

American Bible Society

Consolidated Financial Statements and Supplemental Schedules Years Ended June 30, 2024 and 2023

The report accompanying these financial statements was issued by BDO USA, P.C., a Virginia professional corporation, and the U.S. member of BDO International Limited, a UK company limited by guarantee.



American Bible Society

Consolidated Financial Statements
and Supplemental Schedules
Years Ended June 30, 2024 and 2023

American Bible Society

Contents

Independent Auditor's Report	3-4
-------------------------------------	------------

Consolidated Financial Statements

Consolidated Statements of Financial Position as of June 30, 2024 and 2023	6
Consolidated Statements of Activities and Change in Net Assets for the Years Ended June 30, 2024 and 2023	7-8
Consolidated Statements of Functional Expenses for the Years Ended June 30, 2024 and 2023	9-10
Consolidated Statements of Cash Flows for the Years Ended June 30, 2024 and 2023	11
Notes to the Consolidated Financial Statements	12-44

Supplemental Schedules

Independent Auditor's Report on the Supplemental Schedules	46
Consolidating Schedule of Financial Position as of June 30, 2024	47
Consolidating Schedule of Activities and Change in Net Assets for the Year Ended June 30, 2024	48



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Independent Auditor's Report

The Board of Directors
American Bible Society
Philadelphia, Pennsylvania

Opinion

We have audited the consolidated financial statements of the American Bible Society (the Society), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities and change in net assets, functional expenses, and cash flows for the years 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 financial position of the Society as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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



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

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

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO USA, P.C.

February 12, 2025

Consolidated Financial Statements

American Bible Society

Consolidated Statements of Financial Position

<i>June 30,</i>	2024	2023
Assets		
Cash and cash equivalents	\$ 4,466,122	\$ 7,113,638
Accounts receivable, net of allowance for current expected credit losses of \$10,779 in 2024 and \$5,019 in 2023, respectively	1,033,971	751,860
Contribution and other receivables, net of allowance for uncollectible receivables of \$146,854 in both 2024 and 2023	1,790,945	1,803,753
Inventories, net	6,970,645	12,058,370
Prepaid expenses and other assets	1,618,237	1,455,882
Investments	675,373,378	669,605,823
Beneficial interest in investments held by third-party trustees	29,460,901	27,629,600
Right-of-use assets - operating leases	30,372,434	44,801,800
Fixed assets, net	11,358,963	55,829,493
Total Assets	\$ 762,445,596	\$ 821,050,219
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	\$ 14,289,026	\$ 16,426,650
Obligations under charitable remainder trusts	10,576,280	8,808,933
Annuities payable	16,309,365	17,091,238
Deferred revenue under life income agreements	4,306,505	4,391,776
Lease liabilities - operating leases	64,377,519	66,370,056
Accrued postretirement benefits	15,769,544	18,607,834
Total Liabilities	125,628,239	131,696,487
Commitments and Contingencies		
Net Assets		
Without donor restrictions	518,926,158	576,434,830
With donor restrictions	117,891,199	112,918,902
Total Net Assets	636,817,357	689,353,732
Total Liabilities and Net Assets	\$ 762,445,596	\$ 821,050,219

See accompanying notes to consolidated financial statements.

American Bible Society

Consolidated Statement of Activities and Change in Net Assets

Year ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Activities			
Operating revenues and support:			
Contributions	\$ 14,049,670	\$ 17,440,481	\$ 31,490,151
Legacies	3,842,327	-	3,842,327
Scripture sales	5,381,695	-	5,381,695
Other	2,975,015	-	2,975,015
Net assets released from restrictions	19,236,313	(19,236,313)	-
Total Operating Revenues and Support	45,485,020	(1,795,832)	43,689,188
Operating Expenses			
Program services:			
Scripture engagement and distribution:			
National ministries	38,759,903	-	38,759,903
International ministries	37,242,376	-	37,242,376
Total Program Services	76,002,279	-	76,002,279
Supporting services:			
Administration	9,135,891	-	9,135,891
Development	10,865,549	-	10,865,549
Total Supporting Services	20,001,440	-	20,001,440
Total Operating Expenses	96,003,719	-	96,003,719
Changes in Net Assets from Operating Activities, before investment return appropriated for operations	(50,518,699)	(1,795,832)	(52,314,531)
Investment return appropriated for operations	38,210,671	-	38,210,671
Changes in Net Assets from Operating Activities	(12,308,028)	(1,795,832)	(14,103,860)
Nonoperating Activities			
Investment gains, net of amounts appropriated for operations and capital	6,715,357	4,429,479	11,144,836
Appreciation in fair value of third-party trusts	-	1,299,065	1,299,065
Change in value of split-interest agreements	(976,217)	1,039,585	63,368
Pension-related activity other than net periodic pension expense	1,393,946	-	1,393,946
Changes in Net Assets from Nonoperating Activities	7,133,086	6,768,129	13,901,215
Impairment losses of Faith and Liberty Discovery Center's long-lived assets	(49,998,565)	-	(49,998,565)
Impairment losses of the American Bible Society's long-lived assets	(2,335,165)	-	(2,335,165)
Total Impairment Losses	(52,333,730)	-	(52,333,730)
Change in Net Assets	(57,508,672)	4,972,297	(52,536,375)
Net Assets, beginning of year	576,434,830	112,918,902	689,353,732
Net Assets, end of year	\$ 518,926,158	\$ 117,891,199	\$ 636,817,357

See accompanying notes to consolidated financial statements.

American Bible Society

Consolidated Statement of Activities and Change in Net Assets

Year ended June 30, 2023

	Without donor Restrictions	With donor Restrictions	Total
Operating Activities			
Operating revenues and support:			
Contributions	\$ 15,573,047	\$ 21,284,297	\$ 36,857,344
Legacies	6,817,130	-	6,817,130
Scripture sales	5,638,618	-	5,638,618
Other	3,011,953	-	3,011,953
Net assets released from restrictions	22,233,981	(22,233,981)	-
Total Operating Revenues and Support	53,274,729	(949,684)	52,325,045
Operating Expenses			
Program services:			
Scripture engagement and distribution:			
National ministries	40,726,865	-	40,726,865
International ministries	35,813,820	-	35,813,820
Total Program Services	76,540,685	-	76,540,685
Supporting services:			
Administration	8,792,108	-	8,792,108
Development	12,534,295	-	12,534,295
Total Supporting Services	21,326,403	-	21,326,403
Total Operating Expenses	97,867,088	-	97,867,088
Changes in Net Assets from Operating Activities, before investment return appropriated for operations	(44,592,359)	(949,684)	(45,542,043)
Investment return appropriated for operations	31,495,838	-	31,495,838
Changes in Net Assets from Operating Activities	(13,096,521)	(949,684)	(14,046,205)
Nonoperating Activities			
Investment gains, net of amounts appropriated for operations and capital	5,751,658	3,260,393	9,012,051
Appreciation in fair value of third-party trusts	-	1,734,151	1,734,151
Change in value of split-interest agreements	(425,465)	939,456	513,991
Pension-related activity other than net periodic pension expense	8,830,566	-	8,830,566
Changes in Net Assets from Nonoperating Activities	14,156,759	5,934,000	20,090,759
Impairment losses of the American Bible Society's long-lived assets	(7,050,383)	-	(7,050,383)
Total Impairment Losses	(7,050,383)	-	(7,050,383)
Change in Net Assets	(5,990,145)	4,984,316	(1,005,829)
Net Assets, beginning of year	582,424,975	107,934,586	690,359,561
Net Assets, end of year	\$ 576,434,830	\$ 112,918,902	\$ 689,353,732

See accompanying notes to consolidated financial statements.

American Bible Society

Consolidated Statement of Functional Expenses

Year ended June 30, 2024

	Program Services			Supporting Services			Total
	National Ministries	International Ministries	Total	Administration	Development	Total	
Bible ministry grants	\$ 2,515,431	\$ 16,800,898	\$ 19,316,329	\$ (32,195)	\$ 164,542	\$ 132,347	\$ 19,448,676
Scripture-based conventions and meetings	29,848	64,650	94,498	18,100	21,674	39,774	134,272
Cost of scripture and related materials sold	8,403,892	136,878	8,540,770	-	-	-	8,540,770
Printing, publications, and promotions	1,986,696	1,599,807	3,586,503	5,731	1,900,960	1,906,691	5,493,194
Salaries and wages	5,865,415	7,761,070	13,626,485	3,616,940	2,970,129	6,587,069	20,213,554
Employee benefits	1,550,570	1,633,272	3,183,842	1,044,582	768,089	1,812,671	4,996,513
Relocation costs	2,110	2,976	5,086	6,795	672	7,467	12,553
Pension expense	386,831	538,202	925,033	260,176	206,802	466,978	1,392,011
Postretirement benefits	355,485	161,727	517,212	46,757	31,687	78,444	595,656
Professional fees	3,721,231	5,170,082	8,891,313	947,402	1,632,645	2,580,047	11,471,360
Postage and mailing	1,529,737	1,151,579	2,681,316	4,019	1,395,175	1,399,194	4,080,510
Depreciation and amortization	5,282,033	473,407	5,755,440	592,305	320,552	912,857	6,668,297
Travel and related costs	147,713	304,575	452,288	84,078	116,744	200,822	653,110
Data processing	1,223,316	364,566	1,587,882	100,179	392,396	492,575	2,080,457
Occupancy	3,459,603	57,340	3,516,943	1,575,421	454,686	2,030,107	5,547,050
Equipment, repairs, and rentals	1,233,161	493,873	1,727,034	474,726	173,648	648,374	2,375,408
Telephone	33,495	40,923	74,418	16,181	22,617	38,798	113,216
Office supplies	162,705	66,310	229,015	18,312	47,856	66,168	295,183
Storage costs	394,786	6,304	401,090	8,789	3,756	12,545	413,635
Insurance	247,065	156,529	403,594	184,651	79,754	264,405	667,999
Memberships and subscriptions	85,279	105,316	190,595	15,250	48,105	63,355	253,950
Legal, tax, and audit fees	60,708	95,149	155,857	98,832	34,605	133,437	289,294
Banking and compliance	53,753	47,141	100,894	40,609	39,936	80,545	181,439
Miscellaneous	29,040	9,802	38,842	8,251	38,519	46,770	85,612
	\$ 38,759,903	\$ 37,242,376	\$ 76,002,279	\$ 9,135,891	\$ 10,865,549	\$ 20,001,440	\$ 96,003,719

See accompanying notes to consolidated financial statements.

