CHRISTIAN RELIEF SERVICES CHARITIES, INC. AND AFFILIATES

Consolidated Financial Statements and Supplementary Information

For the Year Ended June 30, 2022

and
Report Thereon

CHRISTIAN RELIEF SERVICES CHARITIES, INC. AND AFFILIATES

TABLE OF CONTENTS
For the Year Ended June 30, 2022

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
**Christian Relief Services Charities, Inc.
and Affiliates**

Opinion

We have audited the consolidated financial statements of Christian Relief Services Charities, Inc. (CRSC) and Affiliates (collectively referred to as the Organization), which comprise the consolidated statement of financial position as of June 30, 2022, and the related consolidated statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Organization as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 Organization's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of

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assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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.
- 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 Organization'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 Organization'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.

Other Matter

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules (supplementary information) is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Marcum LLP

Washington, DC
February 7, 2023

CHRISTIAN RELIEF SERVICES CHARITIES, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
June 30, 2022

ASSETS	
Cash and cash equivalents	$ 10,112,420
Grants and contributions receivable, net	495,350
Other receivables	2,445,763
Prepaid expenses and other assets	1,132,219
Inventory	2,056,748
Investments	131,851,120
Investments in operating entities	5,789,837
Cash surrender value of life insurance policies	1,443,169
Restricted investments for tenant security deposits	747,522
Restricted deposits and funded reserves	2,018,180
Property and equipment, net	127,048,181
TOTAL ASSETS	$ 285,140,509
LIABILITIES AND NET ASSETS	
Liabilities	
Accounts payable and accrued expenses	$ 2,727,966
Line of credit payable	14,774,787
Notes and mortgages payable, net of unamortized debt issuance costs	94,802,639
Advance payments for rent	209,744
Deposits and funds held for others	553,283
TOTAL LIABILITIES	113,068,419
Net Assets	
Without donor restrictions	138,491,219
With donor restrictions	33,580,871
TOTAL NET ASSETS	172,072,090
TOTAL LIABILITIES AND NET ASSETS	$ 285,140,509

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

CHRISTIAN RELIEF SERVICES CHARITIES, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE AND SUPPORT			
Housing rental and related income	$ 23,219,310	$ -	$ 23,219,310
Contributed nonfinancial assets	26,741,263	-	26,741,263
Cash contributions	6,861,819	2,083,498	8,945,317
Other income	2,345,940	4,276	2,350,216
Grants from government agencies	288,066	-	288,066
Royalties	-	3,161,123	3,161,123
Wills and bequests	234,961	486,137	721,098
Workplace campaign contributions	-	161,171	161,171
Gains on sale of properties	20,459,559	-	20,459,559
Interest and dividends, net	1,192,615	760,682	1,953,297
Realized losses on investments	(7,378,267)	(3,345,041)	(10,723,308)
Unrealized losses on investments	(7,351,655)	(2,054,132)	(9,405,787)
Net assets released from restrictions:			
Satisfaction of time restrictions	156,931	(156,931)	-
Satisfaction of purpose restrictions	6,918,303	(6,918,303)	-
TOTAL REVENUE AND SUPPORT	73,688,845	(5,817,520)	67,871,325
EXPENSES			
Program Services:			
Domestic programs	2,715,057	-	2,715,057
American Indian programs	6,394,927	-	6,394,927
International programs	23,277,877	-	23,277,877
Housing programs	21,394,949	-	21,394,949
Total Program Services	53,782,810	-	53,782,810
Supporting Services:			
Management and general	2,164,386	-	2,164,386
Fundraising	4,602,688	-	4,602,688
Total Supporting Services	6,767,074	-	6,767,074
TOTAL EXPENSES	60,549,884	-	60,549,884
CHANGE IN NET ASSETS FROM OPERATIONS	13,138,961	(5,817,520)	7,321,441
NONOPERATING ACTIVITIES			
Realized gain on sale of notes receivable	5,679,989	-	5,679,989
Realized gain on sale of investments in operating entities	2,439,594	-	2,439,594
CHANGE IN NET ASSETS	21,258,544	(5,817,520)	15,441,024
NET ASSETS, BEGINNING OF YEAR	117,232,675	39,398,391	156,631,066
NET ASSETS, END OF YEAR	$ 138,491,219	$ 33,580,871	$ 172,072,090

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

CHRISTIAN RELIEF SERVICES CHARITIES, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2022

	Program Services					Supporting Services			
	Domestic Programs	American Indian Programs	International Programs	Housing Programs	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
In-kind expenditures of relief materials	$ 1,312,183	$ 1,775,739	$ 22,348,029	$ -	$ 25,435,951	$ 570	$ -	$ 570	$ 25,436,521
Depreciation and amortization	6,363	44,619	-	5,926,776	5,977,758	1,084	1,896	2,980	5,980,738
Salaries and benefits	112,640	521,181	160,776	3,292,901	4,087,498	1,160,533	551,125	1,711,658	5,799,156
Grants	534,110	2,557,123	462,284	17,666	3,571,183	-	-	-	3,571,183
Interest	-	-	-	3,001,628	3,001,628	-	-	-	3,001,628
Contract services	59,226	167,203	-	2,348,106	2,574,535	46,325	138,948	185,273	2,759,808
Printing and production	12,085	26,539	7,975	3,063	49,662	-	2,426,193	2,426,193	2,475,855
Utilities	10,973	4,595	2,387	2,132,148	2,150,103	17,137	4,622	21,759	2,171,862
Real estate taxes	645	1,999	645	1,448,146	1,451,435	16,139	-	16,139	1,467,574
Procurement fees	503,521	682,109	80,000	-	1,265,630	-	-	-	1,265,630
Postage	9,632	25,179	6,663	2,570	44,044	4,378	1,103,878	1,108,256	1,152,300
General insurance	16,454	34,582	7,754	801,246	860,036	105,940	7,193	113,133	973,169
Office supplies, dues and subscriptions	14,370	121,228	11,091	318,649	465,338	103,920	187,937	291,857	757,195
Repairs and maintenance	58,765	9,447	-	651,898	720,110	13,534	5,133	18,667	738,777
Payroll taxes	6,886	36,169	9,816	213,611	266,482	119,265	36,029	155,294	421,776
Homeowner association fees	-	-	-	369,537	369,537	8,889	-	8,889	378,426
Professional and consulting	300	9,500	-	104,644	114,444	176,655	-	176,655	291,099
Provision for doubtful accounts	5,873	10,838	16,788	124,675	158,174	119,327	-	119,327	277,501
Shipping	18,915	127,916	125,367	315	272,513	376	1,519	1,895	274,408
Meetings and travel	2,323	123,376	12,072	66,234	204,005	52,953	5,997	58,950	262,955
Labor, materials and supplies	-	-	-	249,483	249,483	-	-	-	249,483
Miscellaneous	3,457	1,498	-	156,393	161,348	73,037	-	73,037	234,385
Telephone	805	2,235	1,470	38,490	43,000	103,968	1,487	105,455	148,455
Rent	24,710	107,798	24,710	(24,024)	133,194	-	10,800	10,800	143,994
Advertising	46	3,394	50	116,730	120,220	272	1,022	1,294	121,514
List rental	-	-	-	-	-	-	117,559	117,559	117,559
Bank charges	775	660	-	34,064	35,499	40,084	1,350	41,434	76,933
TOTAL EXPENSES	$ 2,715,057	$ 6,394,927	$ 23,277,877	$ 21,394,949	$ 53,782,810	$ 2,164,386	$ 4,602,688	$ 6,767,074	$ 60,549,884

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

CHRISTIAN RELIEF SERVICES CHARITIES, INC. AND AFFILIATES

CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2022

CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	$ 15,441,024
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation and amortization	5,980,738
Provision for doubtful accounts	277,501
Contributed nonfinancial assets	(26,741,263)
In-kind expenditures of relief materials	25,436,521
Donated stocks	(41,685)
Unrealized losses on investments	9,405,787
Realized losses on investments	10,723,308
Gain from sale of investments in operating entities	(2,439,594)
Gain from sale of notes receivable	(5,679,989)
Gain from sale of property and equipment	(20,459,559)
Provision for inventory loss	120,029
Changes in assets and liabilities:	
Grants and contributions receivable	(604,760)
Other receivables	(848,159)
Prepaid expenses and other assets	(349,979)
Inventory	(54,078)
Cash surrender value of life insurance policies	475,647
Accounts payable and accrued expenses	843,976
Accrued interest	(253,087)
Advance payments for rent	41,754
Deposits and funds held for others	3,624
NET CASH PROVIDED BY OPERATING ACTIVITIES	11,277,756
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	(248,146,850)
Proceeds from sales of investments	216,046,079
Purchase of investments in operating entities	(100,000)
Proceeds from sale of investments in operating entities	4,458,967
Proceeds from sale of notes receivable	7,143,056
Proceeds from the sale of properties, net of selling expenses	26,471,928
Purchase of properties and equipment	(28,556,244)
NET CASH USED IN INVESTING ACTIVITIES	(22,683,064)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from mortgages and notes payable	20,730,000
Principal payments on mortgages and notes payable	(13,630,332)
Proceeds from borrowings under lines of credit agreement	4,890,000
Payments made on borrowings under lines of credit agreement	(1,500,000)
NET CASH PROVIDED BY FINANCING ACTIVITIES	10,489,668
NET DECREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(915,640)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF YEAR	13,793,762
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, END OF YEAR	$ 12,878,122
RECONCILIATION TO CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AS PRESENTED ON THE STATEMENT OF FINANCIAL POSITION:	
Cash and cash equivalents	$ 10,112,420
Restricted investments for tenant security deposits	747,522
Restricted deposits and funded reserves	2,018,180
Total Cash and Cash Equivalents	$ 12,878,122
SUPPLEMENTAL INFORMATION	
Cash paid for interest	$ 2,893,591

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

1. Organization and Summary of Significant Accounting Policies

Organization

Christian Relief Services Charities, Inc. (CRSC) was incorporated in April 1985 under the Virginia Nonstock Corporation Act to assist in the alleviation of human suffering, misery, pain and disability in the world by advancing and improving the welfare of all persons while preserving native heritages, customs and beliefs, which includes the acquisition of low-income housing and developing, renovating and managing housing for persons of limited means, the disabled and the elderly.

