funds, LLC	\$ 6,719,543	\$ 427,087	\$ -	\$ 7,146,630
Beneficial interest in assets held by Barnabas Foundation	-	1,402,062	-	1,402,062
Investment in International Stewardship Fund	13,532	-	-	13,532
Common stock	47,906	-	-	47,906
<b>Investments, at fair value</b>	<b>\$ 6,780,981</b>	<b>\$ 1,829,149</b>	<b>\$ -</b>	<b>\$ 8,610,130</b>
<b>Annuities Payable</b>	<b>\$ -</b>	<b>\$ 210,856</b>	<b>\$ -</b>	<b>\$ 210,856</b>

#### *June 30, 2020*

	Level 1	Level 2	Level 3	Total
Investments held by CRCNA Funds, LLC	\$ 5,701,069	\$ 384,699	\$ -	\$ 6,085,768
Beneficial interest in assets held by Barnabas Foundation	-	1,063,550	-	1,063,550
Investment in International Stewardship Fund	21,782	-	-	21,782
Common stock	33,810	-	-	33,810
<b>Investments, at fair value</b>	<b>\$ 5,756,661</b>	<b>\$ 1,448,249</b>	<b>\$ -</b>	<b>\$ 7,204,910</b>
<b>Annuities Payable</b>	<b>\$ -</b>	<b>\$ 229,463</b>	<b>\$ -</b>	<b>\$ 229,463</b>

# ReFrame Ministries

## Notes to Combined Financial Statements

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### 7. Endowments

#### *Donor-Designated*

The Agency's donor-restricted endowments consist of a fund established to support the Chinese Language Ministry and a fund to support cutting-edge media technology and facilities upgrades, whereas the Agency's permanently restricted endowment was established initially to support the television ministry of the Agency. This purpose is under revision to support the broadcast ministry. Its endowments consist only of donor-restricted endowment funds. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

#### *Board-Designated*

The Agency has a quasi-term endowment fund to provide sustainable, ongoing funding for the overall expenses of ReFrame Ministries International over a period of time, as well as a start-up foundation for funding new initiatives.

The Stewardship Fund consists of both Board-designated funds representing unrestricted estate gifts received in excess of budgeted amounts, as well as donor-restricted funds (gifts donors have stipulated for the Stewardship Fund). The fund provides a ten-year use of gifts to ensure budget stability for ministry expenses.

Net assets associated with the Stewardship Fund are classified and reported based on the existence or absence of donor-imposed restrictions.

In the fiscal years ended June 30, 2021 and 2020, the Agency had the following changes in the Board-designated and donor-restricted quasi-term endowment:

	Stewardship Fund Board-Designated	U.S. Stewardship Fund with Donor Restriction	Canada Stewardship Fund with Donor Restriction
<b>Balance, July 1, 2019</b>	\$ 546,106	\$ 79,397	\$ 33,109
Gifts received and adjustments	1,680,298	250,000	1,096
Releases	(228,708)	(50,870)	(12,423)
<b>Balance, June 30, 2020</b>	1,997,696	278,527	21,782
Gifts received and adjustments	535,482	15,000	1,098
Releases	(282,257)	(31,405)	(9,348)
<b>Balance, June 30, 2021</b>	\$ 2,250,921	\$ 262,122	\$ 13,532

#### *Interpretation of Relevant Law*

The Agency's Board had interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) 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 the interpretation, the Agency classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the

# ReFrame Ministries

## Notes to Combined Financial Statements

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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, until those amounts are appropriated for expenditure by the Agency in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Agency considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

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

### *Return Objectives and Risk Parameters*

The Agency's endowment is invested through the Barnabas Foundation and CRCNA Funds. The goal of the Barnabas Foundation portfolio is to gain long-term growth with managing risk through investment allocation to a broad diversification of investments. The investment strategy is geared for perpetually reinvested accounts with low to moderate liquidity needs. The weighting of the portfolio is approximately 35% equity-link investments, 20% fixed-income investments, and 45% alternative investments. The portfolio primarily includes cash equivalents, bond, equity, and mutual fund investments.

