

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

**CONSOLIDATED FINANCIAL STATEMENTS
WITH SUPPLEMENTAL INFORMATION
AND INDEPENDENT AUDITOR'S REPORT**

FOR THE YEARS ENDED JULY 31, 2024 AND 2023



NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

CONSOLIDATED FINANCIAL STATEMENTS WITH SUPPLEMENTAL INFORMATION AND INDEPENDENT AUDITOR'S REPORT

FOR THE YEARS ENDED JULY 31, 2024 and 2023

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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
New Orleans Baptist Theological Seminary

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of New Orleans Baptist Theological Seminary (the Seminary), which comprise the consolidated statements of financial position as of July 31, 2024 and 2023, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of New Orleans Baptist Theological Seminary as of July 31, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of New Orleans Baptist Theological Seminary 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 opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Seminary'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 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, 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 New Orleans Baptist Theological Seminary'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about New Orleans Baptist Theological Seminary'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.

Supplementary Information

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

MWH Group, P.C.

MWH GROUP, P.C.

Wichita Falls, Texas
September 10, 2024

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION FOR THE YEARS ENDED JULY 31, 2024 AND 2023

	2024	2023
Assets:		
Cash and cash equivalents	\$ 854,253	\$ 1,032,383
Accounts receivable, less allowance for doubtful accounts of \$60,000 in 2024 and 2023	1,150,672	859,010
Grants receivable	832,500	832,500
Accounts receivable - related organizations	1,280,555	963,760
Prepaid expenses and other assets	1,433,644	2,217,814
Investments	88,397,399	86,280,144
Property and equipment, net	28,110,511	27,516,042
Funds held in trust by others	3,293,555	3,116,054
Total assets	<u>\$ 125,353,089</u>	<u>\$ 122,817,707</u>
Liabilities:		
Cash overdraft	\$ 75,478	\$ 1,151,578
Accounts payable and accrued expenses	4,386	137,406
Deposits and deferred revenue	1,893,750	1,567,199
Total liabilities	<u>1,973,614</u>	<u>2,856,183</u>
Net assets:		
Without donor restrictions	45,381,693	46,071,774
With donor restrictions	77,997,782	73,889,750
Total net assets	<u>123,379,475</u>	<u>119,961,524</u>
Total liabilities and net assets	<u>\$ 125,353,089</u>	<u>\$ 122,817,707</u>

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

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

CONSOLIDATED STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JULY 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support:			
Student tuition and fees	\$ 11,722,612	\$ -	\$ 11,722,612
Gifts:			
Southern Baptist Convention - Cooperative Program	6,537,229	-	6,537,229
Other	4,014,112	7,931,258	11,945,370
Endowment income	751,992	1,786,959	2,538,951
Investment and other income	903,731	1,928,881	2,832,612
Net appreciation in fair value of investments	653,678	260,710	914,388
Change in value of funds held in trust by others	-	171,501	171,501
Gifts to funds held in trust by others	-	6,000	6,000
Auxiliary enterprises:			
Student housing	2,728,533	-	2,728,533
Other	0	-	-
Supporting departments income	2,751,781	-	2,751,781
Other	1,880,462	-	1,880,462
Total revenues, gains, and other support	<u>31,944,130</u>	<u>12,085,309</u>	<u>44,029,439</u>
Net assets released from restrictions	<u>7,977,277</u>	<u>(7,977,277)</u>	<u>-</u>
Expenses:			
Programs:			
Instruction:			
Division of Biblical Studies	576,254	-	576,254
Division of Theological and Historical Studies	736,961	-	736,961
Division of Church Ministry	944,339	-	944,339
Division of Counseling	577,446	-	577,446
Division of Church and Music Ministries	280,373	-	280,373
Center of Evangelism and Church Growth	111,443	-	111,443
Leavell College	769,758	-	769,758
Non-Divisional Academic	5,634,361	-	5,634,361
Academic support			
Library	662,462	-	662,462
Academic Dean's Office	235,713	-	235,713
Registry Office	265,022	-	265,022
Student services:			
Student aid	5,521,816	-	5,521,816
Supporting departments expenses	2,998,781	-	2,998,781
Auxiliary:			
Student housing	3,299,640	-	3,299,640
Other	2,670,659	-	2,670,659
Total program expenses	<u>25,285,028</u>	<u>-</u>	<u>25,285,028</u>
Programs:			
Management and general:			
Administrative and general	3,641,305	-	3,641,305
Fundraising:			
Development	768,022	-	768,022
Facilities management:			
Maintenance	7,856,647	-	7,856,647
Capital projects	1,350,108	-	1,350,108
Depreciation	1,710,378	-	1,710,378
Total support services	<u>15,326,460</u>	<u>-</u>	<u>15,326,460</u>
Total expenses	<u>40,611,488</u>	<u>-</u>	<u>40,611,488</u>
Changes in net assets	(690,081)	4,108,032	3,417,951
Net assets at beginning of year	<u>46,071,774</u>	<u>73,889,750</u>	<u>119,961,524</u>
Net assets at end of year	<u>\$ 45,381,693</u>	<u>\$ 77,997,782</u>	<u>\$ 123,379,475</u>