The following 501(c)(3) affiliates are included on CRSC's roster and are nonstock corporations:

Christian Relief Services, Inc. (CRSI)

Americans Helping Americans, Inc. (AHA)

American Indian Youth Running Strong, Inc. (RS)

Bread and Water for Africa, Inc. (BWA)

Christian Relief Services Kansas Affordable Housing Corporation (CRS Kansas)

CRSC Residential, Inc. (CRSC Residential)

CRS Triangle Housing Corporation (CRS Triangle)

CRS Scottsdale Housing Corporation (CRS Scottsdale)

CRS Fountain Place Housing Corporation (CRS Fountain Place)

Christian Relief Services of Virginia, Inc. (CRS Virginia)

CRS Housing Preservation, Inc. (Housing Preservation)

CRS Peoria Housing Corporation (CRS Peoria)

CRS Somerset Place Housing Corporation (CRS Somerset)

CRS Palms Housing Corporation (CRS Palms)

CRS Brookmont Housing Corporation (CRS Brookmont)

CRS Ironwood Housing Corporation (CRS Ironwood)

CRS McClellan Housing Corporation (CRS McClellan)

CRS Petersburg Housing Corporation (CRS Petersburg)

CRS Skyline Housing Corporation (CRS Skyline)

CRS Garden Pines Housing Corporation (CRS Garden Pines)

CRS Florence Housing Corporation (CRS Florence)

CRS Cambridge Court Housing Corporation – inactive

CRS Mountain Lakes - inactive

1. Organization and Summary of Significant Accounting Policies (continued)

Organization (continued)

Christian Relief Services/21st Century Campaign, Inc. (CRS/21) is a nonstock corporation and shares a common board, but is not included on CRSC's group roster.

All entities, except for CRSI, AHA, RS, BWA and CRS/21, were formed to provide low-income housing for persons of limited financial means, qualified housing for disabled persons and other types of qualified housing for elderly persons.

CRSI provides funding, technical support services and in-kind goods to communities striving to break the stranglehold of poverty in order to achieve sustainable solutions. Many communities within the United States, and throughout the world, suffer from a lack of basic infrastructure services – clean water, medicine, education and housing. CRSI works closely with partner charities, including affiliates, individuals and nongovernment organizations embedded in targeted communities, to determine effective ways of sharing resources and creating long-term solutions for the alleviation of human suffering, misery, pain and disability in the world by advancing and improving the welfare of all persons while preserving native heritages, customs and beliefs.

AHA was organized to assist in the alleviation of human suffering, misery, pain and disability by helping fellow Americans with basic necessities, such as shelter, home repair, food, clothing and medical assistance, throughout the United States.

RS was organized to help American Indian people meet their immediate survival needs – food, water and shelter – while implementing and supporting programs designed to create opportunities for self-sufficiency and self-esteem, particularly for native youth.

BWA was organized to promote positive change in Africa by supporting and strengthening grassroots initiatives for self-sufficiency, health and education, as well as assisting in the development of alternative energy sources, agricultural techniques, conservation programs, educational and medical programs, and water resources.

CRS/21 was organized to operate exclusively as a charitable organization whose sole purpose is to support the welfare of CRSC and affiliates.

All activities of the Organization are funded primarily from housing rental income and related service fees, investment income and cash and noncash contributions.

Basis of Accounting and Presentation

The accompanying consolidated financial statements of CRSC and its affiliates (collectively referred to as the Organization) have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Consequently, revenue is recognized when earned and expenses are recognized when the obligation is incurred.

1. Organization and Summary of Significant Accounting Policies (continued)

Principles of Consolidation

The consolidated financial statements of the Organization include the accounts of CRSC, CRSI, AHA, RS, BWA, CRS Virginia, CRS/21, CRSC Residential, Housing Preservation, CRS Kansas, CRS Triangle, CRS Scottsdale, CRS Fountain Place, CRS Peoria, CRS Somerset, CRS Palms, CRS McClellan, CRS Brookmont, CRS Ironwood, CRS Petersburg, CRS Skyline, CRS Garden Pines and CRS Florence. The entities have been consolidated due to the presence of control and economic interest, as required under GAAP. Intercompany balances and transactions have been eliminated in consolidation. The balances and activities of CRS Virginia include those of its wholly-owned subsidiary, Huntington Gardens, LLC in the accompanying consolidating schedules.

Cash Equivalents

Cash equivalents include all highly liquid investments with initial maturities of three months or less.

Investments

Investments consisted of exchange-traded funds, equity securities and money market funds, which are recorded in the accompanying consolidated statement of financial position at fair value. 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. Investment income, including net realized and unrealized gains (losses), is reflected in the consolidated statement of activities as an increase (decrease) in net assets without donor restrictions, unless the investment income use is restricted by explicit donor stipulation for a specific purpose or law. Interest and dividend income is recorded on the accrual basis. Investment income, including realized and unrealized gains and losses on investments, interest and dividends, is shown net of investment fees paid to the investment advisor.

Investments also included alternative investment funds. These investments are recorded in the accompanying consolidated financial statements at their estimated fair value, as provided by the external investment managers. The estimated fair value for these investments is based on net asset value (NAV) per share, or its equivalent, as a practical expedient permitted under accounting standards. The fund's NAV is provided by the fund's management using a variety of methodologies relevant to the particular investment portfolio that combine primary market data available from national securities exchanges for underlying securities that are actively traded as well as other factors that lead to a determination of a fair value at a different amount. Such investments are exposed to various risks, such as market and credit risk. Due to the level of risk associated with such investments, and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near-term could materially affect investment balances and the amounts reported in the accompanying consolidated financial statements.

1. Organization and Summary of Significant Accounting Policies (continued)

Fair Value Measurement

In accordance with the accounting standards for fair value measurement for those assets and liabilities that are measured at fair value on a recurring basis, the Organization has categorized its applicable financial instruments into a required fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest-level input that is significant to the fair value measurement of the instrument. Applicable financial assets and liabilities are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets and liabilities whose values are based on unadjusted quoted prices in an active market that the Organization has the ability to access.

Level 2 – Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

The Organization's assets and liabilities that are measured at fair value on a recurring basis as of June 30, 2022, are described in Note 10 of these consolidated financial statements.

Investments in Operating Entities

The Organization has investments in operating entities that do not have readily determinable fair values and are recorded at cost, adjusted for observable price changes and any subsequent impairment. Dividends distributed from accumulated earnings of the investee are recorded as revenue in the period received. Dividends in excess of accumulated earnings are considered a return of investment and recorded as a reduction of the cost of the investment.

Investments in Limited Partnerships

The Organization has a limited partner interest in certain limited partnerships that do not have readily determinable fair values and are recorded at cost, adjusted for observable price changes. The investments in these limited partnerships are recorded at zero, since there was no monetary consideration given at the time they were donated to the Organization. Distributions or royalties received from these donated assets are recorded as income at the time of receipt.

1. Organization and Summary of Significant Accounting Policies (continued)

Property and Equipment and Related Depreciation and Amortization

Property and equipment are recorded at cost, except for donated property, which is recorded at the estimated fair value upon receipt. Depreciation and amortization are computed on a straight-line basis over the estimated useful lives of the assets, which are as follows:

Buildings	40 years
Leasehold improvements	7 to 40 years
Property and equipment	3 to 10 years

Buildings and leasehold improvements are amortized over the lease period or useful lives of the buildings or improvements, whichever is shorter, using the straight-line method. The cost of property and equipment retired or disposed of is removed from the accounts along with the related accumulated depreciation and amortization, and any gain or loss is reflected in revenue or expense in the accompanying consolidated statement of activities. Major additions with a cost in excess of $1,000 are capitalized, while replacements, maintenance and repairs that do not improve or extend the lives of the respective assets are expensed as incurred.

Impairment of Long-Lived Assets

The Organization reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. When the recovery is reviewed, if the undiscounted cash flows estimated to be generated by the property are less than its carrying amount, management compares the carrying amount of the property to its fair value in order to determine whether an impairment loss has occurred. The amount of the impairment loss is equal to the excess of the asset's carrying value over its estimated fair value. No impairment loss has been recognized during the year ended June 30, 2022.

Debt Issuance Costs

Debt issuance costs, net of accumulated amortization, are reported as a direct deduction from the face amount of the note or mortgage payable to which such costs relate. Amortization of debt issuance costs is reported as a component of interest expense and is computed using an imputed interest rate on the related debt.

Classification of Net Assets

The Organization's net assets are reported as follows:

- Net assets without donor restrictions represent funds that are available for support of the Organization's operations. Included in net assets without donor restrictions are funds that have been designated by the Board of Directors to serve as a quasi-endowment.
- Net assets with donor restrictions represent amounts that are subject to donor-imposed restrictions to be used for various programs or within a specific time period. These donor restrictions can be temporary in nature in that they will be met by the Organization's activities or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor stipulated that the funds must be maintained in perpetuity.

1. Organization and Summary of Significant Accounting Policies (continued)

Revenue Recognition

Unconditional gifts and grants of cash and other financial assets, including wills and bequests, are recognized as revenue and support at their net realizable value when an unconditional promise to give is received by the Organization. The Organization reports unconditional gifts and grants of cash and other financial assets as increases in net assets without donor restrictions and available for general operations, unless specifically restricted by the donor. The Organization reports unconditional gifts of cash and other financial assets as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets as to purpose or time. When a donor 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 accompanying consolidated statement of activities as net assets released from restrictions. Workplace campaign contributions with payments due in future years are reported as increases in net assets with donor restrictions in the accompanying consolidated statement of activities. Wills and bequests are recognized as unconditional revenue and support at the time an unassailable right to the gift has been established, the proceeds are measurable and the Organization accepts the gift. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right to return, are not recognized until the conditions on which they depend have been substantially met. Royalty income from donated assets has a donor imposed restriction and is reported as revenue and support when received as an increase in net assets with donor restrictions.

