

KANSAS-NEBRASKA
SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

FINANCIAL STATEMENTS
For the years ended December 31, 2018 and 2017

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Kansas-Nebraska Southern Baptist Foundation
Topeka, Kansas

We have audited the accompanying financial statements of Kansas-Nebraska Southern Baptist Foundation (a nonprofit organization), which comprise the statements of financial position as of December 31, 2018 and 2017, and the related statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

Kansas-Nebraska Southern Baptist Foundation
Topeka, Kansas

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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kansas-Nebraska Southern Baptist Foundation as of December 31, 2018 and 2017, 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.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Notes Receivable and Schedule of Activities by Program are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Hay•Rice & Associates, Chartered

Hay•Rice & Associates, Chartered

September 17, 2019

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Exhibit A

STATEMENTS OF FINANCIAL POSITION

December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and cash equivalents	\$ 404,443.39	\$ 767,708.12
Managed investments	4,946,971.16	5,154,466.95
Accrued interest receivable	4,680.42	4,535.67
Accounts receivable	100,444.16	141,623.80
Notes receivable	1,863,765.65	1,661,855.32
Cash surrender value of life insurance	430,048.95	420,157.35
Property and equipment, net	<u>842,238.91</u>	<u>150,677.31</u>
Total Assets	<u>\$8,592,592.64</u>	<u>\$8,301,024.52</u>
LIABILITIES AND NET ASSETS		
<u>Liabilities</u>		
Accounts payable	\$ 147,351.22	\$ 121,006.84
Assets held for others	951,273.65	906,289.26
Deferred revenues	<u>31,300.03</u>	<u>39,818.15</u>
Total liabilities	<u>\$1,129,924.90</u>	<u>\$1,067,114.25</u>
<u>Net Assets</u>		
Without donor restrictions	\$ 452.04	\$ 479.19
With donor restrictions	<u>7,462,215.70</u>	<u>7,233,431.08</u>
Total net assets	<u>\$7,462,667.74</u>	<u>\$7,233,910.27</u>
Total Liabilities and Net Assets	<u>\$8,592,592.64</u>	<u>\$8,301,024.52</u>

The accompanying notes are an integral part of these financial statements.

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Exhibit B

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS

For the years ended December 31, 2018 and 2017

	2018			2017		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<u>Revenues, Gains, and Other Support</u>						
Contributions	\$ 1,036.00	\$ 82,270.77	\$ 83,306.77	\$ 1,036.00	\$ 653,640.40	\$ 654,676.40
Annuities	-	8,518.12	8,518.12	-	6,934.96	6,934.96
Investment earnings	11.08	180,582.62	180,593.70	3.89	164,089.29	164,093.18
Realized gain (loss) on investments	-	698,233.67	698,233.67	-	49,718.22	49,718.22
Unrealized gain (loss) on investments	-	(454,675.26)	(454,675.26)	-	394,526.89	394,526.89
Transfers	(1,035.82)	1,035.82	-	(1,035.82)	1,035.82	-
Net assets released from restrictions	<u>287,181.12</u>	<u>(287,181.12)</u>	<u>-</u>	<u>253,948.23</u>	<u>(253,948.23)</u>	<u>-</u>
Total revenues, gains, and other support	<u>\$ 287,192.38</u>	<u>\$ 228,784.62</u>	<u>\$ 515,977.00</u>	<u>\$253,952.30</u>	<u>\$1,015,997.35</u>	<u>\$1,269,949.65</u>
<u>Expenses</u>						
Program Services:						
Mission support	\$ 90,000.00	-	\$ 90,000.00	\$ 90,000.00	-	\$ 90,000.00
Grants	125,825.02	-	125,825.02	79,294.39	-	79,294.39
Annuity distribution	25,677.50	-	25,677.50	26,120.00	-	26,120.00
Trust and professional fees	36,039.53	-	36,039.53	33,190.74	-	33,190.74
Depreciation	3,438.40	-	3,438.40	3,438.40	-	3,438.40
Property supervision	4,368.89	-	4,368.89	2,095.72	-	2,095.72
Miscellaneous	<u>1,870.19</u>	<u>-</u>	<u>1,870.19</u>	<u>19,811.12</u>	<u>-</u>	<u>19,811.12</u>
Total expenses	<u>\$ 287,219.53</u>	<u>-</u>	<u>\$ 287,219.53</u>	<u>\$253,950.37</u>	<u>-</u>	<u>\$ 253,950.37</u>
Change in Net Assets	\$ (27.15)	\$ 228,784.62	\$ 228,757.47	\$ 1.93	\$1,015,997.35	\$1,015,999.28
Net Assets, Beginning of Year	<u>479.19</u>	<u>7,233,431.08</u>	<u>7,233,910.27</u>	<u>477.26</u>	<u>6,217,433.73</u>	<u>6,217,910.99</u>
Net Assets, End of Year	<u>\$ 452.04</u>	<u>\$7,462,215.70</u>	<u>\$7,462,667.74</u>	<u>\$ 479.19</u>	<u>\$7,233,431.08</u>	<u>\$7,233,910.27</u>

The accompanying notes are an integral part of these financial statements.

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Exhibit C

STATEMENTS OF CASH FLOWS

For the years ended December 31, 2018 and 2017

	<u>2018</u>	<u>2017</u>
<u>Cash Flows from Operating Activities</u>		
Change in net assets	\$ 228,757.47	\$ 1,015,999.28
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	3,438.40	3,438.40
Realized (gain) loss on investments	10,920.48	(49,718.22)
Unrealized (gain) loss on investments	(83,292.46)	(394,526.89)
(Increase) decrease in cash surrender value of life insurance	(9,891.60)	(8,688.86)
(Increase) decrease in accrued interest receivable	(144.75)	(979.30)
(Increase) decrease in accounts receivable	41,179.64	(41,623.80)
Increase (decrease) in accounts payable	26,344.38	24,091.35
Increase (decrease) in deferred revenues	(8,518.12)	(6,934.96)
Increase (decrease) in assets held for others	44,984.39	130,784.64
Net cash provided (used) by operating activities	<u>\$ 253,777.83</u>	<u>\$ 671,841.64</u>
 <u>Cash Flows from Investing Activities</u>		
Payments received on notes receivable	\$ 266,837.84	\$ 348,173.42
Loans to others	(468,748.47)	(401,279.84)
Purchase of managed investments	(1,316,755.23)	(1,520,503.48)
Proceeds from sale of investments	901,623.30	697,685.26
Net cash provided (used) by investing activities	<u>\$ (617,042.56)</u>	<u>\$ (875,924.64)</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	 \$ (363,264.73)	 \$ (204,083.00)
 Cash and Cash Equivalents, Beginning of Year	 <u>767,708.12</u>	 <u>971,791.12</u>
 Cash and Cash Equivalents, End of Year	 <u>\$ 404,443.39</u>	 <u>\$ 767,708.12</u>

The accompanying notes are an integral part of these financial statements.

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018 and 2017

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Kansas-Nebraska Southern Baptist Foundation (Foundation) is a nonprofit foundation located in Topeka, Kansas. The Foundation holds and invests assets for support of various program services for its affiliated churches and associations. The Foundation is supported by its affiliates and donor contributions.

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

Cash and Cash Equivalents

The Foundation considers all liquid investments with original maturities of three months or less to be cash equivalents. At December 31, 2018, cash equivalents consisted primarily of highly liquid debt instruments.

Investments and Investment Return

Investments in equity securities having a readily determinable fair value and all debt securities are carried at fair value. Investment return includes dividend, interest and other investment income; realized and unrealized gains and losses on investments carried at fair value; and realized gains and losses on other investments.

Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in unrestricted net assets. Other investment return is reflected in the statements of operations and changes in net assets as unrestricted, temporarily restricted or permanently restricted based upon the existence and nature of any donor or legally imposed restrictions.

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018 and 2017

(Continued)

Note 1: Nature of Operations and Summary of Significant Accounting Policies (Continued)

Investments and Investment Return (Continued)

The Foundation maintains pooled investment accounts for its endowments. Investment income and realized and unrealized gains and losses from securities in the pooled investment accounts are allocated to the individual endowments based on the relationship of the fair value of the interest of each endowment to the total fair value of the pooled investments accounts, as adjusted for additions to or deductions from those accounts. There are no unfunded commitments or redemption notice periods associated with the pooled funds. In addition, funds can be redeemed by the Foundation at any time.

Notes Receivable

Notes receivable are comprised of loans for the purchase of a building or land, remodeling of a building, refinancing, or the setup of new churches. No provision has been made for uncollectible accounts as management believes that due to its credit policies all receivables are collectible.

Property and Equipment

Property and equipment are carried at cost if purchased. Management's policy is to capitalize any property and equipment that has a cost or value in excess of \$250. Depreciation is computed using the straight-line method over the estimated useful life of the asset. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is reflected in income for the period.

The estimated useful lives for each major depreciable classification of property and equipment are as follows:

Buildings	40 years
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KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018 and 2017

(Continued)

Note 1: Nature of Operations and Summary of Significant Accounting Policies (Continued)

Long-Lived Asset Impairment

The Foundation evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

No asset impairment was recognized during the years ended December 31, 2018 and 2017.

Net Assets with Donor Restrictions

Net assets with donor restrictions are those whose use by the Foundation has been limited by donors to a specific time period or purpose.