American Bible Society

Consolidated Statement of Functional Expenses

Year ended June 30, 2023

	Program Services			Supporting Services			Total
	National Ministries	International Ministries	Total	Administration	Development	Total	
Bible ministry grants	\$ 3,128,962	\$ 16,004,221	\$ 19,133,183	\$ 158,317	\$ 98,883	\$ 257,200	\$ 19,390,383
Scripture-based conventions and meetings	45,595	96,494	142,089	23,235	24,606	47,841	189,930
Cost of scripture and related materials sold	6,836,702	-	6,836,702	-	-	-	6,836,702
Printing, publications, and promotions	2,446,580	1,811,436	4,258,016	2,775	2,487,516	2,490,291	6,748,307
Salaries and wages	6,065,215	6,962,677	13,027,892	3,522,603	3,415,174	6,937,777	19,965,669
Employee benefits	1,597,306	1,821,686	3,418,992	874,793	893,121	1,767,914	5,186,906
Relocation costs	4,942	6,452	11,394	14,608	1,754	16,362	27,756
Pension expense	465,409	568,080	1,033,489	267,460	275,627	543,087	1,576,576
Postretirement benefits	957,066	436,424	1,393,490	123,847	105,523	229,370	1,622,860
Professional fees	3,510,756	4,780,473	8,291,229	553,668	1,822,682	2,376,350	10,667,579
Postage and mailing	1,596,599	970,235	2,566,834	3,942	1,525,540	1,529,482	4,096,316
Depreciation and amortization	6,219,037	152,378	6,371,415	198,667	126,369	325,036	6,696,451
Travel and related costs	323,472	508,097	831,569	58,102	253,430	311,532	1,143,101
Data processing	1,311,218	361,019	1,672,237	76,861	473,827	550,688	2,222,925
Occupancy	3,462,039	58,941	3,520,980	1,576,038	455,442	2,031,480	5,552,460
Equipment, repairs, and rentals	1,613,623	529,830	2,143,453	477,364	207,253	684,617	2,828,070
Telephone	44,370	64,048	108,418	26,477	31,815	58,292	166,710
Office supplies	169,465	36,407	205,872	13,993	30,159	44,152	250,024
Storage costs	337,200	5,383	342,583	8,001	3,751	11,752	354,335
Insurance	233,899	169,462	403,361	204,627	104,077	308,704	712,065
Memberships and subscriptions	63,645	114,699	178,344	22,029	61,512	83,541	261,885
Legal, tax, and audit fees	203,324	245,238	448,562	511,313	64,255	575,568	1,024,130
Banking and compliance	66,597	60,803	127,400	52,299	66,085	118,384	245,784
Miscellaneous	23,844	49,337	73,181	21,089	5,894	26,983	100,164
	\$ 40,726,865	\$ 35,813,820	\$ 76,540,685	\$ 8,792,108	\$ 12,534,295	\$ 21,326,403	\$ 97,867,088

See accompanying notes to consolidated financial statements.

American Bible Society

Consolidated Statements of Cash Flows

<i>Years ended June 30,</i>	2024	2023
Cash Flows from Operating Activities		
Change in net assets	\$ (52,536,375)	\$ (1,005,829)
Adjustments to reconcile changes in net assets to net cash used in operating activities:		
Depreciation and amortization	6,668,297	6,696,451
Non-cash lease expense	1,929,255	149,778
Impairment loss on right-of-use assets - operating leases	12,500,111	7,050,383
Impairment loss on fixed assets	39,833,619	-
Change in allowance for current expected credit losses	5,410	2,767
Change in provision for obsolete and slow-moving inventory	4,348,499	2,745,925
Net unrealized and realized appreciation in fair value of investments	(38,386,229)	(32,259,888)
Net unrealized and realized appreciation in fair value of third-party trusts	(1,299,065)	(1,734,151)
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivables	(287,521)	3,590
Contribution and other receivables	12,808	4,015,456
Inventories, net	739,226	(8,720,790)
Prepaid expenses and other assets	(162,355)	(331,430)
Beneficial interest in investments held by third-party trustees, excluding split-interest agreements	(1,264,919)	(266,916)
(Decrease) increase in:		
Accounts payable and accrued expenses	(2,137,624)	2,450,457
Principal reduction in lease liabilities - operating leases	(1,992,537)	67,934
Accrued postretirement benefits	(2,838,290)	(9,607,707)
Net Cash Used in Operating Activities	(34,867,690)	(30,743,970)
Cash Flows from Investing Activities		
Proceeds from sales of investment securities	640,263,369	562,007,240
Purchases of investment securities	(607,644,695)	(534,555,596)
Capital expenditures	(2,031,386)	(830,228)
Net Cash Provided by Investing Activities	30,587,288	26,621,416
Cash Flows from Financing Activities		
Proceeds of new split-interest agreements in excess of contributions recognized	1,687,408	2,001,948
Change in value of split-interest agreements	560,260	(187,965)
Change in value of split-interest agreements held by third-party trustees	732,683	276,042
Payments to third-party beneficiaries under split-interest agreements	(3,343,223)	(3,020,067)
Investment income on split-interest agreements held for others	1,995,758	1,444,910
Net Cash Provided by Financing Activities	1,632,886	514,868
Net Decrease in Cash and Cash Equivalents	(2,647,516)	(3,607,686)
Cash and Cash Equivalents, beginning of year	7,113,638	10,721,324
Cash and Cash Equivalents, end of year	\$ 4,466,122	\$ 7,113,638
Supplemental Disclosures		
Non-cash change in deferred rent and allowance	\$ -	\$ 14,449,940
Operating lease assets obtained in exchange for new operating lease liabilities upon adoption	-	68,167,971

See accompanying notes to consolidated financial statements.

American Bible Society

Notes to Consolidated Financial Statements

1. The Organization and Nature of Activities

In 1816, American Bible Society (the Society) was founded in New York City as a Christian organization committed to distributing and engaging people with God's Word in the United States and throughout the world. Serving alongside the global Christian Church, the Society remains dedicated to this original purpose, with a mission "to make the Bible available to every person in a language and format each can understand and afford, so all people may experience its life-changing message."

The Society helps people experience God through the Bible. The Society provide access to the Bible to unreached and underserved people around the world, help people engage in the Bible, including those in crisis who find restoration through scripture, and advocate for the Bible's message of hope here in America. Through the church and a global network of Bible societies, we carry God's word where it is needed most. Our research and experience tell us the Bible makes us more generous, more compassionate, more loving toward our neighbors, and more hopeful about our future in Christ. That's why our mission since 1816 has been to help all people experience the life-changing message of God's word.

Mission Objectives

The Society's mission since 1816 has been to help all people experience the life-changing message of God's Word as follows:

God's Word for the Unreached

The Society provides access to the Bible in every language, for every person, and consists of leaders and innovators in the Bible translation movement, focusing on creating and applying emerging technologies to accelerate translation efforts reaching 80 language groups through 77 Bible translation projects. Because the Society believes the Bible is for all people, its translation ministry includes audio and video Bibles, sign language Bibles, braille Bibles, and Bible resources that contextualize the gospel message for diverse cultures and traditions around the world. The Society's innovative translation framework allows it to accurately and efficiently translate first Bibles, study Bibles, and modern language Bibles for the next generation.

The Society also distributes the Bible with the aim of placing God's word into the hands and hearts of all people searching for truth. Since its founding, the Society has distributed more than 6.9 billion pieces of scripture worldwide. Often, the Society's Bible distribution ministry leads it to the frontlines of conflict, war, terrorism, natural disasters, and other humanitarian crises. The Society joyfully partners with local Bible societies ministering in more than 240 countries and territories around the world to ensure efficient distribution through the local community. The Society's Bible society partners are experts on their nations' church cultures and help it respond to the real-time scripture needs of local believers. In the past year, the Society provided over 3.7 million print and digital Bibles to waiting people around the world. In addition, the Society's intellectual property such as Bible versions and content were licensed in print and digital formats to over 20.8 million recipients globally.

God's Word for People in Crisis

The Bible restores broken hearts. The Society's Bible-based restoring hope ministry helps people in crisis find peace through the power of scripture. First developed in the Democratic Republic of the

American Bible Society

Notes to Consolidated Financial Statements

Congo, to help people rebuild in the aftermath of war and genocide, this ministry combines mental health best practices with the power of God's word. By engaging with the Bible's healing words in safe, small group settings, people are guided to give their pain to Jesus and begin the journey to joy and restoration.

The Society's trauma healing resources address the many forms of trauma experienced by the world's people. These resources equip churches and agencies in serving populations suffering from conflict and war, survivors of disaster, people struggling with the aftermath of the coronavirus pandemic, children and teens experiencing trauma, and members of the military community. Formats include small groups, online video courses, and print and digital documents. In addition, the Society shares free basic trauma healing resources to increase awareness in the church and equip believers to care for people in crisis.

Since 2012, this ministry has built a global community of trained facilitators who come alongside local communities of faith to serve people in crisis through Bible-based trauma healing. In 2024, 15,000 people completed a healing group under this ministry.

God's Word for America

Here in the United States, the Society advocates for the Bible as the living word of God and the surest source of truth. The Society engages Americans with the Bible by providing resources and experiences that help people encounter and live out the truths of scripture. The Society's daily devotionals, prayer guides, Bible stories, and teachings are uniquely contextualized to serve a diverse audience of believers and seekers.

The Society's armed services ministry serves the nation's brave heroes by distributing the word of God to U.S. Military members, veterans, and their families. To date, the Society has shared more than 60 million Bibles and scripture resources within the military community. Through a growing network of chaplains and church partners on the frontlines of military ministry, the Society provides military-specific Bible resources that equip military families in their service to the nation. In the past year, this ministry reached over 400,000 people in the military community.

Since 2011, the Society's state of the Bible research has provided insights into how Americans view and use the Bible and what difference it makes in their lives. This research indicates people who engage with scripture more deeply experience less stress, more hope, higher levels of human flourishing, and lower levels of loneliness than those who interact with the Bible less frequently and give it a less central place in their lives. 18% of Americans were scripture engaged in 2024, and the Society prays this proportion will increase in the coming years.

The accompanying consolidated financial statements include the activities of the following entity:

Faith and Liberty Discovery Center

The Society established the Faith and Liberty Discovery Center (FLDC), a museum for the purposes of exploring the relationship between faith and liberty in the United States of America, from its founding to today, by illuminating the influence of the Bible on individuals in key historical and personal moments. The FLDC was established as a limited liability company on June 11, 2018 under the Limited Liability Company Act of the State of Delaware.

American Bible Society

Notes to Consolidated Financial Statements

On April 1, 2024, the Society made a strategic decision to close the FLDC's public-facing operations due to its financial performance. This decision impacted the museum operations, which have been a key part of the Society's activities.

In relation to the construction and development of the FLDC, the Society provided a three-year \$20 million letter of credit to the FLDC, bearing interest at a rate of 3% per annum. In fiscal year 2024, this letter of credit was converted into a five-year term loan, which will continue to bear interest at a rate of 3% per annum. The term loan was deemed impaired in April 2024, given FLDC's inability to repay the term loan upon closure of the museum.

Consequently, the Society has recognized an impairment loss on the FLDC's right-of-use assets, and the leasehold improvements of its fixed assets associated with the museum. This impairment loss signifies the diminished utility and value of these assets following the cessation of the museum's public operations. See Note 2, *Impairment of Long-Lived Assets*, for further details on the impairment loss.