The CRCNA Funds portfolio is invested in both a balanced fund and a fixed-income fund. The investment objective of the balanced fund is a combination of fixed-income and equity securities to offer a higher return potential than the fixed-income fund alone. Investment into this style is assumed to have a relatively long (three to five years) time horizon. It is also assumed that cash flows should be minimal. The asset mix of the balanced fund range between equities and fixed income, with a minimal amount included in cash equivalents. The investment objective of the fixed-income fund is a short bond style, which is intended to provide enhanced returns to a money market fund while retaining a low-risk profile. In order to control risk, a relatively short (approximately 1.5 to two years) duration approach is used. Investment into this style is assumed to be a secondary source of liquidity. The asset mix of the fixed-income fund is mainly fixed income with 10% or less invested in cash equivalents. The distributions of the restricted funds are based solely on CRCNA Funds' needs of the funds within the stipulated donor restrictions.

The Agency ordinarily will take approximately 5% of the restricted endowment fund to general operations each year if the balance exceeds approximately \$500,000 in accordance with the endowment agreement. In the fiscal years ended June 30, 2021 and 2020, the Agency transferred \$0 toward general operations.

The Media Reach Endowment Fund was created to support cutting-edge media technology and facilities upgrades and maintenance to house ministries around the world. Over the course of 13 years, the fund's balance remained around \$7,300, and the fund hadn't been marketed. The fund

# ReFrame Ministries

## Notes to Combined Financial Statements

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document provided for the distribution to a different fund supporting the Agency if the Agency determined that maintaining the fund was no longer practical. As ReFrame Ministries had an existing fund with a similar purpose, the balance in the Media Reach Endowment Fund was transferred to the Program and Capital Investment Reserve Fund during the fiscal year, the purpose of which is to provide a ready source of funds for repair or acquisition of studio-related infrastructure or equipment and to meet special targets of opportunity or needs that further the mission of the organization, including investing in infrastructure that will build long-term capacity. This fund was created from the net proceeds of the sale of the Palos Heights building.

The Agency has received conditional promises from donors to make contributions to the Agency, primarily bequests, totaling approximately \$29,500,000. These gifts have not been recorded as of June 30, 2021 and won't be recorded until the set conditions have been met.

The balance of restricted endowments is comprised of The Rev. Isaac Jen Chinese Endowment Fund and the James Michael (Jim) Van Drunen Memorial Fund. In the fiscal years ended June 30, 2021 and 2020, the Agency had the following changes in the restricted endowments:

	Restricted
<b>Balance, June 30, 2019</b>	\$ 1,141,647
Donor-restricted gifts	20,600
Investment income, net	1,072
<b>Balance, June 30, 2020</b>	1,163,319
Donor-restricted gifts	15,000
Investment income, net	330,822
Endowment closure/transfer to Board-designated fund	(7,310)
<b>Balance, June 30, 2021</b>	\$ 1,501,831

### *Strategies Employed for Achieving Objectives*

To satisfy its long-term rate-of-return objectives, the Agency 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 Agency targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

### **8. Annuities Payable**

Donors have transferred assets to the Agency in exchange for the right to receive a predetermined return during their lifetime (an annuity). A portion of the transfer is considered to be a charitable contribution for income tax purposes. Upon receipt of the transfer, the Agency recorded a liability for the annuity payable at the present value of future payments based on life expectancy and the midterm federal rate for U.S. Treasury Bills for the month the contract is written with the same maturity as the average life expectancy of the annuitants. The difference between the liability recognized for the annuity and the amount of the transfer was recognized as unrestricted contribution income at the date of the gift unless the gift portion was restricted. Annuity payments are charged against the liability, which, at the end of each fiscal year, is adjusted to the present value of future payments based on life expectancy (utilizing the Internal Revenue Service Life Expectancy Tables for Males and Females) and the interest rate commensurate with the remaining



# ReFrame Ministries

## Notes to Combined Financial Statements

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expected term of the contract (4.3% to 10.2% at June 30, 2021). The resulting adjustment is netted against investment income in the combined statements of activities.

