



The North American Mission Board (NAMB) exists to serve pastors, churches and other Southern Baptist ministry partners as they engage the mission field in the United States, Canada and beyond. We are all about the gospel. Seeing the good news of Jesus Christ spread throughout North America is our primary goal.

North America is becoming an increasingly difficult mission field. The last 20 years in particular have seen some of the most consequential shifts in religious belief. The percentage of the population who do not identify with any religious tradition has steadily risen as Americans and Canadians have embraced a culture that no longer values any form of institutionalized religion, let alone Christianity.

North America and Europe are the only two continents in the world where the population of Christians is on the decline. More and more, our society is creeping toward becoming post-Christian as an estimated 281 million do not know Jesus.

To rise to that challenge and confront the growing sense of spiritual lostness, NAMB has sharpened its focus—equipping Southern Baptists in the areas of evangelism, church planting, compassion ministry and chaplaincy.

EVANGELISM

Baptisms among Southern Baptist churches have been steadily declining since 2000 as the rising tide of secularism makes evangelism more challenging. Christians across the varied denominational spectrum have encountered similar challenges in recent decades. Though baptisms have been on an upswing following the historic lows that resulted from the pandemic in 2020, Southern Baptists still have a long way to go to reverse the downward trend seen in the last 20 years.

NAMB's evangelism team has sought to equip pastors and churches with resources designed to help them keep evangelism at the forefront of their ministries. The most recent resource—the [NAMB Evangelism Kit](#)—is designed to help churches create a culture of evangelism within their congregation and has been distributed to more than 10,000 local churches. The kit is also available in Spanish, and the team is working on versions that cater directly to [women](#), youth leaders, and collegiate leaders that will be available as online courses at [NAMBevangelism.com](#).

An aspect of assisting churches in evangelism requires equipping leaders, and NAMB accomplishes that through its [Refresh Retreats](#), [Evangelism Trainings](#) and other events. Through a total of 13 events that began in the summer of 2023, NAMB trained more than 1,300 attendees by the end of the year. Refresh Retreats blessed more than 1,200 pastors and their wives as they took a few days away to be encouraged and re-energized before returning to their ministry context.

NAMB also facilitates two coaching networks—the [Youth Leader Coaching Network](#) (YLCN) and the [Collegiate Coaching Network](#) (CCN)—designed to support ministry leaders reaching the next generation through

evangelism, discipleship and missions. Since its 2021 launch, YLCN has trained more than 800 youth leaders in person with more than 1,500 participating in the online cohort. The CCN launched in 2022 and has engaged more than 260 leaders in person and more than 400 through online sessions.

Along with the new Evangelism Kit, NAMB continues to offer free resources like the [3 Circles Kit](#), the [Best News Kit](#) and the [Who's Your One Kit](#) to pastors seeking to lead their churches in evangelism. To help leaders reach the next generation, NAMB has also created a virtual guide for students who accept Christ called [Life Essentials: New Believers Guide for Students](#). There's also a free, online course for those sensing a call to ministry called [Understanding a Calling to Ministry](#).

It's "all about the gospel" at NAMB, and every team facilitates and reports on their evangelistic efforts. Send Relief reported that their volunteers had 47,356 gospel conversations in 2023, and Southern Baptist Disaster Relief (SBDR) reported 32,546 gospel conversations with 8,561 professions of faith. NAMB also endorses and resources [Southern Baptist chaplains](#) who reported nearly 100,000 gospel conversations and more than 18,400 professions of faith.

Each year, NAMB works with Southern Baptist seminaries, the local state convention, associations and churches around the site of the SBC Annual Meeting to conduct [Crossover](#), which is a series of varied outreach efforts designed to present the gospel in the community.

In 2023 in New Orleans, [NAMB, Louisiana Baptists and Send Relief came together](#) and saw 336 people surrender their lives to Christ through 84 outreach and compassion ministry projects. There were 3,487 gospel conversations, and more than 12,000 people were either served through or attended one of the events.

Church planting is NAMB's primary missions effort for reaching the lost in big cities and small towns where church-to-population ratios and the percentage of lostness populations are high. Since 2010, NAMB has centered most of its efforts in areas with fewer churches, especially in regions outside the South where Southern Baptists have less of a presence.

As a result, in the most recent year that baptism numbers are available, the churches planted since 2010 in 26 non-South states and Canadian provinces accounted for 26 percent of all baptisms in their areas.

CHURCH PLANTING – SEND NETWORK & REPLANT

Churches plant churches. To that end, Southern Baptists have planted more than 11,000 churches since 2010.

The local New Testament church is the God-ordained tool for reaching communities with the gospel and making disciples out of those who believe the saving message of Jesus Christ's death, burial and resurrection. Missionaries are sent by a Sending Church to areas of greatest need and engage their community by

sharing the hope of the gospel, calling their neighbors to faith and repentance. Then, as disciples are made, a new church is planted.

NAMB comes alongside churches through Send Network to help their church planting efforts be more efficient, effective and strategic by offering assessments, training, coaching and care to Southern Baptist church planting missionaries.

Send Network employs and engages seasoned church planting practitioners who can train individual missionaries and equip local churches to become multiplying churches. Individuals participate by entering Send Network's [Church Planter Pathway](#). Churches participate through Send Network's [Mobilization Pathway](#), which was significantly recalibrated in 2023.

Church planters will be assessed, trained and coached as part of the pathway as Send Network supports the efforts of the sending church to ensure that a church planting missionary is adequately prepared for the task and equipped to succeed.

Send Network also introduced the Church Planter Profile in 2023 as a way of enhancing its efforts to equip church planters with nine essential qualities: the heart, relationships, calling, theology, mission, teaching, the Church, the nations and practical leadership.

In 2023, Send Network held 47 church planter assessment retreats and assessed 371 church planting candidates. NAMB hosted two Send Network Orientations with more than 400 new church planting missionaries attending.

With the increasing ethnic diversity in North America, Send Network has been intentionally helping churches raise up church planting leaders from these people groups in order to reach the nations in North America. As part of that emphasis, Send Network launched [Send Network Español](#) in early 2022 and has already seen a rapid increase of Spanish-speaking church planting missionaries entering the field.

As part of equipping churches in their church planting efforts, Send Network developed [Sending Labs](#) and the [Residency program](#). The greatest need in the church planting sphere is more qualified planters, but these men must be discipled and sent out by local churches. Sending Labs guide churches on how to create a vision and plan to find, develop, and send church planters. Residencies provide a venue for those who intend to plant a church to learn best practices in a local church environment that prepares them to minister on the field.

To date, 1,751 churches are exploring or implementing the Multiplication Pipeline, and they have engaged 22,702 participants in Pipeline training, which is available for any church, free of charge. Thus far, Send Network has identified 434 churches offering residency opportunities, which was an increase beyond the 359 from the previous year.

In 2023, Southern Baptists added 840 new congregations: 652 new church plants, which includes 44 replants, 122 existing churches that decided to affiliate with the SBC and 66 new church campuses.

The 2023 church plants pushed the total churches planted since 2010 beyond the 11,000 mark.

As NAMB, through Send Network, evaluates the church planting strategy of Southern Baptists, the aim is the quality of churches planted more than the quantity. The primary metric for assessing the quality is the survivability rate of new church plants. As a result of NAMB's increased investment since 2010 and the founding of Send Network in 2015, the four-year survivability rate has risen to nearly 90 percent.

As mentioned in the previous section, these church plants have been focused on reaching their communities. An estimated 26 percent of all baptisms in non-South states in 2022—the most recent year data is available—came from churches planted since 2010.

To achieve Send Network's goal of helping churches plant churches everywhere for everyone, Send Network facilitates church planting in rural contexts as well as in urban and suburban areas.

NAMB's Church Replanting team, working adjacent to Send Network, is also particularly focused on normative-sized churches and churches in rural communities.

The **Church Replanting** team provides resources and guidance for rural ministry and comes alongside local associations and churches that are looking to reestablish a local church that is severely declining or dying.

The Replant team hosts events for rural pastors and offers training for associational leaders as they consult with churches in their area toward revitalization or to pursue replanting if they have reached a point where they are struggling to sustain their ministries.

The Replant team trained more than 190 replanters through residencies and led a cohort for 100 replanters that has seen more than 1,200 revitalization and replant pastors undergo their 40-week training program. The team also trained more than 260 Associational Missions Strategists through their Replant Practitioner Lab. They have also hosted "Am I Replanter?" gatherings designed to encourage pastors to engage in the work of replanting and revitalization ministry.