Contributions

Gifts of cash and other assets received without donor stipulations are reported as unrestricted revenue and net assets. Gifts received with donor stipulations are reported as either temporarily or permanently restricted support. When a donor restriction expires, that is, when a time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified and reported as an increase in unrestricted net assets. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions. Conditional contributions are reported as liabilities until the condition is eliminated or the contributed assets are returned to the donor. Unconditional gifts expected to be collected beyond one year are reported at their net realizable value.

Gifts of land, buildings, equipment and other long-lived assets are reported as unrestricted revenue and net assets unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as temporarily or permanently restricted revenue and net assets. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of temporarily restricted net assets as unrestricted net assets are reported at their estimated fair value at the date of donation.

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018 and 2017

(Continued)

Note 1: Nature of Operations and Summary of Significant Accounting Policies (Continued)

Deferred Revenue

Revenue from funds received but not yet extended for their purpose is deferred and recognized in the period when the purpose is met.

Income Taxes

The Foundation is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of state law. However, the Foundation is subject to federal income tax on any unrelated business taxable income.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities.

Transfers Between Fair Value Hierarchy Levels

Transfers in and out of Level 1 (quoted market prices), Level 2 (other significant observable inputs) and Level 3 (significant unobservable inputs) are recognized on the actual transfer date.

Change in Accounting Principle

In 2015, the Foundation changed its accounting policy on accounting disclosures by adopting the provisions of ASU 2015-07, *Fair Value Measurement (Topics 820): Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent)*. The accounting policy exempts investments measured using the net asset value (NAV) practical expedient in ASC 820, *Fair Value Measurement*, from categorization within the fair value hierarchy. This change was applied retrospectively for all periods presented.

Subsequent Events

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018 and 2017

(Continued)

Note 2: Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following:

Revenues

The Foundation's market is concentrated in the Kansas and Nebraska geographical areas.

Investments

The Foundation invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the accompanying statements of financial position.

Note 3: Investment and Investment Return

Investments at December 31 consisted of the following:

	<u>2018</u>	<u>2017</u>
Equities	\$ 727,608.66	\$ 685,165.14
Fixed income securities	1,395,315.63	666,221.40
Interest assets held in foundations	<u>2,824,046.87</u>	<u>3,803,080.41</u>
	<u>\$4,946,971.16</u>	<u>\$5,154,466.95</u>

Note 4: Disclosures About Fair Value of Assets and Liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs.

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018 and 2017
(Continued)

Note 4: Disclosures About Fair Value of Assets and Liabilities (Continued)

There is a hierarchy of three levels of inputs that may be used to measure fair value:

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

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities.

Recurring Measurements

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statements of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2018:

		<u>Fair Value Measurements Using</u>		
		<u>Quoted Prices in Active Markets for Identical</u>	<u>Significant Other Observable</u>	<u>Significant</u>
<u>Unobservable</u>	<u>Fair Value</u>	<u>Assets (Level 1)</u>	<u>Inputs (Level 2)</u>	<u>Inputs (Level 3)</u>
<u>Investments</u>				
Equity securities	\$ 727,608.66	\$ 727,608.66	-	-
Fixed income securities	<u>1,395,315.63</u>	<u>1,395,315.63</u>	-	-
Total assets in the fair value hierarchy	\$2,122,924.29	\$2,122,924.29	-	-
Investments measured at net asset value (A)	2,824,046.87	-	-	-
Certificate of deposit	-	-	-	-
	<u>\$4,946,971.16</u>	<u>\$2,122,924.29</u>	<u>-</u>	<u>-</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018 and 2017

(Continued)

Note 4: Disclosures About Fair Value of Assets and Liabilities (Continued)

Recurring Measurements (Continued)

(A) In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of financial position.

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy.

Investments

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy.

Note 5: Property and Equipment

Property and equipment at December 31 are comprised of the following:

	<u>2018</u>	<u>2017</u>
Land	\$ 36,137.96	\$ 36,137.96
Building	<u>823,134.00</u>	<u>128,134.00</u>
	\$859,271.96	\$164,271.96
<u>Less – Accumulated depreciation</u>	<u>17,033.05</u>	<u>13,594.65</u>
	<u>\$842,238.91</u>	<u>\$150,677.31</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018 and 2017

(Continued)

Note 6: Endowment

The Foundation's endowment consists of funds established for a variety of purposes. The endowment includes funds restricted by donors to function as endowments. As required by accounting principles generally accepted in the United States (GAAP), net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation's governing body has interpreted the *State of Kansas Uniform Prudent Management of Institutional Funds Act* (SPMIFA) as requiring preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of donor-restricted endowment funds is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. Duration and preservation of the fund
2. Purposes of the Foundation and the fund
3. General economic conditions
4. Possible effect of inflation and deflation
5. Expected total return from investment income and appreciation or depreciation of investments
6. Other resources of the Foundation
7. Investment policies of the Foundation

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018 and 2017

(Continued)

Note 6: Endowment (Continued)

The Foundation has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period as well. Under this policy, the endowment assets are invested in a manner that is intended, over the long-term to:

1. Earn an annualized total rate of return of 8.0%, net of expenses and fees, on the spending policy pool as measured over a five-year period.
2. Realize investment performance that ranks in the top third of the Foundation's peer group for the spending policy pool as measured over a five-year period.
3. Exceed the annual total rate of return of the applicable benchmark, net of expenses and fees, for each investment manager and investment pool over a five-year period.
4. Realize investment performance that ranks in the third of the Foundation's peer group for each investment manager as measured over a five-year period.

Actual returns in any given year may vary from these amounts.

The Foundation uses a method based upon the total return on assets to determine amounts distributable from endowments held as trustee and amounts appropriated for expenditure for endowments under which the Foundation is the income beneficiary in conformity with SPMIFA. To satisfy its long-term rate of return objectives, the Foundation seeks investment returns through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based and alternative investments to achieve its long-term return objectives within prudent risk constraints.

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018 and 2017

(Continued)

Note 6: Endowment (Continued)

The spending or distribution policy as determined under a method adopted by the Board of Directors provides for the establishment of an “annual dividend” which uses a weighted average formula based on 4.5 percent (the spending rate) of the average of the previous 12 months Spending Policy Pool share prices and the prior year’s dividend, adjusted for inflation using the Consumer Price Index. The annual dividend is then calculated as 4.5 percent multiplied by the average, weighted 25 percent, and the prior year dividend multiplied by 75 percent. This dividend per share must fall between 3 and 5 percent of the actual current year-end unit value. If it is greater than 5 percent, then it is capped at 5 percent of the current unit value. If it is less than 3 percent, then it is set at 3 percent of the current unit value.

In each month of the following year, 1/12th of this dividend is paid to every spending policy trust. The dividend comes from any traditional income (bond interest and stock dividends) earned in that month and is supplemented from the fund’s net appreciation over the fair value of the original gift. If the market value for a given fund is less than the fair value of the original gift in any given month, the portion of the monthly dividend that is not traditional income is reinvested and will not be held in the fund for distribution.

Over the course of the accumulating year, Spending Policy Pool dividends are invested in a money market fund until the annual distribution, which occurs immediately following the subsequent year’s first Board of Directors meeting.

Note 7: Related Party Transactions

The Foundation has two notes receivable due from its affiliate, the Webster Conference Center, in the amounts of \$45,000.00 and \$84,600.00 for the year ended December 31, 2018 and \$45,000.00 and \$129,600.00 for the year ended December 31, 2017. The Foundation also occasionally provides mission support to the Kansas-Nebraska Convention of Southern Baptists, an affiliate. The Foundation’s operating expenses are paid by the Kansas-Nebraska Convention of Southern Baptists.

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018 and 2017

(Continued)

Note 8: Cash Surrender Value of Life Insurance

The cash surrender value of life insurance as shown on the statements of financial position represents the approximate cash redemption values of whole life insurance policies on the lives of three donors. The Foundation is listed as the owner and beneficiaries of the policies and if kept in force (*i.e.*, premiums are paid) the Foundation will ultimately receive the face amount of the policies. The cash surrender value of the policies are recorded as an asset of the Foundation to the extent of their cash surrender values.

Note 9: Notes Receivable

Notes receivable represent a portfolio of loans to borrowers ranging from \$17,042.75 to \$246,616.78 as of December 31, 2018. The loans, which are collateralized by real property, carry varying interest rates ranging from 2.00% to 5.375% as of December 31, 2018.

Future year maturities are as follows:

2019	\$ 375,196.93
2020	222,280.25
2021	242,783.74
2022	162,264.08
2023	149,423.79
Thereafter	<u>711,816.86</u>
	<u>\$1,863,765.65</u>

Note 10: Assets Held for Others

The Foundation holds and invests assets for its affiliates in a custodial capacity. The balances represent the Foundation's liability to return amounts transferred and unremitted earnings to these affiliates. These funds are generally invested in the investment pools in ratios selected by the Foundation.