The Society is continuing the mission of FLDC through the establishment of the Faith and Liberty Initiative (FLI) program. In its early stage of development, the FLI is leveraging the intellectual property content from the FLDC to develop the array of potential products including: 1) an America250 commemorative edition of the Faith and Liberty Bible, 2) a Faith and Liberty high school course suitable for distribution to public and faith-based schools and students, and 3) a nationally recognized Faith and Liberty podcast series among other initiatives. The current level of resource support is commensurate with the early-stage development, testing, and marketing of emerging Faith and Liberty tools and products.

2. Summary of Significant Accounting Policies

The significant accounting policies followed by the Society are described below.

Basis of Accounting

The accompanying consolidated financial statements are prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Principles of Consolidation

The consolidated financial statements include the accounts of the Society and FLDC. All inter-organizational balances and transactions have been eliminated in consolidation.

Basis of Presentation

The Society follows the requirements of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*. The Society is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

American Bible Society

Notes to Consolidated Financial Statements

Measure of Operations

The consolidated statements of activities and change in net assets reports all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of items attributable to the Society's ongoing program services. Nonoperating activities principally include investment return (loss), net of amounts appropriated for operations and capital activities and other, changes in the fair value of third-party trusts, change in value of split-interest agreements, pension-related activities other than net periodic pension expense, and other nonrecurring activities.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Society classifies deposits in banks, money market accounts, and debt instruments with original maturities of three months or less from the date of purchase as cash equivalents, excluding cash and cash equivalents available for long-term investment, which are included within investments on the consolidated statements of financial position.

Accounts Receivable

Accounts receivable principally relate to scripture sales and royalty income. The Society uses the allowance method to record estimates of expected credit losses. The allowance is based on historical experience, current conditions, and reasonable and supportable forecasts.

Accounts receivable are written off when the Society determines that such receivables are deemed uncollectible. Write-offs are recognized as a deduction from the allowance for credit losses. Expected recoveries of amounts previously written off, not to exceed the aggregate of the amount previously written off, are included in determining the necessary reserve at the reporting date.

The Society pools its accounts receivable based on similar risk characteristics in estimating expected credit losses. In situations where certain accounts receivable do not share the same risk characteristics with other accounts receivable, the Society measures those receivables individually. The Society evaluates such pooling decisions and adjusts annually, as needed, as risk characteristics change.

The Society determines its estimated credit losses for accounts receivable using an expected-loss-rate approach based on the accounts receivable aging schedule in determining its lifetime expected credit losses on its receivables from customers. This method is used for calculating an estimate of losses based primarily on the Society's historical loss experience by accounts receivable aging bucket. In determining its loss rates, the Society evaluates information related to its historical losses, adjusted for current conditions, and further adjusted for the period of time that the Society can reasonably forecast. For the period of time beyond which the Society can reasonably forecast, reversion to historical loss experience is applied based on the facts and circumstances as of the

American Bible Society

Notes to Consolidated Financial Statements

reporting date. The Society is able to reasonably support a forecast period for one year after the consolidated statement of financial position date. Qualitative and quantitative adjustments related to current conditions and the reasonable and supportable forecast period consider the following risk characteristics: age of the receivable, changes in the Society's evaluation of the customers' creditworthiness, and the current and forecasted direction of the economic and business environment.

The allowance for credit losses for accounts receivable amounted to \$10,779 and \$5,019 for the years ended June 30, 2024 and 2023, respectively.

Inventory

Inventory consists primarily of finished scripture products held for sale and scripture resources for ministry use. Inventories are valued at the lower of cost or market under the standard cost method, less an appropriate reserve for slow-moving or obsolete items.

Investments

The Society reports investments at estimated fair value. Investment return reported in the consolidated statements of activities and change in net assets is net of all external and direct internal investment management expenses. Interest and dividend income is accounted for on the accrual basis. Realized and unrealized gains and losses on investments, including changes in market value, are reported in the consolidated statements of activities and change in net assets as increases or decreases in net assets without donor restrictions unless their use is restricted by donor stipulation.

Investments in equity securities with readily determinable fair values as well as investments in mutual and exchange-traded funds (ETF) are reported at quoted market prices. Investments in debt securities are reported at estimated fair value based on quoted interest rates for securities of similar terms and risks.

Investments in hedge funds and private equity funds are reported at fair values as estimated by their respective investment managers, unless the investments report at net asset value (NAV), in which case the NAV is used as the basis for determining fair value, which is an allowable practical expedient. The fund's NAV is provided by the fund's investment managers 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. Because of the inherent uncertainty of valuation for these alternative investments or their underlying investments, values for those investments may differ from values that would have been used had a ready market for the investment existed. In all instances, the estimated fair values for these types of investments reflect the Society's interest in the fair values of the underlying investments.

Realized gains and losses from sales of investments are recognized on the trade date on a specific identification basis in the same manner as unrealized gains and losses. Dividend income is recognized on the ex-dividend date. Interest income is recognized when earned.

American Bible Society

Notes to Consolidated Financial Statements

Leases

Leases arise from contractual obligations that convey the right to control the use of identified asset for a period of time in exchange for consideration. At the inception of the contract, the Society determines if an arrangement contains a lease based on whether there is an identified asset and whether the Society controls the use of the identified asset. The Society also determines whether the lease classification is an operating or finance lease at the commencement date based on prescribed accounting rules. The Society recorded a right-of-use asset and lease liability for its operating lease.

A right-of-use asset represents the Society's right to use an underlying asset and a lease liability represents the Society's obligation to make payments during the lease term. Right-of-use assets are recorded and recognized at commencement for the lease liability amount, adjusted for initial direct costs incurred and lease incentives received. Lease liabilities are recorded at the present value of the future lease payments over the lease term at commencement. The implicit rates for the Society's leases were not readily determinable. As such, the Society measures its operating lease assets and liabilities using a risk-free rate of return at the commencement date based on the term of the lease.

The Society's real estate operating lease typically include non-lease components such as common-area maintenance costs, utilities, and other maintenance costs. The Society has elected to include non-lease components with lease payments for the purpose of calculating lease right-of-use assets and liabilities to the extent that they are fixed. Non-lease components that are neither fixed nor variable based on an index or rate are expensed as incurred as variable lease payments.

The Society's lease terms may include options to extend or terminate the lease. The Society generally uses the base, non-cancelable lease term when recognizing the lease assets and liabilities, unless it is reasonably certain that the Society will exercise those options. The Society's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

As a matter of policy, the Society has elected to exclude leases with terms of 12 months or less (short-term) from the accompanying consolidated statements of financial position. The Society had no short-term leases as of June 30, 2024 and 2023, respectively.

Fixed Assets

Furniture and equipment acquired for greater than \$5,000 and with useful lives greater than three years are capitalized and depreciated over their estimated useful lives, ranging from three to ten years. Software relates to developed internal software and is depreciated over five years. Exhibits associated with the development and installation of software and hardware exhibits are depreciated over a period of five years. Depreciation is calculated using the straight-line method. Leasehold improvements installed for greater than \$5,000 are recorded at cost and amortized on a straight-line basis over the lesser of the economic useful life of the respective betterment or the lease period to which they pertain.

American Bible Society

Notes to Consolidated Financial Statements

Library Collection

The Society maintains a rare Scripture collection held for exhibition, education, and research that has been acquired through purchases and contributions since the Society's inception. The Society maintains policies and procedures addressing the collection's upkeep and management. The Society has adopted the policy of not capitalizing its collection, which is insured at a value of approximately \$15 million. Purchases of collections are recorded as decreases in net assets without donor restrictions in the year in which the items are acquired.

Impairment of Long-Lived Assets

The Society reviews the valuation of its long-lived assets for impairment whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived assets is measured by a comparison of the carrying amount of the assets to future undiscounted net cash flows expected to be generated by the assets. If such assets are considered impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. See Note 1 for certain FLDC background information, Note 8 - *Lease Commitments*, and Note 9 - *Fixed Assets*.

FLDC

During the year ended 2024, the Society concluded it had a triggering event requiring assessment of impairment for certain of its long-lived assets in conjunction with closure of the public-facing operations of FLDC. As a result, the Society reviewed the long-lived assets in accordance with FASB ASC 360-10-15, *Impairment or Disposal of Long-Lived Assets* (ASC 360), for impairment and the carrying amount of the assets exceeded the current fair value of the assets as of June 30, 2024. The impairment was measured, under the market approach to determine the fair values of the impairment assets. As a result, a total impairment loss was recorded for the year ended June 30, 2024 of \$49,998,565 related to FLDC in the consolidated statements of activities and change in net assets and comprised of the following:

- i. *Right-of-Use Assets* - An impairment loss of \$12,500,111 has been recognized, reflecting the diminished value of the leased property used for museum operations.
- ii. *Leasehold Improvements* - An impairment loss of \$37,498,454 has been recognized, representing the reduced recoverable value of improvements made to the leased premises.

The Society

During the years ended June 30, 2024 and 2023 respectively, the Society concluded it had a triggering event requiring assessment of impairment for certain of its long-lived assets due to an extended period of vacancy of its right-of-use assets and the related fixed assets that led to a reassessment of the future economic benefits expected from the use of these assets. As a result, the Society reviewed the long-lived assets in accordance with FASB ASC 360 for impairment and the carrying amount of the assets exceeded the current fair value of the assets as of June 30, 2024. The impairment was measured under the income approach to determine the fair values of the impairment assets. An impairment loss was recorded in the accompanying consolidated statements of activities and change in net assets for the years ended June 30, 2024 and 2023 of \$2,335,165 and \$7,050,383, respectively.

American Bible Society

Notes to Consolidated Financial Statements

Bible Ministry Grants Payable

The awarding of grants is reflected on the consolidated financial statements at the time they are approved by the Society and the respective grantee is notified and any stipulated barriers to entitlement are satisfied. Grants represent unconditional promises to give and are expected to be paid within one year of approval. Grants payable are included within accounts payable and accrued expenses on the accompanying consolidated statements of financial position. As of June 30, 2024 and 2023, the Society had Bible ministry grants payable of \$6,615,327 and \$10,446,312, respectively.

Split-Interest Agreements

Assets held under charitable gift annuities, life income funds, and charitable remainder trusts with the Society acting as trustee are included in investments. The Society's remainder interests under charitable remainder trusts administered by third parties are reflected as beneficial interest in investments held by third-party trustees. Contribution revenue is recognized at the date these split-interest agreements are established.

Under the Society's charitable gift annuities program and for charitable remainder trusts where the Society is the trustee, liabilities are recorded for the present value of the estimated future payments expected to be made to the donors and/or other stipulated beneficiaries. Under life income funds, deferred revenue is recorded representing the amount of the discount for future interests.