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

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

CONSOLIDATED STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JULY 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support:			
Student tuition and fees	\$ 10,271,914	\$ -	\$ 10,271,914
Gifts:			
Southern Baptist Convention - Cooperative Program	6,645,463	-	6,645,463
Other	5,291,482	5,199,178	10,490,660
Endowment income	634,784	1,808,907	2,443,691
Investment and other income	1,202,659	1,300,505	2,503,164
Net depreciation in fair value of investments	(1,008,474)	(421,865)	(1,430,339)
Change in value of funds held in trust by others	-	56,798	56,798
Gifts to funds held in trust by others	-	7,500	7,500
Auxiliary enterprises:			
Student housing	3,251,869	-	3,251,869
Other	10,991	-	10,991
Supporting departments income	3,503,149	-	3,503,149
Other	2,736,358	-	2,736,358
Total revenues, gains, and other support	<u>32,540,195</u>	<u>7,951,023</u>	<u>40,491,218</u>
Net assets released from restrictions	<u>6,328,919</u>	<u>(6,328,919)</u>	<u>-</u>
Expenses:			
Programs:			
Instruction:			
Division of Biblical Studies	620,102	-	620,102
Division of Theological and Historical Studies	808,247	-	808,247
Division of Church Ministry	1,084,018	-	1,084,018
Division of Counseling	692,351	-	692,351
Division of Church and Music Ministries	336,668	-	336,668
Center of Evangelism and Church Growth	131,714	-	131,714
Leavell College	761,458	-	761,458
Non-Divisional Academic	8,198,571	-	8,198,571
Academic support			
Library	764,333	-	764,333
Academic Dean's Office	303,458	-	303,458
Registry Office	232,573	-	232,573
Student services:			
Student aid	4,671,768	-	4,671,768
Supporting departments expenses	3,418,576	-	3,418,576
Auxiliary:			
Student housing	3,299,640	-	3,299,640
Other	2,191,630	-	2,191,630
Total program expenses	<u>27,515,107</u>	<u>-</u>	<u>27,515,107</u>
Programs:			
Management and general:			
Administrative and general	3,840,103	-	3,840,103
Fundraising:			
Development	854,277	-	854,277
Facilities management:			
Maintenance	6,472,448	-	6,472,448
Capital projects	2,031,072	-	2,031,072
Depreciation	1,062,001	-	1,062,001
Total support services	<u>14,259,901</u>	<u>-</u>	<u>14,259,901</u>
Total expenses	<u>41,775,008</u>	<u>-</u>	<u>41,775,008</u>
Changes in net assets	(2,905,894)	1,622,104	(1,283,790)
Net assets at beginning of year	<u>48,977,670</u>	<u>72,267,646</u>	<u>121,245,316</u>
Net assets at end of year	<u>\$ 46,071,774</u>	<u>\$ 73,889,750</u>	<u>\$ 119,961,524</u>

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

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED JULY 31, 2024

	Division of Biblical Studies	Division of Theological and Historical Studies	Division of Church Ministry	Division of Counseling	Division of Church and Music Ministries	Center of Evangelism and Church Growth
Salaries and benefits	\$ 456,724	\$ 633,441	\$ 718,092	\$ 412,257	\$ 190,974	\$ 105,117
Contract labor	118,841	102,299	223,905	118,453	65,294	-
Copies and postage	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	11,455	-
Supplies and equipment	689	1,221	1,491	1,782	609	326
Utilities	-	-	-	-	-	-
Unbudgeted non-divisional current fund	-	-	-	-	-	-
Other operating expenses	-	-	-	1,681	5,638	-
Student activities and recruitment	-	-	-	43,273	4,152	-
Scholarships	-	-	-	-	-	-
Training and travel	-	-	851	-	2,251	-
Publicity and promotion	-	-	-	-	-	6,000
Rent	-	-	-	-	-	-
Total expenses before capital projects and depreciation	576,254	736,961	944,339	577,446	280,373	111,443
Maintenance	346,702	480,849	545,108	312,947	144,969	79,795
Capital projects	59,578	82,630	93,673	53,778	24,912	13,712
Depreciation	75,476	104,680	118,669	68,128	31,560	17,371
Total expenses	<u>\$ 1,058,010</u>	<u>\$ 1,405,120</u>	<u>\$ 1,701,789</u>	<u>\$ 1,012,299</u>	<u>\$ 481,814</u>	<u>\$ 222,321</u>

FOR THE YEAR ENDED JULY 31, 2023

	Division of Biblical Studies	Division of Theological and Historical Studies	Division of Church Ministry	Division of Counseling	Division of Church and Music Ministries	Center of Evangelism and Church Growth
Salaries and benefits	\$ 475,985	\$ 678,289	\$ 829,820	\$ 495,352	\$ 223,777	\$ 119,278
Contract labor	131,328	120,908	228,498	99,129	70,597	-
Copies and postage	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	7,520	-
Supplies and equipment	391	586	1,200	45,629	3,747	330
Utilities	-	-	69	-	-	-
Unbudgeted non-divisional current fund	-	-	-	-	-	-
Other operating expenses	12,398	8,464	20,219	10,789	19,408	6,106
Student activities and recruitment	-	-	-	41,076	8,300	-
Scholarships	-	-	-	-	-	-
Training and travel	-	-	4,212	376	3,319	-
Publicity and promotion	-	-	-	-	-	6,000
Rent	-	-	-	-	-	-
Total expenses before capital projects and depreciation	620,102	808,247	1,084,018	692,351	336,668	131,714
Maintenance	268,093	382,039	467,387	279,002	126,040	67,182
Capital projects	84,128	119,885	146,667	87,551	39,552	21,082
Depreciation	43,989	62,685	76,689	45,779	20,681	11,023
Total expenses	<u>\$ 1,016,312</u>	<u>\$ 1,372,856</u>	<u>\$ 1,774,761</u>	<u>\$ 1,104,683</u>	<u>\$ 522,941</u>	<u>\$ 231,001</u>

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

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES (CONT'D.) FOR THE YEAR ENDED JULY 31, 2024