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018 and 2017

(Continued)

Note 10: Assets Held for Others (Continued)

The following is a summary of the affiliates and their present interest in assets at December 31:

	<u>2018</u>	<u>2017</u>
Twelfth Avenue Baptist Church, Emporia	\$ 248,265.27	\$ 243,537.91
First Southern Baptist Church, Great Bend	76,935.78	73,468.35
Central Baptist Association, Great Bend	146,340.95	143,703.93
First Southern Baptist Church, Coffeyville	234,266.68	249,380.20
Lakeside Baptist Church, Silver Lake	66,922.87	64,036.89
Youngblood New Work Fund (KCKBA)	135,135.50	132,161.98
Orchard Community Church	43,406.60	-
	<u>\$ 951,273.65</u>	<u>\$ 906,289.26</u>

Note 11: Net Assets

Net Assets with Donor Restrictions

Resources restricted by donors for specific programs	\$ <u>7,462,215.70</u>
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Net Assets Released from Restrictions

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes:

Net assets released from restrictions	\$ <u>287,181.12</u>
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SUPPLEMENTARY SCHEDULES

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 1

SCHEDULE OF NOTES RECEIVABLE

For the year ended December 31, 2018

<u>Description</u>	<u>Note Date</u>	<u>Review Date</u>	<u>Maturity Date</u>	<u>Original Amount</u>	<u>Unpaid Balance</u>	
Revolving Building Loan Fund:						
Topeka, Kansas	Covenant Baptist Church	5/14/10	7/01/20	6/01/25	\$ 75,000.00	\$ 30,464.61
Wichita, Kansas	Casa de Dios Church	11/04/11	12/01/21	11/01/26	80,000.00	43,229.51
Kansas City, Missouri	Wornall Road Baptist Church	4/05/13	5/01/19	4/01/28	198,763.30	104,319.70
Topeka, Kansas	True Light Church Ministries	9/12/12	11/01/21	10/01/27	86,000.00	17,042.75
Garden City, Kansas	Iglesia Bautista del Sur Church	2/20/13	3/01/23	2/01/28	159,685.42	118,810.60
North Platte, Nebraska	Calvary Baptist Church	9/04/13	11/01/23	10/01/28	116,571.57	74,815.39
Omaha, Nebraska	Mount Moriah Missionary Baptist Church	7/31/15	9/01/20	8/01/30	128,338.00	96,944.33
Topeka, Kansas	Webster Conference Center	11/20/15		11/20/21	244,000.00	84,600.00
Council Bluffs, Iowa	Council Bluffs Community Church	1/27/16	3/01/21	11/01/30	79,950.00	60,727.96
Omaha, Nebraska	New Beginning Community Baptist Church	7/31/15	9/01/20	8/01/30	131,733.96	98,669.89
Columbus, Nebraska	North Park Baptist Church	5/09/18	6/01/21	6/01/33	270,000.00	236,263.84
Wichita, Kansas	Olivet Baptist Church	9/15/27	9/15/27	9/15/32	478,000.00	246,616.78
Hutchinson, Kansas	CrossPoint Church	2/11/10	12/05/17	6/15/24	<u>530,000.00</u>	<u>26,253.18</u>
					<u>\$2,578,042.25</u>	<u>\$1,238,758.54</u>
Vanderbilt Church Planting:						
Lincoln, Nebraska	Lincoln Zomi Church	7/11/14	8/15/17	1/15/26	\$ 127,500.00	\$ 43,860.29
Wellington, Kansas	Church Ignited	2/03/16	3/01/17	2/01/26	113,006.11	76,014.48
Kansas City, Missouri	Haitian American Baptist Church	10/23/15	12/31/17	11/01/25	82,229.00	51,897.53
Wichita, Kansas	The Seed Church	12/29/17		2/01/33	170,000.00	145,546.87
Manhattan, Kansas	New Hope Community Church	11/05/18		12/01/19	<u>250,000.00</u>	<u>225,000.00</u>
					<u>\$ 742,735.11</u>	<u>\$ 542,319.17</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 1
(Continued)

SCHEDULE OF NOTES RECEIVABLE
For the year ended December 31, 2018

<u>Description</u>	<u>Note</u> <u>Date</u>	<u>Review</u> <u>Date</u>	<u>Maturity</u> <u>Date</u>	<u>Original</u> <u>Amount</u>	<u>Unpaid</u> <u>Balance</u>
Webster Conference Center Endowment:					
Topeka, Kansas	Webster Conference Center	3/04/15	3/04/20	\$ <u>50,000.00</u>	\$ <u>45,000.00</u>
Carl and Barbara Noble CRAT:					
Topeka, Kansas	219 SW Taylor	4/01/01	1/01/22	\$ 29,500.00	\$ 9,118.57
	320 Tyler	12/01/98	4/01/28	37,000.00	8,200.00
	613 Liberty	11/01/90	11/01/20	<u>27,000.00</u>	<u>20,369.37</u>
				<u>\$ 93,500.00</u>	<u>\$ 37,687.94</u>
				<u>\$3,464,277.36</u>	<u>\$1,863,765.65</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 2

SCHEDULE OF ACTIVITIES BY PROGRAM

For the year ended December 31, 2018

	<u>Conley</u> <u>Gift</u> <u>Annuity</u>	<u>Grimes</u> <u>Gift</u> <u>Annuity</u>	<u>International</u> <u>Mission</u> <u>Support</u> <u>Fund</u>	<u>Jackie Owen</u> <u>Memorial</u> <u>Endowment</u> <u>Fund</u>	<u>Warrenetta</u> <u>Lewis</u> <u>Endowment</u> <u>Fund</u>	<u>Allison</u> <u>Smith</u> <u>Memorial</u> <u>Fund</u>	<u>Bivocational</u> <u>Pastors</u> <u>Endowment</u> <u>Fund</u>
<u>Revenues</u>							
Contributions	\$ -	\$ -	\$ 22.37	\$ 1.91	\$ 92.92	\$ -	\$ -
Annuities	2,500.67	816.50	-	-	-	-	-
Investment earnings	-	292.47	577.74	49.85	1,023.82	606.51	2,238.23
Realized gain (loss)	-	(49.39)	1,481.27	127.76	2,957.61	-	(38.93)
Unrealized gain (loss)	-	(990.44)	(2,961.68)	(255.43)	(5,329.42)	(2,326.20)	(8,545.68)
Transfers	<u>(6,355.55)</u>	<u>(60.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>\$ (3,854.88)</u>	<u>\$ 9.14</u>	<u>\$ (880.30)</u>	<u>\$ (75.91)</u>	<u>\$ (1,255.07)</u>	<u>\$ (1,719.69)</u>	<u>\$ (6,346.38)</u>
<u>Expenses</u>							
Mission support	\$ -	\$ -	-	-	\$ -	\$ -	\$ -
Grants	-	-	-	-	43,000.00	-	732.15
Annuity distribution	147.50	2,730.00	-	-	-	-	-
Trust and professional fees	-	127.40	-	-	-	259.92	959.21
Depreciation	-	-	-	-	-	-	-
Property supervision	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	23.09	-	-
Total expenses	<u>\$ 147.50</u>	<u>\$ 2,857.40</u>	<u>-</u>	<u>-</u>	<u>\$ 43,023.09</u>	<u>\$ 259.92</u>	<u>\$ 1,691.36</u>
Change in Net Assets	\$ (4,002.38)	\$ (2,848.26)	\$ (880.30)	\$ (75.91)	\$ (44,278.16)	\$ (1,979.61)	\$ (8,037.74)
Net Assets, Beginning of Year	<u>4,002.38</u>	<u>9,621.79</u>	<u>46,723.43</u>	<u>4,030.29</u>	<u>116,856.24</u>	<u>24,591.10</u>	<u>90,751.02</u>
Net Assets, End of Year	<u>-</u>	<u>\$ 6,773.53</u>	<u>\$45,843.13</u>	<u>\$ 3,954.38</u>	<u>\$ 72,578.08</u>	<u>\$22,611.49</u>	<u>\$82,713.28</u>
<u>Net Assets</u>							
Without donor restrictions	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
With donor restrictions	<u>-</u>	<u>6,773.53</u>	<u>45,843.13</u>	<u>3,954.38</u>	<u>72,578.08</u>	<u>22,611.49</u>	<u>82,713.28</u>
	<u>-</u>	<u>\$ 6,773.53</u>	<u>\$45,843.13</u>	<u>\$ 3,954.38</u>	<u>\$ 72,578.08</u>	<u>\$22,611.49</u>	<u>\$82,713.28</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 2
(Continued)

SCHEDULE OF ACTIVITIES BY PROGRAM

For the year ended December 31, 2018

	<u>Bertha Smith</u> <u>New Work</u> <u>Fund</u>	<u>KU Christian</u> <u>Challenge</u> <u>Endowment</u> <u>Fund</u>	<u>Christian</u> <u>Higher Education</u> <u>Endowment</u> <u>Fund</u>	<u>Heartland</u> <u>Church</u> <u>Network</u>	<u>Envangelism</u> <u>Support</u> <u>Fund</u>	<u>J Oscar</u> <u>Rhodes</u> <u>New Work</u> <u>Fund</u>	<u>KC Kansas</u> <u>Baptist</u> <u>Association</u> <u>Endowment</u> <u>Fund</u>
<u>Revenues</u>							
Contributions	\$ -	\$ -	\$ 135.00	\$ -	\$ -	\$ -	\$ -
Annuities	-	-	-	-	-	-	-
Investment earnings	2,121.08	417.09	3,456.04	4,139.11	184.19	3,635.66	2,473.91
Realized gain (loss)	-	1,090.57	(240.58)	-	-	-	-
Unrealized gain (loss)	(8,135.11)	(2,180.17)	(13,165.88)	(15,875.25)	(706.57)	(13,944.16)	(9,488.35)
Transfers	-	-	6,355.55	-	-	-	-
Total revenues	<u>\$ (6,014.03)</u>	<u>\$ (672.51)</u>	<u>\$ (3,459.87)</u>	<u>\$ (11,736.14)</u>	<u>\$ (522.38)</u>	<u>\$ (10,308.50)</u>	<u>\$ (7,014.44)</u>
<u>Expenses</u>							
Mission support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	-	1,480.88	4,000.00	-	-	-	-
Annuity distribution	-	-	-	-	-	-	-
Trust and professional fees	909.01	-	1,480.78	1,773.87	78.97	1,558.10	1,060.22
Depreciation	-	-	-	-	-	-	-
Property supervision	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total expenses	<u>\$ 909.01</u>	<u>\$ 1,480.88</u>	<u>\$ 5,480.78</u>	<u>\$ 1,773.87</u>	<u>\$ 78.97</u>	<u>\$ 1,558.10</u>	<u>\$ 1,060.22</u>
Change in Net Assets	\$ (6,923.04)	\$ (2,153.39)	\$ (8,940.65)	\$ (13,510.01)	\$ (601.35)	\$ (11,866.60)	\$ (8,074.66)
Net Assets, Beginning of Year	<u>85,999.17</u>	<u>35,168.18</u>	<u>135,017.57</u>	<u>167,822.87</u>	<u>7,469.41</u>	<u>147,408.68</u>	<u>100,304.67</u>
Net Assets, End of Year	<u>\$79,076.13</u>	<u>\$33,014.79</u>	<u>\$126,076.92</u>	<u>\$154,312.86</u>	<u>\$ 6,868.06</u>	<u>\$135,542.08</u>	<u>\$ 92,230.01</u>
<u>Net Assets</u>							
Without donor restrictions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
With donor restrictions	<u>79,076.13</u>	<u>33,014.79</u>	<u>126,076.92</u>	<u>154,312.86</u>	<u>6,868.06</u>	<u>135,542.08</u>	<u>92,230.01</u>
Total	<u>\$79,076.13</u>	<u>\$33,014.79</u>	<u>\$126,076.92</u>	<u>\$154,312.86</u>	<u>\$ 6,868.06</u>	<u>\$135,542.08</u>	<u>\$ 92,230.01</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 2
(Continued)