Upon termination of a life interest, the share of the corpus attributable to the life tenant becomes available to the Society. Changes in the life expectancy of the donor or beneficiary, amortization of the discount, and other changes in the estimates of future payments are reported as change in value of split-interest agreements on the consolidated statements of activities and change in net assets. The discount rate utilized to value split-interest agreements remained constant at 6% at June 30, 2024 and 2023. The mortality table utilized to calculate the life expectancy of annuitants at June 30, 2024 and 2023 is the Individual Annuity Reserve (IAR) 2012 Mortality Table, which is a dynamic table that updates life expectancy from year to year.

The Society is required to segregate assets to serve as reserves related to its gift annuity program based on the laws of the State of New York and other states in which it solicits and administers these gifts. Such reserves totaled \$28,158,566 and \$26,960,075 at June 30, 2024 and 2023, respectively, and are in excess of all reserve requirements in all states that require such reserves.

Net Assets

Net assets are classified into the two categories: net assets without donor restrictions and net assets with donor restrictions.

Net Assets Without Donor Restrictions - Undesignated

Undesignated net assets without donor restrictions are those net assets that are not subject to donor-imposed stipulations or board designations.

American Bible Society

Notes to Consolidated Financial Statements

Net Assets Without Donor Restrictions - Board Designated

The Society's Board of Directors has set aside a portion of net assets without donor restrictions as board-designated fund assets and has implemented an investment policy that includes an annual discretionary transfer of amounts to undesignated net assets to support operations.

Net Assets with Donor Restrictions

Net assets with donor restrictions generally result from net contributions and other inflows of assets whose use by the Society is limited by donor-imposed stipulations that either expire by passage of time or are fulfilled and the restriction removed by actions of the Society pursuant to those stipulations. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying consolidated statements of activities and change in net assets as net assets released from restrictions. Donor contributions with restrictions that will be fulfilled in the same fiscal year that contributions are received are reported in the accompanying consolidated statements of activities and change in net assets as contributions without donor restrictions.

The Society also has net assets with donor restrictions that generally result from contributions and other inflows of assets whose use by the Society is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by the Society. Generally, the donors of these assets permit the Society to use the income earned on related investments for general or specific purposes.

Revenue Recognition

Contributions

Contributions, which include unconditional promises to give, are recognized as revenues in the period received. Contributions received are considered available for use unless specifically restricted by the donor. Amounts received that are designated for a future period or are restricted by the donor for specific purposes are reported as contributions with donor restrictions. These contributions also increase net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities and change in net assets as net assets released from restrictions. Contributions with donor restrictions that are used for the purpose specified by the donor in the same year as the contribution is received are recognized as contributions without donor restrictions.

Unconditional promises to give to the Society after one year are discounted using an appropriate discount rate commensurate with the risks involved (credit adjusted). Amortization of the discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any.

Conditional promises to give, including those received under multi-year grant agreements, are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

American Bible Society

Notes to Consolidated Financial Statements

A promise is considered conditional only if the donor has stipulated one or more barriers that must be overcome before the Society is entitled to the assets transferred or promised, and there also exists a right of return to the donor of any assets transferred or a right of release of the donor's obligation to honor the promise. A transfer of assets from a donor that contains donor conditions is accounted for as a refundable advance until the conditions have been substantially met or explicitly waived by the donor.

As of June 30, 2024 and 2023, the Society has no conditional promises to give.

Legacies Revenue

The Society has been notified of certain intentions to give under various wills and trust agreements as well as conditional gifts, the realizable amounts of which are not presently determinable. The Society's share of such legacy and bequests is recorded when the Society has an irrevocable right to the bequest and the proceeds are readily measurable.

Other Revenue

Other revenue is primarily made up on royalties' income related to the Society's translations and publications. Royalty income is recognized when earned and amounted to \$2,362,185 and \$2,325,125 for the years ended June 30, 2024 and 2023, respectively.

Scripture Sales and Accounts Receivable

Scripture sales, net of discounts, are recorded when shipped, that is, when title passes to customers.

Expenses

Expenses are recognized during the period in which they are incurred. Expenses paid in advance and not yet incurred are deferred to the applicable period.

Functional Allocation of Expenses

The cost of providing various programs and other activities has been summarized on a functional basis in the consolidated statements of activities and change in net assets and consolidated statements of functional expenses. Costs that can be specifically identified with a final cost objective are charged directly to that activity. Certain categories of expenses that are attributable to one or more program or supporting functions of the organization are allocated.

The Society organizes its expenses based on their purpose and contribution to its mission, differentiating between program-related activities and support services. Additionally, it employs time studies to assess the portion of administrative staff's time dedicated to program services.

American Bible Society

Notes to Consolidated Financial Statements

Following is a description of the Society's program and supporting services:

Program Services

Program expenses are those costs generated in support of activities that directly advance the Society's mission. These are activities that result in goods and services being distributed to beneficiaries, customers, or members that fulfill the purposes for which the organization exists. Program services are considered either national or international in nature.

National ministries provide services mainly to beneficiaries within the United States, while international ministries offer services primarily to those outside the United States.

Supporting Services

Administrative expenses encompass costs related to activities essential for the organization's operations and overall mission, yet not directly tied to any specific program or fundraising effort. These include general management, oversight, recordkeeping, budgeting, finance, and other administrative tasks.

Development costs cover all the Society's fundraising activities.

Fair Value of Financial Instruments

The carrying amounts of financial instruments approximate fair value. The fair value of investments is based on quoted market prices, except for certain investments, principally private equities and similar interests, for which quoted market prices are not readily available. The estimated fair value of these investments is based on valuations provided by external investment managers or by the respective general partner or manager as of the reporting date. Because the fair value of the Society's investment in these assets is not readily available, their estimated value is subject to uncertainty and, therefore, may differ markedly from the value that would have been reported on the accompanying consolidated financial statements had a ready market for such investments existed. Such difference could be material. Liabilities under split-interest agreements are reflected based upon the present value of the estimated future payments expected to be made to donors and other stipulated beneficiaries.

Concentration of Credit Risk

The Society's assets that are exposed to credit risk consist primarily of cash and cash equivalents; investments; and contributions, bequests, and other receivables. Cash and cash equivalents are maintained at financial institutions, and, at times, balances may exceed federally insured limits. The Society has historically not experienced losses related to these balances. Amounts on deposit in excess of federally insured limits approximate \$32.7 million and \$27.7 million at June 30, 2024 and 2023, respectively. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect the investment balances and the amounts reported in the consolidated statements of financial position. The Society's contributions, bequests, and other receivables balance consists primarily of amounts due from individuals and corporations. Historically, the Society has not experienced significant losses related to the bequests and contributions receivable balances and, therefore, believes that the credit risk related to them is minimal.

American Bible Society

Notes to Consolidated Financial Statements

Income Taxes

The Society has been classified by the Internal Revenue Service as a not-for-profit organization exempt from federal taxes under Section 501(c)(3) of the Internal Revenue Code and has been designated as an organization that is not a private foundation. Therefore, the Society is generally not subject to tax under present income tax laws; however, any unrelated business income may be subject to federal and state income taxes. The Society has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions.

Certain of the Society's investments could give rise to unrelated business income tax (UBIT) liabilities. The Society had no UBIT liability as of June 30, 2024 and 2023.

The Society has adopted the authoritative guidance relating to accounting for uncertainty in income taxes included in FASB ASC Topic 740, *Income Taxes*. These provisions provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's 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 Society has evaluated its uncertainty in income taxes for the years ended June 30, 2024 and 2023, respectively, and determined that there were no matters that would require recognition in the consolidated financial statements, or that might have any effect on the Society's tax-exempt status. As of June 30, 2024, there are no audits for any tax periods pending or in progress. It is the Society's policy to recognize interest and/or penalties related to uncertainty in income taxes, if any, in income tax or interest expense in the year it becomes known. The Society believes that it is no longer subject to U.S. federal, state, and local, or non-U.S., income tax examinations by tax authorities for years before years ended June 30, 2021 and prior. There are currently no examinations pending or in progress regarding the Society's income tax returns.

Recent Accounting Pronouncement Adopted

In June 2016, the FASB issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit Losses* (Topic 326), which requires entities to measure all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. This replaces the existing incurred-loss model and is applicable to measurement of credit losses on financial assets measured at amortized cost.

The Society uses the aging method to calculate reserves. Loss percentages are assigned to the different aging categories based on prior years' experience. Based on previous history, the constant nature of the business, and receivables that have remained consistent year over year, management determined that the reserve percentage utilized under the previous standard is the same under Current Expected Credit Losses (CECL).

The Society adopted the standard effective July 1, 2023 utilizing the modified retrospective transition method. The adoption of this standard did not have a material impact on the Society's consolidated financial statements.

American Bible Society

Notes to Consolidated Financial Statements

Recent Accounting Authoritative Guidance Not Yet Adopted

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, to enhance the transparency and decision usefulness of income tax disclosures. Specifically, all entities are required to disclose additional information about income taxes paid, including income tax expense (net of refunds received) disaggregated by federal (national), state, and foreign taxes. The ASU is effective for annual periods beginning after December 15, 2025. Early adoption is permitted. Management is in the process of assessing the impact this standard will have on the consolidated financial statements.

Reclassification

Certain amounts in the 2023 consolidated financial statements have been reclassified to conform with the current-year consolidated financial statement presentation. The impairment loss of \$7,050,383 is now classified separately in the accompanying consolidated statements of activities and change in net assets. This reclassification had no effect on the previously reported net assets or change in net assets.

3. Liquidity and Availability of Financial Resources

The Society regularly monitors liquidity required to meet its operating needs. The Society's financial assets available within one year of the consolidated statement of financial position date for general expenditure were as follows:

<i>June 30,</i>	2024	2023
Financial assets available for general use within one year at year-end:		
Cash and cash equivalents	\$ 4,466,122	\$ 7,113,638
Accounts receivable, net	1,033,971	751,860
Contribution and other receivables, net	1,790,945	1,803,753
Total Financial Assets Available Within One Year	7,291,038	9,669,251
Add: anticipated investment return to be used in the subsequent fiscal year for operations (endowment spending)	33,100,000	41,868,824
Total Financial Assets Available for General Expenditures Within One Year	\$ 40,391,038	\$ 51,538,075

Excluded from the detail provided above are all investment amounts pertaining to the Society's endowment funds totaling \$509,623,941 and \$511,025,464 as of June 30, 2024 and 2023, respectively. As of June 30, 2024 and 2023, the Society's endowment fund includes both donor-restricted investments (original gift amount and accumulated gains) totaling \$45,639,842 and \$42,269,634, respectively, and the Society's funds functioning as an endowment (quasi-endowment) totaling \$463,984,099 and \$468,755,830, respectively (See Note 12 for a detail of the Society's endowment fund).

Earnings from donor-restricted endowment funds are unavailable for general use. The endowment is subject to an annual spending rate that is further described in Note 5. Although the Society does not intend to spend from its board-designated endowment, other than amounts appropriated for operations annually, as of June 30, 2024 and 2023, the Society had \$463,984,099 and \$468,755,830,

American Bible Society

Notes to Consolidated Financial Statements

respectively, of board-designated endowment funds that could be made available to support operations if necessary, following Board approval. Accordingly, the extent of available financial assets as of June 30, 2024 only includes an approximation of investment return that will be made available to fund fiscal year 2024 operations, pursuant to the Society's Board-approved endowment spending policy.