Revenue recognized for unconditional contributions that have been committed to the Organization but have not been received is reflected as grants and contributions receivable in the accompanying consolidated statement of financial position. Grants and contributions receivable are reported net of an allowance for doubtful accounts. The allowance is based on historical collection experience and a review of the current status of the grants and contributions receivable. A provision for doubtful accounts is made when collection of the full amount is no longer probable.

The Organization receives grants from government agencies, which are conditional upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Revenue and support recognized on these grants for which billings have not been presented to the grantor or cash has not been received from the grantor, is reflected as part of grants and contributions receivable in the accompanying consolidated statement of financial position. Amounts earned and released within the same year under conditional awards are reported as increases in net assets without donor restrictions in the accompanying consolidated statement of activities.

Housing rental and related income is recognized as the rents become due. Rental payments received in advance are deferred until earned and shown as advance payments for rent in the accompanying consolidated statement of financial position. All contracts between the Organization and the tenants of its properties are considered operating leases.

1. Organization and Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Other income is comprised of other tenant charges, including laundry, vending, and fees for cleaning, applications, terminations which are recognized as revenue at the point in time the services are provided. Additionally, the amount includes the gain or loss on the cash surrender value of the life insurance policy and changes in fair value for the charitable remainder trust.

Contributed Nonfinancial Assets and Inventory

Contributed relief materials received by the Organization consist of food, clothing, hygiene products, shoes, school supplies, bedding, medicine, medical equipment and medical supplies. Contributed nonfinancial assets are recorded as revenue and contributed relief materials at their estimated fair value at the date of donation, and reported as an expense and released from inventory when utilized. The Organization utilized the current average price located on publicly available websites for similar items to estimate the fair value. Contributed nonfinancial assets are not sold and are only distributed for program use. There were no donor restrictions related to the contributed nonfinancial assets. Inventory is stated at net realizable value, as determined by the first-in, first-out method.

The Organization’s programs are also furthered by a substantial number of nonprofessional volunteers who have donated their services to the Organization. The value of these services is not reflected in the accompanying consolidated financial statements because they do not meet the criteria for recognition under GAAP which states that in order to be recorded the services must (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing the programs and other activities have been summarized on a functional basis in the accompanying consolidated statements of activities and functional expenses. Costs directly related to program and/or supporting services are charged to these functional areas. Salaries and benefits that benefit more than one function have been allocated among the programs and supporting services based on estimates determined by management to be equitable. Occupancy and depreciation expenses are allocated by the square footage used by each program or supporting function.

Measure of Operations

The Organization considers the realized gains on the sales of notes receivable and investments in operating entities to be items not included in operations.

2. Investments

As of June 30, 2022, the fair value of the Organization's investments was as follows:

Alternative investment funds	$126,529,866
Exchange-traded funds	5,045,603
Money market funds	205,557
Equity securities	70,094
Total Investments	$131,851,120

3. Investments in Operating Entities

CRSC Residential has 23.17% member interest in Beltway HOU Manager LLC (BHM). The LLC was formed solely to act as a member and manager of Beltway HOU Investors, LLC (BHI), a Delaware limited liability company. BHI was organized to acquire 100% of the issued and outstanding common shares of LSREF3 Bravo REIT (Harris), LLC, a Delaware limited liability company which owns six multifamily family communities in Harris County, Texas and operates the properties.	$ 4,000,000
CRSC Residential has 68% Class A and 85.65% Class B member interest in MM-Briar Court LLC. The LLC was formed solely to act a member of Briar Court Apartments LLC (BCA), a Texas limited liability company. MM-Briar Court LLC owns 20.1% of BCA which was organized to own and operate the property.	895,000
CRSC Residential has 54% Class A and 88% Class B member interest in MM – Spring Creek LLC. The LLC was formed solely to act as a member of Spring Creek PLA Manager, LLC (SCM), a Texas limited liability company. SCM was organized to serve as manager of and own a 10% ownership interest in Spring Creek PLA Investors, LLC (SCI), a Texas limited liability company. SCI owns and operates the property.	575,000
CRSC Residential has 0.6% member interest in Braesridge Apartments, LLC. The LLC was formed to directly or indirectly acquire or redevelop, reposition, own, operate, manage, lease, finance and sell or otherwise dispose of an apartment complex in Houston, Texas.	156,224
CRSC Residential has 23% Class A and 23% Class B member interest in MM-Lexington LLC. The LLC was formed solely to act as a member of Lexington at Champions Investors, LLC (LCI), a Texas limited liability company. MM-Lexington LLC owns 100% of LCI which was organized to own and operate the property.	100,000
CRSC Residential purchased 191 Class B units in Founders Hall LLC, which owned a building in Alexandria, Virginia. The LLC wholly-owned Founders Hall OpCo, LLC (OpCo), a Virginia limited liability company. OpCo was organized to serve as manager of and operate and sell the property.	63,613
Total Investments in Operating Entities	$ 5,789,837

3. Investments in Operating Entities (continued)

CRSC Residential sold its interests in MM-Briarstone LLC, Sheridan TUL Manager LLC, MM – Bellevue Heights LLC, MM – Corners LLC, MM Somerset and Stratton LLC, MM – Valencia LLC and MM Montclair LLC during the year ended June 30, 2022. CRSC Residential recognized $2,439,594 in gain from sale of these investments, which was recorded as realized gain on sale of investments in operating entities in the accompanying consolidated statement of activities.

4. Purchase Money Notes

CRSC owns 0.01% limited partnership interests in 11 partnerships focused on real estate. The purpose of the partnerships is to provide low-income housing, subject to regulation by U.S. Department of Housing and Urban Development (HUD). In connection with the acquisition of the limited partnership interests, CRSC acquired an interest in related deferred purchase money notes. The notes are payable from the future cash flows of the operating partnerships. Management is unable to determine the amount of any future cash flows of the purchase money notes with any degree of certainty and, therefore, the notes have been fully reserved. Any future collections under the notes will be recorded as income. No cash was received in relation to the notes during the year ended June 30, 2022.

5. Cash Surrender Value of Life Insurance Policies

CRSI entered into a contract with an individual to act as a representative and spokesperson. In accordance with the contract terms, CRSC purchased two $500,000 key man life insurance policies on the spokesperson, whereby CRSC is the sole beneficiary for one of the policies. As of June 30, 2022, the cash surrender value of the policies totaled $813,684, and this amount is included in cash surrender value of life insurance policies in the accompanying consolidated statement of financial position.

CRSC also carries key man life insurance policies on certain executives, with a total face amount of $1,500,000. As of June 30, 2022, the cash surrender value of the policies totaled $629,485, and this amount is included in cash surrender value of life insurance policies in the accompanying consolidated statement of financial position.

6. Notes Receivable

Housing Preservation entered into three money purchase note agreements with four partnerships totaling $7,310,766, including accrued interest, in connection with the sale of four rental properties. Interest-only payments were due from cash flows, as defined, from the respective operating partnerships. The notes bear interest at rates ranging from 4.3% to 4.83%. Accrued interest and principal were due in full at various dates, ranging from January 2046 through March 2048. In a prior year, management determined that the three money purchase note agreements were impaired and a valuation allowance of $6,576,900 was recognized. The impairment was determined by comparing the recorded value with the discounted expected

6. Notes Receivable (continued)

future cash flows of the notes receivable. In September and October 2021, Housing Preservation sold the three money purchase note agreements for a total amount of $6,115,727. A gain of $5,381,861 was recognized in the accompanying consolidated statement of activities as part of realized gain on sale of notes receivable.

In addition, Housing Preservation was assigned two notes receivable totaling $3,043,647, including accrued interest. The notes bore interest at a rate of 1%. Accrued interest and principal payments were due August 2031. In a prior year, an impairment loss of $2,314,446 was recognized on the two notes receivable. The impairment was determined by comparing the recorded value with the discounted expected future cash flows of the notes receivable. In September 2021, Housing Preservation sold the two notes receivable for a total of $1,027,329. A gain of $298,128 was recognized in the accompanying consolidated statement of activities as part of realized gain on sale of notes receivable.

7. Property and Equipment

The Organization held the following property and equipment as of June 30, 2022:

Buildings and improvements	$115,629,7783
Land and improvements	34,357,265
Office equipment, furniture and fixtures	11,334,278
Construction in progress	3,153,418
Vehicles	429,755
Leasehold improvements	68,845
Total Property and Equipment	164,973,339
Less: Accumulated Depreciation and Amortization	(37,925,158)
Property and Equipment, Net	$ 127,048,181

Depreciation and amortization expense was $5,980,738 for the year ended June 30, 2022.

In April 2022, CRS McClellan sold all its property and equipment for approximately $25,900,000, net of selling expenses, and recognized a gain of $20,152,938. CRS Virginia and CRSC Residential sold some of the properties they own during the year and recognized a gain totaling $306,621. These gains are shown as gains on sale of properties in the accompanying consolidated statement of activities.

CRSC owns one apartment community, Terry Lynn, in Phoenix, Arizona, which consists of 10 units. During the year ended June 30, 2022, this property was donated to CRSC Residential. The use of the property is partially governed by a land use restriction under an agreement with the Resolution Trust Corporation to provide housing units to low- and very-low-income residents. The number of units restricted for Terry Lynn is two units for persons earning less than 50% of the area median income and two units for persons making less than 65% of the AMI. The term of the agreement is 30 years, and the agreement expires on January 19, 2025.