SCHEDULE OF ACTIVITIES BY PROGRAM

For the year ended December 31, 2018

	<u>Missions</u> <u>Assistance</u> <u>Fund</u>	<u>Mr. & Mrs.</u> <u>T. J. McIlvain</u> <u>Memorial</u> <u>Trust Fund</u>	<u>State</u> <u>Missions</u> <u>Fund</u>	<u>KNCSB</u> <u>Endowment</u> <u>Fund</u>	<u>Ed</u> <u>Vanlandingham</u> <u>Music</u> <u>Scholarship</u> <u>Fund</u>	<u>Webster</u> <u>Conference</u> <u>Center</u> <u>Endowment</u> <u>Fund</u>	<u>Le Claire</u> <u>Weills</u> <u>Memorial</u> <u>Fund</u>
<u>Revenues</u>							
Contributions	\$ -	\$ 605.00	\$ 4,800.00	\$ 24,394.98	\$ -	\$ -	\$ -
Annuities	-	-	-	-	-	-	-
Investment earnings	1,700.57	270.00	4,239.79	21,098.26	883.53	1,037.44	165.05
Realized gain (loss)	(149.08)	-	(447.25)	(1,769.37)	(82.43)	-	-
Unrealized gain (loss)	(6,323.05)	(1,053.57)	(15,647.99)	(79,008.27)	(3,278.11)	(3,978.99)	(633.00)
Transfers	-	-	-	1,035.82	-	-	-
Total revenues	<u>\$ (4,771.56)</u>	<u>\$ (178.57)</u>	<u>\$ (7,055.45)</u>	<u>\$ (34,248.58)</u>	<u>\$ (2,477.01)</u>	<u>\$ (2,941.55)</u>	<u>\$ (467.95)</u>
<u>Expenses</u>							
Mission support	\$ 2,500.00	\$ -	\$ 7,500.00	\$ 30,000.00	\$ -	\$ -	\$ -
Grants	-	-	-	-	1,400.00	-	-
Annuity distribution	-	-	-	-	-	-	-
Trust and professional fees	731.21	114.73	1,822.54	9,061.66	380.01	444.61	70.74
Depreciation	-	-	-	-	-	-	-
Property supervision	-	-	-	-	-	-	-
Miscellaneous	-	-	-	1,222.71	-	-	-
Total expenses	<u>\$ 3,231.21</u>	<u>\$ 114.73</u>	<u>\$ 9,322.54</u>	<u>\$ 40,284.37</u>	<u>\$ 1,780.01</u>	<u>\$ 444.61</u>	<u>\$ 70.74</u>
Change in Net Assets	\$ (8,002.77)	\$ (293.30)	\$ (16,377.99)	\$ (74,532.95)	\$ (4,257.02)	\$ (3,386.16)	\$ (538.69)
Net Assets, Beginning of Year	<u>69,599.62</u>	<u>10,794.74</u>	<u>173,689.55</u>	<u>865,172.49</u>	<u>36,186.53</u>	<u>42,063.31</u>	<u>6,691.73</u>
Net Assets, End of Year	<u>\$61,596.85</u>	<u>\$10,501.44</u>	<u>\$157,311.56</u>	<u>\$790,639.54</u>	<u>\$31,929.51</u>	<u>\$38,677.15</u>	<u>\$ 6,153.04</u>
<u>Net Assets</u>							
Without donor restrictions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
With donor restrictions	<u>61,596.85</u>	<u>10,501.44</u>	<u>157,311.56</u>	<u>790,639.54</u>	<u>31,929.51</u>	<u>38,677.15</u>	<u>6,153.04</u>
Total	<u>\$61,596.85</u>	<u>\$10,501.44</u>	<u>\$157,311.56</u>	<u>\$790,639.54</u>	<u>\$31,929.51</u>	<u>\$38,677.15</u>	<u>\$ 6,153.04</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 2
(Continued)

SCHEDULE OF ACTIVITIES BY PROGRAM
For the year ended December 31, 2018

	<u>Coffeyville</u> <u>Southern Baptist</u> <u>Church Mission</u> <u>Fund</u>	<u>Harold L.</u> <u>Conley</u> <u>Foundation</u> <u>Support</u> <u>Fund</u>	<u>Central</u> <u>Baptist</u> <u>Association</u> <u>Property</u> <u>Fund</u>	<u>Kelley</u> <u>Shelton</u> <u>Women's</u> <u>Leadership</u> <u>Fund</u>	<u>Covenant Baptist</u> <u>Church Capital</u> <u>Improvement</u> <u>Fund</u>	<u>Wilbur Noble</u> <u>Memorial</u> <u>Scholarship</u> <u>Fund</u>	<u>Student</u> <u>Loan</u> <u>Fund</u>
<u>Revenues</u>							
Contributions	\$ -	\$ 1,925.00	\$ -	\$ -	\$ -	\$ -	\$ -
Annuities	-	-	-	-	-	-	-
Investment earnings	1,646.87	67.00	886.64	996.92	85.23	336.73	33.91
Realized gain (loss)	-	-	-	-	-	-	-
Unrealized gain (loss)	(6,316.49)	(321.91)	(3,400.60)	(3,823.54)	(326.92)	(1,291.50)	(130.01)
Transfers	-	-	-	-	-	-	-
Total revenues	<u>\$ (4,669.62)</u>	<u>\$ 1,670.09</u>	<u>\$ (2,513.96)</u>	<u>\$ (2,826.62)</u>	<u>\$ (241.69)</u>	<u>\$ (954.77)</u>	<u>\$ (96.10)</u>
<u>Expenses</u>							
Mission support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	-	-	-	-	-	-	-
Annuity distribution	-	-	-	-	-	-	-
Trust and professional fees	705.81	25.74	379.99	427.23	36.53	144.32	14.53
Depreciation	-	-	-	-	-	-	-
Property supervision	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total expenses	<u>\$ 705.81</u>	<u>\$ 25.74</u>	<u>\$ 379.99</u>	<u>\$ 427.23</u>	<u>\$ 36.53</u>	<u>\$ 144.32</u>	<u>\$ 14.53</u>
Change in Net Assets	\$ (5,375.43)	\$ 1,644.35	\$ (2,893.95)	\$ (3,253.85)	\$ (278.22)	\$ (1,099.09)	\$ (110.63)
Net Assets, Beginning of Year	<u>66,773.83</u>	<u>2,274.50</u>	<u>35,948.97</u>	<u>40,419.99</u>	<u>3,455.96</u>	<u>13,652.85</u>	<u>1,374.41</u>
Net Assets, End of Year	<u>\$61,398.40</u>	<u>\$ 3,918.85</u>	<u>\$33,055.02</u>	<u>\$37,166.14</u>	<u>\$ 3,177.74</u>	<u>\$12,553.76</u>	<u>\$ 1,263.78</u>
<u>Net Assets</u>							
Without donor restrictions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
With donor restrictions	<u>61,398.40</u>	<u>3,918.85</u>	<u>33,055.02</u>	<u>37,166.14</u>	<u>3,177.74</u>	<u>12,553.76</u>	<u>1,263.78</u>
Total	<u>\$ 61,398.40</u>	<u>\$ 3,918.85</u>	<u>\$33,055.02</u>	<u>\$37,166.14</u>	<u>\$ 3,177.74</u>	<u>\$12,553.76</u>	<u>\$ 1,263.78</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 2
(Continued)