4. Inventories

Inventories at June 30, 2024 and 2023 and Scripture sales for the years then ended consist of the following:

	2024	2023
Finished scripture products held for sale	\$ 6,214,353	\$ 7,444,667
Scripture resources for ministry use	7,905,801	7,394,508
FLDC retail inventory	30,406	50,611
Total Inventories	14,150,560	14,889,786
Less: inventory reserve		
Finished scripture products and scripture resources	(7,149,509)	(2,831,416)
FLDC retail inventory	(30,406)	-
Total Inventory Reserve	(7,179,915)	(2,831,416)
Total Inventories, Net	\$ 6,970,645	\$ 12,058,370
Components of gross loss:		
Scripture sales	\$ 5,381,695	\$ 5,638,618
Less: cost of scripture and related materials sold and reserves	(8,540,770)	(6,836,702)
Gross Loss on Scripture Sales	\$ (3,159,075)	\$ (1,198,084)

Included in national ministries Bible ministry grants expense is the cost of Scripture resources for ministry use, which totaled \$1,933,367 and \$1,862,806 for the years ended June 30, 2024 and 2023, respectively.

5. Investments

Investments consist of the following:

<i>June 30,</i>	2024	2023
Cash and cash equivalents	\$ 30,568,458	\$ 12,870,522
Equities	301,048,107	309,649,639
Fixed income	142,117,144	173,347,102
Private equities	121,200,293	112,555,417
Real assets	51,619,431	32,210,854
Global equities	28,819,945	28,972,289
	\$ 675,373,378	\$ 669,605,823

American Bible Society

Notes to Consolidated Financial Statements

Included in investments at June 30, 2024 and 2023 is \$15,898,034 and \$14,864,082, respectively, held under trusts where the Society acts as trustee in connection with its split-interest agreements with donors. Life income agreements of \$8,215,142 and \$8,488,288 at June 30, 2024 and 2023, respectively, are also included in investments.

The Society's investments at June 30, 2024 are comprised of the following:

	Investments	Cost
Endowment investments	\$ 547,125,943	\$ 429,877,919
Non-endowment investments	47,669,878	48,957,303
Board-designated for retiree medical/pension benefits	24,819,941	32,389,672
Other investments*	55,757,616	52,045,631
	\$ 675,373,378	\$ 563,270,525

* Annuities, pooled income funds, and charitable remainder trusts.

The Society's investments at June 30, 2023 are comprised of the following:

	Investments	Cost
Endowment investments	\$ 547,022,634	\$ 421,488,719
Non-endowment investments	43,521,962	47,335,388
Board-designated for retiree medical/pension benefits	27,746,859	35,168,648
Other investments*	51,314,368	51,019,234
	\$ 669,605,823	\$ 555,011,989

* Annuities, pooled income funds, and charitable remainder trusts.

The Society lends certain equities and bonds included in its investment portfolio to brokerage firms. In return for the securities loaned, the Society receives cash and/or U.S. treasury securities as collateral in amounts at least equal to the fair value of the securities loaned.

At June 30, 2024 and 2023, the fair value of the collateral received totaled \$38 and \$505,038, respectively, and is presented as part of investments and accounts payable and accrued expenses on the accompanying consolidated statements of financial position. The Society retains all rights of ownership to the securities loaned and continues to receive all interest and dividend income.

The Society has committed to investing an additional \$74,750,792 in certain private equity partnerships, which are to be funded primarily over the next three to five years, with a maximum commitment period of 12 years.

Fair Value Measurements

The Society adopted guidance that established a framework for measuring fair value and expanding its disclosures about fair value measurements. The standard provides a consistent definition for fair value which focuses on an exit price between market participants in an orderly transaction. The standard also prioritizes, within the measurement of fair value, the use of market-based information over entity specific information and establishes a three-level hierarchy for fair value measurements

American Bible Society

Notes to Consolidated Financial Statements

based on the transparency of information used in the valuation of the respective financial instrument. The standard defines three levels of inputs that may be used to measure fair value.

Investments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 - Inputs to the valuation methodology are quoted prices are available in active markets for identical investments as of the reporting date. The type of investments in Level 1 includes listed equities held in the name of the Society, and excludes listed equities and other securities held indirectly through commingled funds.

Level 2 - Inputs to the valuation methodology are pricing inputs, including broker quotes, and are generally those other than exchange-quoted prices in active markets, which are either directly or indirectly observable as of the measurement date, and fair value is determined through the use of models or other valuation methodologies.

Level 3 - Inputs to the valuation methodology are pricing inputs and are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

The Society uses NAV or its equivalent to determine the value of all the underlying investments that: (a) do not have a readily determinable fair value; and (b) prepare their investees' financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company.

The following tables prioritize the inputs used to report the fair value of the Society's investments within the hierarchy levels discussed above:

June 30, 2024

Description	Assets Measured at NAV	Level 1	Level 2	Level 3	Total
Equities	\$ 75,859,174	\$202,762,375	\$ 20,536,111	\$ 1,890,447	\$301,048,107
Fixed income	-	31,464,236	110,652,908	-	142,117,144
Private equities	121,200,293	-	-	-	121,200,293
Real assets	42,655,023	-	-	8,964,408	51,619,431
Global equities	17,103,026	-	11,716,919	-	28,819,945
	256,817,516	234,226,611	142,905,938	10,854,855	644,804,920
Cash equivalents	-	30,568,458	-	-	30,568,458
Total Fair Value Investments	\$256,817,516	\$264,795,069	\$142,905,938	\$ 10,854,855	\$675,373,378

American Bible Society

Notes to Consolidated Financial Statements

June 30, 2023

Description	Assets Measured at NAV	Level 1	Level 2	Level 3	Total
Equities	\$133,750,471	\$162,734,269	\$ 11,454,437	\$ 1,710,462	\$309,649,639
Fixed income	-	71,482,969	101,864,133	-	173,347,102
Private equities	112,555,417	-	-	-	112,555,417
Real assets	22,711,902	-	-	9,498,952	32,210,854
Global equities	28,972,289	-	-	-	28,972,289
	297,990,079	234,217,238	113,318,570	11,209,414	656,735,301
Cash equivalents	-	12,870,522	-	-	12,870,522
Total Fair Value Investments	\$297,990,079	\$247,087,760	\$113,318,570	\$ 11,209,414	\$669,605,823

The following tables summarize the changes in the Society's Level 3 investments:

June 30, 2024

	Equities	Real Assets	Total
Balance, June 30, 2023	\$ 1,710,462	\$ 9,498,952	\$ 11,209,414
Unrealized appreciation	89,008	-	89,008
Purchases (proceeds from sales, redemptions, and distributions)	90,977	(534,544)	(443,567)
Balance, June 30, 2024	\$ 1,890,447	\$ 8,964,408	\$ 10,854,855

June 30, 2023

	Equities	Real Assets	Total
Balance, June 30, 2022	\$ 1,707,661	\$ 14,327,334	\$ 16,034,995
Unrealized appreciation	216	-	216
Purchases (proceeds from sales, redemptions, and distributions)	2,585	(4,828,382)	(4,825,797)
Balance, June 30, 2023	\$ 1,710,462	\$ 9,498,952	\$ 11,209,414

Quantitative information related to level 3 investment assets measured and carried at fair value on a recurring basis using significant unobservable inputs follows:

June 30,

Description	Fair Value		Principal Valuation Technique	Unobservable Inputs
	2024	2023		
Equities	\$ 1,890,447	\$ 1,710,462	Market approach	Values assigned to underlying funds less liabilities
Real assets	\$ 8,964,408	\$ 9,498,952	Market approach	Values assigned to underlying funds less liabilities

American Bible Society

Notes to Consolidated Financial Statements

Investment Return

The Society's investments are managed in accordance with investment guidelines established by the Society's Board of Directors. The Society's Board of Directors annually approves the level of investment return to be appropriated for operations. The Society's Board of Directors approved an updated resourcing model beginning in fiscal 2022. The long-range goal for the annual spending rate was set at 4.2% of latest 12-quarter average market value of the funds functioning as an endowment ended December 31 of the prior year. A transition period was established that allows a fixed sum to be added to the calculated spending formula amount for fiscal years 2022 through 2024. In 2024, the 4.2% formula was adopted one year earlier than planned.

Amounts approved totaled \$25,200,000 and \$23,900,000 in 2024 and 2023, respectively. In addition, the Society's Board of Directors also approved the use of an additional \$13,010,671 and \$7,595,838 in 2024 and 2023, respectively, of investment return to fund additional ministry expense, pension expense, and post-retiree health care benefits.

The components of investment gain are as follows:

<i>Year ended June 30,</i>	2024	2023
Interest and dividends	\$ 13,310,688	\$ 11,198,106
Unrealized depreciation in fair value of investments	(4,157,461)	(19,020,980)
Realized gains	42,543,691	51,280,868
Investment expenses	(2,341,411)	(2,950,105)
Investment Gain, Net	49,355,507	40,507,889
Amounts appropriated for program services	(25,200,000)	(23,900,000)
Amounts appropriated for specific operating purposes	(13,010,671)	(7,595,838)
Investment Returns Appropriated for Operations	(38,210,671)	(31,495,838)
Investment Gain, less amounts appropriated for operations and program services	\$ 11,144,836	\$ 9,012,051
Unrealized and Realized Appreciation in Fair Value of Investments in Third-Party Trusts	\$ 1,299,065	\$ 1,734,151

American Bible Society

Notes to Consolidated Financial Statements

The following tables list investments reported at NAV by major asset category as of June 30, 2024:

Type	Strategy	NAV in Funds	# of Funds	Remaining Life	Amounts of Unfunded Commitments	Timing to Drawdown Commitments	Redemption Terms	Redemption Restrictions
Private equities	U.S. and international venture and buyout.	\$121,200,293	28	1 to 12 years	\$ 66,330,116	1 to 10 years	N/A	N/A
Real assets	Real assets and natural resources, primarily in the U.S., private equity structure, and ETF.	42,655,023	16	1 to 30 years	8,420,676	1 to 4 years	Private equity structures have no redemption options.	N/A
Global equities	Global equity and fixed-income funds in market neutral strategies, and fund-of-funds structure.	17,103,026	4	N/A	N/A	N/A	Ranges as follows: 1-Quarterly and annual liquidity: with 30-90 days' notice.	and 3-year lock-up periods where applicable have expired; 2 funds currently liquidating.
Equities - partnerships	Long/short and long-only funds structured as partnerships.	12,838,571	1	N/A	N/A	N/A	Ranges from 0-60 days' notice to monthly or quarterly redemptions.	N/A
Equities - commingled funds	Global funds, primarily long-only, equities and bond funds, and ETF.	63,020,603	3	N/A	N/A	N/A	Ranges from 10-30 days' notice to monthly redemptions.	N/A
Total		\$256,817,516	52		\$ 74,750,792			