COMPASSION MINISTRY – SEND RELIEF

One of the most effective avenues for churches to engage their communities and open doors for sharing the gospel is through compassion ministry. To that end, NAMB works together with the International Mission Board through Send Relief.

Send Relief exists as a resource for local churches to serve "the least of these" by meeting tangible needs while sharing the gospel of Jesus Christ, who meets humanity's deepest spiritual needs. Send Relief has recognized **five focus areas** of compassion ministry: **care for refugees**, **fight human trafficking**, **protect children and families**, **strengthen communities** and **respond to crisis**.

In North America, Send Relief engaged in 32,142 volunteers, served 248,481 people, impacted 1,909 churches and shared the gospel with 47,356 people through the Send Relief Serve Tour, Send Relief Ministry Centers and other various projects throughout North America.

Send Relief also supports Southern Baptist Disaster Relief (SBDR), which is the historic effort of Southern Baptist volunteers that ranks in the top three of volunteer disaster relief groups in the United States. Together, in 2023, SBDR expended more than 76,000 volunteer days serving communities, prepared more than 1 million hot meals and saw 8,561 people profess faith in Christ.

Throughout North America, Send Relief has established 19 **Ministry Centers** that serve as hubs of compassion ministry in their area. They offer opportunities for local churches to send teams that will be able to serve the community and learn best practices. Along with these Ministry Centers, Send Relief has also built relationships with several like-minded Southern Baptists ministries that serve as **Affiliate Ministry Centers**.

The **Send Relief Serve Tour** launched in 2021 and has since recruited more than 9,000 volunteers, served more than 38,000 people and engaged in 8,365 gospel conversations throughout North America. These events are a collaborative effort between Send Relief, state conventions, local associations and churches. Tour stops are scheduled through 2025.

CHAPLAINCY

Southern Baptist chaplains have the unique opportunity to extend the ministry of the local church into contexts where other ministry leaders often have limited or no access. NAMB's Chaplaincy Team endorses, trains, resources, and encourages 3,300 chaplains who have been sent out by Southern Baptists.

The chaplaincy ministry is a sacred calling from God to serve outside a traditional local church setting and within an institutional setting. Individuals called to this unique ministry are sent out by their local churches, receive ecclesiastical endorsement from their denomination, and provide ministry to people in the environment of a particular institution or organization.

Chaplains are faith leaders with specialized training to minister in **various institutional settings** such as correctional facilities, disaster relief, health care, hospice, the military, public safety, corporate and community service. SBC-endorsed chaplains are gospel-centric, multi-disciplined, Spirit-empowered, professionally trained men and women sent out by local Southern Baptist churches.

The Chaplaincy Team provides webinars, personal coaching, and regional training events for SBC-endorsed chaplains in evangelism, pastoral care, and other chaplaincy-related issues. They receive ongoing training in areas

such as spiritual disciplines, self-care, biblically focused counseling, suicide intervention as well as pointing chaplains to spiritually focused solutions for struggles with post-traumatic stress.

For 2023, Southern Baptist chaplains presented the gospel 95,627 times, resulting in 18,408 professions of faith and more than 1,600 baptisms.

APPOINTMENT AND SUPPORT OF MISSIONARIES

NAMB supports more than 6,500 missionaries and chaplains, including 3,299 missionaries in varying ministry categories as well as 3,300 endorsed chaplains.

Most missionaries serve as church planters, and they serve only for a designated period (usually no more than five years) before they conclude their missionary service and continue pastoring their church. This means NAMB's missionary count fluctuates throughout the year as church planting missionary terms begin and end.

FUNDING NORTH AMERICAN MISSIONS

Cooperative Program (35 percent of NAMB's budgeted revenue)

The Southern Baptist worldwide missions enterprise is funded in large part through its unique, efficient and equitable Cooperative Program. A portion of the undesignated tithes and offerings of individuals received by SBC churches becomes Cooperative Program dollars.

Annie Armstrong Easter Offering (50 percent of NAMB's budgeted revenue)

In addition to Cooperative Program giving, an annual offering is received to benefit missions in North America. Named in honor of **Annie Armstrong**—a passionate advocate of missions who lived 1850-1938—the Annie Armstrong Easter Offering® is the primary funding channel for Southern Baptist mission work in the United States, Canada and their territories.

A special offering which churches historically collect during the spring (though it can be collected at any time during the year), all funds (100%) go to the field to support North American missionaries and their work, primarily as salaries and ministry resources. Each penny given represents the trust that Southern Baptists place in our missionary force, and our missionaries are excellent stewards of these funds.

For NAMB's fiscal year of October 1, 2022, through September 30, 2023, receipts to the Annie Armstrong Easter Offering (AAEO) totaled \$70.4 million. The amount set a new record for giving to the annual missions offering, making five of the last six years record-setting years for the AAEO with the COVID-19

impacted 2020 serving as the only down year. The goal for the 2024 Annie Armstrong Offering is \$75 million. To learn more, visit anniearmstrong.com.

In the fiscal year ending in 2023, NAMB sent more than \$33 million to Canadian and state conventions, associations and churches of the Southern Baptist Convention to fund missionaries and support evangelistic church planting, evangelism and church revitalization ministries in their states.

North American Mission Board 2023 Actual Revenue/Expenses Summary

REVENUE	Amount
Cooperative Program	43,677,479
*Annie Armstrong Easter Offering	69,359,313
Unrestricted Gifts	7,411,145
**Investment and Interest Income	35,281,454
Other	3,523,377
Restricted Gifts	22,411,618
TOTAL	181,664,386

EXPENSES	Amount
Sending and Leadership	12,481,504
Evangelism and Relief	43,941,485
***Church Planting	81,772,595
Mission Education and Opportunities	14,078,472
Administrative	24,268,850
TOTAL	176,542,906

* Contributions for AAEO-related projects totaling \$1,029,000 are reported as Restricted Gifts.

**Investment income or loss primarily relates to market returns, most of which are unrealized and reflects market values at the end of the fiscal year.

***Church planting missionaries' salary/benefits are shown in Church Planting. Historically, all missionary salary/benefits have been shown in Missionary Support. NAMB's desire is for our budget to reflect our refocused priority of our Send Network and Church Planting.

Church planting expenditures

Most of NAMB's budget is dedicated to helping Southern Baptists plant new evangelistic church planters throughout North America. Here is a more detailed look at how those funds are spent:

Total Church Planting — \$81,772,595

Ministry Assistance — \$42,674,415 — *This spending category includes start up grants associated with launching a new church as well as monthly funding to church planters. Much of NAMB's funding that ultimately goes to a church plant flows through a sending church.*

Personnel — \$18,003,025 — *These costs include salaried missionaries and staff, including field staff, who are dedicated to work related to church planting.*

Contract Services — \$2,867,209 — *NAMB contracts with pastors and practitioners who assist with church planter assessments, coaching, training and other services directly related to strengthening the ministries of church planters.*

Operations — \$6,336,104 — *This category includes rent, fees, administrative costs, utilities, accounting and other expenses associated with supporting church planting work.*

Ministry Partners — \$4,348,143 — *These are support and expenses for ministry partners, primarily church staff, who assist in strengthening the work of church planting missionaries including in training, coaching, assessment and care.*

Benefits — \$4,413,686 — *Health, life and retirement benefits for church planters as well as missionaries and staff who support NAMB's church planting work.*

Depreciation — \$1,991,584 — *Costs associated with the depreciation of furniture, buildings, vehicles and equipment used in church planting work.*

Media — \$1,138,429 — *Costs associated with sharing the story of church planting missionaries and the ministry of church planting with Southern Baptists. This media ministry includes video, audio, online virtual events, print, photography, social media and internet.*

**Based on expenses for the year ended September 30, 2023*

Audited Financial Records for fiscal years of 2022 and 2023 are attached to this report.

**The information in this report is based on Fiscal Year October 1, 2022 through September 30, 2023. Missionary and Chaplain counts are as of Jan. 1, 2024.*



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CERTIFIED PUBLIC ACCOUNTANTS

The North American Mission Board of the Southern Baptist Convention, Inc.