Leavell College	Non-Divisional Academic	Academic Support	Student Services	Auxiliary	Management & General	Development	Total
\$ 508,669	\$ 1,366,467	\$ 871,940	\$ 1,167,550	\$ 619,736	\$ 2,714,337	\$ 584,570	\$ 10,349,874
232,608	549,636	-	113,548	137,783	-	18,192	1,680,559
-	16	-	-	-	-	-	16
-	1,957	4,016	1,683	351,824	13,342	-	384,277
4,070	126,098	276,474	843,385	167,220	87,162	41,460	1,551,987
526	13,158	627	4,589	406,488	11,972	4,022	441,382
-	2,816,122	-	-	-	-	-	2,816,122
22,814	369,969	4,916	158,012	882,446	132,770	11,380	1,589,626
-	161,725	-	159,765	88,283	169,518	-	626,716
-	-	-	5,521,816	-	-	-	5,521,816
843	147,231	5,225	33,850	16,081	293,925	31,036	531,293
227	74,482	-	63,943	798	218,279	77,362	441,091
-	7,500	-	452,456	3,299,640	-	-	3,759,596
769,757	5,634,361	1,163,198	8,520,597	5,970,299	3,641,305	768,022	29,694,355
386,133	1,037,293	661,895	886,294	470,445	2,060,468	443,750	7,856,647
66,354	178,251	113,742	152,303	80,843	354,077	76,255	1,350,108
84,061	225,817	144,093	192,945	102,415	448,560	96,604	1,710,378
<u>\$ 1,306,305</u>	<u>\$ 7,075,722</u>	<u>\$ 2,082,928</u>	<u>\$ 9,752,139</u>	<u>\$ 6,624,002</u>	<u>\$ 6,504,410</u>	<u>\$ 1,384,631</u>	<u>\$ 40,611,488</u>

FOR THE YEAR ENDED JULY 31, 2023 (CONT'D.)

Leavell College	Non-Divisional Academic	Academic Support	Student Services	Auxiliary	Management & General	Development	Total
\$ 564,119	\$ 1,530,652	\$ 939,396	\$ 1,494,649	\$ 665,897	\$ 2,862,274	\$ 611,986	\$ 11,491,474
164,243	538,375	-	158,803	174,107	-	19,378	1,705,366
-	1,703	-	240	-	-	-	1,943
-	3,419	4,381	2,328	61,287	23,106	-	102,041
-	86,613	310,594	934,822	81,952	81,191	47,270	1,594,325
917	11,353	1,506	4,635	413,250	16,526	5,284	453,540
-	5,003,980	-	-	-	-	-	5,003,980
31,267	601,614	42,675	119,340	715,684	175,719	21,326	1,785,009
-	170,253	-	181,993	54,660	152,485	-	608,767
-	-	-	4,671,768	-	-	-	4,671,768
912	157,109	1,812	6,024	23,970	296,647	57,022	551,403
-	51,500	-	61,905	823	232,155	92,011	444,394
-	42,000	-	453,837	3,299,640	-	-	3,795,477
761,458	8,198,571	1,300,364	8,090,344	5,491,270	3,840,103	854,277	32,209,487
317,734	862,123	529,105	841,845	375,059	1,612,145	344,694	6,472,448
99,706	270,537	166,034	264,173	117,695	505,895	108,166	2,031,072
52,134	141,457	86,816	138,130	61,540	264,521	56,558	1,062,001
<u>\$ 1,231,032</u>	<u>\$ 9,472,688</u>	<u>\$ 2,082,319</u>	<u>\$ 9,334,492</u>	<u>\$ 6,045,564</u>	<u>\$ 6,222,664</u>	<u>\$ 1,363,695</u>	<u>\$ 41,775,008</u>

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED JULY 31, 2024 AND 2023

	2024	2023
Cash flows from operating activities:		
Change in net assets	\$ 3,417,951	\$ (1,283,790)
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation (appreciation)	1,710,378	1,062,001
Net depreciation in fair value of investments	(914,388)	1,430,339
Loss on the sale of fixed assets	39,134	-
Change in value of funds held in trust by others	(171,501)	(56,798)
Gifts to funds held in trust by others	(6,000)	(7,500)
Decrease (increase) in cash value of life insurance	(25,187)	2,084
(Increase) decrease in operating assets:		
Accounts receivable	(291,662)	(381,645)
Grant receivable	-	(832,500)
Accounts receivable - related organizations	(316,795)	(14,108)
Prepaid expenses and other assets	784,170	(184,016)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(133,020)	(23,441)
Deposits and deferred revenue	326,551	31,019
Contributions restricted for long-term investment	(4,532,494)	(1,866,203)
Net cash used by operating activities	(112,863)	(2,124,558)
Cash flows from investing activities:		
Purchase of investments	(2,394,868)	(8,282,382)
Proceeds from the sale of investments	12,525	16,909,923
Proceeds from the sale of fixed assets	200,000	-
Payments on investment notes receivable	1,204,663	1,126,064
Purchase of property and equipment	(2,543,981)	(10,728,150)
Net cash used by investing activities	(3,521,661)	(974,545)
Cash flows from financing activities:		
Cash overdraft	(1,076,100)	1,151,578
Proceeds from contributions restricted for:		
Investment in endowment	4,532,494	1,866,203
Net cash provided by financing activities	3,456,394	3,017,781
Decrease in cash and cash equivalents	(178,130)	(81,322)
Cash and cash equivalents - beginning of year	1,032,383	1,113,705
Cash and cash equivalents - end of year	\$ 854,253	\$ 1,032,383

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

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

The consolidated financial statements include the accounts of the New Orleans Baptist Theological Seminary (Seminary) and the New Orleans Baptist Seminary Foundation (Foundation). The Seminary is an agency of the Southern Baptist Convention (SBC) and is governed by a Board of Trustees elected by the SBC. The Foundation is a nonprofit corporation organized under the laws of the State of Louisiana to provide financial support to the Seminary.

Because these entities (hereafter collectively termed the "Seminary") are under common control and management and share the same facilities and other resources, the accompanying consolidated financial statements include these entities on a consolidated basis. All significant intercompany balances and transactions have been eliminated.

The Seminary is funded primarily by the SBC Cooperative Program, student tuition and fees, and gifts from others.