SCHEDULE OF ACTIVITIES BY PROGRAM

For the year ended December 31, 2018

	<u>Gift</u>	<u>Collegiate</u>	<u>Santa Fe</u>	<u>Delbert M</u>	<u>Lavonne</u>		<u>Weir Baptist</u>
	<u>Annuity</u>	<u>Ministries</u>	<u>Hills</u>	<u>& Mary M</u>	<u>James</u>	<u>Overflow</u>	<u>Camp</u>
	<u>Reserve</u>	<u>Support</u>	<u>Baptist Church</u>	<u>Baxter Memorial</u>	<u>Women's</u>	<u>Ministries</u>	<u>Endowment</u>
	<u>KNSBF</u>	<u>Fund</u>	<u>Trust</u>	<u>Fund</u>	<u>Evangelism</u>	<u>Fund</u>	<u>Fund</u>
<u>Revenues</u>							
Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annuities	-	-	-	-	-	-	-
Investment earnings	58.36	127.80	4,585.78	96.97	119.14	2,000.13	3,478.06
Realized gain (loss)	-	368.90	-	219.94	251.29	-	9,102.67
Unrealized gain (loss)	(225.60)	(185.74)	(17,588.28)	(439.70)	(502.34)	(7,671.21)	(18,197.22)
Transfers	60.00	-	-	-	-	-	-
Total revenues	<u>\$ (107.24)</u>	<u>\$ 310.96</u>	<u>\$ (13,002.50)</u>	<u>\$ (122.79)</u>	<u>\$ (131.91)</u>	<u>\$ (5,671.08)</u>	<u>\$ (5,616.49)</u>
<u>Expenses</u>							
Mission support	\$ -	\$ -	\$ -	-	-	\$ -	\$ -
Grants	-	29,337.70	-	-	-	-	12,381.46
Annuity distribution	-	-	-	-	-	-	-
Trust and professional fees	24.98	-	1,965.27	-	-	857.17	-
Depreciation	-	-	-	-	-	-	-
Property supervision	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total expenses	<u>\$ 24.98</u>	<u>\$ 29,337.70</u>	<u>\$ 1,965.27</u>	<u>-</u>	<u>-</u>	<u>\$ 857.17</u>	<u>\$ 12,381.46</u>
Change in Net Assets	\$ (132.22)	\$ (29,026.74)	\$ (14,967.77)	\$ (122.79)	\$ (131.91)	\$ (6,528.25)	\$ (17,997.95)
Net Assets, Beginning of Year	<u>2,333.63</u>	<u>29,026.74</u>	<u>185,931.92</u>	<u>7,593.44</u>	<u>9,163.67</u>	<u>81,095.05</u>	<u>292,507.79</u>
Net Assets, End of Year	<u>\$ 2,201.41</u>	<u>-</u>	<u>\$ 170,964.15</u>	<u>\$ 7,470.65</u>	<u>\$ 9,031.76</u>	<u>\$ 74,566.80</u>	<u>\$ 274,509.84</u>
<u>Net Assets</u>							
Without donor restrictions	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -
With donor restrictions	<u>2,201.41</u>	<u>-</u>	<u>170,964.15</u>	<u>7,470.65</u>	<u>9,031.76</u>	<u>74,566.80</u>	<u>274,509.84</u>
Total	<u>\$ 2,201.41</u>	<u>-</u>	<u>\$ 170,964.15</u>	<u>\$ 7,470.65</u>	<u>\$ 9,031.76</u>	<u>\$ 74,566.80</u>	<u>\$ 274,509.84</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 2
(Continued)

SCHEDULE OF ACTIVITIES BY PROGRAM

For the year ended December 31, 2018

	<u>Oregon Trail</u> <u>Baptist</u> <u>Association</u> <u>Church Planting</u> <u>Fund</u>	<u>Doyle Smith</u> <u>Memorial</u> <u>Judea</u> <u>Fund</u>	<u>Carl &</u> <u>Barbara</u> <u>Noble</u> <u>CRAT</u>	<u>Property</u>	<u>Carl &</u> <u>Barbara</u> <u>Noble</u> <u>2nd CRAT</u>	<u>General</u> <u>Operating</u> <u>Agency</u>	<u>Mission</u> <u>Support</u> <u>Agency</u>
<u>Revenues</u>							
Contributions	\$ -	\$ 500.00	\$ -	\$ -	\$ -	\$ 1,036.00	\$ -
Annuities	-	-	2,564.24	-	2,636.71	-	-
Investment earnings	2,217.02	174.64	757.52	-	30.69	11.08	5,264.48
Realized gain (loss)	5,790.35	416.72	(26,841.67)	-	-	-	-
Unrealized gain (loss)	(11,575.52)	(846.90)	-	-	-	-	-
Transfers	-	-	-	639,813.47	-	(1,035.82)	45,655.07
Total revenues	<u>\$ (3,568.15)</u>	<u>\$ 244.46</u>	<u>\$ (23,519.91)</u>	<u>\$639,813.47</u>	<u>\$ 2,667.40</u>	<u>\$ 11.26</u>	<u>\$50,919.55</u>
<u>Expenses</u>							
Mission support	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$50,000.00
Grants	7,992.83	-	-	-	-	-	-
Annuity distribution	-	-	13,200.00	-	9,600.00	-	-
Trust and professional fees	-	-	2,316.67	684.00	585.00	38.41	144.19
Depreciation	-	-	-	3,438.40	-	-	-
Property supervision	-	-	3,384.99	983.90	-	-	-
Miscellaneous	-	-	(3,133.01)	-	-	-	-
Total expenses	<u>\$ 7,992.83</u>	<u>-</u>	<u>\$ 15,768.65</u>	<u>\$ 5,106.30</u>	<u>\$ 10,185.00</u>	<u>\$ 38.41</u>	<u>\$50,144.19</u>
Change in Net Assets	\$ (11,560.98)	\$ 244.46	\$ (39,288.56)	\$634,707.17	\$ (7,517.60)	\$ (27.15)	\$ 775.36
Net Assets, Beginning of Year	<u>180,851.29</u>	<u>13,787.39</u>	<u>354,091.08</u>	<u>150,677.31</u>	<u>(23,012.33)</u>	<u>479.19</u>	<u>6,189.84</u>
Net Assets, End of Year	<u>\$169,290.31</u>	<u>\$14,031.85</u>	<u>\$314,802.52</u>	<u>\$785,384.48</u>	<u>\$ (30,529.93)</u>	<u>\$ 452.04</u>	<u>\$ 6,965.20</u>
<u>Net Assets</u>							
Without donor restrictions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 452.04	\$ -
With donor restrictions	<u>169,290.31</u>	<u>14,031.85</u>	<u>314,802.52</u>	<u>785,384.48</u>	<u>(30,529.93)</u>	<u>-</u>	<u>6,965.20</u>
Total	<u>\$169,290.31</u>	<u>\$14,031.85</u>	<u>\$314,802.52</u>	<u>\$785,384.48</u>	<u>\$ (30,529.93)</u>	<u>\$ 452.04</u>	<u>\$ 6,965.20</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 2
(Continued)

SCHEDULE OF ACTIVITIES BY PROGRAM

For the year ended December 31, 2018

	<u>Church Sites Agency</u>	<u>Revolving Building Loan Fund</u>	<u>Heart of Kansas New Work Fund</u>	<u>Indian Hills Church</u>	<u>Vanderbilt Church Planting Fund</u>	<u>Webster Conference Center Endowment Fund</u>	<u>Total</u>
<u>Revenues</u>							
Contributions	\$ -	\$ -	\$49,793.59	\$ -	\$ -	\$ -	\$ 83,306.77
Annuities	-	-	-	-	-	-	8,518.12
Investment earnings	2,340.03	67,318.97	564.41	15,142.53	20,738.75	903.70	180,593.70
Realized gain (loss)	1,812.91	677,956.05	1,766.09	14,501.92	10,008.32	-	698,233.67
Unrealized gain (loss)	(9,595.14)	(82,787.04)	(4,237.32)	(69,143.63)	(22,241.33)	-	(454,675.26)
Transfers	-	(685,468.54)	-	-	-	-	-
Total revenues	<u>\$ (5,442.20)</u>	<u>\$ (22,980.56)</u>	<u>\$47,886.77</u>	<u>\$ (39,499.18)</u>	<u>\$ 8,505.74</u>	<u>\$ 903.70</u>	<u>\$ 515,977.00</u>
<u>Expenses</u>							
Mission support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,000.00
Grants	-	-	-	25,500.00	-	-	125,825.02
Annuity distribution	-	-	-	-	-	-	25,677.50
Trust and professional fees	402.95	2,659.87	20.37	2,356.92	1,416.60	-	36,039.53
Depreciation	-	-	-	-	-	-	3,438.40
Property supervision	-	-	-	-	-	-	4,368.89
Miscellaneous	-	2,592.73	-	-	1,052.12	112.55	1,870.19
Total expenses	<u>\$ 402.95</u>	<u>\$ 5,252.60</u>	<u>\$ 20.37</u>	<u>\$ 27,856.92</u>	<u>\$ 2,468.72</u>	<u>\$ 112.55</u>	<u>\$ 287,219.53</u>
Change in Net Assets	\$ (5,845.15)	\$ (28,233.16)	\$47,866.40	\$ (67,356.10)	\$ 6,037.02	\$ 791.15	\$ 228,757.47
Net Assets, Beginning of Year	95,744.80	2,006,908.50	-	604,808.92	845,749.00	46,117.76	7,233,910.27
Net Assets, End of Year	<u>\$89,899.65</u>	<u>\$1,978,675.34</u>	<u>\$47,866.40</u>	<u>\$537,452.82</u>	<u>\$851,786.02</u>	<u>\$46,908.91</u>	<u>\$7,462,667.74</u>
<u>Net Assets</u>							
Without donor restrictions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 452.04
With donor restrictions	<u>89,899.65</u>	<u>1,978,675.34</u>	<u>47,866.40</u>	<u>537,452.82</u>	<u>851,786.02</u>	<u>46,908.91</u>	<u>7,462,215.70</u>
Total	<u>\$ 89,899.65</u>	<u>\$1,978,675.34</u>	<u>\$47,866.40</u>	<u>\$537,452.82</u>	<u>\$851,786.02</u>	<u>\$46,908.91</u>	<u>\$7,462,667.74</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 1