### 9. Refundable Advances

#### *Refundable Advances - Other*

Refundable advances - other represent assets transferred to the Agency under revocable gift agreements wherein the Agency agrees to pay the donor an amount equal to a designated percentage rate. The donor has the right to revoke the gift at any time. If not previously called by the donor, upon the death of the donor, the principal transfers to the Agency. The designated percentage rates range from 0% to 7% per annum and are payable either semi-annually or annually.

#### *Paycheck Protection Program Loan*

On their behalf and that of the Christian Reformed Church in North America, Raise Up Global Ministries, and World Renew, the Agency applied for a loan under the Small Business Administration's (SBA) Paycheck Protection Program (PPP) through provision by the Coronavirus Aid, Relief, and Economic Security Act (the CARES Act). In May 2020, this PPP loan was approved by TCF National Bank in the amount of \$4,184,145, with a 1% interest-bearing promissory note that specifies repayment in 18 monthly installments beginning December 1, 2020.

The Agency applied for PPP monies with the expectation of meeting the eligibility criteria for loan forgiveness. As such, they elected to account for the PPP loan in accordance with FASB Accounting Standards Codification (ASC) 958-605 as a conditional contribution. This allows each Agency to recognize contribution revenue when the underlying conditions have been substantially met. The allocation of PPP funds among the four agencies is as follows:

	Amount Awarded	Conditions Met as of June 30, 2021	Remaining Balance as of June 30, 2021
ReFrame Ministries International	\$ 530,578	\$ (530,578)	\$ -
World Renew	817,258	(817,258)	-
Raise Up Global Ministries	59,562	(59,562)	-
Christian Reformed Church in North America	2,776,747	(2,776,747)	-
<b>Total</b>	<b>\$ 4,184,145</b>	<b>\$ (4,184,145)</b>	<b>\$ -</b>

During the year ended June 30, 2021, the Agency recognized \$156,000 as contribution revenue from this refundable advance, which is included in the combined statements of activities under other.

The SBA provided a notice of forgiveness with an effective date of June 16, 2021.

As of June 30, 2020, the Agency recorded \$1,113,871 of amounts due from Christian Reformed Church in North America, Raise Up Global Ministries, and World Renew, which is included in the combined statements of financial position under due from Christian Reformed Church in North America.

# ReFrame Ministries

## Notes to Combined Financial Statements

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### 10. Employee Retirement Plans

The Agency contributes to the CRCNA's Employees' Savings Plan, a defined contribution retirement plan for the benefit of covered non-ordained employees (Non-Ordained Plan), and to the Retirement Plan for Ministers of the Christian Reformed Church in the United States (U.S. Ordained Plan), a defined benefit retirement plan for ordained employees. Retirement plan contributions for ordained employees of ReFrame Ministries International are made to the Retirement Fund for Ministers of the Christian Reformed Church in Canada (Canada Ordained Plan), a defined benefit retirement plan. The Agency's obligation for the Non-Ordained Plan is limited to a matching contribution of up to 4% of eligible wages, with employer discretionary contributions of up to 6% of eligible wages of qualified employees. For the Ordained Plans, all organized churches are required to pay church assessments determined at an amount per professing member age 18 years and older or, if greater, the direct costs of their first or only pastor's participation in the organized church, based on reported membership statistics.

Retirement plan contribution expense for the years ended June 30, 2021 and 2020 amounted to \$177,800 and \$155,000, respectively, for the Non-Ordained Plan, and \$30,800 and \$33,800, respectively, for the Ordained Plans.