7. Property and Equipment (continued)

Construction in progress relates to construction of the Kyle Youth Center, aka Oyate Ta Kola Ku Community Center, in Kyle, South Dakota, with an estimated construction budget of approximately $6,000,000. Once the construction is completed, it is intended that the Organization will donate the Kyle Youth Center to a 501(c)(3) organization controlled by the Pine Ridge Indian Reservation.

8. Lines of Credit

CRS/21 has a line of credit agreement with a financial institution in the amount of $25,000,000. The line of credit is secured by CRS/21's investments. On January 11, 2022, the line of credit was modified to change the interest rate from London Interbank Offering Rate to Secured Overnight Financial Rate, plus 0.90% or 3.14% at June 30, 2022. The line of credit matures on July 27, 2024. The outstanding amount on this line of credit was $14,774,787 as of June 30, 2022. Interest expense incurred on this line of credit was $166,341 for the year ended June 30, 2022, and was paid by CRS/21's affiliates that used the proceeds from the line of credit.

CRSI has a line of credit agreement with a financial institution in the amount of $1,500,000. The line of credit is secured by personal property and guaranteed by CRSC. On May 3, 2022, the agreement was modified to extend the maturity date to July 27, 2024, change the interest rate to an independent index which is the Secured Overnight Financing Rate (SOAR) plus 2.5% and update the collateral arrangement. The interest rate on the line of credit was 3.94% as of June 30, 2022. There was no outstanding balance on this line of credit as of June 30, 2022 and the Organization did not make any draws on the line of credit during the year. The Organization was in compliance with the financial covenants.

9. Notes and Mortgages Payable

Notes and mortgages payable consisted of the following as of June 30, 2022:

<u>CRS Triangle</u> On May 14, 2020, CRS Triangle entered into a note with New York Community Bank (NYCB). The note had a principal of $32,700,000 and was secured by a deed of trust and an assignment of leases, rents and profits. The note calls for an interest rate equal to 3.125% through May 31, 2025. Thereafter, the interest rate shall be adjusted on June 1 every year to a rate equal to the sum of the highest prime rate published in the New York Times on June 1 plus 275 basis points and rounded up to the next one-eight if one percentage point (0.125%) with a floor of 3.125% and a cap at 12%. Principal and interest are payable by CRS Triangle in monthly installments beginning July 1, 2020, of approximately $140,079 through maturity on June 1, 2030.	$ 31,341,514

9. Notes and Mortgages Payable (continued)

CRS Virginia

Virginia Housing Development Authority (VHDA), due in monthly installments of $6,179, including interest at 3.75% per annum, payable through April 1, 2046. The note is secured by deeds of trust on three homes located in Fairfax, Vienna, and Falls Church, Virginia. The homes provide housing and support services for mentally handicapped homeless persons. Under agreements with the lenders, the Organization is required to make monthly deposits for insurance and taxes on all VHDA mortgages.	$ 1,058,886
Virginia Department of Housing and Community Development (VDHCD) and Fairfax County Redevelopment and Housing Authority (FCRHA) loan made under the Home Investment Partnerships program. No monthly installments of principal or interest are due, subject to the Organization's compliance with loan terms. The note is secured by deeds of trust on 19 homes located in Alexandria, Springfield, Reston, Herndon, Falls Church, Annandale, Centreville, Fairfax and Burke, Virginia. The loan terms were in effect for the affordability period of up to 15 years, after which time, assuming there were no defaults on the loan terms, the amount converts to a grant. During 2022, the loan was extended through the end of 2023. The homes provide transitional housing and support services for homeless individuals and families. If certain specified events occur, the Organization will be obligated to pay to FCRHA an "equity share" ranging from 32.37% to 45.09% of the Organization's equity in the property, as defined, to the extent that the equity share exceeds amounts otherwise due from the Organization at that time.	748,820
FCRHA loans made under the Community Development Block Grant program (CDBG). No monthly installments of principal or interest are due, subject to the Organization's compliance with loan terms. The notes are secured by deeds of trust on 19 homes located in Alexandria, Springfield, Reston, Herndon, Falls Church, Annandale, Centreville, Fairfax and Burke, Virginia. The loan terms were in effect for the affordability period of up to 15 years, after which time, assuming there were no defaults on the loan terms, the amount converts to a grant. During 2022, the loan was extended through the end of 2023. The homes provide transitional housing and support services for homeless individuals and families. If certain specified events occur, the Organization will be obligated to pay to FCRHA an "equity share" ranging from 6.81% to 18.62% of the Organization's equity in the property, as defined, to the extent that the equity share exceeds amounts otherwise due from the Organization at that time.	261,691

9. Notes and Mortgages Payable (continued)

CRS Virginia (continued)

FCRHA loans made under the CDBG. No monthly installments of principal or interest are due, subject to CRS Virginia's compliance with loan terms. The notes are secured by deeds of trust on a home located in Annandale, Virginia. The home provides affordable rental housing for at least three low and/or moderate income individuals with serious mental illness and co-occurring substance abuse disorders with incomes at or below 30% of the area median income. If certain specified events occur, the Organization will be obligated to pay to FCRHA an "equity share" of 77% of the Organization's equity in the property, as defined, to the extent that the equity share exceeds amounts otherwise due from the Organization at that time.	$	244,000
FCRHA loans made under the CDBG. No monthly installments of principal or interest are due, subject to the Organization's compliance with loan terms. The notes are secured by deeds of trust on a home located in Annandale, Virginia. The loan terms are in effect for the affordability period of up to 30 years, expiring in 2040, after which time, assuming there are no defaults on the loan terms, the amount converts to a grant. The homes provide transitional housing and support services for homeless individuals and families. If certain specified events occur, the Organization will be obligated to pay to FCRHA an "equity share" of 49.5% of the Organization's equity in the property, as defined, to the extent that the equity share exceeds amounts otherwise due from the Organization at that time.		92,493
FCRHA loans made under the CDBG. No monthly installments of principal or interest are due, subject to the Organization's compliance with loan terms. The notes are secured by deeds of trust on a home located in Chantilly, Virginia. The loan terms are in effect for the affordability period of up to 30 years, expiring in 2040, after which time, assuming there are no defaults on the loan terms, the amount converts to a grant. The homes provide transitional housing and support services for homeless individuals and families. If certain specified events occur, the Organization will be obligated to pay to FCRHA an "equity share" of 69.6% of the Organization's equity in the property, as defined, to the extent that the equity share exceeds amounts otherwise due from the Organization at that time.		89,901
FCRHA loans made under the CDBG. No monthly installments of principal or interest are due, subject to the Organization's compliance with loan terms. The notes are secured by deeds of trust on a home located in Chantilly, Virginia. The loan terms are in effect for the affordability period of up to 30 years, expiring in 2040, after which time, assuming there are no defaults on the loan terms, the amount converts to a grant. The homes provide transitional housing and support services for homeless individuals and families. If certain specified events occur, the Organization will be obligated to pay to FCRHA an "equity share" of 50.4% of the Organization's equity in the property, as defined, to the extent that the equity share exceeds amounts otherwise due from CRS Virginia at that time.		89,004

9. Notes and Mortgages Payable (continued)

CRS Virginia (continued)

Huntington Gardens is a single member limited liability company (LLC) whose sole member is CRS Virginia. Huntington Gardens entered into an agreement to finance its mortgage with HUD under Section 223(f) of the National Housing Act on September 1, 2016. The principal amount of the loan was for $12,850,000, is insured by the Federal Housing Administration (FHA) and is collateralized by a deed of trust on the rental property. The note bears interest at the rate of 3.08% per annum. Principal and interest are payable in monthly installments of $50,029 beginning November 1, 2016 through maturity on October 1, 2051.	
The liability of Huntington Gardens under the mortgage note is limited to the underlying value of the real estate collateral plus other amounts deposited with the lender. The mortgage is also collateralized by an assignment of rents.	$ 11,585,256
Huntington Gardens is also obligated under a promissory note agreement dated September 27, 2016, due to FCRHA for the principal sum of $5,650,000. The loan bears interest at 2% per annum on the outstanding principal. The loan matures on October 1, 2051, at which time principal and accrued interest are due. Although the principal and interest on the loan are deferred, the loan is a cash flow loan, which means that, should there be surplus cash, as defined, it will be applied first to accrued interest and then to the principal. The annual loan payments made from available surplus cash will be paid from only 50% of surplus cash.	5,650,000
CRS Fountain Place	
On October 1, 2012, CRS Fountain Place refinanced its mortgage with HUD under Section 223(a)(7) of the National Housing Act. The principal amount of the new loan was for $6,239,400, is insured by FHA and is collateralized by a deed of trust on the rental property. The note bears interest at the rate of 2.80% per annum. Principal and interest are payable by the Organization in monthly installments of $23,321 through maturity on November 1, 2047.	
Under agreements with the mortgage lender and FHA, the Organization is required to make monthly escrow deposits for taxes, insurance and replacement of project assets, and is subject to restrictions as to operating policies, rental charges, operating expenditures and cash distributions.	
The liability of CRS Fountain Place under this mortgage note is limited to the underlying value of the real estate collateral, plus other amounts deposited with the lender. The mortgage is also secured by an assignment of rents.	5,085,066

9. Notes and Mortgages Payable (continued)

CRS Petersburg

On November 29, 2017, CRS Petersburg financed its mortgage with a loan from Grandbridge Real Estate Capital LLC. The note has a principal balance of $5,550,000, and is due in monthly installments of $27,989, including interest at 4.46% per annum, payable through December 2032. The note is secured by a deed of trust on the property located in Petersburg, Virginia. The homes financed under this mortgage provide housing for low-income families, the military and special needs population.	$ 5,127,537

CRS Peoria

CRS Peoria entered into a note payable agreement with New York Community Bank in December 2015. The original principal balance of the note is $3,300,000. Interest is charged at a fixed rate of 4.125% per annum. The loan is payable in monthly installments of $15,993, with a balloon payment due in November 2027 for the remaining balance.