SCHEDULE OF NOTES RECEIVABLE

For the year ended December 31, 2017

<u>Description</u>	<u>Note Date</u>	<u>Review Date</u>	<u>Maturity Date</u>	<u>Original Amount</u>	<u>Unpaid Balance</u>	
Revolving Building Loan Fund:						
Shawnee, Kansas	First Korean Baptist Church	6/01/12	6/01/18	5/01/23	\$ 97,076.78	\$ 53,087.53
Topeka, Kansas	Covenant Baptist Church	5/14/10	7/01/20	6/01/25	75,000.00	35,521.21
Wichita, Kansas	Casa de Dios Church	11/04/11	12/01/21	11/01/26	80,000.00	48,256.81
Kansas City, Missouri	Wornall Road Baptist Church	4/05/13	5/01/19	4/01/28	198,763.30	115,585.29
Topeka, Kansas	True Light Church Ministries	9/12/12	11/01/18	10/01/27	86,000.00	18,686.13
Garden City, Kansas	Iglesia Bautista del Sur Church	2/20/13	3/01/18	2/01/28	159,685.42	121,729.89
North Platte, Nebraska	Calvary Baptist Church	9/04/13	11/01/18	10/01/28	116,571.57	80,292.72
Omaha, Nebraska	Mount Moriah Missionary Baptist Church	7/31/15	9/01/20	8/01/30	128,338.00	102,725.01
Topeka, Kansas	Webster Conference Center	11/20/15		11/20/21	244,000.00	129,600.00
Council Bluffs, Iowa	Council Bluffs Community Church	1/27/16	3/01/21	11/01/30	79,950.00	64,589.56
Omaha, Nebraska	New Beginning Community Baptist Church	7/31/15	9/01/20	8/01/30	131,733.96	105,485.60
Hutchinson, Kansas	CrossPoint Church	2/11/10	12/05/17	6/15/24	530,000.00	30,325.48
Salina, Kansas	First Southern Baptist Church	7/19/17	7/19/21	7/19/21	<u>231,279.84</u>	<u>195,539.10</u>
					<u>\$2,158,398.87</u>	<u>\$1,101,424.33</u>
Vanderbilt Church Planting:						
Wamego, Kansas	Trinity Baptist Church	12/29/14	12/31/17	12/31/19	\$ 250,000.00	\$ 89,574.65
Lincoln, Nebraska	Lincoln Zomi Church	7/11/14	8/15/17	1/15/26	127,500.00	54,247.45
Wellington, Kansas	Church Ignited	2/03/16	3/01/17	2/01/26	113,006.11	84,445.65
Kansas City, Missouri	Haitian American Baptist Church	10/23/15	12/31/17	11/01/25	82,229.00	60,452.56
Wichita, Kansas	The Seed Church	12/29/17		2/01/33	<u>170,000.00</u>	<u>153,000.00</u>
					<u>\$ 742,735.11</u>	<u>\$ 441,720.31</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 1
(Continued)

SCHEDULE OF NOTES RECEIVABLE
For the year ended December 31, 2017

Description	<u>Note Date</u>	<u>Review Date</u>	<u>Maturity Date</u>	<u>Original Amount</u>	<u>Unpaid Balance</u>
Webster Conference Center Endowment:					
Topeka, Kansas	Webster Conference Center	3/04/15	3/04/20	\$ <u>50,000.00</u>	\$ <u>45,000.00</u>
Carl and Barbara Noble CRAT:					
Topeka, Kansas	219 SW Taylor	4/01/01	1/01/22	\$ 29,500.00	\$ 11,920.64
	225 Klein	7/01/08	12/01/20	19,500.00	12,925.28
	320 Tyler	12/01/98	4/01/28	37,000.00	28,495.39
	613 Liberty	11/01/90	11/01/20	<u>27,000.00</u>	<u>20,369.37</u>
				\$ <u>113,000.00</u>	\$ <u>73,710.68</u>
				<u>\$3,064,133.98</u>	<u>\$1,661,855.32</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 2

SCHEDULE OF ACTIVITIES BY PROGRAM

For the year ended December 31, 2017

	<u>Conley</u>	<u>Grimes</u>	<u>International</u>	<u>Jackie Owen</u>	<u>Warrenetta</u>	<u>Allison</u>	<u>Bivocational</u>
	<u>Gift</u>	<u>Gift</u>	<u>Mission</u>	<u>Memorial</u>	<u>Lewis</u>	<u>Smith</u>	<u>Pastors</u>
	<u>Annuity</u>	<u>Annuity</u>	<u>Support</u>	<u>Endowment</u>	<u>Endowment</u>	<u>Memorial</u>	<u>Endowment</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
<u>Revenues</u>							
Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annuities	314.55	941.82	-	-	-	-	-
Investment earnings	153.32	335.63	540.93	47.21	1,408.54	567.11	2,068.35
Realized gain (loss)	778.16	192.94	1,189.81	107.66	3,538.25	40.26	3.46
Unrealized gain (loss)	105.08	1,769.20	3,124.90	283.03	9,270.02	3,210.56	11,820.63
Transfers	(31.31)	(68.96)	-	-	-	-	-
Total revenues	<u>\$ 1,319.80</u>	<u>\$ 3,170.63</u>	<u>\$ 4,855.64</u>	<u>\$ 437.90</u>	<u>\$ 14,216.81</u>	<u>\$ 3,817.93</u>	<u>\$13,892.44</u>
<u>Expenses</u>							
Mission support	\$ -	\$ -	-	-	-	\$ -	\$ -
Grants	-	-	-	-	-	500.00	-
Annuity distribution	590.00	2,730.00	-	-	-	-	-
Trust and professional fees	67.33	148.31	-	-	-	248.32	905.44
Depreciation	-	-	-	-	-	-	-
Property supervision	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total expenses	<u>\$ 657.33</u>	<u>\$ 2,878.31</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 748.32</u>	<u>\$ 905.44</u>
Change in Net Assets	\$ 662.47	\$ 292.32	\$ 4,855.64	\$ 437.90	\$ 14,216.81	\$ 3,069.61	\$12,987.00
Net Assets, Beginning of Year	<u>3,339.91</u>	<u>9,329.47</u>	<u>41,867.79</u>	<u>3,592.39</u>	<u>102,639.43</u>	<u>21,521.49</u>	<u>77,764.02</u>
Net Assets, End of Year	<u>\$ 4,002.38</u>	<u>\$ 9,621.79</u>	<u>\$46,723.43</u>	<u>\$ 4,030.29</u>	<u>\$116,856.24</u>	<u>\$24,591.10</u>	<u>\$90,751.02</u>
<u>Net Assets</u>							
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Temporarily restricted	4,002.38	9,621.79	46,723.43	1,020.29	21,327.24	24,591.10	36,103.02
Permanently restricted	-	-	-	3,010.00	95,529.00	-	54,648.00
	<u>\$ 4,002.38</u>	<u>\$ 9,621.79</u>	<u>\$46,723.43</u>	<u>\$ 4,030.29</u>	<u>\$116,856.24</u>	<u>\$24,591.10</u>	<u>\$90,751.02</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 2
(Continued)

SCHEDULE OF ACTIVITIES BY PROGRAM

For the year ended December 31, 2017

	<u>Bertha Smith</u> <u>New Work</u> <u>Fund</u>	<u>KU Christian</u> <u>Challenge</u> <u>Endowment</u> <u>Fund</u>	<u>Christian</u> <u>Higher Education</u> <u>Endowment</u> <u>Fund</u>	<u>Heartland</u> <u>Church</u> <u>Network</u>	<u>Envangelism</u> <u>Support</u> <u>Fund</u>	<u>J Oscar</u> <u>Rhodes</u> <u>New Work</u> <u>Fund</u>	<u>KC Kansas</u> <u>Baptist</u> <u>Association</u> <u>Endowment</u> <u>Fund</u>
<u>Revenues</u>							
Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Annuities	-	-	-	-	-	-	-
Investment earnings	1,960.03	426.52	3,143.39	3,824.89	170.22	3,359.66	2,286.10
Realized gain (loss)	3.27	1,048.57	409.90	6.39	.28	5.60	3.82
Unrealized gain (loss)	11,201.70	2,762.69	17,649.79	21,859.52	972.92	19,200.51	13,065.04
Transfers	-	-	-	-	-	-	-
Total revenues	<u>\$13,165.00</u>	<u>\$ 4,237.78</u>	<u>\$ 21,203.08</u>	<u>\$ 25,690.80</u>	<u>\$ 1,143.42</u>	<u>\$ 22,565.77</u>	<u>\$ 15,354.96</u>
<u>Expenses</u>							
Mission support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	-	1,472.38	5,000.00	-	-	-	-
Annuity distribution	-	-	-	-	-	-	-
Trust and professional fees	858.05	-	1,376.67	1,674.40	74.52	1,470.72	1,000.76
Depreciation	-	-	-	-	-	-	-
Property supervision	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total expenses	<u>\$ 858.05</u>	<u>\$ 1,472.38</u>	<u>\$ 6,376.67</u>	<u>\$ 1,674.40</u>	<u>\$ 74.52</u>	<u>\$ 1,470.72</u>	<u>\$ 1,000.76</u>
Change in Net Assets	\$12,306.95	\$ 2,765.40	\$ 14,826.41	\$ 24,016.40	\$ 1,068.90	\$ 21,095.05	\$ 14,354.20
Net Assets, Beginning of Year	<u>73,692.22</u>	<u>32,402.78</u>	<u>120,191.16</u>	<u>143,806.47</u>	<u>6,400.51</u>	<u>126,313.63</u>	<u>85,950.47</u>
Net Assets, End of Year	<u>\$85,999.17</u>	<u>\$35,168.18</u>	<u>\$135,017.57</u>	<u>\$167,822.87</u>	<u>\$ 7,469.41</u>	<u>\$147,408.68</u>	<u>\$100,304.67</u>
<u>Net Assets</u>							
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Temporarily restricted	85,999.17	11,516.18	34,240.57	167,822.87	7,469.41	147,408.68	65,814.67
Permanently restricted	-	<u>23,652.00</u>	<u>100,777.00</u>	-	-	-	<u>34,490.00</u>
Total	<u>\$85,999.17</u>	<u>\$35,168.18</u>	<u>\$135,017.57</u>	<u>\$167,822.87</u>	<u>\$ 7,469.41</u>	<u>\$147,408.68</u>	<u>\$100,304.67</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 2
(Continued)