American Bible Society

Notes to Consolidated Financial Statements

The following tables list investments reported at NAV by major asset category as of June 30, 2023:

Type	Strategy	NAV in Funds	# of Funds	Remaining Life	Amounts of Unfunded Commitments	Timing to Drawdown Commitments	Redemption Terms	Redemption Restrictions
Private equities	U.S. and international venture and buyout.	\$112,555,417	38	1 to 12 years	\$ 62,377,597	1 to 10 years	N/A	N/A
Real assets	Real assets and natural resources, primarily in the U.S., private equity structure, and ETF.	22,711,902	12	1 to 30 years	8,859,179	1 to 4 years	Private equity structures have no redemption options.	N/A
Global equities	Global equity and fixed-income funds in market neutral strategies, and fund-of-funds structure.	28,972,289	5	N/A	N/A	N/A	Ranges as follows: 1-Quarterly and annual liquidity: with 30-90 days' notice.	and 3-year lock-up periods where applicable have expired; 2 funds currently liquidating.
Equities - partnerships	Long/short and long-only funds structured as partnerships.	62,509,468	2	N/A	N/A	N/A	Ranges from 0-60 days' notice to monthly or quarterly redemptions.	N/A
Equities - commingled funds	Global funds, primarily long-only, equities and bond funds, and ETF.	71,241,003	6	N/A	N/A	N/A	Ranges from 10-30 days' notice to monthly redemptions.	N/A
Total		\$297,990,079	63		\$ 71,236,776			

American Bible Society

Notes to Consolidated Financial Statements

6. Transactions with Fellowship and Affiliated Organizations

The Society provides significant financial support to the United Bible Societies Association (UBSA) and, as one of the founding national Bible Societies of the United Bible Societies fellowship, performs much of its program efforts globally through funding programmatic efforts of its fellow national Bible Societies. In the fiscal years 2024 and 2023, this financial support amounted to \$15,289,625 and \$14,253,645, respectively. These amounts are included within the Bible ministry grants expenses for international ministries program services within the accompanying consolidated statements of functional expenses.

During fiscal year 2006, due to the uncertainty associated with repayment, the Society agreed to convert its then program loan receivable due from the Bible Society in Russia, in the amount of \$1,500,000, to a local fundraising challenge grant, which, if successful, would lead to the eventual forgiveness of the loan balance. At June 30, 2024 and 2023, the receivable, which has been fully reserved for, net of amounts forgiven, totaled \$146,854 in both years.

7. Beneficial Interest in Investments Held by Third-Party Trustees

The Society maintains a beneficial interest in investments held by third-party trustees. At June 30, 2024 and 2023, the Society's beneficial interest in investments held by third-party trustees was classified as Level 3 within the fair value hierarchy. See Note 5.

The following tables summarize the changes in the Society's Level 3 beneficial interest in investments held by third-party trustees:

<i>Year ended June 30,</i>	2024	2023
Balance , beginning of year	\$ 27,629,600	\$ 25,904,575
Terminated agreements	(97,419)	(296,332)
Change in value due to actuarial valuations	203,416	(1,128)
Unrealized appreciation in fair value of third-party trusts	1,725,304	2,022,485
Balance , end of year	\$ 29,460,901	\$ 27,629,600

8. Lease Commitments

The Society assesses contracts at inception to determine whether an arrangement includes a lease, which conveys the Society's right to control the use of an identified asset for a period of time in exchange for consideration.

The Society has operating leases for office space for which a right-of-use asset and a lease liability are recorded in the accompanying 2024 and 2023 consolidated statements of financial position in accordance with ASU 2016-02, *Leases*.

American Bible Society

Notes to Consolidated Financial Statements

The Society's operating lease does not contain residual value guarantees. The Society has recorded the right-of-use of asset balance of \$30,372,434 and \$44,801,800 in the accompanying consolidated statements of financial position as of June 30, 2024 and 2023, respectively, for the following operating lease for its office space:

The Society has a 25-year operating lease for its headquarters space located in Philadelphia, Pennsylvania. The lease relates to the following spaces: (a) the 8th- and 9th-floor office spaces; (b) FLDC's ground-floor retail space; and (c) the ground-floor concourse space. The Society is renting 148,009 square feet under this arrangement. The lease is expiring on October 31, 2041 and includes five options to extend the lease term; however, the Society has determined that it is not reasonably certain it will exercise the option to extend. Rental payments under the lease totaled \$4,174,166 and \$4,042,952 for the years ended June 30, 2024 and 2023, respectively.

The Society's office space lease typically includes non-lease components such as common-area maintenance costs, utilities, and other maintenance costs. The Society has elected to include non-lease components with lease payments for the purpose of calculating lease right-of-use assets and liabilities to the extent that they are fixed or variable based on an index or rate. Non-lease components that are not fixed are expenses as incurred as variable lease payments.

Impairment Assessment

Following the closure of the FLDC in April 2024, the Society conducted an impairment assessment and determined that the carrying amount of FLDC's right-of-use assets exceeded their recoverable amount, requiring a write-down to estimated fair value. As a result, an impairment loss of \$12,500,111 was recorded in the accompanying consolidated statements of activities and change in net assets for the year ended June 30, 2024. This impairment loss represents the adjustment of the right-of-use assets to their fair value after the museum's public operations ceased.

In 2023, the Society recognized an impairment loss on its right-of-use lease asset related to office space. An impairment assessment was performed due to an extended period of vacancy that led to a reassessment of the future economic benefits expected from the use of this asset. The impairment review process determined that the carrying amount of the right-of-use asset exceeded its recoverable amount, primarily due to the reduced demand for office space, which impacted the asset's expected future cash flows. As a result, an impairment loss of \$7,050,383 was recorded in accompanying consolidated statements of activities and change in net assets for the year ended June 30, 2023, reflecting the write-down of the right-of-use asset to its fair value.

These impairment losses represent non-cash adjustments and do not impact the Society's cash flows or liquidity position. The Society continues to evaluate its lease strategy and the utilization of its office spaces to align with its operational needs and market conditions.

American Bible Society

Notes to Consolidated Financial Statements

The maturity of the lease liability under the Society's operating lease is as follows:

Year ending June 30,

2025	\$	4,342,443
2026		4,622,778
2027		4,366,795
2028		4,599,236
2029		4,666,752
Thereafter		63,111,939
		85,709,943
Less: effects of discounting		(21,332,424)
Lease Liabilities Recognized	\$	64,377,519

Within the consolidated statements of functional expenses, operating and variable lease expense is included in occupancy.

These amounts were as follows:

<i>June 30,</i>	2024	2023
Operating lease costs (costs resulting from lease payments)	\$ 4,167,892	\$ 4,435,076
Variable lease costs (excluded from lease payments)	1,083,866	1,397,792
Total Lease Costs	\$ 5,251,758	\$ 5,832,868

Supplemental quantitative information related to operating lease is as follows:

<i>June 30,</i>	2024	2023
Cash paid for amounts included in the measurement of lease liabilities	\$ 4,174,166	\$ 4,042,952
Weighted-average remaining lease terms	17.04 years	19.08 years
Weighted-average discount rate	2.84%	2.84%

American Bible Society

Notes to Consolidated Financial Statements

9. Fixed Assets

Fixed assets consist of the following:

June 30, 2024

	Society	FLDC	Total
Furniture, fixtures, and equipment	\$ 4,475,125	\$ 5,035,390	\$ 9,510,515
Leasehold improvements	13,679,014	38,242,135	51,921,149
Software	1,433,143	954,576	2,387,719
Exhibits	-	13,525,781	13,525,781
Construction in process	1,909,766	-	1,909,766
Total Fixed Assets	21,497,048	57,757,882	79,254,930
Less: accumulated depreciation, amortization, and impairment	(11,632,510)	(56,263,457)	(67,895,967)
Total Fixed Assets, Net	\$ 9,864,538	\$ 1,494,425	\$ 11,358,963

June 30, 2023

	Society	FLDC	Total
Furniture, fixtures, and equipment	\$ 4,466,850	\$ 5,003,260	\$ 9,470,110
Leasehold improvements	13,679,014	38,242,135	51,921,149
Software	1,284,295	954,576	2,238,871
Exhibits	-	13,525,781	13,525,781
Construction in process	67,634	-	67,634
Total Fixed Assets	19,497,793	57,725,752	77,223,545
Less: accumulated depreciation and amortization	(8,163,592)	(13,230,460)	(21,394,052)
Total Fixed Assets, Net	\$ 11,334,201	\$ 44,495,292	\$ 55,829,493

Depreciation and amortization expense totaled \$6,668,297 and \$6,696,451 for the years ended June 30, 2024 and 2023, respectively.

For the year ended June 30, 2024, the Society recognized impairment losses totaling \$2,335,165 for certain fixed assets of the Society and \$37,498,454 relating to leasehold improvements for the FLDC in the accompanying consolidated statements of activities and change in net assets. In accordance with ASC 360, the Society performed an impairment assessment to determine the recoverable amount of these fixed assets. The recoverable amount is defined as the higher of an asset's fair value less costs to sell and its value in use. These impairments losses were determined based on current market conditions and the current and anticipated utilization of the assets.

The impairment loss for the FLDC was primarily due to the closure of its public-facing operations in April 2024, which significantly impacted the expected utility and value of its assets. In addition, the Society identified indicators of impairment concerning certain fixed assets situated within the Society's leased premises. These assets have experienced underutilization due to shifts in operational strategies and a reduction in on-site activities.

American Bible Society

Notes to Consolidated Financial Statements

10. Net Assets Without Donor Restrictions

Net Assets Without Donor Restrictions

Net assets without donor restrictions are available to finance the general operations of the Society. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Society, the environment in which it operates, and the purposes specified in its articles of incorporation.

Board-Designated Net Assets

The Society's board-designated net assets are based on voluntary resolutions by the Board of Directors to designate a portion of net assets without donor restrictions for specific purposes and do not result in restricted net assets. Since designations are voluntary and may be reversed by the Board of Directors at any time, designated net assets are classified as net assets without donor restrictions.

Net assets without donor restrictions consist of the following:

<i>June 30,</i>	2024	2023
Board-designated for retirement benefits	\$ 9,050,397	\$ 9,139,025
Board-designated for retiree medical benefits	15,769,544	18,607,834
Board-designated for Bible translation	715,857	2,859,066
Board-designated for other ministry projects	18,047,298	21,243,582
Funds functioning as an endowment (Note 12)	463,984,099	468,755,830
Land, building, and equipment	9,855,537	11,334,201
Land, building, and equipment related to FLDC	1,503,426	44,495,292
	\$ 518,926,158	\$ 576,434,830

The Society's Board of Directors has also designated certain net assets without donor restrictions to function as an endowment (quasi-endowment). A portion of the annual investment return generated from these assets is used to fund operating expenses as approved by the Board of Directors. Investment return in excess of approved amounts is used to maintain the purchasing power of the investments and to help ensure resources for future needs, ministries, and opportunities (see also Note 5).