Separate information with respect to plan assets and accumulated plan benefits for the defined benefit plans is not available. However, for information purposes, the estimated actuarial present value of accumulated plan benefits and plan assets, assuming an 8% interest rate for the Ordained Plans, as of the most recent valuation (January 1, 2021) was \$130,146,111. Net assets available for benefits of the Ordained Plans were \$125,693,879 and \$117,439,974 as of January 1, 2021 and 2020, respectively.

### 11. Transactions With Other Christian Reformed Church Entities

During the years ended June 30, 2021 and 2020, the Agency purchased printing and publication services from CRCNA totaling approximately \$175,000 and \$372,000, respectively, and incurred charges of approximately \$500,000 and \$627,000, respectively, for administrative support and other services. The Agency also incurred charges during the years ended June 30, 2021 and 2020 of approximately \$169,000 and \$172,000, respectively, from the CRCNA for support charges related to the coordinated financial services function, and approximately \$82,000 and \$260,000, respectively, of allocated building occupancy expenses. At June 30, 2021 and 2020, amounts due to other Christian Reformed Church entities included approximately \$57,000 and \$264,000, respectively, and are netted against amounts due from other Christian Reformed Church entities on the combined statements of financial position.

The Agency manages its cash in conjunction with the CRCNA consolidated cash management system, which holds funds at two banks, a single shared account at JP Morgan Chase, and individual agency accounts in addition to a shared account at TCF Bank. As part of this process, the CRCNA may borrow funds of participating entities. At June 30, 2021 and 2020, the CRCNA borrowed \$0 from the Agency. The Agency has authorized the use of its funds held in the consolidated cash management system as collateral for borrowings of the Christian Reformed Church in North America, up to a \$1,000,000 limit.

# ReFrame Ministries

## Notes to Combined Financial Statements

### 12. Beneficial Interest in Assets Held by Barnabas Foundation

The Agency has a beneficial interest in the net assets of the Barnabas Foundation related to trusts that donors have established at the Barnabas Foundation that designates the Agency as the primary beneficiary. This beneficial interest is adjusted annually to reflect the changes in the net assets of these trusts and amounts transferred to the Agency during the reporting period. The total changes in beneficial interest in the net assets of the Barnabas Foundation are summarized as follows:

<i>Year ended June 30,</i>	<b>2021</b>	<b>2020</b>
<b>Beginning Balance</b>	\$ 1,063,550	\$ 1,041,878
Change in beneficial interest in the net assets of the Barnabas Foundation before contributions	330,822	1,072
Contributions from donors to the beneficial interest	15,000	20,600
Endowment closure/transfer to Board-designated fund	(7,310)	-
<b>Ending Balance</b>	<b>\$ 1,402,062</b>	<b>\$ 1,063,550</b>

### 13. Net Assets Without Donor Restriction

The Agency's net assets without donor restrictions is comprised of undesignated and Board-designated amounts for the following purposes:

<i>June 30,</i>	<b>2021</b>	<b>2020</b>
<b>Net Assets Without Donor Restriction</b>		
Undesignated	\$ 6,357,306	\$ 3,706,585
Board-designated:		
General operations	1,941,795	1,941,795
Program and Capital Investment Fund	468,270	807,944
Stewardship Fund	2,250,921	1,997,696
<b>Total Board-Designated</b>	<b>4,660,986</b>	<b>4,747,435</b>
Foreign currency translation adjustment	(57,034)	(140,966)
<b>Total Net Assets Without Donor Restrictions</b>	<b>\$ 10,961,258</b>	<b>\$ 8,313,054</b>

- Board-designated - general operations represents funds received without donor restrictions that the Board has set aside over time to even out estate gift fluctuations and provide funds in deficit years.
- Board-designated - the Program and Capital Investment Fund represents funds received without donor restrictions that the Board has set aside from the sale of the former Palos Heights facility. A portion of the funds have been used to build out and equip the studio space in Grand Rapids, Michigan.
- The Board-designated portion of the Stewardship Fund represents funds received without donor restrictions from estate revenue received in excess of budgeted amounts. The purpose is to provide sustainable, ongoing funding for the overall expenses of ReFrame Ministries International, as well as a source for funding new initiatives. The fund will provide a ten-year use of gifts to ensure budget stability for ministry expenses.