SCHEDULE OF ACTIVITIES BY PROGRAM

For the year ended December 31, 2017

	<u>Missions</u> <u>Assistance</u> <u>Fund</u>	<u>Mr. & Mrs.</u> <u>T. J. McIlvain</u> <u>Memorial</u> <u>Trust Fund</u>	<u>State</u> <u>Missions</u> <u>Fund</u>	<u>KNCSB</u> <u>Endowment</u> <u>Fund</u>	<u>Ed</u> <u>Vanlandingham</u> <u>Music</u> <u>Scholarship</u> <u>Fund</u>	<u>Webster</u> <u>Conference</u> <u>Center</u> <u>Endowment</u> <u>Fund</u>	<u>Le Claire</u> <u>Weills</u> <u>Memorial</u> <u>Fund</u>
<u>Revenues</u>							
Contributions	\$ -	\$10,000.00	\$ -	\$ 32,840.21	\$ -	\$ 6,072.76	\$ -
Annuities	-	-	-	-	-	-	-
Investment earnings	1,456.98	246.05	4,057.85	19,488.52	848.84	848.33	152.50
Realized gain (loss)	212.34	.39	636.89	351.25	135.92	1.32	.26
Unrealized gain (loss)	8,057.34	1,406.07	22,695.45	111,038.15	4,739.74	4,712.56	871.61
Transfers	-	-	-	1,035.82	-	-	-
Total revenues	<u>\$ 9,726.66</u>	<u>\$11,652.51</u>	<u>\$ 27,390.19</u>	<u>\$164,753.95</u>	<u>\$ 5,724.50</u>	<u>\$11,634.97</u>	<u>\$ 1,024.37</u>
<u>Expenses</u>							
Mission support	\$ 2,500.00	\$ -	\$ 7,500.00	\$ 30,000.00	\$ -	\$ -	\$ -
Grants	-	-	-	-	1,400.00	-	-
Annuity distribution	-	-	-	-	-	-	-
Trust and professional fees	633.02	107.73	1,777.31	8,527.74	372.80	363.96	66.76
Depreciation	-	-	-	-	-	-	-
Property supervision	-	-	-	-	-	-	-
Miscellaneous	-	-	-	1,007.71	-	-	-
Total expenses	<u>\$ 3,133.02</u>	<u>\$ 107.73</u>	<u>\$ 9,277.31</u>	<u>\$ 39,535.45</u>	<u>\$ 1,772.80</u>	<u>\$ 363.96</u>	<u>\$ 66.76</u>
Change in Net Assets	\$ 6,593.64	\$11,544.78	\$ 18,112.88	\$125,218.50	\$ 3,951.70	\$11,271.01	\$ 957.61
Net Assets, Beginning of Year	<u>53,005.98</u>	<u>9,249.96</u>	<u>155,576.67</u>	<u>739,953.99</u>	<u>32,234.83</u>	<u>-</u>	<u>5,734.12</u>
Net Assets, End of Year	<u>\$59,599.62</u>	<u>\$20,794.74</u>	<u>\$173,689.55</u>	<u>\$865,172.49</u>	<u>\$36,186.53</u>	<u>\$11,271.01</u>	<u>\$ 6,691.73</u>
<u>Net Assets</u>							
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Temporarily restricted	59,599.62	20,794.74	173,689.55	758,103.28	36,186.53	11,271.01	5,405.73
Permanently restricted	-	-	-	107,069.21	-	-	1,286.00
Total	<u>\$59,599.62</u>	<u>\$20,794.74</u>	<u>\$173,689.55</u>	<u>\$865,172.49</u>	<u>\$36,186.53</u>	<u>\$11,271.01</u>	<u>\$ 6,691.73</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 2
(Continued)

SCHEDULE OF ACTIVITIES BY PROGRAM

For the year ended December 31, 2017

	<u>Coffeyville</u> <u>Southern Baptist</u> <u>Church Mission</u> <u>Fund</u>	<u>Harold L.</u> <u>Conley</u> <u>Foundation</u> <u>Support</u> <u>Fund</u>	<u>Central</u> <u>Baptist</u> <u>Association</u> <u>Property</u> <u>Fund</u>	<u>Kelley</u> <u>Shelton</u> <u>Women's</u> <u>Leadership</u> <u>Fund</u>	<u>Covenant Baptist</u> <u>Church Capital</u> <u>Improvement</u> <u>Fund</u>	<u>Wilbur Noble</u> <u>Memorial</u> <u>Scholarship</u> <u>Fund</u>	<u>Student</u> <u>Loan</u> <u>Fund</u>
<u>Revenues</u>							
Contributions	\$ -	\$ -	\$ -	\$ 440.43	\$ -	\$ -	\$ -
Annuities	-	-	-	-	-	-	-
Investment earnings	1,866.80	51.83	819.34	913.64	78.77	315.13	31.33
Realized gain (loss)	2,181.64	.09	1.37	1.51	.13	24.21	.05
Unrealized gain (loss)	8,952.14	296.26	4,682.46	5,214.26	450.15	1,782.72	179.02
Transfers	-	-	-	-	-	-	-
Total revenues	<u>\$ 13,000.58</u>	<u>\$ 348.18</u>	<u>\$ 5,503.17</u>	<u>\$ 6,569.84</u>	<u>\$ 529.05</u>	<u>\$ 2,122.06</u>	<u>\$ 210.40</u>
<u>Expenses</u>							
Mission support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grants	26,000.00	-	-	-	-	300.00	-
Annuity distribution	-	-	-	-	-	-	-
Trust and professional fees	820.06	22.69	358.65	399.57	34.49	137.98	13.71
Depreciation	-	-	-	-	-	-	-
Property supervision	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Total expenses	<u>\$ 26,820.06</u>	<u>\$ 22.69</u>	<u>\$ 358.65</u>	<u>\$ 399.57</u>	<u>\$ 34.49</u>	<u>\$ 437.98</u>	<u>\$ 13.71</u>
Change in Net Assets	\$ (13,819.48)	\$ 325.49	\$ 5,144.52	\$ 6,170.27	\$ 494.56	\$ 1,684.08	\$ 196.69
Net Assets, Beginning of Year	<u>80,593.31</u>	<u>1,949.01</u>	<u>30,804.45</u>	<u>34,249.72</u>	<u>2,961.40</u>	<u>11,968.77</u>	<u>1,177.72</u>
Net Assets, End of Year	<u>\$ 66,773.83</u>	<u>\$ 2,274.50</u>	<u>\$35,948.97</u>	<u>\$40,419.99</u>	<u>\$ 3,455.96</u>	<u>\$13,652.85</u>	<u>\$ 1,374.41</u>
<u>Net Assets</u>							
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Temporarily restricted	7,370.83	1,948.50	35,948.97	19,049.56	2,955.96	3,652.85	1,374.41
Permanently restricted	<u>59,403.00</u>	<u>326.00</u>	<u>-</u>	<u>21,370.43</u>	<u>500.00</u>	<u>10,000.00</u>	<u>-</u>
Total	<u>\$ 66,773.83</u>	<u>\$ 2,274.50</u>	<u>\$35,948.97</u>	<u>\$40,419.99</u>	<u>\$ 3,455.96</u>	<u>\$13,652.85</u>	<u>\$ 1,374.41</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 2
(Continued)