Basis of Accounting

The consolidated financial statements of the Seminary have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The financial statement presentation is presented as required by the *Not-For-Profit Entities Classification of Net Assets* Topic of the FASB Accounting Standards Codification. Under those provisions, net assets and revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions as follows:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Seminary's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Seminary or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America includes the use of estimates that affect the consolidated financial statements. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents include time deposits, sweep accounts, and all highly liquid debt instruments with original maturities of three months or less, except that such investments purchased with endowment assets or deposits with trustees are classified as long-term investments.

At times, the Seminary maintains deposits with high quality financial institutions in amounts that are in excess of federal insurance limits.

Accounts Receivable

Accounts receivable include student accounts receivable and other receivables. Student accounts receivable represent amounts due for tuition, fees, and room and board from currently enrolled and former students. The Seminary extends unsecured credit to students in connection with their studies. Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

Deferred Revenue

The Seminary's policy is to allow students to register in advance during the summer preceding fall classes. Deferred revenue represents the tuition and fees revenue billed and received for the upcoming school year.

Investments

Investments in marketable and debt securities are stated at fair value. Real estate investments are stated at cost or fair value at the date of gift. Notes receivable are valued at their outstanding principal balance. Life insurance policies are stated at their stated cash values. Restricted gains and investment income whose restrictions are met in the period the gains or income are recognized are reported as unrestricted revenue and gains.

Property and Equipment

Property and equipment are stated primarily at cost or, if donated, at the approximate fair market value at the date of donation, less accumulated depreciation. Depreciation is computed on the straight-line method over the estimated useful lives of the assets (which range from 5 to 67 years). Expenditures for new construction, major renewals and replacements, and equipment are

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

Property and Equipment (Cont'd.)

capitalized. Contributions of long-lived assets or contributions restricted for acquisition of long-lived assets are reported as increases in net assets with donor restrictions. Restrictions are considered met, and an appropriate amount reclassified to unrestricted net assets, over the useful life of the long-lived assets as calculated by the Seminary's depreciation policy.

Contributions

The Seminary accounts for contributions in accordance with the related topics in the FASB Accounting Standards Codification. Contributions, including unconditional promises to give, are recognized as revenues in the period received. Conditional promises to give are not recognized until they become unconditional; that is, when the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at their estimated fair value. Contributions to be received after one year are discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

Restricted contributions whose restrictions are met in the period the contributions are received are reported without donor restrictions.

At July 31, 2024 and 2023, no conditional promises to give or contributions to be received after one year existed.

Donated Services

Occasionally, the Seminary receives support in the form of donated services. These services are recognized as revenue without donor restrictions if the services rendered (a) create or enhance nonfinancial assets or (b) require specialized skill, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by contribution. Contributed services that do not meet these criteria are not recognized as revenue. No such amounts were recorded in the financial statements for the years ended July 31, 2024 and 2023.

Revenue Recognition

Tuition and fees revenue is reported in the fiscal year in which educational programs are primarily conducted. Scholarships are awarded to students for tuition, fees, and room and board and are based upon need and merit.

Functional Expense Allocation

Expenses by function have been allocated among program, supporting services, and development classifications by New Orleans Baptist Theological Seminary's management on the basis of specific identification of costs or other reasonable allocation methods.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 1 - NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

Investment Returns

Investment return included dividends, interest, and other investment income; realized and unrealized gains and losses on investments carried at fair value, less external investment expenses. Gains and losses on sale of securities are recorded on the trade date and are determined using the specific identification method. Investment return is reflected in the statement of activities with or without donor restrictions based upon the existence and nature of any donor or legally imposed restrictions.

The Seminary maintains pooled investment accounts for its endowment and other fund balance accounts. Investment income and realized and unrealized gains and losses from securities in the pooled investment accounts are allocated annually to the individual endowments and other fund balance accounts based on the relationship of the fair value of the interest of each endowment to the total fair value of the pooled investment accounts.

Income Taxes

The Seminary is a nonprofit organization that is exempt from federal income tax under Internal Revenue Code Section 501(c)(3). The Seminary's management believes there are no significant uncertain tax positions taken by the Seminary as of July 31, 2024 and 2023, and, accordingly, no liabilities have been recorded.

Government Grants

The Seminary derives a portion of its revenues from Federal educational assistance received directly by the school or by its students. To continue to participate in the programs authorized by Title IV of the HEA, the Seminary must comply with the regulations promulgated under the HEA. The regulations require a proprietary school to derive at least 10 percent of its cash basis revenues for each fiscal year from sources other than Federal funds. If a school receives more than 90 percent of its cash basis revenues from Federal funds during its fiscal year, the school becomes provisionally certified for the next two fiscal years. If a school fails to satisfy this 90/10 requirement for two consecutive years, the school will lose its ability to participate in Title IV programs. See note 15 for additional information.

Reclassifications

Certain prior year information has been reclassified to conform to current year presentation.

Date of Management Evaluation

Management has evaluated subsequent events through September 10, 2024, the date on which the consolidated financial statements were available to be issued.

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 2 - CONCENTRATION OF CREDIT

The Seminary maintains its cash accounts generally with financial institutions located in the Greater New Orleans area. Cash balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At July 31, 2024 and 2023, the Seminary had cash balances that exceeded the balance insured by the FDIC by \$0 and \$0, respectively. The Seminary also maintains cash balances with investment management companies that are not insured.