On March 22, 2022, CRS Peoria refinanced its mortgage with a loan from New York Community Bank in the amount of $7,600,000. Interest only payments are due on this loan beginning May 1, 2022 through April 1, 2027. The note is due in monthly installments of $33,076, including interest at 3.25% per annum, payable beginning May 1, 2027 through April 1, 2029. Thereafter, to the extent that the adjusted interest rate has changed, the required monthly payment shall change on each payment change date, and shall be set to such amount required to amortize the unpaid principal balance of the note in equal monthly installments, including accrued interest at the then applicable adjusted interest rate, through maturity on April 1, 2034. The note is secured by a deed of trust on the property located in Arizona. The homes provide housing for low-income families, the military and special needs population.	7,600,000

CRS Ironwood

On April 26, 2017, CRS Ironwood financed its mortgage with a loan from New York Community Bank in the amount of $2,800,000. The note is due in monthly installments of $13,980, including interest at 4.375% per annum, payable through June 2047. The note is secured by deed of trust on the property located in Arizona.

On March 22, 2022, CRS Ironwood refinanced its mortgage with a loan from New York Community Bank in the amount of $6,870,000. Interest only payments are due on this loan beginning May 1, 2022 through April 1, 2027. The note is due in monthly installments of $29,899, including interest at 3.25% per annum, payable beginning May 1, 2027 through April 1, 2029. Thereafter, to the extent that the adjusted interest rate has changed, the required monthly payment shall change on each payment change date, and

9. Notes and Mortgages Payable (continued)

<u>CRS Ironwood (continued)</u>

shall be set to such amount required to amortize the unpaid principal balance of the note in equal monthly installments, including accrued interest at the then applicable adjusted interest rate, through maturity on April 1, 2034. The note is secured by a deed of trust on the property located in Arizona. The homes provide housing for low-income families, the military and special needs population.	$ 6,870,000

<u>CRS Palms</u>

On February 21, 2019, CRS Palms refinanced its mortgage with a loan from New York Community Bank in the amount of $2,550,000. The note is due in monthly installments of $13,302, including interest at 4.75% per annum, payable through March 1, 2029. The note is secured by a deed of trust on the property located in Arizona.	
On March 22, 2022, CRS Palms refinanced its mortgage with a loan from New York Community Bank in the amount of $5,530,000. Interest only payments are due on this loan beginning May 1, 2022 through April 1, 2027. The note is due in monthly installments of $24,067, including interest at 3.25% per annum, payable beginning May 1, 2027 through April 1, 2029. Thereafter, to the extent that the adjusted interest rate has changed, the required monthly payment shall change on each payment change date, and shall be set to such amount required to amortize the unpaid principal balance of the note in equal monthly installments, including accrued interest at the then applicable adjusted interest rate, through maturity on April 1, 2034. The note is secured by a deed of trust on the property located in Arizona. The homes provide housing for low-income families, the military and special needs population.	5,530,000

<u>CRS Somerset</u>

CRS Somerset entered into a note payable agreement with NYCB on July 14, 2020. The note has a principal of $3,100,000 and an interest rate equal to 3.125% per annum. The loan is payable in 120 monthly installments of $13,280, with a balloon payment due in August 2030 for the remaining balance. In conjunction with the new debt agreement, the Organization was required to establish certain reserves and escrow accounts.	2,982,265

<u>CRS Skyline</u>

On December 17, 2018, CRS Skyline financed its mortgage with a loan from New York Community Bank in the amount of $1,700,000. Interest accrues on the unpaid principal balance at 2.5% over the one month London Interbank Offered Rate (LIBOR). The note is due in 59 monthly installments of $9,942, with a balloon payment for the remaining balance due on December 17, 2023. The note is secured by a deed of trust on the property located in Arizona. The homes financed under this mortgage provide housing for low-income families, the military and special needs population.	1,527,599

9. Notes and Mortgages Payable (continued)

CRS Garden Pines	
On April 2, 2019, CRS Garden Pines financed its mortgage with a loan from New York Community Bank in the amount of $1,430,000. Interest accrues on the unpaid principal balance at 2.5% over the one month LIBOR. The note is due in 59 monthly installments of $8,418, with a balloon payment for the remaining balance due on April 2, 2024. The note is secured by a deed of trust on the property located in Arizona. The homes financed under this mortgage provide housing for low-income families, the military and special needs population.	$ 1,299,393
CRS Brookmont	
On February 28, 2017, CRS Brookmont financed its mortgage with a loan from BB&T in the amount of $1,170,000. The note bears interest at the adjusted LIBOR rate per annum which was 3.88% as of June 30, 2022. Principal and interest are payable by the Organization in monthly installments of $5,587 through maturity on February 28, 2024. The lease is secured by assignment of leases and rents. The homes under this mortgage provide housing for low-income families, the military and special needs population.	1,017,106
CRS Florence	
On January 26, 2021, CRS Florence financed its mortgage with a loan from Grandbridge Real Estate Capital LLC. The note has a principal balance of $7,440,000, and is due in monthly installments of $33,450, including interest at 3.51% per annum, payable beginning March 1, 2025 through February 1, 2033. Interest only payments are due on this loan through February 2025. The note is secured by a deed of trust on the property located in Florence, Arizona. The homes financed under this mortgage provide housing for low-income families, the military and special needs population.	7,440,000
CRS Kansas	
CRS Kansas entered into a note payable agreement with the prior owner of its rental property on December 14, 1995. The principal balance of $500,000 is due and payable in annual interest and principal payments based on 75% of annual surplus cash, as allowed under the trust indenture and lease agreement. In the event there is no surplus cash to cover the annual accrued interest, the interest is forgiven. Such interest is calculated based on 8.5% of the outstanding principal balance. As of June 30, 2022, there was no surplus cash to make payments and no interest was accrued. The note matures on November 30, 2025, when any outstanding principal and unpaid accrued interest are due.	500,000
Total Notes and Mortgages Payable	96,140,531
Less: Unamortized Debt Issuance Costs	(1,337,892)
Notes and Mortgages Payable, Net	$ 94,802,639

9. Notes and Mortgages Payable (continued)

Total interest expense, including the amortization of the debt issuance costs, incurred related to these mortgages was $3,001,628 for the year ended June 30, 2022.

Aggregate annual maturities of notes and mortgages payable are as follows:

For the Year Ending June 30,	
2023	$ 1,419,815
2024	5,058,664
2025	1,385,249
2026	1,477,398
2027	1,683,513
Thereafter	85,115,892
Total	$ 96,140,531

10. Fair Value Measurement

The following table summarizes the Organization's assets measured at fair value on a recurring basis as of June 30, 2022, aggregated by the fair value hierarchy level with which those measurements were made:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Investments:				
Exchange-traded funds	$ 5,045,603	$ 5,045,603	$ -	$ -
Money market funds	205,557	205,557	-	-
Equity securities	70,094	70,094	-	-
Total investments in the Fair value hierarchy	5,321,254	5,321,254	-	-
Investments measured at NAV	126,529,866			
Total Investments	131,851,120			
Beneficial interest in a charitable remainder unitrust (CRUT) receivable	110,647	-	-	110,647
Cash surrender value of life insurance policies	1,443,169	-	1,443,169	-
Total Assets	$ 133,404,936	$ 5,321,254	$ 1,443,169	$ 110,647

10. Fair Value Measurement (continued)

The Organization uses the following methods and significant assumptions to estimate fair value for assets recorded at fair value:

Equity securities and exchange-traded funds – These are valued at quoted market price for identical assets in active markets.

Money market funds – Money market funds are valued at the net asset value of shares held, as reported in the active market in which the individual security or fund is traded.

Beneficial interest in the CRUT – The CRUT, included in other receivables in the consolidated statement of financial position, is revalued annually by calculating the present value based on the current appraised value of the investments, the donor's life expectancy and a discount rate of 6.5%.

Cash surrender value of life insurance policies – Cash surrender value of the life insurance policies is based upon the reserve value, which is the face amount of the contracts discounted at a specific rate of interest according to the insured's life expectancy.

The Organization uses NAV or its equivalent to determine the fair value of its alternative investment funds. The table below details the Organization's ability to redeem investments valued at NAV or its equivalent, if currently eligible, and unfunded commitments as of June 30, 2022:

	Number of Funds	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Equity funds [a]	3	$ 80,923,450	$ -	Daily to Weekly	1 to 5 days
Fixed income funds [b]	2	45,606,416	-	Daily to Weekly	1 to 5 days
Total Investments		$126,529,866	$ -		

[a] This category includes funds that invest primarily in a diversified portfolio of common stocks and equity-linked securities of companies in the global public equity markets. It is designed to add value over its benchmark primarily through stock selection in order to achieve its investment objective. It may invest in equity securities of foreign companies, and may use derivatives as part of its investment strategy including futures, options, foreign currency contracts, and swaps. In addition, this category also includes funds that seek an investment return that approximates as closely as practicable, before expenses, the performance of the S&P 500® over the long term, or the performance of the MSCI ACWI ex USA Index over the long term. The funds attempt to achieve its investment objective by investing in other collective investment funds, each an underlying fund, managed by the Trustee, which have characteristics consistent with the funds' overall investment objective.

[b] This category includes funds that invest primarily in U.S. dollar-denominated investment grade bonds and other fixed income securities in an attempt to outperform the broad U.S. bond market. Investment grade securities are those rated in one of the four highest

10. Fair Value Measurement (continued)

categories by a nationally recognized rating agency at the time of investment, or determined by a sub-advisor to be of equivalent quality. The sub-advisor may invest in certain derivatives and may use certain techniques, such as currency hedging, in order to outperform the broad market. The funds in this category maintain a core portfolio of securities that is aligned with the composition and duration of the funds' benchmark index, which tracks the overall U.S. bond market. The sub-advisor then attempts to add value by investing a portion of the Fund's assets in fixed income securities that are not represented in the benchmark and using investment techniques designed to overweight or underweight the Fund's portfolio relative to benchmark characteristics. In addition, this category also includes funds that seek an investment return that approximates as closely as practicable, before expenses, the performance of the Bloomberg Barclays U.S. Aggregate Bond Index over the long term. The Fund attempts to achieve its investment objective by investing in other collective investment funds, each an underlying fund, managed by the Trustee, which have characteristics consistent with the funds' overall investment objective.