SCHEDULE OF ACTIVITIES BY PROGRAM

For the year ended December 31, 2017

	<u>Gift</u> <u>Annuity</u> <u>Reserve</u> <u>KNSBF</u>	<u>Collegiate</u> <u>Ministries</u> <u>Support</u> <u>Fund</u>	<u>Santa Fe</u> <u>Hills</u> <u>Baptist Church</u> <u>Trust</u>	<u>Delbert M</u> <u>& Mary M</u> <u>Baxter Memorial</u> <u>Endowment</u> <u>Fund</u>	<u>Lavonne</u> <u>James</u> <u>Women's</u> <u>Evangelism</u> <u>Fund</u>	<u>Overflow</u> <u>Ministries</u>	<u>Weir Baptist</u> <u>Camp</u> <u>Endowment</u> <u>Fund</u>
<u>Revenues</u>							
Contributions	\$ -	\$ -	\$ -	\$ -	\$ 941.00	\$ -	\$ -
Annuities	-	-	-	-	-	-	-
Investment earnings	52.06	335.18	4,237.60	92.40	99.15	2,166.18	3,547.88
Realized gain (loss)	.57	730.87	7.22	225.36	217.22	2,031.01	8,748.80
Unrealized gain (loss)	295.38	1,919.11	24,218.15	557.33	571.73	10,679.82	23,049.44
Transfers	<u>100.27</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>\$ 448.28</u>	<u>\$ 2,985.16</u>	<u>\$ 28,462.97</u>	<u>\$ 875.09</u>	<u>\$ 1,829.10</u>	<u>\$14,877.01</u>	<u>\$ 35,346.12</u>
<u>Expenses</u>							
Mission support	\$ -	-	\$ -	\$ -	-	\$ -	\$ -
Grants	-	-	-	200.00	-	19,500.00	8,140.25
Annuity distribution	-	-	-	-	-	-	-
Trust and professional fees	22.75	-	1,855.08	-	-	961.71	-
Depreciation	-	-	-	-	-	-	-
Property supervision	-	-	-	-	-	-	-
Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>\$ 22.75</u>	<u>-</u>	<u>\$ 1,855.08</u>	<u>\$ 200.00</u>	<u>-</u>	<u>\$20,461.71</u>	<u>\$ 8,140.25</u>
Change in Net Assets	\$ 425.53	\$ 2,985.16	\$ 26,607.89	\$ 675.09	\$ 1,829.10	\$ (5,584.70)	\$ 27,205.87
Net Assets, Beginning of Year	<u>1,908.10</u>	<u>26,041.58</u>	<u>159,324.03</u>	<u>6,918.35</u>	<u>7,334.57</u>	<u>86,679.75</u>	<u>265,301.92</u>
Net Assets, End of Year	<u>\$ 2,333.63</u>	<u>\$29,026.74</u>	<u>\$185,931.92</u>	<u>\$ 7,593.44</u>	<u>\$ 9,163.67</u>	<u>\$81,095.05</u>	<u>\$292,507.79</u>
<u>Net Assets</u>							
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Temporarily restricted	2,333.63	16,276.74	185,931.92	1,408.44	9,163.67	81,095.05	292,507.79
Permanently restricted	<u>-</u>	<u>12,750.00</u>	<u>-</u>	<u>6,185.00</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 2,333.63</u>	<u>\$29,026.74</u>	<u>\$185,931.92</u>	<u>\$ 7,593.44</u>	<u>\$ 9,163.67</u>	<u>\$81,095.05</u>	<u>\$292,507.79</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 2
(Continued)

SCHEDULE OF ACTIVITIES BY PROGRAM

For the year ended December 31, 2017

	<u>Oregon Trail</u> <u>Baptist</u> <u>Association</u> <u>Church Planting</u> <u>Fund</u>	<u>Doyle Smith</u> <u>Memorial</u> <u>Judea</u> <u>Fund</u>	<u>Carl &</u> <u>Barbara</u> <u>Noble</u> <u>CRAT</u>	<u>Property</u>	<u>Carl &</u> <u>Barbara</u> <u>Noble</u> <u>2nd CRAT</u>	<u>General</u> <u>Operating</u> <u>Agency</u>	<u>Mission</u> <u>Support</u> <u>Agency</u>
<u>Revenues</u>							
Contributions	\$ -	\$ 3,346.00	\$ -	-	\$ -	\$ 1,036.00	\$ -
Annuities	-	-	2,799.73	-	2,878.86	-	-
Investment earnings	2,261.36	165.73	2,623.67	-	23.21	3.89	4,052.89
Realized gain (loss)	5,566.63	399.37	(32,182.62)	-	-	-	-
Unrealized gain (loss)	14,666.46	1,052.24	-	-	-	-	-
Transfers	-	-	-	-	-	(1,035.82)	47,156.98
Total revenues	<u>\$ 22,494.45</u>	<u>\$ 4,963.34</u>	<u>\$ (26,759.22)</u>	<u>-</u>	<u>\$ 2,902.07</u>	<u>\$ 4.07</u>	<u>\$51,209.87</u>
<u>Expenses</u>							
Mission support	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$50,000.00
Grants	7,355.03	-	-	-	-	-	-
Annuity distribution	-	-	13,200.00	-	9,600.00	-	-
Trust and professional fees	-	-	3,422.50	-	585.00	2.14	106.32
Depreciation	-	-	-	3,438.40	-	-	-
Property supervision	-	-	2,095.72	-	-	-	-
Miscellaneous	-	-	15,413.19	-	-	-	-
Total expenses	<u>\$ 7,355.03</u>	<u>-</u>	<u>\$ 34,131.41</u>	<u>\$ 3,438.40</u>	<u>\$ 10,185.00</u>	<u>\$ 2.14</u>	<u>\$50,106.32</u>
Change in Net Assets	\$ 15,139.42	\$ 4,963.34	\$ (60,890.63)	\$ (3,438.40)	\$ (7,282.93)	\$ 1.93	\$ 1,103.55
Net Assets, Beginning of Year	<u>165,711.87</u>	<u>8,824.05</u>	<u>414,981.71</u>	<u>154,115.71</u>	<u>(15,729.40)</u>	<u>477.26</u>	<u>5,086.29</u>
Net Assets, End of Year	<u>\$180,851.29</u>	<u>\$13,787.39</u>	<u>\$354,091.08</u>	<u>\$150,677.31</u>	<u>\$ (23,012.33)</u>	<u>\$ 479.19</u>	<u>\$ 6,189.84</u>
<u>Net Assets</u>							
Unrestricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 479.19	\$ -
Temporarily restricted	180,851.29	13,787.39	354,091.08	150,677.31	(23,012.33)	-	6,189.84
Permanently restricted	-	-	-	-	-	-	-
Total	<u>\$180,851.29</u>	<u>\$13,787.39</u>	<u>\$354,091.08</u>	<u>\$150,677.31</u>	<u>\$ (23,012.33)</u>	<u>\$ 479.19</u>	<u>\$ 6,189.84</u>

KANSAS-NEBRASKA SOUTHERN BAPTIST FOUNDATION
Topeka, Kansas

Schedule 2
(Continued)

SCHEDULE OF ACTIVITIES BY PROGRAM

For the year ended December 31, 2017

	<u>Pittsburg</u> <u>Savings</u> <u>Holding Fund</u> <u>Agency</u>	<u>Church</u> <u>Sites</u> <u>Agency</u>	<u>Revolving</u> <u>Building</u> <u>Loan</u> <u>Fund</u>	<u>Indian</u> <u>Hills</u> <u>Church</u>	<u>Vanderbilt</u> <u>Church</u> <u>Planting</u> <u>Fund</u>	<u>Webster</u> <u>Conference</u> <u>Center</u> <u>Endowment</u> <u>Fund</u>	<u>Total</u>
<u>Revenues</u>							
Contributions	\$ -	\$ -	\$ -	\$600,000.00	\$ -	\$ -	\$ 654,676.40
Annuities	-	-	-	-	-	-	6,934.96
Investment earnings	.92	1,300.03	64,551.06	4,618.45	21,580.08	913.63	164,093.18
Realized gain (loss)	-	1,029.57	21,186.95	4,701.91	26,179.62	-	49,718.22
Unrealized gain (loss)	-	(603.05)	29,505.78	(2,676.60)	(82.42)	-	394,526.89
Transfers	-	-	(47,156.98)	-	-	-	-
Total revenues	<u>\$.92</u>	<u>\$ 1,726.55</u>	<u>\$ 68,086.81</u>	<u>\$606,643.76</u>	<u>\$ 47,677.28</u>	<u>\$ 913.63</u>	<u>\$1,269,949.65</u>
<u>Expenses</u>							
Mission support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,000.00
Grants	1,853.97	-	-	1,500.00	-	6,072.76	79,294.39
Annuity distribution	-	-	-	-	-	-	26,120.00
Trust and professional fees	.64	361.42	2,315.55	334.84	1,741.98	19.82	33,190.74
Depreciation	-	-	-	-	-	-	3,438.40
Property supervision	-	-	-	-	-	-	2,095.72
Miscellaneous	-	-	2,313.98	-	963.69	112.55	19,811.12
Total expenses	<u>\$ 1,854.61</u>	<u>\$ 361.42</u>	<u>\$ 4,629.53</u>	<u>\$ 1,834.84</u>	<u>\$ 2,705.67</u>	<u>\$ 6,205.13</u>	<u>\$ 253,950.37</u>
Change in Net Assets	\$ (1,853.69)	\$ 1,365.13	\$ 63,457.28	\$604,808.92	\$ 44,971.61	\$ (5,291.50)	\$1,015,999.28
Net Assets, Beginning of Year	<u>1,853.69</u>	<u>94,379.67</u>	<u>1,943,451.22</u>	<u>-</u>	<u>800,777.39</u>	<u>82,201.56</u>	<u>6,217,910.99</u>
Net Assets, End of Year	<u>-</u>	<u>\$95,744.80</u>	<u>\$2,006,908.50</u>	<u>\$604,808.92</u>	<u>\$845,749.00</u>	<u>\$76,910.06</u>	<u>\$7,233,910.27</u>
<u>Net Assets</u>							
Unrestricted	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 479.19
Temporarily restricted	-	95,744.80	2,006,908.50	4,808.92	845,749.00	3,576.06	6,029,101.44
Permanently restricted	-	-	-	600,000.00	-	73,334.00	1,204,329.64
Total	<u>-</u>	<u>\$95,744.80</u>	<u>\$2,006,908.50</u>	<u>\$604,808.92</u>	<u>\$845,749.00</u>	<u>\$76,910.06</u>	<u>\$7,233,910.27</u>