# ReFrame Ministries

## Notes to Combined Financial Statements

### 14. Net Assets with Donor Restrictions

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

<i>June 30,</i>	<b>2021</b>	<b>2020</b>
<b>Net Assets with Donor Restrictions</b>		
The Rev. Isaac Jen Chinese Endowment Fund	\$ 1,402,062	\$ 1,056,240
The Media Reach Endowment Fund	-	7,310
Stewardship Fund - U.S.	262,122	278,527
Stewardship Fund - Canada	13,532	21,782
James Michael (Jim) Van Drunen Memorial Fund	99,769	99,769
<b>Total Net Assets with Donor Restrictions</b>	<b>\$ 1,777,485</b>	<b>\$ 1,463,628</b>

The various purposes of the above donor-restricted amounts are as follows:

- *The Rev. Isaac Jen Chair in Chinese Broadcast Ministry Endowment Fund* - A fund for the benefit of ReFrame Ministries International for the support and furtherance of the Chinese language ministry.
- *Stewardship Fund - U.S.* - This fund is to provide sustainable, ongoing funding for the overall expenses of ReFrame Ministries International, as well as a start-up foundation for funding new initiatives. The fund will provide a ten-year use of gifts to ensure budget stability for ministry expenses.
- *Stewardship Fund - Canada* - This fund has 10% of its original value released annually, designated for language ministry or general expenses.
- *The James Michael (Jim) Van Drunen Memorial Fund* - This fund is to provide support for the television ministry of ReFrame Ministries International. The fund purpose was amended in June 2020 by Jim Van Drunen's parents to provide support for the broadcast ministry of ReFrame Ministries International since the original television ministry no longer exists.

### 15. Net Assets Released from Donor Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of the passage of time or other events specified by donors. The net assets released from restrictions are as follow:

<i>Year ended June 30,</i>	<b>2021</b>	<b>2020</b>
<b>Net Assets Released from Donor Restriction</b>		
The Media Reach Endowment Fund	\$ 7,310	\$ -
Stewardship Fund - U.S.	31,405	50,870
Stewardship Fund - Canada	9,487	12,423
<b>Net Assets Released from Restrictions</b>	<b>\$ 48,202</b>	<b>\$ 63,293</b>

## Supplementary Information

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## Independent Auditor's Report on Supplementary Information

Our audits of the combined financial statements included in the preceding section of this report were performed for the purpose of forming an opinion on those statements taken as a whole. The supplementary information presented in the following section of this report is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audits of the combined financial statements and to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and to other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the combined financial statements taken as a whole.

*BDO USA, LLP*

October 5, 2021

## ReFrame Ministries

### Combining Summary of Financial Position Information - United States and Canada in United States Dollars, and Canada in Canadian Dollars