11. Net Assets

Net Assets Without Donor Restrictions

The Organization's net assets without donor restrictions are composed of the following:

Board-designated quasi-endowment	$ 92,349,663
Undesignated	46,141,556
Total Net Assets Without Donor Restrictions	$ 138,491,219

The Board of Directors designated amounts to serve as a quasi-endowment, and the funds are to be invested and serve as a source of undesignated income to fund the expenses and support the general work and mission of CRSC and its affiliates.

Net Assets With Donor Restrictions

As of June 30, 2022, net assets with donor restrictions were restricted for the following purposes or period:

Subject to the Organization's spending policy and appropriation:	
Endowment funds restricted in perpetuity	$ 16,547,477
Accumulated earnings on endowment funds expendable for the American Indian Program	16,105,335
Subject to purpose restrictions:	
American Indian programs	400,000
International programs	295,224
Subject to occurrence of specified events or passage of time	232,835
Total Net Assets With Donor Restrictions	$ 33,580,871

12. Endowment Funds

The Organization's endowment consists of a donor-restricted endowment fund established to support the Organization's American Indian programs and its affiliates that operate these programs. In addition, a board-designated endowment fund or quasi-endowment (the ELK Endowment Fund) was created from the proceeds from the sales of housing properties owned by affiliates of CRSC. The purpose of the ELK Endowment Fund is to fund the expenses and support of the general work and mission of CRSC and its affiliates. As required by GAAP, net assets associated with donor-restricted funds are classified and reported based on the existence or absence of donor-imposed restrictions. As a result, the ELK Endowment Fund is included in net assets without donor restrictions as the restrictions were imposed by the Board of Directors and not an outside donor.

Interpretation of Relevant Law and Spending Policy

The Organization has interpreted the Uniform Prudent Management of Institution Funds Act (UPMIFA) as not limiting spending from the endowment fund to interest and dividends earned, but allowing the Organization to elect to spend a portion of the overall value of the fund after considering the factors listed below and keeping in mind the permanent duration of the fund. To date, the Organization has not made such an election. Instead, the Organization has taken a very prudent and conservative approach and pursued a spending policy not to annually release more than the interest and dividend and royalty income above the original value of the gifts donated to start the permanent endowment and the original value of subsequent gifts to the permanent endowment. The resulting realized and unrealized gains and losses are included in the net assets with purpose or time restrictions of the endowment portfolio. Section 55-268.14(A) of Virginia's UPMIFA eliminates the concept of historic dollar value and instead provides that an institution may adopt a spending policy that will preserve the purchasing power of "principal" while distributing as "income" a reasonable amount in light of investment performance and general economic conditions.

The statute lists a number of factors to be considered in adopting a spending policy:

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

12. Endowment Funds (continued)

Endowment Composition and Activity

The Organization's endowment net asset composition by fund type was as follows as of June 30, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Original value of donor-restricted endowment fund	$ -	$ 16,547,477	$ 16,547,477
Accumulated earnings on donor-restricted endowment fund	-	16,105,335	16,105,335
Board-designated endowment funds	92,349,663	-	92,349,662
Total Endowment Net Assets	$ 92,349,663	$ 32,652,812	$125,002,475

Endowment net assets and changes in endowment net assets consisted of the following as of and for the year ended June 30, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, June 30, 2021	$ 77,475,601	$ 38,778,180	$116,253,781
Contributions/royalties	29,006,461	3,161,123	32,167,584
Net investment losses	(12,580,250)	(4,638,491)	(17,218,741)
Appropriation of endowment assets for expenditure	(1,552,149)	(4,648,000)	(6,200,149)
Endowment Net Assets, June 30, 2022	$ 92,349,663	$ 32,652,812	$125,002,475

Funds with Deficiencies

From time to time, the fair value of assets associated with an individual donor-restricted endowment fund may fall below the level that the donor or UPMIFA requires the Organization to retain as a fund of perpetual duration. There were no such deficiencies as of June 30, 2022. The Organization has interpreted UPMIFA not to permit spending from underwater endowments in accordance with prudent measures required under law.

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for its investments that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. The primary objective of the endowment fund is to preserve and protect the assets by providing a balance between capital appreciation, preservation of capital and current income. This is a long-term goal designed to maximize returns without undue risk.

12. Endowment Funds (continued)

Strategies Employed for Achieving Objectives

The endowment fund has a target range of 65% equity securities and 35% fixed-income securities. A positive return is expected over time, although there may be periods with a negative return.

13. Risks and Contingencies

Financial Risk

The Organization invests in a professionally managed portfolio that contains various investment securities. Such investments are exposed to various risks such as interest rate, market and credit risks. Market risks include global events which could impact the value of investments securities, such as pandemic or international conflicts. Due to the level of risk associated with such investments, it is at least reasonably possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the consolidated financial statements.

Concentration of Credit Risk

The Organization maintains its cash and cash equivalents with certain commercial financial institutions, which aggregate balance may exceed, at times, the Federal Deposit Insurance Corporation (FDIC) insured limit of $250,000 per depositor per institution. As of June 30, 2022, the Organization had cash and cash equivalents at several financial institutions, which exceeded the maximum limit insured by the FDIC in total by approximately $5,018,000. The Organization monitors the creditworthiness of these institutions and has not experienced any credit losses on its cash and cash equivalents. The Organization also maintains its trust accounts in one financial institution. The trust investments are not insured by the FDIC or by any other federal government agency.

Compliance Audits

The Organization received a number of grants that are subject to review, audit and adjustment of various local, state and federal governmental agencies for qualified expenses charged to the grants. Such audits could lead to requests for reimbursement to these governmental agencies for any expenditures or claims disallowed under the terms of the agreements. The amount of expenditures which may be disallowed by the governmental agencies cannot be determined at this time although the Organization expects such amounts, if any, to be insignificant.

14. Availability of Resources and Liquidity

The Organization regularly monitors liquidity required to meet its annual operating needs and other contractual commitments, while also striving to preserve the principal and return on the investment of its funds. The Organization's financial assets available within one year of the consolidated statement of financial position date for general expenditures at June 30, 2022, were as follows:

Cash and cash equivalents	$ 10,112,420
Grants and contributions receivable, net	495,350
Other receivables	2,445,763
Investments	131,851,120
Total Financial Assets Available as of June 30, 2022	144,904,653
Less:	
Amounts unavailable for general expenditures within one year, due to:	
Board-designated for future program services and investments	(90,249,663)
Restrictions by donors in perpetuity and accumulated earnings subject to appropriation	(32,652,812)
Restrictions by donors for specific purposes	(695,224)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	$ 21,306,954

The Organization has various sources of liquidity at its disposal, including cash and cash equivalents, receivables and investments, which are available for general expenditures, liabilities and other obligations as they come due. Management is focused on sustaining the financial liquidity of the Organization throughout the year. This is done through monitoring and reviewing the Organization's cash flow needs on a regular basis. As a result, management is aware of the cyclical nature of the Organization's cash flow related to the Organization's various funding sources and is therefore able to ensure that there is cash available to meet current liquidity needs. As part of its liquidity plan, excess cash is invested in publicly traded investment vehicles, including mutual funds and equity securities, or to support organizational initiatives. As part of the annual budget process, management and the Board approve amounts to be drawn from investments and budgeted for use by the affiliates based on anticipated needs and projects approved for the year. The Organization has only considered the amounts that have been budgeted to be drawn from investments as financial assets available to meet general expenditures within one year. However, additional investment income could be allocated to operations by the Board during the year if necessary. In addition, to help manage unanticipated liquidity needs, the Organization has two committed lines of credit totaling $26,500,000, of which approximately $11,725,000 was unused and available to draw upon as of June 30, 2022. The Organization's used line of credit is secured by the Organization's investments.

15. Pension Plan

Employees of the Organization are eligible to participate in a 401(k) plan sponsored by CRSC after 60 days of service. Under the terms of the defined contribution plan, eligible employees may elect to contribute up to the federal tax limitation.

15. Pension Plan (continued)

The plan has the following employee deferral and matching provisions:

Elective Deferral	Employer Matching
1%	400% of employee contribution
1% – 5%	100% of employee contribution

Employees are immediately vested in employer contributions. During the year ended June 30, 2022, retirement expense related to the plan was $266,569, which is included in wages and benefits in the accompanying consolidated statement of functional expenses.

16. Taxes

Income Taxes

CRSC has received a group exemption determination from the Internal Revenue Service, under Section 501(c)(3), which affords the housing affiliates on CRSC's roster the same income tax-exempt status as CRSC. CRSI, AHA, RS and BWA are exempt under Section 501(c)(3) of the Internal Revenue Code (the IRC). CRS/21 is exempt under Section 509(a)(3) of the IRC. The Organization is exempt from federal taxes on income other than net unrelated business income. No provision for federal or state income taxes is required as of June 30, 2022, as the Organization had no net unrelated business income.

The Organization follows the authoritative guidance relating to accounting for uncertainty in income taxes included in FASB Accounting Standards Codification Topic 740, *Income Taxes*. These provisions provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's consolidated financial statements and prescribe a threshold of "more likely than not" for recognition and derecognition of tax positions taken or expected to be taken in a tax return. The Organization performed an evaluation of uncertainty in income taxes for the year ended June 30, 2022, and determined that there were no matters that would require recognition in the consolidated financial statements or that may have any effect on its tax-exempt status. As of June 30, 2022, there are no audits for any tax periods pending or in progress. It is the Organization's policy to recognize interest and/or penalties related to uncertainty in income taxes, if any, in interest or income tax expense. As of June 30, 2022, the Organization had no accruals for interest and/or penalties.