Consolidated Financial Statements

For The Years Ended September 30, 2023 and 2022

REPORT OF INDEPENDENT AUDITOR

*The Board of Trustees
The North American Mission Board of the Southern Baptist Convention, Inc.
Alpharetta, Georgia*

Opinion

We have audited the accompanying consolidated financial statements of **The North American Mission Board of the Southern Baptist Convention, Inc.** ("the Board"), which consist of the consolidated statements of financial position as of September 30, 2023 and 2022, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The North American Mission Board of the Southern Baptist Convention, Inc. as of September 30, 2023 and 2022, the consolidated changes in its net assets and its consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Board 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 Consolidated Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the consolidated 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 consolidated financial statements.

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- 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 Board'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board'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.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The accompanying Supplemental Schedules of Revenue Analysis by Region (Unaudited) for the years ended September 30, 2023 and 2022 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and has not been subjected to the auditing procedures applied in the audits of the basic consolidated financial statements, and accordingly, we express no opinion on it.

Batts Morrison Wales & Lee, P.A.

BATTS MORRISON WALES & LEE, P.A.

Orlando, Florida
January 24, 2024

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.
Consolidated Statements of Financial Position

September 30,	2023	2022
Assets		
Cash and cash equivalents	\$ 6,847,982	\$ 3,108,739
Investments	121,945,509	150,676,452
Investments restricted for long-term purposes	5,484,653	5,484,170
Church loans, net	75,258,072	70,215,749
Beneficial interest in trusts and endowments held by others	65,773,319	59,779,408
Property and equipment, net	135,108,962	128,834,882
Other assets, net	15,603,579	11,713,012
Total assets	\$ 426,022,076	\$ 429,812,412
Liabilities		
Accounts payable and accrued expenses	\$ 7,901,473	\$ 11,761,195
Lease liability	1,548,093	—
Accrued postretirement benefit obligation	37,799,078	40,518,409
Total liabilities	47,248,644	52,279,604
Net assets		
Without donor restrictions	296,928,013	302,292,304
With donor restrictions	81,845,419	75,240,504
Total net assets	378,773,432	377,532,808
Total liabilities and net assets	\$ 426,022,076	\$ 429,812,412

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.
Consolidated Statements of Activities

For The Years Ended September 30,	2023	2022
Change in net assets without donor restrictions		
Public support and revenue:		
Annie Armstrong Easter Offering™	\$ 69,359,313	\$ 68,919,954
Cooperative program	43,677,479	45,399,354
Contributions	26,325,066	34,952,631
Investment income (loss)	24,443,387	(34,945,806)
Interest on church loans	3,623,846	3,725,424
Other	3,523,377	2,421,812
Total public support and revenue	170,952,468	120,473,369
Net assets released from restrictions:		
Satisfaction of time and use restrictions	4,107,003	3,560,809
Total public support and revenue and net assets released from restrictions	175,059,471	124,034,178
Expenses:		
Program activities:		
Church planting	81,772,595	80,736,526
Evangelism and relief	43,941,485	51,464,939
Mission education and opportunities	14,078,472	15,181,213
Sending and leadership	12,481,504	12,129,048
Total program activities	152,274,056	159,511,726
Supporting activities:		
Administration	24,268,850	16,201,382
Total supporting activities	24,268,850	16,201,382
Total expenses	176,542,906	175,713,108
Change in net assets without donor restrictions before other change - postretirement benefit plan	(1,483,435)	(51,678,930)
Postretirement benefit change other than periodic postretirement benefit cost	(3,880,856)	340,685
Change in net assets without donor restrictions	(5,364,291)	(51,338,245)
Change in net assets with donor restrictions		
Contributions	3,497,697	4,918,521
Change in beneficial interest in trusts and endowments held by others	5,993,911	(6,244,202)
Investment income (loss)	1,220,310	(889,740)
Net assets released from restrictions	(4,107,003)	(3,560,809)
Change in net assets with donor restrictions	6,604,915	(5,776,230)
Change in net assets	1,240,624	(57,114,475)
Net assets - Beginning of year	377,532,808	434,647,283
Net assets - End of year	\$ 378,773,432	\$ 377,532,808

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.
Consolidated Statements of Cash Flows

For The Years Ended September 30,	2023	2022
Operating cash flows		
Cash received from Annie Armstrong Easter Offering™	\$ 69,359,313	\$ 68,919,954
Cash received from cooperative program	44,374,490	43,629,985
Cash received from contributions	29,725,312	39,081,057
Interest received on church loans	3,623,846	3,725,424
Dividend and interest income	1,169,702	1,221,812
Cash received from other activities	2,412,237	2,186,229
Cash paid for operating activities and costs	(182,100,604)	(175,209,768)
Net operating cash flows	(31,435,704)	(16,445,307)
Investing cash flows		
Purchases of investments	(26,471,567)	(29,454,375)
Proceeds from sales of investments	79,696,505	64,366,333
Net investment in assets restricted for long-term purposes	(483)	(1,956)
Loans made to churches	(19,096,532)	(12,967,780)
Principal payments received on church loans	13,784,040	18,493,384
Proceeds from sales of property and equipment	3,020,306	1,626,729
Purchases of and improvements to property and equipment	(15,757,322)	(25,375,953)
Net investing cash flows	35,174,947	16,686,382
Financing cash flows		
Proceeds from draws on line of credit	45,775,345	52,164,287
Repayments of amounts drawn on line of credit	(45,775,345)	(52,164,287)
Net financing cash flows	—	—
Net change in cash and cash equivalents	3,739,243	241,075
Cash and cash equivalents - Beginning of year	3,108,739	2,867,664
Cash and cash equivalents - End of year	\$ 6,847,982	\$ 3,108,739

SUPPLEMENTAL DISCLOSURE

As of October 1, 2022, the Board recognized a right-of-use asset of approximately \$2,506,000 in exchange for the same amount as a lease liability. See Note 2.

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1

DESCRIPTION OF THE ORGANIZATION

The North American Mission Board of the Southern Baptist Convention, Inc. (“the Board”) is a Georgia not-for-profit corporation. The Board aids and shares in the support of Southern Baptist churches, media, missions, and missionary efforts in the United States, Canada, and their territories by providing direct programs and activities and by sharing in the funding of state convention programs and activities. For the years ended September 30, 2023 and 2022, the Board provided approximately \$33,257,000 and \$34,087,000, respectively, in funding directly to or in support of SBC state conventions and associations for these activities. The Board is also active in assisting churches and individuals with the resources, training, and tools necessary to plant new churches through its Send North America program. The Board is an agency of the Southern Baptist Convention (“the SBC”) and receives most of its regular financial support from gifts received through the Executive Committee of the SBC (“the Executive Committee”), mainly through the Cooperative Program (“the CP”) and the annual Annie Armstrong Easter Offering™ (“the AAEO”). The SBC also funds other programs of the Board (e.g., disaster relief and hunger relief). Total support received from the SBC for the years ended September 30, 2023 and 2022 was approximately \$105,700,000 and \$107,700,000, respectively.

In conformity with accounting principles generally accepted in the United States (“U.S. GAAP”), the consolidated financial statements of the Board also include the accounts of the following organizations, which are separate legal entities:

- **Send Relief, Inc. (“Send Relief”)** is a Texas not-for-profit corporation whose purpose is to support and assist the Board in its activities, including relief and compassion ministries. The Board elects Send Relief’s Board of Trustees. Send Relief’s financial transactions have been consolidated within the Board’s, and all significant inter-organizational balances and transactions have been eliminated.
- **NAMB Canada** is a not-for-profit Canadian corporation whose purposes include planting Southern Baptist churches and supporting Southern Baptist missionaries in order to spread the Gospel of Jesus Christ in Canada. The Board and NAMB Canada share common management. The Board also has certain representation rights with respect to NAMB Canada’s governing body. However, the Board does not control NAMB Canada, as that term is defined by U.S. GAAP. For readability, and because NAMB Canada’s financial activity is not material to the Board’s overall financial statements, the accompanying financial statements are referred to as “consolidated” instead of “consolidated and combined.” All significant inter-organizational balances and transactions have been eliminated.

NOTE 2

SIGNIFICANT ACCOUNTING POLICIES

REVENUE AND SUPPORT

The Board recognizes cash contributions as revenue when the contributions are received by the Board. Contributions are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as “net assets released from restrictions.” Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized.