Note 3 - LIQUIDITY AND AVAILABILITY

The following reflects the Seminary's financial assets as of July 31, 2024 and 2023, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statements of financial position date. Financial assets are considered unavailable when illiquid or not convertible to cash within one year:

	<u>2024</u>	<u>2023</u>
Financial assets		
Cash and cash equivalents	\$ 854,253	\$ 1,032,383
Accounts receivable	1,150,672	859,010
General investments	5,119,993	7,508,350
Endowed investments	79,281,597	73,812,156
Investments within Plant	3,995,809	859,010
Funds held in trust	<u>3,293,555</u>	<u>3,116,054</u>
Financial assets, at year end	<u>93,695,879</u>	<u>91,287,591</u>
Less those unavailable for general expenditures within one year:		
Funds held in trust of others	\$ 3,293,555	\$ 3,116,054
Student Aid restrictions	5,949,753	7,204,281
Endowment restrictions	<u>72,048,029</u>	<u>66,685,469</u>
Unavailable funds at year end	<u>81,291,337</u>	<u>77,005,804</u>
Financial assets available	<u>\$12,404,542</u>	<u>\$14,281,787</u>

The Seminary regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. The Seminary has cash and cash equivalents available for immediate use, as well as other sources of liquidity available over longer time frames. The Seminary operates with a balanced budget and anticipates collecting revenue that is, at least, sufficient to cover general expenditures not funded by donor-restricted resources. The Seminary does not intend to spend from its board designated endowment beyond the amounts appropriated for general expenditure of its annual budget approval and appropriation; however, amounts from the board designated endowment could be made available within the next 12 months with board approval.

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 3 - LIQUIDITY AND AVAILABILITY (CONT'D)

For purposes of analyzing additional resources available to meet general expenditures over a 12-month period, the Seminary considers all expenditures related to its ongoing activities of teaching, research, general ministry, and public service, as well as all expenditures required to conduct services in support of those activities.

Note 4 - REVENUE FROM CONTRACTS WITH STUDENTS, ACCOUNTS RECEIVABLE, DEFERRED REVENUE AND STUDENT AID

In assessing collectability, the Seminary has elected the portfolio approach as a practical expedient to combine customers with similar characteristics. The Seminary determined that the effect of applying a portfolio approach to a group of contracts would not differ materially from considering each contract separately.

For the Seminary's revenue streams, the performance obligations are within contracts with durations of one year or less. Therefore, the optional exemption to not disclose remaining performance obligations was applied.

Tuition and related fees are recognized as revenue over time during the academic period in which the related academic services are rendered. The Seminary records tuition revenue at the standalone selling price, which most often reflects the published rates, less price concessions related to institutional financial discounts provided by the Seminary. If a student adjusts their course load or withdraws completely, a full or partial refund could be issued in accordance with the Seminary refund policy. Refunds issued reduce the amount of revenue recognized.

As the performance obligations are met (i.e. classes are instructed), revenue is recognized ratably based upon the allocated transaction price. Ratable recognition depicts the transfer of services as the student obtains the benefit of services throughout the semester or term.

The following tables disaggregates tuition and fees revenue by major portfolios, accounts receivable, deferred revenue, and student aid for the years ended July 31, 2024 and 2023:

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 4 - REVENUE FROM CONTRACTS WITH STUDENTS, ACCOUNTS RECEIVABLE, DEFERRED REVENUE AND STUDENT AID (CONT'D.)

Student tuition and fee revenues:

	<u>2024</u>	<u>2023</u>
On campus undergraduate	\$ 1,103,165	\$ 796,078
On campus graduate/doctoral	3,777,810	3,319,639
Off campus tuition	497,759	658,306
Internet tuition	4,808,804	4,638,624
Registration fees	1,146,596	877,024
Other fees	<u>474,216</u>	<u>387,497</u>
Total tuition and fees	11,808,350	10,677,168
Less discounts	<u>(85,738)</u>	<u>(405,254)</u>
Net tuition and fees	<u>\$11,722,612</u>	<u>\$10,271,914</u>

Accounts receivable:

	<u>2024</u>	<u>2023</u>
Tuition receivable	\$ 1,144,016	\$ 847,652
Other receivables	<u>66,656</u>	<u>71,358</u>
Total accounts receivable	1,210,672	910,010
Less allowance	<u>(60,000)</u>	<u>(60,000)</u>
Net accounts receivable	<u>\$ 1,150,672</u>	<u>\$ 859,010</u>

Deferred revenue:

	<u>2024</u>	<u>2023</u>
Registration for upcoming Fall Term	<u>\$ 4,854,528</u>	<u>\$ 4,430,858</u>
Payments made on upcoming Fall Term	<u>\$ 1,863,146</u>	<u>\$ 1,539,679</u>
Deferred revenue at year end	\$ 1,863,146	\$ 1,539,679
Dorm deposits	<u>30,604</u>	<u>27,520</u>
Deposits and deferred revenue	<u>\$ 1,893,750</u>	<u>\$ 1,567,199</u>

Student aid:

	<u>2024</u>	<u>2023</u>
From Student Aid Funds	\$ 5,406,334	\$ 4,547,587
From Unbudgeted Funds	<u>115,482</u>	<u>124,181</u>
Total Student Aid	<u>\$ 5,521,816</u>	<u>\$ 4,671,768</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 5 - INVESTMENTS

Investments are stated at fair value at July 31, 2024 and 2023 and are summarized as follows:

At July 31, 2024

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Investments measured at fair value:			
Investments administered by Baptist Foundations (Pooled):			
Southern Baptist Foundation	\$ 17,157,975	\$ 14,808,467	(\$ 2,349,508)
Baptist Foundation of Texas	871,290	845,294	(25,996)
Louisiana Baptist Foundation	707,364	663,142	(44,222)
Baptist Foundation of Alabama	338,946	332,646	(6,300)
Other private money managers:			
Summit Wealth Management, Inc.:			
Domestic equity securities	7,439,247	8,334,445	895,198
Government bonds	1,080,502	955,162	(125,340)
Corporate bonds	7,300,333	7,058,947	(241,386)
Short-term cash investments	135,874	135,874	-
Greenwich Investment Management, Inc.:			
Domestic equity securities	15,363,792	14,478,652	(885,140)
Government bonds	9,825,140	6,325,181	(3,499,959)
Short-term cash investments	5,758,750	5,758,750	-
Other	<u>137,238</u>	<u>137,238</u>	<u>-</u>
Total investments measured at fair value	<u>\$ 66,116,451</u>	<u>\$ 59,833,798</u>	<u>(\$ 6,282,653)</u>
Investments not measured at fair value:			
Notes receivable, related parties		\$ 26,868,055	
Real estate		980,036	
Cash value of life insurance policies		<u>715,510</u>	
Total investments not measured at fair value		<u>\$ 28,563,601</u>	
Total investments		<u>\$ 88,397,399</u>	

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 5 - INVESTMENTS (CONT'D.)