Real Estate Tax Exemptions

Houses owned by CRS Virginia for charitable purposes were exempt from real estate taxation in Fairfax County, Virginia.

17. Subsequent Events

In preparing these consolidated financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through February 7, 2023, the date the consolidated financial statements were available to be issued. There were no subsequent events identified that require recognition or disclosure in these consolidated financial statements.

SUPPLEMENTARY INFORMATION

CHRISTIAN RELIEF SERVICES CHARITIES, INC. AND AFFILIATES

CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
June 30, 2022

	CRSC	CRSI	AHA	RS	BWA	Consolidated CRS Virginia	CRS/21
ASSETS							
Cash and cash equivalents	$ 1,430,900	$ 1,924,615	$ 37,900	$ 454,688	$ 230,228	$ 909,579	$ 715,335
Grants and contributions receivable, net	-	286,162	24,812	147,046	37,330	-	-
Other receivables	695,764	-	252,376	3,528	903	32,041	421,068
Prepaid expenses and other assets	134,778	11,585	-	-	-	41,187	-
Due from affiliates	307,090	-	-	-	125,000	10,479	30,455,674
Inventory	-	1,802,612	-	254,136	-	-	-
Investments	483,483	-	370,194	1,935,538	664,625	-	126,529,866
Investments in operating entities	-	-	-	-	-	-	-
Cash surrender value of life insurance policies	1,443,169	-	-	-	-	-	-
Restricted investments for tenant security deposits	-	-	-	-	-	76,884	-
Restricted deposits and funded reserves	-	-	-	-	-	521,398	-
Property and equipment, net	34,676	7,978	200,780	3,337,311	-	34,395,638	-
TOTAL ASSETS	$ 4,529,860	$ 4,032,952	$ 886,062	$ 6,132,247	$ 1,058,086	$ 35,987,206	$ 158,121,943
LIABILITIES AND NET ASSETS							
Liabilities							
Accounts payable and accrued expenses	$ 162,977	$ 548,717	$ 23,341	$ 484,812	$ 17,571	$ 756,272	$ -
Line of credit payable	-	-	-	-	-	-	14,774,787
Notes and mortgages payable, net of unamortized debt issuance costs	-	-	-	-	-	19,571,193	-
Advance payments for rent	-	-	-	-	-	19,103	-
Deposits and funds held for others	-	18,054	-	-	-	29,645	-
Due to affiliates	-	217,717	12,977	66,394	13,484	11,145,574	-
TOTAL LIABILITIES	162,977	784,488	36,318	551,206	31,055	31,521,787	14,774,787
Net Assets							
Without donor restrictions	4,366,883	2,935,464	824,932	5,433,995	694,477	4,465,419	110,583,697
With donor restrictions	-	313,000	24,812	147,046	332,554	-	32,763,459
TOTAL NET ASSETS (DEFICIT)	4,366,883	3,248,464	849,744	5,581,041	1,027,031	4,465,419	143,347,156
TOTAL LIABILITIES AND NET ASSETS	$ 4,529,860	$ 4,032,952	$ 886,062	$ 6,132,247	$ 1,058,086	$ 35,987,206	$ 158,121,943

	CRSC Residential	Housing Preservation	CRS Kansas	CRS Triangle	CRS Scottsdale	CRS Fountain Place	CRS Peoria	CRS Somerset	CRS Palms	CRS McClellan
ASSETS										
Cash and cash equivalents	$ 1,881,605	$ 39,569	$ 108,922	$ 643,392	$ 158,893	$ 912,982	$ 54,145	$ 44,974	$ 101,601	$ 52,279
Grants and contributions receivable, net	-	-	-	-	-	-	-	-	-	-
Other receivables	200,121	-	43,318	214,682	5,105	-	5,675	48,494	2,105	-
Prepaid expenses and other assets	669,697	-	28,725	58,790	2,006	40,114	14,805	25,447	11,666	-
Due from affiliates	6,921,927	164,716	-	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-	-	-	-
Investments	1,596,343	-	-	271,071	-	-	-	-	-	-
Investments in operating entities	5,789,837	-	-	-	-	-	-	-	-	-
Cash surrender value of life insurance policies	-	-	-	-	-	-	-	-	-	-
Restricted investments for tenant security deposits	-	-	19,161	161,718	-	125,153	33,153	40,147	24,964	33,071
Restricted deposits and funded reserves	-	-	-	318,960	-	716,171	23,759	79,709	250	-
Property and equipment, net	35,537,940	-	2,401,126	10,029,373	134,107	2,768,188	2,322,719	3,596,812	3,119,271	-
TOTAL ASSETS	$ 52,597,470	$ 204,285	$ 2,601,252	$ 11,697,986	$ 300,111	$ 4,562,608	$ 2,454,256	$ 3,835,583	$ 3,259,857	$ 85,350
LIABILITIES AND NET ASSETS										
Liabilities										
Accounts payable and accrued expenses	$ 73,920	$ 112	$ 59,246	$ 249,898	$ 1,015	$ 44,036	$ 47,815	$ 35,671	$ 28,336	$ 804
Line of credit payable	-	-	-	-	-	-	-	-	-	-
Notes and mortgages payable, net of unamortized debt issuance costs	-	-	500,000	30,940,985	-	5,023,493	7,480,734	2,961,701	5,427,385	-
Advance payments for rent	-	-	38,940	33,628	5,488	24,442	12,931	13,815	417	-
Deposits and funds held for others	-	-	32,693	198,467	4,117	58,190	26,474	36,989	18,311	-
Due to affiliates	13,702,638	-	3,547,270	50,147	7,786	14,478	6,661	564,780	4,977	-
TOTAL LIABILITIES	13,776,558	112	4,178,149	31,473,125	18,406	5,164,639	7,574,615	3,612,956	5,479,426	804
Net Assets										
Without donor restrictions	38,820,912	204,173	(1,576,897)	(19,775,139)	281,705	(602,031)	(5,120,359)	222,627	(2,219,569)	84,546
With donor restrictions	-	-	-	-	-	-	-	-	-	-
TOTAL NET ASSETS (DEFICIT)	38,820,912	204,173	(1,576,897)	(19,775,139)	281,705	(602,031)	(5,120,359)	222,627	(2,219,569)	84,546
TOTAL LIABILITIES AND NET ASSETS	$ 52,597,470	$ 204,285	$ 2,601,252	$ 11,697,986	$ 300,111	$ 4,562,608	$ 2,454,256	$ 3,835,583	$ 3,259,857	$ 85,350

	CRS Brookmont	CRS Ironwood	CRS Petersburg	CRS Skyline	CRS Garden Pines	CRS Florence	Total	Eliminations	Consolidated Total
ASSETS									
Cash and cash equivalents	$ 24,411	$ 30,342	$ 67,932	$ 162,852	$ 54,754	$ 70,522	$ 10,112,420	$ -	$ 10,112,420
Grants and contributions receivable, net	-	-	-	-	-	-	495,350	-	495,350
Other receivables	197,598	2,356	282,955	15,846	8,970	12,858	2,445,763	-	2,445,763
Prepaid expenses and other assets	42,369	15,096	160	14,022	16,747	5,025	1,132,219	-	1,132,219
Due from affiliates	-	-	-	-	-	-	37,984,886	(37,984,886)	-
Inventory	-	-	-	-	-	-	2,056,748	-	2,056,748
Investments	-	-	-	-	-	-	131,851,120	-	131,851,120
Investments in operating entities	-	-	-	-	-	-	5,789,837	-	5,789,837
Cash surrender value of life insurance policies	-	-	-	-	-	-	1,443,169	-	1,443,169
Restricted investments for tenant security deposits	18,407	42,855	83,168	16,076	26,106	46,659	747,522	-	747,522
Restricted deposits and funded reserves	-	22,757	258,305	-	-	76,871	2,018,180	-	2,018,180
Property and equipment, net	1,791,649	4,438,198	7,935,465	3,329,427	2,662,438	9,470,188	127,513,284	(465,103)	127,048,181
TOTAL ASSETS	$ 2,074,434	$ 4,551,604	$ 8,627,985	$ 3,538,223	$ 2,769,015	$ 9,682,123	$ 323,590,498	$ (38,449,989)	$ 285,140,509
LIABILITIES AND NET ASSETS									
Liabilities									
Accounts payable and accrued expenses	$ 26,688	$ 55,505	$ 62,503	$ 14,067	$ 10,315	$ 24,345	$ 2,727,966	$ -	$ 2,727,966
Line of credit payable	-	-	-	-	-	-	14,774,787	-	14,774,787
Notes and mortgages payable, net of unamortized debt issuance costs	1,017,106	6,701,259	5,090,367	1,513,734	1,292,787	7,281,895	94,802,639	-	94,802,639
Advance payments for rent	4,623	5,411	22,803	16,409	4,066	7,668	209,744	-	209,744
Deposits and funds held for others	18,412	38,394	-	22,763	13,550	37,224	553,283	-	553,283
Due to affiliates	748,933	5,574	2,349,513	1,704,609	1,304,927	2,516,447	37,984,886	(37,984,886)	-
TOTAL LIABILITIES	1,815,762	6,806,143	7,525,186	3,271,582	2,625,645	9,867,579	151,053,305	(37,984,886)	113,068,419
Net Assets									
Without donor restrictions	258,672	(2,254,539)	1,102,799	266,641	143,370	(185,456)	138,956,322	(465,103)	138,491,219
With donor restrictions	-	-	-	-	-	-	33,580,871	-	33,580,871
TOTAL NET ASSETS (DEFICIT)	258,672	(2,254,539)	1,102,799	266,641	143,370	(185,456)	172,537,193	(465,103)	172,072,090
TOTAL LIABILITIES AND NET ASSETS	$ 2,074,434	$ 4,551,604	$ 8,627,985	$ 3,538,223	$ 2,769,015	$ 9,682,123	$ 323,590,498	$ (38,449,989)	$ 285,140,509

See independent auditors' report.