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 (CONTINUED)

REVENUE CLASSIFICATIONS

The Board's primary revenue sources included in the accompanying consolidated statements of activities are further described as follows:

Annie Armstrong Easter Offering™: The AAEO honors the life and work of Annie Walker Armstrong. The purpose of the AAEO is to enable missionary personnel to share the good news of Jesus Christ. The Board works in partnership with state conventions to distribute monies given through the offering to missionaries and their efforts. During the years ended September 30, 2023 and 2022, approximately \$1,029,000 and \$953,000, respectively of contributions for certain AAEO-related projects are reported as "Contributions" with donor restrictions. Total AAEO-related revenue amounted to approximately \$70,388,000 and \$69,873,000 during the years ended September 30, 2023 and 2022, respectively.

Cooperative program: The CP is Southern Baptists' method of supporting missions and ministry efforts of state conventions, associations, and the SBC. The Board received revenues ratably over the course of the year based on the annual budget allocation of the SBC.

PROGRAM ACTIVITIES

The Board's program activities include the following:

Church planting: assisting churches in planting healthy, multiplying, evangelistic Southern Baptist churches in the United States and Canada;

Evangelism and relief: assisting churches in the ministries of evangelism, making disciples, and relief ministries to victims of disaster and other people in need;

Mission education and opportunities: assisting churches by providing mission education and coordinating volunteer mission opportunities for church members; and

Sending and leadership: assisting churches with leadership development and with appointing, supporting, and assuring accountability for missionaries serving in the United States and Canada.

CASH AND CASH EQUIVALENTS

The Board considers investments purchased or donated with original maturities of three months or less to be cash equivalents.

INVESTMENTS

Investments are carried at estimated fair value.

INVESTMENTS RESTRICTED FOR LONG-TERM PURPOSES

Investments restricted for long-term purposes relate to donor-restricted endowment net assets.

CHURCH LOANS

Church loans are stated at their unpaid principal amounts outstanding, reduced by an allowance for loan losses, and are generally collateralized by church real estate. Interest income is accrued based on the outstanding principal amount and contractual terms of each individual loan. Church loans generally have original terms from 20 to 30 years, but interest rates generally adjust at three-year to five-year intervals. The carrying value of loan balances approximates fair value.

The Board typically charges a loan processing fee for construction loans and recognizes such fees as revenue in the period in which the loan is originated. Loan origination fees are recognized as revenue in the period in which the loan is originated. Loan fees are intended to offset the direct costs related to issuing the loans. Late payment fees are recognized as revenue when assessed. Interest rates generally range from 3% to 6% per annum.

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 (CONTINUED)

CHURCH LOANS (CONTINUED)

The Board classifies loans as impaired when it is probable that it will be unable to collect all amounts due according to contractual terms of the loan agreements. Loans are classified as delinquent when payments are 90 days past due. Payments for delinquent loans are applied to interest first, and then to principal, for each past due month starting with the oldest such past due payment. Accrual of interest income is discontinued when, in management's judgment, it is determined that the collectability of interest is doubtful.

ALLOWANCE FOR LOAN LOSSES

Management determines an appropriate allowance for loan losses based upon historical loan loss experience, the amount of past due and nonperforming loans, specific known risks, the value of collateral securing the loans, and current and anticipated economic and interest rate conditions. Evaluation of these factors involves subjective estimates and judgments that may change over time. Additions to the allowance are recognized as expenses and are described as a "provision" for loan losses in Note 7.

BENEFICIAL INTERESTS IN TRUSTS AND ENDOWMENTS HELD BY OTHERS

The Board is the beneficiary of certain perpetual irrevocable trusts and endowments held and administered by other parties. The Board generally has the irrevocable right to receive the income earned on the underlying assets in perpetuity. The estimated fair value of such amounts is recognized as an asset and as revenue with donor restrictions at the date the Board becomes aware of the agreement. The Board's estimate of fair value is based on fair value information received from the other parties. The underlying assets are not subject to the Board's discretion or control. Gains and losses are reflected within "change in beneficial interest in trusts and endowments held by others" in the consolidated statements of activities.

PROPERTY AND EQUIPMENT

Property and equipment are stated at cost, if purchased, or estimated fair value on the date of donation, if donated. The Board uses the straight-line method of depreciating property and equipment over the estimated useful lives of the related assets.

POSTRETIREMENT BENEFIT PLANS

The Board provides postretirement healthcare and other benefits for retired employees. The Board accounts for the plans following guidance prescribed under U.S. GAAP.

NET ASSETS

Net assets without donor restrictions are available for use at the discretion of the Board of Trustees. Board designated net assets consist of amounts designated by the Board of Trustees for various purposes as further described in Note 11. Net assets with donor restrictions consist of amounts with uses limited by donor-imposed time and/or purpose restrictions.

INCOME TAXES

The Board and Send Relief are exempt from federal income tax as organizations described in Section 501(c)(3) of the Internal Revenue Code and from state income tax pursuant to state law. These entities are further classified as public charities and not private foundations for federal tax purposes. NAMB Canada is classified as a charity under Canadian law. The Board engages in certain unrelated business activities, the net income from which is subject to federal and state income taxes. Income taxes on unrelated business income are immaterial and are recognized as expenses are paid.

USE OF ESTIMATES

Management uses estimates and assumptions in preparing the consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Significant estimates used in preparing these consolidated financial statements include those related to the estimated fair values of investments, the useful lives of property and equipment, the collectability of church loans, and the calculation of the accrued postretirement benefits liability. Actual results could differ from the estimates.

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 (CONTINUED)

NEW ACCOUNTING PRONOUNCEMENT

The Board adopted Financial Accounting Standards Board Update (“ASU”) 2016-02 Leases (Topic 842) which is effective for the Board’s consolidated financial statements as of and for the year ended September 30, 2023. The Board adopted the ASU using the modified retrospective approach, with October 1, 2022 as the initial date of adoption. The ASU applies to organizations who hold long-term leases (as lessee) and requires recognition of right-of-use assets and related lease liabilities in the statement of financial position. The Board elected practical expedients permitted under the transition guidance for the new standard, which among other things, allowed the Board to carry forward the historical lease classification. As a result of adopting the new standard effective October 1, 2022, the Board recorded a lease asset and liability of approximately \$2,506,000. The adoption of the ASU had no net effect on the Board’s consolidated net assets as of October 1, 2021 or the consolidated change in net assets for the year ended September 30, 2022.

The Board assesses whether an arrangement qualifies as a lease at inception and only reassesses its determination if the terms and conditions of the arrangement are changed. Leases with an initial term of greater than twelve months which are immaterial to the overall consolidated financial statements and leases with an initial term of twelve months or less are not recorded on the accompanying consolidated statements of financial position. Lease expense is recognized for those leases on a straight-line basis over the lease term.

SUBSEQUENT EVENTS

The Board has evaluated for possible financial reporting and disclosure subsequent events through the date of the report of independent auditor, the date as of which the consolidated financial statements were available to be issued.

NOTE 3

LIQUIDITY AND AVAILABILITY OF RESOURCES

Financial assets available for general expenditure within one year of the date of the consolidated statements of financial position are as follows:

	2023	2022
Cash and cash equivalents	\$ 6,847,982	\$ 3,108,739
Investments available for general purposes	121,945,509	150,676,452
Investments held for long-term purposes	5,484,653	5,484,170
Receivables, net (included in other assets)	3,261,260	3,309,419
Total financial assets available within one year	137,539,404	162,578,780
Less:		
Amounts unavailable due to:		
Board-designated financial assets	(86,561,000)	(103,241,000)
Donor-restricted endowment funds	(5,484,653)	(5,484,170)
Net financial assets available within one year	\$ 45,493,751	\$ 53,853,610

The Board is primarily supported by contributions. As part of the Board’s liquidity management, it structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Board of Trustees has designated certain financial assets for various ministry needs. Because of the nature of the designations, these amounts are not available for general expenditure within the next year; however, the Board of Trustees could make them available, if necessary. Certain net assets with donor restrictions (related to time and/or purpose restrictions) are available for general expenditure within one year, because the restrictions on net assets are expected to be met by conducting the normal activities of the Board in the coming year. Management believes the Board has sufficient financial assets available for general operations that may be drawn upon in the event of unanticipated financial distress or immediate liquidity need. Additionally, the Board has two revolving lines of credit (one for \$5,000,000 and another for \$25,000,000) as described in Note 14 as additional sources of liquidity.

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4
CONCENTRATIONS

The Board maintains its cash and cash equivalents in deposit accounts which may not be federally insured, may exceed federally insured limits, or may be insured by an entity other than an agency of the federal government. The Board has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk related to cash and cash equivalents.