11. Net Assets with Donor Restrictions

Net assets with donor restrictions result from gifts of cash and other assets with donor-imposed restrictions to (a) support particular operating activities, (b) invest for a specified term, (c) use in a specified future period, or (d) acquire long-lived assets.

American Bible Society

Notes to Consolidated Financial Statements

Net assets with donor restrictions were expendable for the following purposes:

<i>June 30,</i>	2024	2023
Subject to expenditure for specified purpose:		
Geographically focused programs and operations	\$ 8,820,943	\$ 11,051,726
Split interest agreement held in trust	38,866,056	36,332,249
	47,686,999	47,383,975
Subject to the Society's spending policy and appropriation:		
Portion of donor-restricted endowment funds subject to time restriction, which, once appropriated, is expendable to support programs	25,690,896	22,464,172
Not subject to appropriation or expenditure:		
Net assets from endowments, contributions receivable, held in perpetuity to support programs	44,513,304	43,070,755
Total Net Assets with Donor Restrictions	\$ 117,891,199	\$ 112,918,902

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows:

<i>Year ended June 30,</i>	2024	2023
Purpose restrictions accomplished:		
Geographically focused programs	\$ 18,758,675	\$ 21,562,736
Release of appropriated endowment funds with purpose restrictions	477,638	671,245
Total Restrictions Released	\$ 19,236,313	\$ 22,233,981

12. Endowment

The Society's endowment consists of approximately 450 individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Society's Board of Directors to function as endowments. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Society's Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions or relevant law.

During 2010, New York State passed the New York State Uniform Prudent Management of Institutional Funds Act (NYPMIFA). All not-for-profit organizations formed in New York, including the Society, must comply with this law, commencing with the Society's 2011 fiscal year.

From time to time, the fair value of assets associated with an individual donor-restricted endowment fund may fall below the fund's historic dollar value. At June 30, 2024 and 2023, there were no deficiencies of this nature.

American Bible Society

Notes to Consolidated Financial Statements

The Society has adopted investment and spending policies for its endowment assets that support the objective of providing a sustainable and increasing level of endowment income distribution to support the Society's activities through the annual operating budget while preserving the real (inflation-adjusted) purchasing power of the endowment, exclusive of gift additions. The Society's primary investment objective is to maximize total return within reasonable and prudent levels of risk while maintaining sufficient liquidity to meet disbursement needs and ensure preservation of capital.

The Society has interpreted NYPMIFA as requiring the Society, absent explicit donor stipulations to the contrary, to act in good faith and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances in making determinations to appropriate or accumulate endowment funds, taking into account both its obligation to preserve the value of the endowment and its obligations to use the endowment to achieve the purposes for which it was donated. As a result of this interpretation, the Society classifies as part of its donor-restricted endowment: (a) the original value of gifts donated to its permanent endowment; (b) the original value of subsequent gifts to its permanent endowment; and (c) accumulations to its permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Such accumulated gains are appropriated for expenditure by the Board of Directors of the Society in a manner consistent with the standard of prudence prescribed by NYPMIFA. In accordance with NYPMIFA, the Society considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund.
- The purposes of the Society and its donor-restricted endowment fund.
- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and appreciation of endowment investments.
- Other resources of the Society.
- The investment policies of the Society.
- Where appropriate, alternatives to spending from the donor-restricted endowment fund and the possible effects on the Society.

The following tables summarize endowment net asset composition by type of fund:

June 30, 2024

	Without Donor Restrictions	With Donor Restrictions		Total
		Accumulated Gains	Corpus	
Donor-restricted endowment funds	\$ -	\$ 25,690,896	\$ 19,948,946	\$ 45,639,842
Board-designated endowment funds	463,984,099	-	-	463,984,099
Total Endowment Funds	\$ 463,984,099	\$ 25,690,896	\$ 19,948,946	\$ 509,623,941

American Bible Society

Notes to Consolidated Financial Statements

June 30, 2023

	Without Donor Restrictions	With Donor Restrictions		Total
		Accumulated Gains	Corpus	
Donor-restricted endowment funds	\$ -	\$ 22,464,172	\$ 19,805,462	\$ 42,269,634
Board-designated endowment funds	468,755,830	-	-	468,755,830
Total Endowment Funds	\$ 468,755,830	\$ 22,464,172	\$ 19,805,462	\$ 511,025,464

Excluded from the donor-restricted portion of the endowment in the tables above at June 30, 2024 and 2023 are \$24,564,358 and \$23,265,293, respectively, of perpetual trusts held by third parties.

The following table summarizes the changes in endowment net assets for the year ended June 30, 2024:

	Without Donor Restrictions	With Donor Restrictions		Total
		Accumulated Gains	Corpus	
Endowment Net Assets, beginning of year	\$ 468,755,830	\$ 22,464,172	\$ 19,805,462	\$ 511,025,464
Amounts transferred to operations net of contributions*	(2,226,957)	-	142,488	(2,084,469)
Interest and dividends	13,076,340	-	996	13,077,336
Unrealized (depreciation) appreciation in fair value of investments	(8,376,214)	3,226,724	-	(5,149,490)
Realized gains	42,054,695	-	-	42,054,695
Prior years' accumulated deficit	(8,002,111)	-	-	(8,002,111)
Investment expenses	(2,312,063)	-	-	(2,312,063)
Other income, primarily royalties	201,467	-	-	201,467
Net change in value of split-interest agreements	(976,217)	-	-	(976,217)
Amounts appropriated for program services	(25,200,000)	-	-	(25,200,000)
Amounts appropriated for specific operating purposes	(13,010,671)	-	-	(13,010,671)
Endowment Net Assets, end of year	\$ 463,984,099	\$ 25,690,896	\$ 19,948,946	\$ 509,623,941

* The Society reports legacies received as increases in net assets without donor restrictions unless use of the related assets is limited by explicit donor-imposed restrictions. Because of the variability of this support, the application of such funds to support operations is budgeted at an amount approved by the Board of Directors annually. The excess between the unrestricted legacies received and the amount budgeted is reported as an addition or deduction in funds functioning as endowment.

American Bible Society

Notes to Consolidated Financial Statements

The following table summarizes the changes in endowment net assets for the year ended June 30, 2023:

	Without Donor Restrictions	With Donor Restrictions		Total
		Accumulated Gains	Corpus	
Endowment Net Assets, beginning of year	\$ 458,165,815	\$ 19,980,456	\$ 19,804,462	\$ 497,950,733
Contributions, net of amounts transferred to operations*	988,591	-	-	988,591
Interest and dividends	10,946,579	-	1,000	10,947,579
Unrealized (depreciation) appreciation in fair value of investments	(22,606,419)	2,483,716	-	(20,122,703)
Realized gains	50,817,781	-	-	50,817,781
Prior years' accumulated deficit	(112,052)	-	-	(112,052)
Investment expenses	(2,914,783)	-	-	(2,914,783)
Other income, primarily royalties	334,365	-	-	334,365
Net change in value of split-interest agreements	(425,466)	-	-	(425,466)
Amounts appropriated for program services	(23,900,000)	-	-	(23,900,000)
Amounts appropriated for specific operating purposes	(2,538,581)	-	-	(2,538,581)
Endowment Net Assets, end of year	\$ 468,755,830	\$ 22,464,172	\$ 19,805,462	\$ 511,025,464

* The Society reports legacies received as increases in net assets without donor restrictions unless use of the related assets is limited by explicit donor-imposed restrictions. Because of the variability of this support, the application of such funds to support operations is budgeted at an amount approved by the Board of Directors annually. The excess between the unrestricted legacies received and the amount budgeted is reported as an addition or deduction in funds functioning as endowment.

13. Split-Interest Agreements

The following tables summarize the changes in the Society's obligations under split-interest agreements:

	Charitable Reminder Trust	Annuity Agreements	Life Income Fund	Total
Balance, June 30, 2023	\$ 8,808,933	\$17,091,238	\$ 4,391,776	\$30,291,947
Proceeds of new split-interest agreements	1,522,977	164,431	-	1,687,408
Change in value of split-interest agreements	(312,828)	976,548	(103,460))	560,260
Payments to third-party beneficiaries under split-interest agreements	(1,165,577)	(1,922,852)	(254,794)	(3,343,223)
Investment income on split-interest agreements held for others	1,722,775	-	272,983	1,995,758
Balance, June 30, 2024	\$10,576,280	\$16,309,365	\$ 4,306,505	\$31,192,150

American Bible Society

Notes to Consolidated Financial Statements

	Charitable Reminder Trust	Annuity Agreements	Life Income Fund	Total
Balance, June 30, 2022	\$ 7,154,719	\$18,364,070	\$ 4,534,332	\$30,053,121
Proceeds of new split-interest agreements	1,665,019	336,929	-	2,001,948
Change in value of split-interest agreements	(383,118)	422,010	(226,857)	(187,965)
Payments to third-party beneficiaries under split-interest agreements	(767,221)	(2,033,759)	(221,086)	(3,022,066)
Investment income on split-interest agreements held for others	1,139,534	1,988	305,387	1,446,909
Balance, June 30, 2023	\$ 8,808,933	\$17,091,238	\$ 4,391,776	\$30,291,947

14. Pension, Postretirement Health Care, and Life Insurance Benefits

The Society currently provides a defined contribution pension plan for all qualified employees. The Society contributed approximately \$1,228,000 and \$1,523,000 in 2024 and 2023, respectively, to the plan. Contributions are based on a percentage of each eligible employee's compensation, which includes an employer matching contribution.

The Society also provides certain noncontributory health care and life insurance benefits to retired employees hired prior to July 1, 2005. This unfunded plan (Plan) is designed to provide medical benefits to participants based upon date of hire and years of service. The following table sets forth the Plan's funded status and other information relative to the Plan.