At July 31, 2024

The following schedule summarizes investment return and its classification in the statement of activities:

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Investment income and net realized gains	\$ 1,964,488	\$ 3,407,075	\$ 5,371,563
Net change in unrealized gains	<u>653,678</u>	<u>260,710</u>	<u>914,388</u>
Total investment return	<u>\$ 2,618,166</u>	<u>\$ 3,667,785</u>	<u>\$ 6,285,951</u>

At July 31, 2023

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Investments measured at fair value:			
Investments administered by			
Baptist Foundations (Pooled):			
Southern Baptist Foundation	\$ 16,630,325	\$ 14,210,176	(\$ 2,420,149)
Baptist Foundation of Texas	871,290	832,538	(38,752)
Louisiana Baptist Foundation	717,995	646,854	(71,141)
Baptist Foundation of Alabama	340,840	319,651	(21,189)
Other private money managers:			
Summit Wealth Management, Inc.:			
Domestic equity securities	7,081,386	7,383,805	302,419
Government bonds	1,092,760	916,295	(176,465)
Corporate bonds	6,839,946	6,397,589	(442,357)
Short-term cash investments	190,552	193,873	3,321
	12,163	12,163	-
Greenwich Investment Management, Inc.:			
Domestic equity securities	12,723,833	11,173,209	(1,550,624)
Government bonds	7,525,949	4,743,838	(2,782,111)
Corporate bonds	9,569,840	9,569,840	-
Short-term cash investments			
Other	<u>137,238</u>	<u>137,238</u>	<u>-</u>
Total investments measured at fair value	<u>\$ 63,734,117</u>	<u>\$ 56,537,068</u>	<u>(\$ 7,197,049)</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 5 - INVESTMENTS (CONT'D.)

At July 31, 2023

Investments not measured at fair value:

Notes receivable, related parties	\$ 28,072,717
Real estate	980,036
Cash value of life insurance policies	<u>690,323</u>
Total investments not measured at fair value	<u>\$ 29,743,076</u>
Total investments	<u>\$ 86,280,144</u>

The following schedule summarizes investment return and its classification in the consolidated statement of activities:

	Without Donor <u>Restrictions</u>	With Donor <u>Restrictions</u>	<u>Total</u>
Investment income and net realized gains	\$ 1,837,443	\$ 3,109,412	\$ 4,946,855
Net change in unrealized losses	<u>(1,008,474)</u>	<u>(421,865)</u>	<u>(1,430,339)</u>
Total investment return	<u>\$ 828,969</u>	<u>\$ 2,687,547</u>	<u>\$ 3,516,516</u>

All investment income is available for current operations, except that portion attributable to donor-restricted investments which is required to be reinvested. Continuous loss disclosure on investments list above can be found on Note 6.

Note 6 - FAIR VALUE MEASUREMENT

The fair value measurement topic of the FASB Accounting Standards Codification defines fair value, establishes a framework for measuring fair value under generally accepted accounting principles and enhances disclosures about fair value measurements. Fair value is defined under these standards as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

These standards establish a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace. Observable inputs reflect market data obtained from sources independent of the Seminary and unobservable inputs reflect the Seminary's own assumptions about how market participants would value an asset or liability based on the best information available. Valuation techniques used to measure fair value under these standards must maximize the use of observable inputs and minimize the use of unobservable inputs. The standard describes a fair value hierarchy based on three levels of inputs, of which the first two are considered observable and the last unobservable, that may be used to measure fair value.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 6 - FAIR VALUE MEASUREMENT (CONT'D.)

The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used by the Seminary for financial instruments measured at fair value on a recurring basis. The three levels of inputs are as follows:

- Level 1 – Quoted prices in active markets for identical assets or liabilities.
- Level 2 – Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the same term of the assets or liabilities.
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following tables present the financial instruments carried at fair value as of July 31, 2024 and 2023, by the codification valuation hierarchy defined above and those investments carried at cost:

July 31, 2024

	Quoted Prices In Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
<u>Assets:</u>				
Investments administered by				
Baptist Foundations (Pooled):				
Southern Baptist Foundation	\$ 14,806,467	\$ -	\$ -	\$ 14,806,467
Baptist Foundation of Texas	845,294	-	-	845,294
Louisiana Baptist Foundation	663,142	-	-	663,142
Baptist Foundation of Alabama	332,646	-	-	332,646
Other private money managers:				
Summit Wealth Management, Inc.:				
Domestic equity securities	8,334,445	-	-	8,334,445
Government bonds	955,162	-	-	955,162
Corporate bonds	7,058,947	-	-	7,058,947
Short-term cash investments	135,874	-	-	135,874
Greenwich Investment Management, Inc.:				
Domestic equity securities	14,478,652	-	-	14,478,652
Government bonds	6,352,181	-	-	6,352,181
Short-term cash investments	5,758,750	-	-	5,758,750
Other	<u>132,909</u>	<u>-</u>	<u>4,329</u>	<u>137,238</u>
Total	<u>\$ 59,829,469</u>	<u>\$ -</u>	<u>\$ 4,329</u>	<u>\$ 59,833,798</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 6 - FAIR VALUE MEASUREMENT (CONT'D.)