During the years ended September 30, 2023 and 2022, the Board received approximately 58% and 52%, respectively, of its revenue from the Executive Committee.

NOTE 5
INVESTMENTS

Investments consisted of the following:

<u>September 30,</u> <u>Category</u>	<u>2023</u>	<u>2022</u>
Money market and similar funds	\$ 1,903,631	\$ 2,286,614
Common and preferred stocks	54,263,537	71,162,492
Mutual and exchange-traded funds	41,891,721	53,244,908
Nontraditional investments:		
Infrastructure	11,475,613	10,311,740
Limited partnership interest	7,073,617	7,677,469
Multi-strategy alternative investment	7,072,092	6,800,000
Direct lending	2,100,155	3,239,158
Pooled funds held by others	1,649,796	1,438,241
Total investments	\$ 127,430,162	\$ 156,160,622

Investments were held for the following purposes:

<u>September 30,</u>	<u>2023</u>	<u>2022</u>
Investments available for general operations	\$ 121,945,509	\$ 150,676,452
Investments restricted for long-term purposes	5,484,653	5,484,170
Total investments	\$ 127,430,162	\$ 156,160,622

NOTE 6
FAIR VALUE OF FINANCIAL INSTRUMENTS

U.S. GAAP defines fair value for an investment generally as the price an organization would receive upon selling the investment in an orderly transaction to an independent buyer in the principal or most advantageous market for the investment. The information available to measure fair value varies depending on the nature of each investment and its market or markets. Accordingly, U.S. GAAP recognizes a hierarchy of “inputs” an organization may use in determining or estimating fair value. The inputs are categorized into “levels” that relate to the extent to which an input is objectively observable and the extent to which markets exist for identical or comparable investments. In determining or estimating fair value, an organization is required to maximize the use of observable market data (to the extent available) and minimize the use of unobservable inputs. The hierarchy assigns the highest priority to unadjusted quoted prices in active markets for identical items (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs). A financial instrument’s level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6 (CONTINUED)

Following is a description of each of the three levels of input within the fair value hierarchy:

Level 1 – unadjusted quoted market prices in active markets for identical items

Level 2 – other significant observable inputs (such as quoted prices for similar items)

Level 3 – significant unobservable inputs

The estimated fair value of the Board's investments using Level 1 inputs is based on unadjusted quoted market prices within active markets. The estimated fair value of nontraditional investments using Level 3 inputs consist of the following:

- The infrastructure investment consists of pooled funds which invest in a broad range of infrastructure-related assets including, but not limited to, toll roads, electricity and power generation assets, and airports. The estimated fair value is based on amounts provided by the investee.
- The Board's limited partnership interest consists of a pooled fund which invests primarily in short-term deposits of various financial institutions and the estimated fair value is based on amounts provided by the investee.
- The multi-strategy alternative investment consists of funds held for subscription in a master fund whose investment objective is to generate returns by holding both long and short positions in a broad range of debt and equity securities, derivatives, and other financial instruments. The estimated fair value is based on amounts provided by the investee.
- Direct lending investments consist of pooled funds which invest primarily in loans to various businesses and the estimated fair value based on amounts provided by the investees.
- Investments in pooled funds held by others consist primarily of investments held by state Baptist foundations and the estimated fair value is based on information provided by state Baptist foundations.

The Board's nontraditional investments can be liquidated at an amount approximating carrying value in the near-term with proper notice.

Beneficial interest in trusts and endowments held by others are administered primarily by state Baptist foundations. The estimated fair value of the Board's beneficial interest in trusts and endowments held by others using Level 3 inputs is based on amounts provided by the Baptist foundations, and in some cases, banks or other financial institutions. The estimated fair value of beneficial interest in trusts and endowments held by others is measured as of June 30. There were no significant changes to the estimated fair value between July 1 and September 30 of each fiscal year-end.

Because the fair value estimates for assets made using Level 2 or Level 3 inputs involve a greater element of subjectivity than do determinations made using Level 1 inputs, it is possible that the actual value of such assets may differ significantly from the estimated amounts.

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6 (CONTINUED)

Estimated fair value of certain assets measured on a recurring basis at September 30, 2023 are as follows:

Category	Total	Level 1	Level 2	Level 3
Common and preferred stocks	\$ 54,263,537	\$ 54,263,537	\$ —	\$ —
Mutual and exchange-traded funds	41,891,721	41,891,721	—	—
Nontraditional investments:				
Infrastructure	11,475,613	—	—	11,475,613
Limited partnership interest	7,073,617	—	—	7,073,617
Multi-strategy alternative investment	7,072,092	—	—	7,072,092
Direct lending	2,100,155	—	—	2,100,155
Pooled funds held by others	1,649,796	—	—	1,649,796
Beneficial interest in trusts and endowments held by others	65,773,319	—	—	65,773,319
Total	\$ 191,299,850	\$ 96,155,258	\$ —	\$ 95,144,592

The following is a reconciliation of certain assets in which significant unobservable inputs (Level 3) were used in estimating fair value for the year ended September 30, 2023:

Balance, October 1, 2022	\$ 89,246,016
Net gains	7,017,562
Net sales	(1,118,986)
Balance, September 30, 2023	\$ 95,144,592

Estimated fair value of certain assets measured on a recurring basis at September 30, 2022 are as follows:

Category	Total	Level 1	Level 2	Level 3
Common and preferred stocks	\$ 71,162,492	\$ 71,162,492	\$ —	\$ —
Mutual and exchange-traded funds	53,244,908	53,244,908	—	—
Nontraditional investments:				
Infrastructure	10,311,740	—	—	10,311,740
Limited partnership interest	7,677,469	—	—	7,677,469
Multi-strategy alternative investment	6,800,000	—	—	6,800,000
Direct lending	3,239,158	—	—	3,239,158
Pooled funds held by others	1,438,241	—	—	1,438,241
Beneficial interest in trusts and endowments held by others	59,779,408	—	—	59,779,408
Total	\$ 213,653,416	\$ 124,407,400	\$ —	\$ 89,246,016

The following is a reconciliation of certain assets in which significant unobservable inputs (Level 3) were used in estimating fair value for the year ended September 30, 2022:

Balance, October 1, 2021	\$ 101,156,727
Net losses	(4,687,080)
Net sales	(7,223,631)
Balance, September 30, 2022	\$ 89,246,016

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7
CHURCH LOANS, NET

Loan Balances Stratified by Principal Amount

As of September 30, 2023, the Board had 142 loans with balances as follows:

Loan Balance	Number of Loans	Principal Outstanding	Percent of Loan Portfolio
Less than \$250,000	68	\$ 7,197,244	9%
\$250,000 - \$499,999	29	10,564,013	13%
\$500,000 - \$999,999	20	13,865,736	18%
\$1,000,000 - \$1,999,999	18	25,498,585	33%
\$2,000,000 or more	7	20,688,794	27%
	142	\$ 77,814,372	100%

As of September 30, 2022, the Board had 140 loans with balances as follows:

Loan Balance	Number of Loans	Principal Outstanding	Percent of Loan Portfolio
Less than \$250,000	71	\$ 7,371,156	10%
\$250,000 - \$499,999	24	8,625,384	12%
\$500,000 - \$999,999	24	16,386,202	23%
\$1,000,000 - \$1,999,999	13	18,659,513	25%
\$2,000,000 or more	8	21,459,625	30%
	140	\$ 72,501,880	100%

Geographic Concentrations of Loans

As of September 30, 2023, aggregate loans of at least five percent of total balances are due from churches based in the following states and the District of Columbia:

State	Number of Loans	Principal Outstanding	Percent of Loan Portfolio
Arizona	11	\$ 10,167,595	13%
Georgia	9	6,489,235	8%
California	17	6,224,038	8%
Ohio	14	6,028,350	8%
Michigan	11	4,233,768	5%
District of Columbia	3	4,063,447	5%
Pennsylvania	8	4,057,752	5%
	73	\$ 41,264,185	52%

As of September 30, 2022, aggregate loans of at least five percent of total balances are due from churches based in the following states and the District of Columbia:

State	Number of Loans	Principal Outstanding	Percent of Loan Portfolio
Arizona	11	\$ 10,289,999	14%
Georgia	8	6,748,211	9%
Ohio	14	6,611,534	9%
California	15	6,238,731	9%
District of Columbia	3	4,144,074	6%
Massachusetts	9	4,068,364	6%
	60	\$ 38,100,913	53%

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7 (CONTINUED)

Delinquent Loans

As of September 30, 2023 and 2022, loans with outstanding principal balances of \$0 and \$679,026 were classified as delinquent.