<i>June 30,</i>	2024	2023
Postretirement Benefit Obligation, end of year	\$ 15,769,544	\$ 18,607,834
Fair Value of Plan Assets, end of year	-	-
Funded Status, end of year	\$ 15,769,544	\$ 18,607,834
Current liability	\$ 1,389,861	\$ 1,525,123
Non-current liability	14,379,683	17,082,711
Total	\$ 15,769,544	\$ 18,607,834

American Bible Society

Notes to Consolidated Financial Statements

	2024	2023
Postretirement Benefit Obligation, beginning of year		
Actives not fully eligible to retire	\$ 509,679	\$ 631,599
Actives fully eligible to retire	1,717,980	2,594,424
Retirees	16,380,175	24,989,558
Total	\$ 18,607,834	\$ 28,215,581
Postretirement Benefit Obligation, end of year		
Actives not fully eligible to retire	\$ 340,276	\$ 509,679
Actives fully eligible to retire	769,946	1,717,980
Retirees	14,659,322	16,380,175
Total	\$ 15,769,544	\$ 18,607,834

The change in plan assets is as follows:

<i>Year ended June 30,</i>	2024	2023
Fair Value of Plan Assets, beginning of year	\$ -	\$ -
Employer contribution	1,525,123	1,992,231
Benefits paid	(1,525,123)	(1,992,231)
Fair Value of Plan Assets, end of year	\$ -	\$ -

Components of net periodic benefit cost included in the accompanying consolidated statements of activities and change in net assets are as follows:

<i>Year ended June 30,</i>	2024	2023
Service cost	\$ 23,692	\$ 31,045
Interest cost	870,849	1,184,045
Amortization of actuarial losses	(813,761)	-
Net Periodic Postretirement Benefit Cost	\$ 80,780	\$ 1,215,090

Other changes in benefit obligations recognized in net assets without donor restrictions are as follows:

<i>Year ended June 30,</i>	2024	2023
Net actuarial gain	\$ (2,207,707)	\$ (8,830,566)
Amortization of unrecognized amounts	813,761	-
Total Changes Recognized in Net Assets Without Donor Restrictions	\$ (1,393,946)	\$ (8,830,566)

American Bible Society

Notes to Consolidated Financial Statements

Assumptions

	2024	2023
Assumptions used to determine benefits at June 30:		
Discount rate	5.27%	4.88%
Assumptions used to determine net periodic benefit cost for the years ended June 30:		
Discount rate	4.88%	4.35%
Assumed health care cost trend rates at June 30:		
Health care cost trend rate assumed for next year	7.00%	6.50%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	4.50%	4.50%
Year that the rate reaches the ultimate trend rate	2029	2027
Dental trend rate	4.50%	4.50%
Effect of a 1% increase in health care cost trend rate on:		
Interest and service cost	\$ 49,688	\$ 89,595
Accumulated postretirement benefit obligation	1,178,975	1,455,278
Effect of a 1% decrease in health care cost trend rate on:		
Interest and service cost	(42,259)	(75,552)
Accumulated postretirement benefit obligation	(1,015,334)	(1,243,733)

Contributions

The Society expects to contribute \$1,389,161 to its postretirement benefit plan during the year ending June 30, 2025.

Estimated Future Benefit Payments

The following benefit payments, which reflect anticipated future service, are expected to be paid in the years ending June 30, as follows:

2025	\$ 1,389,861
2026	1,349,794
2027	1,280,132
2028	1,216,723
2029	1,196,442
2030-2034	5,646,392

15. Allocation of Joint Costs

For many years, the Society has relied on direct mail, email, telephone, face-to-face, and other means of solicitation to recruit, expand, and maintain its donor base. Direct marketing and other donor channels allow the Society to share specific details about recent accomplishments and to provide information about current campaigns and priorities to its supporters. The Society also uses postal mail and other channels to educate and call to action the public to advance its mission.

American Bible Society

Notes to Consolidated Financial Statements

The Society complies with FASB ASC 958-205, *Not-for-Profit Entities - Presentation of Consolidated Financial Statements*, and FASB ASC 958-720, *Not-for-Profit Entities - Other Expenses*, requirements by allocating a portion of its direct mail, email, phone, and other communication costs to program services and to fundraising. Since only those activities that include both programmatic and fundraising components are included in this allocation, the amounts below do not include all of the expenses presented in the consolidated statements of functional expenses. This allocation is based upon the percentage of material in each mailing related to program services as determined by content analysis of a sample of mailings.

Total costs for mailing pieces and direct media advertising spots that requested financial support and served other program or management functions were allocated as follows:

<i>Year ended June 30,</i>	2024	2023
Programs	\$ 6,450,131	\$ 4,776,066
Fundraising	5,094,889	5,256,050
Total Joint Costs	\$ 11,545,020	\$ 10,032,116

16. Subsequent Events

The Society evaluated subsequent events through February 12, 2025, which is the date the consolidated financial statements were available to be issued. There were no other events noted that required adjustments to or disclosure in these consolidated financial statements.

Supplemental Schedules



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8401 Greensboro Drive, Suite 800
McLean, VA 22102

Independent Auditor's Report on the Supplemental Schedules

Board of Directors
American Bible Society
Philadelphia, Pennsylvania

We have audited the consolidated financial statements of American Bible Society (the Society) as of and for the years ended June 30, 2024 and 2023 and have issued our report thereon dated February 12, 2025, which contained an unmodified opinion on those consolidated financial statements. Our audits were performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental schedules presented in the following section of this report are presented for the purposes of additional analysis and are 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.

BDO USA, P.C.

February 12, 2025

American Bible Society

Consolidating Schedule of Financial Position

June 30, 2024

	Society	FLDC	Eliminations	Total
Assets				
Cash and cash equivalents	\$ 4,206,090	\$ 260,032	\$ -	\$ 4,466,122
Accounts receivables, net of allowance for current expected credit losses of \$10,779 in 2024 and \$5,019 in 2023, respectively	1,033,971	-	-	1,033,971
Contribution and other receivables, net of allowance for uncollectible receivables of \$146,854 in 2024 and 2023	1,790,945	-	-	1,790,945
Loan receivable from the FLDC	18,274,997	-	(18,274,997)	-
Amounts receivable from the Society	-	2,962,257	(2,962,257)	-
Inventories, net	6,970,645	-	-	6,970,645
Prepaid expenses and other assets	1,524,480	93,757	-	1,618,237
Investments	675,373,378	-	-	675,373,378
Beneficial interest in investments held by third-party trustees	29,460,901	-	-	29,460,901
Right-of-use assets - operating leases	19,062,225	11,310,209	-	30,372,434
Fixed assets, net	9,864,538	1,494,425	-	11,358,963
Total Assets	\$ 767,562,170	\$ 16,120,680	\$ (21,237,254)	\$ 762,445,596
Liabilities and Net Assets				
Liabilities				
Accounts payable and accrued expenses	\$ 13,936,776	\$ 352,250	\$ -	\$ 14,289,026
Amounts payable to FLDC	2,962,257	-	(2,962,257)	-
Loan payable to the Society	-	18,274,997	(18,274,997)	-
Obligations under charitable remainder trusts	10,576,280	-	-	10,576,280
Annuities payable	16,309,365	-	-	16,309,365
Deferred revenue under life income agreements	4,306,505	-	-	4,306,505
Lease liabilities - operating leases	36,492,675	27,884,844	-	64,377,519
Accrued postretirement benefits	15,769,544	-	-	15,769,544
Total Liabilities	100,353,402	46,512,091	(21,237,254)	125,628,239
Commitments and Contingencies				
Net Assets				
Without donor restrictions	549,317,569	(30,391,411)	-	518,926,158
With donor restrictions	117,891,199	-	-	117,891,199
Total Net Assets	667,208,768	(30,391,411)	-	636,817,357
Total Liabilities and Net Assets	\$ 767,562,170	\$ 16,120,680	\$ (21,237,254)	\$ 762,445,596

See independent auditor's report on supplemental schedules.

American Bible Society

Consolidating Schedule of Activities and Change in Net Assets

Year ended June 30, 2024

	Without Donor Restrictions				With Donor Restrictions				Total
	Society	FLDC	Eliminations	Total	Society	FLDC	Eliminations	Total	
Operating Activities									
Operating Revenues and Support									
Contributions	\$ 14,044,012	\$ 3,301,327	\$ (3,295,669)	\$ 14,049,670	\$ 17,440,481	\$ -	\$ -	\$ 17,440,481	\$ 31,490,151
Legacies	3,842,327	-	-	3,842,327	-	-	-	-	3,842,327
Scripture sales	5,381,695	-	-	5,381,695	-	-	-	-	5,381,695
Other	2,664,855	310,160	-	2,975,015	-	-	-	-	2,975,015
Net assets released from restrictions	19,236,313	-	-	19,236,313	(19,236,313)	-	-	(19,236,313)	-
Total Operating Revenues and Support	45,169,202	3,611,487	(3,295,669)	45,485,020	(1,795,832)	-	-	(1,795,832)	43,689,188
Operating Expenses									
Program services:									
Scripture engagement and distribution:									
National ministries	31,824,234	10,231,338	(3,295,669)	38,759,903	-	-	-	-	38,759,903
International ministries	37,242,376	-	-	37,242,376	-	-	-	-	37,242,376
Total Program Services	69,066,610	10,231,338	(3,295,669)	76,002,279	-	-	-	-	76,002,279
Supporting services:									
Administration	7,557,677	2,153,214	(575,000)	9,135,891	-	-	-	-	9,135,891
Development	10,862,106	3,443	-	10,865,549	-	-	-	-	10,865,549
Total Supporting Services	18,419,783	2,156,657	(575,000)	20,001,440	-	-	-	-	20,001,440
Total Operating Expenses	87,486,393	12,387,995	(3,870,669)	96,003,719	-	-	-	-	96,003,719
Changes in Net Assets from Operating Activities,									
before investment return appropriated for operations	(42,317,191)	(8,776,508)	575,000	(50,518,699)	(1,795,832)	-	-	(1,795,832)	(52,314,531)
Investment return appropriated for operations	38,210,671	-	-	38,210,671	-	-	-	-	38,210,671
Changes in Net Assets from Operating Activities	(4,106,520)	(8,776,508)	575,000	(12,308,028)	(1,795,832)	-	-	(1,795,832)	(14,103,860)
Nonoperating Activities									
Investment gains, net of amounts appropriated for operations and capital	7,290,357	-	(575,000)	6,715,357	4,429,479	-	-	4,429,479	11,144,836
Appreciation in fair value of third-party trusts	-	-	-	-	1,299,065	-	-	1,299,065	1,299,065
Change in value of split-interest agreements	(976,217)	-	-	(976,217)	1,039,585	-	-	1,039,585	63,368
Pension-related activity other than net periodic pension expense	1,393,946	-	-	1,393,946	-	-	-	-	1,393,946
Changes in Net Assets from Nonoperating Activities	7,708,086	-	(575,000)	7,133,086	6,768,129	-	-	6,768,129	13,901,215
Impairment losses of FLDC's long-lived assets	-	(49,998,565)	-	(49,998,565)	-	-	-	-	(49,998,565)
Impairment losses of the Society's long-lived assets	(2,335,165)	-	-	(2,335,165)	-	-	-	-	(2,335,165)
Total Impairment Losses	(2,335,165)	(49,998,565)	-	(52,333,730)	-	-	-	-	(52,333,730)
Change in Net Assets	1,266,401	(58,775,073)	-	(57,508,672)	4,972,297	-	-	4,972,297	(52,536,375)
Net Assets, beginning of year	548,051,168	28,383,662	-	576,434,830	112,918,902	-	-	112,918,902	689,353,732
Net Assets, end of year	\$ 549,317,569	\$ (30,391,411)	\$ -	\$ 518,926,158	\$ 117,891,199	\$ -	\$ -	\$ 117,891,199	\$ 636,817,357

See independent auditor's report on supplemental schedules.