<u>July 31, 2023</u>	Quoted Prices In Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value
<u>Assets:</u>				
Investments administered by				
Baptist Foundations (Pooled):				
Southern Baptist Foundation	\$ 14,210,176	\$ -	\$ -	\$ 14,210,176
Baptist Foundation of Texas	832,538	-	-	832,538
Louisiana Baptist Foundation	646,854	-	-	646,854
Baptist Foundation of Alabama	319,651	-	-	319,651
Other private money managers:				
Summit Wealth Management, Inc.:				
Domestic equity securities	7,383,805	-	-	7,383,805
Government bonds	916,295	-	-	916,295
Corporate bonds	6,397,589	-	-	6,397,589
US Treasury Notes	193,873	-	-	193,873
Short-term cash investments	12,163	-	-	12,163
Greenwich Investment Management, Inc.:				
Domestic equity securities	11,173,209	-	-	11,173,209
Government bonds	4,743,838	-	-	4,743,838
Short-term cash investments	9,569,840	-	-	9,569,840
Other	<u>132,909</u>	<u>-</u>	<u>4,329</u>	<u>137,238</u>
Total	<u>\$ 56,532,739</u>	<u>\$ -</u>	<u>\$ 4,329</u>	<u>\$ 56,537,068</u>

Investments included in Level 3 primarily consist of the Seminary's ownership in alternative investments.

The methods used to provide values for the above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Seminary believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The Seminary's investments are primarily held in equity securities, of which several are in an unrealized loss position. The Seminary has evaluated the near-term prospects of the issuers in relation to the severity and duration of the impairment. Based on that evaluation and the Seminary's intent and ability to hold these investments for a reasonable period of time sufficient for a forecasted recovery of fair value, management does not consider these investments to be other-than-temporarily impaired at July 31, 2024 and 2023.

Information pertaining to investments of individual securities with gross unrealized losses in a continuous loss position have been as follows:

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 6 - FAIR VALUE MEASUREMENT (CONT'D)

For the year ended July 31, 2024:

	<u>Less Than 12 Months</u>		<u>12 Months or Greater</u>		<u>Total</u>	
	<u>Fair Value</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>
Equities	\$ 4,416,469	\$(161,699)	\$ 4,870,837	\$(1,352,149)	\$ 9,287,306	\$(1,513,848)
Fixed income	<u>2,201,634</u>	<u>(14,591)</u>	<u>20,138,915</u>	<u>(6,538,179)</u>	<u>22,340,549</u>	<u>(6,552,770)</u>
Total	<u>\$6,618,103</u>	<u>\$ (176,290)</u>	<u>\$ 25,009,752</u>	<u>\$(7,890,328)</u>	<u>\$ 31,627,855</u>	<u>\$(8,066,618)</u>

For the year ended July 31, 2023:

	<u>Less Than 12 Months</u>		<u>12 Months or Greater</u>		<u>Total</u>	
	<u>Fair Value</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>	<u>Fair Value</u>	<u>Unrealized Losses</u>
Equities	\$ 3,364,717	\$(300,842)	\$ 6,291,982	\$(1,783,200)	\$ 9,656,698	\$(2,084,042)
Fixed income	<u>1,710,497</u>	<u>(174,348)</u>	<u>19,664,145</u>	<u>(5,891,483)</u>	<u>21,374,642</u>	<u>(6,065,831)</u>
Total	<u>\$5,075,214</u>	<u>\$ (475,190)</u>	<u>\$ 25,956,127</u>	<u>\$(7,674,683)</u>	<u>\$ 31,031,340</u>	<u>\$(8,149,873)</u>

Note 7 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following at July 31, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Land and improvements	\$ 2,992,013	\$ 2,992,013
Leasehold improvements	934,085	934,085
Buildings, furniture, and equipment	52,805,364	50,648,644
Library books and microfilm	<u>2,014,620</u>	<u>2,014,620</u>
Total property and equipment	58,746,082	56,589,362
Less accumulated depreciation	<u>30,635,571</u>	<u>29,073,320</u>
Net property and equipment	<u>\$ 28,110,511</u>	<u>\$ 27,516,042</u>

Depreciation for the years ended July 31, 2024 and 2023 totaled \$1,710,378 and \$1,062,001, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 and 2023

Note 8 - FUNDS HELD IN TRUST BY OTHERS

Various Baptist foundations administer perpetual trusts for the benefit of the Seminary. These trusts are neither in the possession, nor under the control of the Seminary, but are held and administered by the foundations with the Seminary deriving only income from such funds. Such investments are recorded in the statements of financial position at the fair market value of the Seminary's percentage interest of the principal amounts as of July 31, 2024 and 2023, respectively. The principal amounts are not subject to withdrawal by the Seminary. The total amounts distributed by the trusts to the Seminary for the years ended July 31, 2024 and 2023 were \$192,901 and \$176,642, respectively.

Note 9 - NET ASSETS

Net assets at July 31, 2024 and 2023 consist of the following:

At July 31, 2024

<u>Classification</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment	\$10,005,276	\$72,048,027	\$ 82,053,303
Investment in physical plant	32,150,296	-	32,150,296
Operating	3,014,546	64,542	3,079,088
Student aid	<u>211,575</u>	<u>5,885,213</u>	<u>6,096,788</u>
Total	<u>\$45,381,693</u>	<u>\$77,997,782</u>	<u>\$123,379,475</u>

At July 31, 2023

<u>Classification</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment	\$ 9,048,940	\$66,685,469	\$ 75,734,409
Investment in physical plant	32,512,730	-	32,512,730
Operating	4,303,313	160,089	4,463,402
Student aid	<u>206,791</u>	<u>7,044,192</u>	<u>7,250,983</u>
Total	<u>\$46,071,774</u>	<u>\$73,889,750</u>	<u>\$119,961,524</u>

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 9 - NET ASSETS (CONT'D.)

Endowment consists of resources that have been restricted by the donor, trust, split interest agreements, or designated by the Board for investment to provide future resources to support the Seminary's activities. Endowment funds with donor restrictions that are temporary in nature include unappropriated gains. Endowment operating funds without donor restrictions include funds that have been internally designated for use by various departments and programs throughout the Seminary.