Impaired Loans

As of September 30, 2023 and 2022, the Board held no outstanding loans that were considered impaired.

Allowance for Loan Losses

Allowance for credit losses and recorded investment in church loans during the year ended September 30, 2023 was as follows:

	For The Year Ended September 30, 2023
Allowance for credit losses	
Beginning Balance	\$ 2,286,000
Charge-offs	—
Recoveries	—
Provision (reduction)	270,000
Ending Balance	2,556,000
Ending Balance individually evaluated for impairment	1,529,000
Ending Balance collectively evaluated for impairment	\$ 1,027,000

Allowance for credit losses and recorded investment in church loans during the year ended September 30, 2022 was as follows:

	For The Year Ended September 30, 2022
Allowance for credit losses	
Beginning Balance	\$ 2,595,000
Charge-offs	—
Recoveries	—
Provision (reduction)	(309,000)
Ending Balance	2,286,000
Ending Balance individually evaluated for impairment	1,195,000
Ending Balance collectively evaluated for impairment	\$ 1,091,000

Loan Performance

Credit risk profile based on payment activity as of September 30, 2023:

	Principal Balance
Performing loans	\$ 77,814,372
Non-performing loans *	—
Total	\$ 77,814,372

* Loans 90 days past due or more, last evaluated as of September 30, 2023

Credit risk profile based on payment activity as of September 30, 2022:

	Principal Balance
Performing loans	\$ 71,822,854
Non-performing loans *	679,026
Total	\$ 72,501,880

* Loans 90 days past due or more, last evaluated as of September 30, 2022

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7 (CONTINUED)

Age of Delinquent Loans

Age analysis of delinquent loan balances as of September 30, 2023:

2023	90-179 Days Past Due	180-365 Days Past Due	More than 365 Days Past Due	Total Delinquent
Principal Balance	\$ —	\$ —	\$ —	—

Age analysis of delinquent loan balances as of September 30, 2022:

2022	90-179 Days Past Due	180-365 Days Past Due	More than 365 Days Past Due	Total Delinquent
Principal Balance	\$ 679,026	\$ —	\$ —	\$ 679,026

As of September 30, 2023, one loan with a principal balance of approximately \$462,000 was past due 30-89 days. As of September 30, 2022, no loans were past due between 30-89 days.

Troubled Debt Restructuring

During the years ended September 30, 2023 and 2022, the Board restructured troubled debts with an aggregate principal amount of approximately \$810,000 and \$679,000, respectively, reducing the contractual monthly payments for periods ranging from 3 to 12 months. This modification had a minimal impact in the loan portfolio yield.

NOTE 8
PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

<u>September 30,</u>	<u>2023</u>	<u>2022</u>
Category		
Land	\$ 20,643,351	\$ 20,778,440
Buildings and building improvements	123,694,507	119,640,615
Equipment, furniture and fixtures, and vehicles	13,732,492	12,948,139
Computer equipment and software	18,052,572	17,339,408
Construction in progress	17,028,348	8,500,878
Total	193,151,270	179,207,480
Less: Accumulated depreciation	(58,042,308)	(50,372,598)
Net property and equipment	\$ 135,108,962	\$ 128,834,882

Depreciation expense amounted to approximately \$7,901,000 and \$7,435,000 during the years ended September 30, 2023 and 2022, respectively.

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 9
OTHER ASSETS

Other assets consisted of the following:

<u>September 30,</u>	<u>2023</u>	<u>2022</u>
Category		
Inventories, net	\$ 5,047,506	\$ 3,720,560
Accounts receivable, net	3,261,260	3,309,419
Prepaid expenses	3,344,270	3,102,545
Right-of-use asset	2,381,266	—
Other receivable, net	1,470,000	1,470,000
Contributions receivable from remainder interest trusts	99,277	110,488
Total	\$ 15,603,579	\$ 11,713,012

NOTE 10
POSTRETIREMENT BENEFIT PLAN

The Board provides health care and other benefits to substantially all retired employees, all retired missionaries, and their eligible dependents. The Board accrues the costs of such benefits during the periods employees provide service to the Board. The Board uses census data as of June 30 to measure the year-end liability and to determine the related footnote disclosures. There were no material changes in the census data from the period July 1 through September 30. There are no plan assets for the Board's postretirement benefit plans, as postretirement benefits are funded by the Board when claims are made.

A summary of changes to the accumulated postretirement benefit obligation is as follows:

<u>For The Years Ended September 30,</u>	<u>2023</u>	<u>2022</u>
Accumulated benefit obligation, beginning of year	\$ 40,518,409	\$ 47,496,306
Service cost	118,729	167,610
Interest cost	2,014,562	1,114,511
Actuarial loss (gain)	14,588	(3,787,529)
Benefits paid	(4,867,210)	(4,472,489)
Accumulated benefit obligation, end of year	\$ 37,799,078	\$ 40,518,409

Components of the accumulated postretirement benefit obligation that have not been recognized as periodic benefit cost include the following:

<u>September 30,</u>	<u>2023</u>	<u>2022</u>
Unrecognized actuarial loss/net loss	\$ 9,314,709	\$ 9,944,165
Unrecognized plan amendments/prior service cost	(56,783)	(4,567,095)
	\$ 9,257,926	\$ 5,377,070

Components of net periodic postretirement benefit cost are as follows:

<u>For The Years Ended September 30,</u>	<u>2023</u>	<u>2022</u>
Service cost	\$ 118,729	\$ 167,610
Interest cost	2,014,562	1,114,511
Amortization of actuarial loss/gain	644,044	1,063,468
Amortization of 2013 plan amendment	(4,510,312)	(4,510,312)
	\$ (1,732,977)	\$ (2,164,723)

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 10 (CONTINUED)

Postretirement benefit-related changes other than net periodic postretirement benefit cost recognized in the consolidated statements of activities consist of the following:

For The Years Ended September 30,	2023	2022
Amounts recognized during the period:		
Actuarial loss (gain)	\$ 14,588	\$ (3,787,529)
Amounts reclassified to net periodic benefit cost:		
Amortization of actuarial loss/gain	(644,044)	(1,063,468)
Amortization of plan amendments	4,510,312	4,510,312
	\$ 3,880,856	\$ (340,685)

The discount rate used to determine the accumulated postretirement benefit and the net periodic postretirement benefit cost as of and for the years ended September 30, 2023 and 2022 was 5.76% and 5.29%, respectively.

The Board assumed a 7.50% and 6.50% cost trend rate for pre-Medicare and post-Medicare retirees, respectively, for the blended medical and prescription drug components. Rates will decrease to 4.50% for pre-Medicare retirees by the year ending September 30, 2030 and September 30, 2032 for post-Medicare retirees for benefit obligation calculations.

The postretirement health care and other benefits estimated to be paid over the next 10 years are approximately as follows:

Year	
2024	\$ 4,914,000
2025	\$ 4,525,000
2026	\$ 4,200,000
2027	\$ 3,918,000
2028	\$ 3,643,000
2029-2033	\$ 14,608,000

The expected benefits are based on the same assumptions used to measure the benefit obligation and include estimated future employee service. Because the plans are funded as claims are made, the expected employer contribution for the year ending September 30, 2024 is \$4,914,000.