*June 30, 2021*

	United States \$			Canadian \$
	Combined	United States	Canada	Canada
<b>Assets</b>				
Cash and cash equivalents	\$ 2,844,096	\$ 1,812,211	\$ 1,031,885	\$ 1,278,985
Investments held by CRCNA Funds, LLC	7,146,630	7,146,630	-	-
Beneficial interest in assets held by Barnabas Foundation	1,402,062	1,402,062	-	-
Other investments	61,438	47,906	13,532	16,773
Cash surrender value of life insurance	593,605	593,605	-	-
Accounts receivable and other	1,210,883	1,204,413	6,470	8,019
Intercompany, net	-	(282,200)	282,200	349,777
Property and equipment	352,158	352,158	-	-
Less: accumulated depreciation	(78,279)	(78,279)	-	-
<b>Total Assets</b>	<b>\$ 13,532,593</b>	<b>\$ 12,198,506</b>	<b>\$ 1,334,087</b>	<b>\$ 1,653,554</b>
<b>Liabilities and Net Assets</b>				
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ 292,502	\$ 257,148	\$ 35,354	\$ 43,821
Due to Christian Reformed Church in North America, net	57,470	38,618	18,852	23,366
Refundable advances - other	233,022	183,000	50,022	62,000
Annuities payable	210,856	210,856	-	-
<b>Total Liabilities</b>	<b>793,850</b>	<b>689,622</b>	<b>104,228</b>	<b>129,187</b>
<b>Net Assets</b>				
Without donor restrictions:				
Undesignated	6,357,306	5,083,945	1,273,361	1,507,594
Board-designated	4,660,986	4,660,986	-	-
Foreign currency translation adjustment	(57,034)	-	(57,034)	-
<b>Total Net Assets Without Donor Restrictions</b>	<b>10,961,258</b>	<b>9,744,931</b>	<b>1,216,327</b>	<b>1,507,594</b>
With donor restrictions	1,777,485	1,763,953	13,532	16,773
<b>Total Net Assets</b>	<b>12,738,743</b>	<b>11,508,884</b>	<b>1,229,859</b>	<b>1,524,367</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 13,532,593</b>	<b>\$ 12,198,506</b>	<b>\$ 1,334,087</b>	<b>\$ 1,653,554</b>

*See accompanying independent auditor's report on supplementary information.*

## ReFrame Ministries

### Combining Summary of Financial Position Information - United States and Canada in United States Dollars, and Canada in Canadian Dollars

June 30, 2020

	United States \$			Canadian \$
	Combined	United States	Canada	Canada
<b>Assets</b>				
Cash and cash equivalents	\$ 2,371,779	\$ 1,898,080	\$ 473,699	\$ 645,542
Investments held by CRCNA Funds, LLC	6,085,768	6,085,768	-	-
Beneficial interest in assets held by Barnabas Foundation	1,063,550	1,063,550	-	-
Other investments	55,592	33,810	21,782	29,684
Cash surrender value of life insurance	511,261	511,261	-	-
Accounts receivable and other	633,903	596,119	37,784	51,491
Due from Christian Reformed Church in North America, net	850,224	864,214	(13,990)	(19,065)
Intercompany, net	-	(111,417)	111,417	151,836
Property and equipment	353,491	353,491	-	-
Less: accumulated depreciation	(45,868)	(45,868)	-	-
<b>Total Assets</b>	<b>\$ 11,879,700</b>	<b>\$ 11,249,008</b>	<b>\$ 630,692</b>	<b>\$ 859,488</b>
<b>Liabilities and Net Assets</b>				
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ 366,936	\$ 341,348	\$ 25,588	\$ 34,871
Refundable advance - PPP loan	1,275,623	1,275,623	-	-
Refundable advances - other	230,996	185,500	45,496	62,000
Annuities payable	229,463	229,463	-	-
<b>Total Liabilities</b>	<b>2,103,018</b>	<b>2,031,934</b>	<b>71,084</b>	<b>96,871</b>
<b>Net Assets</b>				
Without donor restrictions:				
Undesignated	3,706,585	3,027,793	678,792	732,933
Board-designated	4,747,435	4,747,435	-	-
Foreign currency translation adjustment	(140,966)	-	(140,966)	-
<b>Total Net Assets Without Donor Restrictions</b>	<b>8,313,054</b>	<b>7,775,228</b>	<b>537,826</b>	<b>732,933</b>
With donor restrictions	1,463,628	1,441,846	21,782	29,684
<b>Total Net Assets</b>	<b>9,776,682</b>	<b>9,217,074</b>	<b>559,608</b>	<b>762,617</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 11,879,700</b>	<b>\$ 11,249,008</b>	<b>\$ 630,692</b>	<b>\$ 859,488</b>