CHRISTIAN RELIEF SERVICES CHARITIES, INC. AND AFFILIATES

CONSOLIDATING SCHEDULE OF ACTIVITIES
For the Year Ended June 30, 2022

	CRSC	CRSI	AHA	RS	BWA	Consolidated CRS Virginia	CRS/21	CRSC Residential	Housing Preservation
REVENUE AND SUPPORT									
Housing rental and related income	$ -	$ -	$ 5,880	$ -	$ -	$ 4,253,353	$ -	$ 1,084,207	$ -
Contributed nonfinancial assets	-	25,429,195	-	1,312,068	-	-	-	-	-
Cash contributions	708	6,042,077	109,697	2,637,618	155,217	-	-	-	-
Other income (loss)	(450,061)	324	12,500	49,908	-	(21,734)	4,304	2,358,864	-
Grants from government agencies	-	244,948	-	43,118	-	-	-	-	-
Royalties	-	-	-	-	-	-	3,161,123	-	-
Wills and bequests	-	632,914	-	28,013	60,171	-	-	-	-
Workplace campaign contributions	-	13,677	28,479	58,366	60,649	-	-	-	-
Gains on sale of properties	-	-	-	-	-	285,926	-	20,695	-
Interest and dividends, net	8,236	891	9,251	48,156	16,085	208	1,812,651	188,586	-
Realized gains (losses) on investments	(657)	-	-	29,613	42,726	-	(10,699,410)	10,321	-
Unrealized losses on investments	(83,365)	-	(71,736)	(404,569)	(171,920)	-	(8,331,983)	(279,872)	-
Noncash contributions from affiliates	-	-	1,312,183	646,408	22,348,029	-	-	-	-
Cash contributions from affiliates	1,560,000	6,148,000	800,000	4,348,000	500,000	80,000	29,006,433	10,705,359	-
Donated housing from affiliates	-	-	-	-	-	-	-	687,019	-
TOTAL REVENUE AND SUPPORT	1,034,861	38,512,026	2,206,254	8,796,699	23,010,957	4,597,753	14,953,118	14,775,179	-
EXPENSES									
Program services	701,476	33,406,083	2,050,849	5,874,005	23,024,103	3,629,331	6,147,998	2,480,934	7,106,499
Management and general	1,708,126	274,220	42,944	49,303	26,559	266,032	52,150	76,854	6,663
Fundraising	27,089	4,545,352	5,361	19,087	5,796	-	-	-	-
TOTAL EXPENSES	2,436,691	38,225,655	2,099,154	5,942,395	23,056,458	3,895,363	6,200,148	2,557,788	7,113,162
CHANGE IN NET ASSETS FROM OPERATIONS	(1,401,830)	286,371	107,100	2,854,304	(45,501)	702,390	8,752,970	12,217,391	(7,113,162)
NONOPERATING ACTIVITIES									
Realized gain on sale of notes receivable	-	-	-	-	-	-	-	-	5,679,989
Realized gain on sale of investments in operating entities	-	-	-	-	-	-	-	2,439,594	-
CHANGE IN NET ASSETS	(1,401,830)	286,371	107,100	2,854,304	(45,501)	702,390	8,752,970	14,656,985	(1,433,173)
NET ASSETS (DEFICIT), BEGINNING OF YEAR	5,768,713	2,962,093	742,644	2,726,737	1,072,532	3,763,029	134,594,186	24,163,927	1,637,346
NET ASSETS (DEFICIT), END OF YEAR	$ 4,366,883	$ 3,248,464	$ 849,744	$ 5,581,041	$ 1,027,031	$ 4,465,419	$ 143,347,156	$ 38,820,912	$ 204,173

	CRS Kansas	CRS Triangle	CRS Scottsdale	CRS Fountain Place	CRS Peoria	CRS Somerset	CRS Palms	CRS McClellan	CRS Brookmont
REVENUE AND SUPPORT									
Housing rental and related income	$ 1,232,855	$ 5,107,905	$ 178,298	$ 2,030,818	$ 1,113,120	$ 954,429	$ 703,126	$ 985,158	$ 574,032
Contributed nonfinancial assets	-	-	-	-	-	-	-	-	-
Cash contributions	-	-	-	-	-	-	-	-	-
Other income (loss)	45,619	184,941	3,269	90,870	36,136	126,486	42,415	73,821	141,509
Grants from government agencies	-	-	-	-	-	-	-	-	-
Royalties	-	-	-	-	-	-	-	-	-
Wills and bequests	-	-	-	-	-	-	-	-	-
Workplace campaign contributions	-	-	-	-	-	-	-	-	-
Gains on sale of properties	-	-	-	-	-	-		20,152,938	-
Interest and dividends, net	2	19,696	-	191	7	16	-	4	-
Realized gains (losses) on investments	-	(105,901)	-	-	-	-	-	-	-
Unrealized losses on investments	-	(62,342)	-	-	-	-	-	-	-
Noncash contributions from affiliates	-	-	-	-	-	-	-	-	-
Cash contributions from affiliates	-	-	-	-	-	-	-	-	-
Donated housing from affiliates	-	-	-	-	-	-	-	-	-
TOTAL REVENUE AND SUPPORT	1,278,476	5,144,299	181,567	2,121,879	1,149,263	1,080,931	745,541	21,211,921	715,541
EXPENSES									
Program services	1,359,680	4,382,445	92,066	1,982,525	5,936,875	873,742	3,294,479	21,292,986	722,962
Management and general	61,821	414,878	7,137	73,492	39,689	37,821	25,552	35,700	23,524
Fundraising	-	-	-	-	-	-	-	-	-
TOTAL EXPENSES	1,421,501	4,797,323	99,203	2,056,017	5,976,564	911,563	3,320,031	21,328,686	746,486
CHANGE IN NET ASSETS FROM OPERATIONS	(143,025)	346,976	82,364	65,862	(4,827,301)	169,368	(2,574,490)	(116,765)	(30,945)
NONOPERATING ACTIVITIES									
Realized gain on sale of notes receivable	-	-	-	-	-	-	-	-	-
Realized gain on sale of investments in operating entities	-	-	-	-	-	-	-	-	-
CHANGE IN NET ASSETS	(143,025)	346,976	82,364	65,862	(4,827,301)	169,368	(2,574,490)	(116,765)	(30,945)
NET ASSETS (DEFICIT), BEGINNING OF YEAR	(1,433,872)	(20,122,115)	199,341	(667,893)	(293,058)	53,259	354,921	201,311	289,617
NET ASSETS (DEFICIT), END OF YEAR	$ (1,576,897)	$ (19,775,139)	$ 281,705	$ (602,031)	$ (5,120,359)	$ 222,627	$ (2,219,569)	$ 84,546	$ 258,672

	CRS Ironwood	CRS Petersburg	CRS Skyline	CRS Garden Pines	CRS Florence	Total	Eliminations	Consolidated Total
REVENUE AND SUPPORT								
Housing rental and related income	$ 885,049	$ 2,088,926	$ 589,553	$ 479,645	$ 1,159,840	$ 23,426,194	$ (206,884)	$ 23,219,310
Contributed nonfinancial assets	-	-	-	-	-	26,741,263	-	26,741,263
Cash contributions	-	-	-	-	-	8,945,317	-	8,945,317
Other income (loss)	45,772	371,370	12,622	25,468	70,301	3,224,704	(874,488)	2,350,216
Grants from government agencies	-	-	-	-	-	288,066	-	288,066
Royalties	-	-	-	-	-	3,161,123	-	3,161,123
Wills and bequests	-	-	-	-	-	721,098	-	721,098
Workplace campaign contributions	-	-	-	-	-	161,171	-	161,171
Gains on sale of properties	-	-	-	-	-	20,459,559	-	20,459,559
Interest and dividends, net	9	-	-	1	-	2,103,990	(150,693)	1,953,297
Realized gains (losses) on investments	-	-	-	-	-	(10,723,308)	-	(10,723,308)
Unrealized losses on investments	-	-	-	-	-	(9,405,787)	-	(9,405,787)
Noncash contributions from affiliates	-	-	-	-	-	24,306,620	(24,306,620)	-
Cash contributions from affiliates	-	-	-	-	-	53,147,792	(53,147,792)	-
Donated housing from affiliates	-	-	-	-	-	687,019	(687,019)	-
TOTAL REVENUE AND SUPPORT	930,830	2,460,296	602,175	505,114	1,230,141	147,244,821	(79,373,496)	67,871,325
EXPENSES								
Program services	3,195,146	1,738,654	401,513	474,141	1,837,548	132,006,040	(78,223,230)	53,782,810
Management and general	35,700	-	20,747	16,961	40,929	3,336,802	(1,172,416)	2,164,386
Fundraising	-	-	-	-	-	4,602,685	3	4,602,688
TOTAL EXPENSES	3,230,846	1,738,654	422,260	491,102	1,878,477	139,945,527	(79,395,643)	60,549,884
CHANGE IN NET ASSETS FROM OPERATIONS	(2,300,016)	721,642	179,915	14,012	(648,336)	1,619,305	22,147	7,321,441
NONOPERATING ACTIVITIES								
Realized gain on sale of notes receivable	-	-	-	-	-	5,679,989	-	5,679,989
Realized gain on sale of investments in operating entities	-	-	-	-	-	2,439,594	-	2,439,594
CHANGE IN NET ASSETS	(2,300,016)	721,642	179,915	14,012	(648,336)	15,418,877	22,147	15,441,024
NET ASSETS (DEFICIT), BEGINNING OF YEAR	45,477	381,157	86,726	129,358	462,880	157,118,316	$ (487,250)	156,631,066
NET ASSETS (DEFICIT), END OF YEAR	$ (2,254,539)	$ 1,102,799	$ 266,641	$ 143,370	$ (185,456)	$ 172,537,193	$ (465,103)	$ 172,072,090