NOTE 11
NET ASSETS

Net assets without donor restrictions were designated in the approximate following amounts:

September 30,	2023	2022
Property and equipment	\$ 135,109,000	\$ 128,835,000
Church loans	75,258,000	70,216,000
Operating contingency	66,556,000	65,193,000
Board-approved projects	20,005,000	38,048,000
Total	\$ 296,928,000	\$ 302,292,000

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 (CONTINUED)

Activity for net assets with donor restrictions during the year ended September 30, 2023 is as follows:

	Balance October 1, 2022	Contributions, investment income, and other changes	Releases	Balance September 30, 2023
Send City, MSC, Scholarship, and other	\$ 4,923,335	\$ 1,860,325	\$ (743,366)	\$ 6,040,294
Crisis response	3,925,407	2,748,487	(2,548,416)	4,125,478
Hunger relief	1,017,696	108,712	(804,010)	322,398
Contributions receivable from remainder interest trusts	110,488	—	(11,211)	99,277
Total net assets with donor restrictions - time and/or purpose restrictions	9,976,926	4,717,524	(4,107,003)	10,587,447
Beneficial interest in trusts and endowments held by others	59,779,408	5,993,911	—	65,773,319
Endowments	5,484,170	483	—	5,484,653
Total net assets with donor restrictions - perpetual restrictions	65,263,578	5,994,394	—	71,257,972
Total net assets with donor restrictions	\$ 75,240,504	\$ 10,711,918	\$ (4,107,003)	\$ 81,845,419

Activity for net assets with donor restrictions during the year ended September 30, 2022 is as follows:

	Balance October 1, 2021	Contributions, investment income, and other changes	Releases	Balance September 30, 2022
Send City, MSC, Scholarship, and other	\$ 6,081,553	\$ (286,941)	\$ (871,277)	\$ 4,923,335
Crisis response	2,330,165	3,426,149	(1,830,907)	3,925,407
Hunger relief	906,271	887,617	(776,192)	1,017,696
Contributions receivable from remainder interest trusts	192,921	—	(82,433)	110,488
Total net assets with donor restrictions - time and/or purpose restrictions	9,510,910	4,026,825	(3,560,809)	9,976,926
Beneficial interest in trusts and endowments held by others	66,023,610	(6,244,202)	—	59,779,408
Endowments	5,482,214	1,956	—	5,484,170
Total net assets with donor restrictions - perpetual restrictions	71,505,824	(6,242,246)	—	65,263,578
Total net assets with donor restrictions	\$ 81,016,734	\$ (2,215,421)	\$ (3,560,809)	\$ 75,240,504

Earnings from net assets with perpetual donor restrictions are primarily available to support the general purposes of the Board. The Board preserves the estimated fair value of all original endowment gifts as of the gift date, which management deems is in compliance with state law. Accordingly, the Board classifies as “endowments” (a) the original value of gifts donated to the permanent endowment and (b) the original value of subsequent gifts to the permanent endowment. The Board has adopted an investment policy for endowment assets that attempts to provide a predictable stream of funding to supported programs while seeking to maintain the purchasing power of the endowment assets and to preserve the invested capital. The Board seeks the advice of investment counsel, as well as management and certain committees of the Board, when determining amounts to be spent on supported programs. The Board periodically makes distributions (in accordance with its spending policies) for use in furthering its exempt purpose.

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 12
EMPLOYEE BENEFIT PLANS

HEALTH BENEFIT PLAN

The Board provides medical benefits under a partially self-funded plan and a reinsurance contract with an insurance company for stop-loss coverage. Medical benefits are provided to all eligible participants (including employees and missionaries) and their dependents. Total medical claims incurred during the years ended September 30, 2023 and 2022 were approximately \$5,682,000 and \$5,198,000, respectively. Claims incurred but not reported or paid at year end were estimated to be approximately \$421,000 and \$437,000 as of September 30, 2023 and 2022, respectively, and are included within “accounts payable and accrued expenses” on the consolidated statements of financial position.

RETIREMENT PLAN

The Board maintains a 403(b) retirement plan (“the Plan”) through GuideStone Financial Resources of the Southern Baptist Convention. Employees are eligible to participate upon meeting the eligibility requirements described in the Plan document. Eligible employees may make tax-deferred contributions to the Plan. The Plan requires the employer to make contributions of 10% of the base compensation of participating employees. The Plan also allows for employer discretionary matching contributions. Employees are 100% vested in employer contributions. The Board contributed approximately \$3,922,000 and \$3,655,000 to the Plan during the years ended September 30, 2023 and 2022, respectively.

NOTE 13
FUNCTIONAL ALLOCATION OF EXPENSES

The Board’s expenses for the year ended September 30, 2023 reported on a natural and functional classification are as follows:

	Program activities					Total expenses
	Church planting	Evangelism and relief	Mission education and opportunities	Sending and leadership	Administration	
Ministry assistance	\$ 42,674,415	\$ 23,552,176	\$ 576,545	\$ 163,235	\$ 277,505	\$ 67,243,876
Personnel	18,003,025	6,071,031	4,930,368	5,156,941	6,252,907	40,414,272
Operations	6,336,104	5,241,578	1,599,684	1,886,763	4,666,159	19,730,288
Contract services	2,867,209	2,639,524	3,764,228	1,246,829	9,137,871	19,655,661
Benefits	4,413,686	1,932,065	1,471,481	1,431,215	122,879	9,371,326
Ministry partners	4,348,143	1,175,066	589,252	2,257,337	712,132	9,081,930
Depreciation	1,991,584	2,594,678	70,725	144,529	3,099,397	7,900,913
Media	1,138,429	735,367	1,076,189	194,655	—	3,144,640
Total expenses	\$ 81,772,595	\$ 43,941,485	\$ 14,078,472	\$ 12,481,504	\$ 24,268,850	\$ 176,542,906

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 13 (CONTINUED)

The Board's expenses for the year ended September 30, 2022 reported on a natural and functional classification are as follows:

	Program activities					Administration	Total expenses
	Church planting	Evangelism and relief	Mission education and opportunities	Sending and leadership			
Ministry assistance	\$ 42,176,687	\$ 31,427,003	\$ 616,743	\$ 361,891	\$ 113,867	\$ 74,696,191	
Personnel	17,862,627	5,306,712	5,216,295	4,055,497	5,822,908	38,264,039	
Contract services	1,921,057	3,450,505	3,836,642	1,261,198	7,147,989	17,617,391	
Operations	4,824,653	4,684,610	1,421,628	1,357,856	3,843,639	16,132,386	
Ministry partners	3,658,653	1,373,553	275,758	2,904,255	811,599	9,023,818	
Benefits	6,747,606	2,294,291	2,270,868	1,646,493	(4,477,789)	8,481,469	
Depreciation	2,162,379	2,175,464	70,725	146,070	2,880,208	7,434,846	
Media	1,382,864	752,801	1,472,554	395,788	58,961	4,062,968	
Total expenses	\$ 80,736,526	\$ 51,464,939	\$ 15,181,213	\$ 12,129,048	\$ 16,201,382	\$ 175,713,108	

Expenses directly attributable to a specific functional area are reported as expenses of those functional areas. Indirect costs that benefit multiple functional areas are allocated among the various functional areas based primarily on employee time and space utilization.

NOTE 14
COMMITMENTS

The Board has two revolving lines of credit with two financial institutions, one for \$5,000,000 and the other for \$25,000,000. Outstanding amounts under the lines of credit, if any, are secured by certain assets held by the financial institutions. On the \$5,000,000 facility, interest on the outstanding principal balance is payable at the applicable Prime Rate minus 1.00% per annum as of September 30, 2023 and 2022. On the \$25,000,000 facility, interest on the outstanding principal balance is payable monthly at the one-month Secured Overnight Financing Rate plus 1.36% per annum as of September 30, 2023 and September 30, 2022. Interest expense related to the lines of credit amounted to approximately \$844,000 and \$239,000 during the years ended September 30, 2023 and 2022, respectively. As of September 30, 2023 and 2022, there were no amounts outstanding under these lines of credit.

As of September 30, 2023, the Board has construction loans and holdbacks with two churches with approximately \$769,000 in undistributed funds. Such commitments are made to accommodate the needs of the qualified churches. The credit risk associated with these commitments is essentially the same as that involved in extending loans to churches and is subject to the Board's normal credit policies and terms. Collateral for the loans does or will consist of church real estate.

NOTE 15
TRANSACTIONS WITH COOPERATING MINISTRY

The Board cooperates with The International Mission Board of the Southern Baptist Convention ("IMB") to advance the gospel of Jesus Christ through a unified brand strategy in publicizing and marketing certain disaster relief, community development, and other ministry activities. During the years ended September 30, 2023 and 2022, the Board made grants or payments to IMB of approximately \$7,495,000 and \$15,952,000, respectively. Additionally, during the years ended September 30, 2023 and 2022, the Board received grants from IMB of approximately \$275,000 and \$449,000, respectively.