*See accompanying independent auditor's report on supplementary information.*



## ReFrame Ministries

### Combining Summary of Activities Information - United States and Canada in United States Dollars, and Canada in Canadian Dollars

*Year ended June 30, 2021*

	United States \$			Canadian \$
	Combined	United States	Canada	Canada
<b>Revenues and Other Support</b>				
Denominational ministry shares	\$ 2,708,765	\$ 1,875,960	\$ 832,805	\$ 1,081,986
Individual gifts and ministry support	3,598,487	2,381,950	1,216,537	1,580,534
Legacies	2,187,559	1,837,071	350,488	455,356
Investment income, net	1,467,461	1,461,459	6,002	7,798
Other	197,048	176,699	20,349	26,438
<b>Total Revenues and Other Support</b>	<b>10,159,320</b>	<b>7,733,139</b>	<b>2,426,181</b>	<b>3,152,112</b>
<b>Expenses</b>				
Program services:				
North America	2,298,915	1,660,529	638,386	829,396
International	2,774,217	1,956,459	817,758	1,062,437
<b>Total Program Services</b>	<b>5,073,132</b>	<b>3,616,988</b>	<b>1,456,144</b>	<b>1,891,833</b>
Support services:				
Management and general	886,778	748,737	138,041	179,343
Fundraising	1,321,281	1,075,604	245,677	319,185
<b>Total Support Services</b>	<b>2,208,059</b>	<b>1,824,341</b>	<b>383,718</b>	<b>498,528</b>
<b>Total Expenses</b>	<b>7,281,191</b>	<b>5,441,329</b>	<b>1,839,862</b>	<b>2,390,361</b>
<b>Changes in Net Assets</b>	<b>\$ 2,878,129</b>	<b>\$ 2,291,810</b>	<b>\$ 586,319</b>	<b>\$ 761,751</b>

*See accompanying independent auditor's report on supplementary information.*

## ReFrame Ministries

### Combining Summary of Activities Information - United States and Canada in United States Dollars, and Canada in Canadian Dollars

*Year ended June 30, 2020*

	United States \$			Canadian \$
	Combined	United States	Canada	Canada
<b>Revenues and Other Support</b>				
Denominational ministry shares	\$ 2,610,523	\$ 1,866,644	\$ 743,879	\$ 1,001,722
Individual gifts and ministry support	3,365,229	2,465,967	899,262	1,210,964
Legacies	2,035,482	1,960,230	75,252	101,336
Investment income, net	258,377	250,175	8,202	11,045
Other	491,774	432,702	59,072	79,547
<b>Total Revenues and Other Support</b>	<b>8,761,385</b>	<b>6,975,718</b>	<b>1,785,667</b>	<b>2,404,614</b>
<b>Expenses</b>				
Program services:				
North America	2,399,994	1,690,783	709,211	955,038
International	3,130,313	2,212,131	918,182	1,236,442
<b>Total Program Services</b>	<b>5,530,307</b>	<b>3,902,914</b>	<b>1,627,393</b>	<b>2,191,480</b>
Support services:				
Management and general	990,200	869,410	120,790	162,658
Fundraising	1,664,325	1,405,657	258,668	348,327
<b>Total Support Services</b>	<b>2,654,525</b>	<b>2,275,067</b>	<b>379,458</b>	<b>510,985</b>
<b>Total Expenses</b>	<b>8,184,832</b>	<b>6,177,981</b>	<b>2,006,851</b>	<b>2,702,465</b>
<b>Changes in Net Assets</b>	<b>\$ 576,553</b>	<b>\$ 797,737</b>	<b>\$ (221,184)</b>	<b>\$ (297,851)</b>

*See accompanying independent auditor's report on supplementary information.*