SUPPLEMENTAL INFORMATION

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.
SUPPLEMENTAL SCHEDULE OF REVENUE ANALYSIS BY REGION (Unaudited)
For The Year Ended September 30, 2023

	Cooperative Program	Annie Armstrong Easter Offering TM	Undesignated	Hunger Designated	Crisis Response Designated	Other Designated
Alabama	\$ 4,368,658	\$ 7,302,640	\$ 440,654	\$ 83,784	\$ 226,748	\$ 615,160
Alaska	27,164	63,783	1,709	1,274	3,440	47,099
Arizona	321,314	588,709	53,379	10,745	159,069	277,959
Arkansas	2,221,304	2,229,155	241,876	24,832	76,236	617,732
California	450,679	1,271,053	210,983	29,791	842,191	1,643,161
Colorado	165,325	308,281	22,470	204,428	31,725	629,776
Dakotas	21,807	81,191	75	630	3,075	3,270
District of Columbia	—	1,136	600	20,179	1,000	19,900
Florida	3,271,388	2,968,008	468,890	26,430	479,709	771,617
Georgia	3,244,890	6,315,443	1,173,815	79,527	904,846	1,029,680
Hawaii Pacific	49,501	138,985	1,250	3,438	13,855	31,711
Illinois	489,885	875,457	52,175	20,535	47,735	150,749
Indiana	146,172	411,757	62,024	5,871	22,590	292,315
Iowa	199,407	505,833	32,906	870	46,981	31,105
Kansas - Nebraska	187,935	463,325	61,817	7,715	72,778	132,177
Kentucky	2,258,859	2,701,016	258,109	54,057	137,648	453,635
Louisiana	1,537,824	1,894,062	89,637	26,346	136,903	145,217
Maryland - Delaware	281,940	490,662	411,529	—	134,351	218,283
Michigan	98,523	169,774	25,145	6,071	48,870	87,991
Midwest Region	—	—	5	—	—	—
Minnesota - Wisconsin	41,766	92,253	17,204	10,081	14,193	33,850
Mississippi	2,718,318	3,905,604	131,830	—	92,221	—
Missouri	1,116,618	2,584,012	426,574	18,812	80,232	614,993
Montana	37,878	61,770	12,160	1,644	23,330	88,549
Nevada	86,750	205,002	7,307	4,858	15,945	15,421
New England	34,150	230,597	58,733	8,534	182,153	369,207
New Mexico	218,146	414,331	64,252	9,631	33,239	75,292
New York	50,228	195,385	175,730	3,967	33,285	114,974
North Carolina	3,009,043	7,587,004	348,410	41,968	221,617	690,252
Northwest	113,454	243,365	62,615	24,104	64,350	134,137
Ohio	523,160	629,501	130,848	7,502	127,576	370,339
Oklahoma	2,397,084	2,255,671	393,673	42,415	80,530	627,348
Pennsylvania - South Jersey	80,249	136,921	58,062	11,136	70,444	343,237
South Carolina	2,370,492	4,316,518	185,694	94,424	178,153	627,023
Tennessee	3,690,461	5,733,118	304,909	64,760	381,819	702,214
Texas BGCT	2,009,457	3,280,486	78,935	5,775	—	—
Texas SBTC	3,372,223	4,513,808	1,065,377	72,106	1,436,031	1,900,746
Utah - Idaho	50,849	177,837	1,797	3,509	8,010	142,386
Virginia BGAV	202,309	999,669	5,697	476	—	—
Virginia SBCV	1,076,322	2,661,939	210,103	32,006	289,552	309,117
West Region	—	540	—	—	—	—
West Virginia	113,718	205,892	10,860	7,886	18,895	52,194
Wyoming	8,421	47,421	965	2,130	7,702	20,587
Canada	—	87,403	150	95	1,280	12,789
Caribbean	1,936	11,227	1,560	—	2,365	11,671
Miscellaneous	1,011,872	1,769	48,652	4,141	89,270	984,185
Total revenue	\$ 43,677,479	\$ 69,359,313	\$ 7,411,145	\$ 1,078,483	\$ 6,841,942	\$ 15,439,048
Received through						
Executive Committee	\$ 43,677,479	\$ 59,755,774	\$ 1,550,201	\$ 339,453	\$ 51,405	\$ 301,484
Received directly	—	9,603,539	5,860,944	739,030	6,790,537	15,137,564
Total revenue	\$ 43,677,479	\$ 69,359,313	\$ 7,411,145	\$ 1,078,483	\$ 6,841,942	\$ 15,439,048

THE NORTH AMERICAN MISSION BOARD OF THE SOUTHERN BAPTIST CONVENTION, INC.
SUPPLEMENTAL SCHEDULE OF REVENUE ANALYSIS BY REGION (Unaudited)
For The Year Ended September 30, 2022

	Cooperative Program	Annie Armstrong Easter Offering TM	Undesignated	Hunger Designated	Crisis Response Designated	Other Designated
Alabama	\$ 4,398,294	\$ 7,540,377	\$ 280,208	\$ 9,512	\$ 747,468	\$ 965,906
Alaska	28,337	79,631	700	2,025	39,453	49,129
Arizona	329,244	646,587	86,208	10,021	282,344	232,081
Arkansas	2,144,774	2,383,254	228,767	1,806	261,119	238,877
California	490,343	1,027,709	227,257	5,812	873,218	1,676,431
Colorado	135,875	247,687	65,003	3,723	71,338	630,781
Dakotas	24,496	101,187	3,345	430	4,965	2,670
District of Columbia	—	—	153	4,437	4,150	14,171
Florida	3,367,858	2,967,928	990,235	22,074	714,115	715,336
Georgia	3,469,555	6,489,333	1,201,360	31,379	1,290,871	1,559,356
Hawaii Pacific	50,545	130,237	1,410	225	28,265	23,295
Illinois	538,114	834,114	27,388	6,116	106,641	205,495
Indiana	168,526	534,281	28,800	4,274	93,851	242,722
Iowa	182,676	90,214	2,951	470	48,674	15,453
Kansas - Nebraska	188,877	426,330	52,620	2,254	99,059	147,519
Kentucky	2,276,337	2,723,592	214,839	31,304	346,596	375,956
Louisiana	1,507,300	1,845,436	77,479	8,189	234,665	168,410
Maryland - Delaware	366,308	512,157	66,602	—	225,833	281,207
Michigan	96,081	178,963	24,312	2,239	50,901	111,379
Minnesota - Wisconsin	61,610	95,432	22,535	1,690	36,113	54,296
Mississippi	3,050,196	4,304,546	179,618	—	448,746	—
Missouri	1,277,958	3,059,922	238,498	18,546	267,533	687,063
Montana	40,938	99,933	8,730	225	13,451	82,141
Nevada	96,751	197,882	92,653	1,964	49,455	15,904
New England	38,526	218,987	48,129	3,229	132,510	282,741
New Mexico	213,636	429,841	64,578	14,055	51,059	67,513
New York	51,914	164,733	16,579	2,965	75,833	133,081
North Carolina	2,793,380	7,359,304	464,158	39,918	503,223	1,273,429
Northwest	121,443	250,623	74,969	3,503	119,272	399,489
Ohio	623,129	734,504	185,929	53,370	275,018	245,483
Oklahoma	2,424,036	1,938,230	276,606	5,678	419,690	759,333
Pennsylvania - South Jersey	73,351	135,532	105,117	5,520	143,621	348,020
South Carolina	2,458,759	4,169,835	208,824	17,569	589,031	654,350
Tennessee	4,149,855	6,086,156	434,888	60,661	1,151,350	591,250
Texas BGCT	2,249,945	3,583,710	71,306	—	—	—
Texas SBTC	3,450,070	4,262,309	1,354,852	176,242	1,709,570	2,359,583
Utah - Idaho	52,746	201,682	10,757	465	31,375	132,351
Virginia BGAV	186,154	996,544	5,618	—	—	—
Virginia SBCV	1,070,445	1,527,960	166,215	426,752	425,662	346,450
West Virginia	107,660	190,282	2,825	1,125	46,860	64,679
Wyoming	8,334	49,657	680	650	—	21,579
Canada	—	74,851	340	—	3,788	15,486
Caribbean	4,109	25,056	282	948	120	25,305
Miscellaneous	1,030,869	3,426	74,872	600	2,918,508	1,202,748
Total revenue	\$ 45,399,354	\$ 68,919,954	\$ 7,689,195	\$ 981,965	\$ 14,935,314	\$ 17,418,448
Received through						
Executive Committee	\$ 45,399,354	\$ 59,907,119	\$ 1,572,138	\$ 361,138	\$ 217,124	\$ 2,408
Received directly	—	9,012,835	6,117,057	620,827	14,718,190	17,416,040
Total revenue	\$ 45,399,354	\$ 68,919,954	\$ 7,689,195	\$ 981,965	\$ 14,935,314	\$ 17,418,448