Net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor imposed restrictions.

The Board of the Seminary has interpreted the "Uniform Prudent Management of Institutional Funds Act" (UPMIFA) as requiring the preservation of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Seminary classifies amounts required to be maintained in perpetuity as, (a) the original value of gifts donated to the endowment that is perpetual in nature, (b) the original value of the subsequent gifts to the endowment that is perpetual in nature, and (c) accumulations to the endowment that is perpetual in nature made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not required to be maintained in perpetuity is classified as temporarily restricted net assets until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Seminary to retain as a fund of perpetual duration. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new net assets with donor restrictions in perpetuity.

The Foundation Fund Balance, which is used by the Foundation Board for special projects for the Seminary, is included within the Endowment net assets disclosed above. The Foundation Fund Balance increased by \$257,251 and \$157,193, respectively, during the years ended July 31, 2024 and 2023, of which \$287,601 and \$215,163 was from investment income. The Foundation Fund Balance as of July 31, 2024 and 2023 was \$4,755,198 and \$4,497,0948 respectively.

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 9 - NET ASSETS (CONT'D.)

July 31, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, beginning of year	\$ 9,048,940	\$66,685,469	\$74,734,410
Investment return:			
Endowment fund income	317,389	805,488	1,122,877
Other endowment income	657,081	1,431,661	2,088,742
Realized and unrealized gains and losses	256,207	-	256,207
Change in value of funds held in trust by others	-	171,501	171,501
Gifts to funds held in trust by others	-	6,000	6,000
Gifts	-	4,532,494	4,532,494
Transfers from other funds	(170,137)	346,551	176,414
Appropriation of endowment assets for expenditures	<u>(104,205)</u>	<u>(1,931,136)</u>	<u>(2,035,341)</u>
Endowment fund assets, end of year	<u>\$ 10,005,276</u>	<u>\$ 72,048,027</u>	<u>\$ 82,053,303</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 9 - NET ASSETS (CONT'D.)

July 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 10,122,305	\$63,960,277	\$74,082,585
Investment return:			
Endowment fund income	224,366	832,591	1,056,957
Other endowment income	447,872	1,097,584	1,545,456
Realized and unrealized gains and losses	(1,400,966)	-	(1,400,966)
Change in value of funds held in trust by others	-	56,798	56,798
Gifts to funds held in trust by others	-	7,500	7,500
Gifts	-	1,868,876	1,868,876
Transfers from other funds	(246,702)	432,362	185,660
Appropriation of endowment assets for expenditures	<u>(97,935)</u>	<u>(1,570,519)</u>	<u>(1,668,454)</u>
Endowment fund assets, end of year	<u>\$ 9,048,940</u>	<u>\$ 66,685,469</u>	<u>\$ 75,734,409</u>

Of the funds held with donor restrictions, as of July 31, 2024 and 2023, \$57,911,215 and \$53,522,380, respectively, are perpetual in nature. During the years ended July 31, 2024 and 2023, the Seminary received gifts to be maintained in perpetuity for the endowment of \$4,532,494 and \$1,866,203, respectively.

Note 10 - RETIREMENT PROGRAM

The Seminary participates in the retirement program of Guidestone Financial Resources under which the Seminary contributes an amount equal to a percentage of each employee's annual salary. The Seminary's policy is to fund all 403(b) costs in the period earned by the employee. Total 403(b) expenditures for the years ended July 31, 2024 and 2023 were \$333,960 and \$325,377, respectively.

Note 11 - GIFTS

The Seminary receives a large portion of its operating revenues from gifts. A substantial portion of the gifts are received from the Cooperative Program of the Southern Baptist Convention. Cooperative Program gifts are recorded ratably over the year based on the annual budget allocation of the Convention. The Seminary received \$6,537,229 and \$6,645,463 from the SBC for the years ended July 31, 2024 and 2023, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 11 - GIFTS (CONT'D.)

Gifts are summarized in the statement of activities as follows:

	<u>2024</u>	<u>2023</u>
Southern Baptist Convention - Cooperative Program	\$ 6,537,229	\$ 6,645,463
Other	<u>11,945,370</u>	<u>10,490,660</u>
Total	<u>\$18,482,599</u>	<u>\$17,136,123</u>

See supplemental schedule for distributions of gifts by state.

Note 12 - RELATED-PARTY TRANSACTIONS

The Seminary's relationship with Providence Housing Corporation and Providence Educational Foundation is considered to be a related-party relationship. Both the Corporation and the Foundation have an economic interest in the Seminary in that the activities of the Corporation and the Foundation are solely for the benefit of the Seminary. However, the Seminary does not have a controlling financial interest in the two organizations. The organizations are self-sustaining with self-perpetuating Boards of Trustees. Consequently, neither the Corporation nor the Foundation has been consolidated with the Seminary. The terms of the activities are equivalent to those that prevail in arm's-length transactions. The following summarizes financial information related to the Seminary, the Corporation, and the Foundation.

Accounts Receivable/Payable

The Seminary has various accounts receivable/payable with Providence Housing Corporation and Providence Educational Foundation, which are related parties. Both the Corporation and the Foundation are operated for the benefit of the Seminary. As of July 31, 2024 and 2023, the following accounts receivable/payable existed:

	<u>2024</u>	<u>2023</u>
Accounts receivable:		
Providence Housing Corporation	\$ 1,256,278	\$ 963,760
Providence Education Foundation	<u>24,277</u>	<u>-</u>
Total	<u>\$ 1,280,555</u>	<u>\$ 963,760</u>
Accounts payable:		
Providence Housing Corporation	\$ -	\$ -
Providence Education Foundation	<u>-</u>	<u>-</u>
Total	<u>\$ -</u>	<u>\$ -</u>

Notes Receivable

Notes receivable from related parties as of July 31, 2024 and 2023 consist of the following:

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.)
FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 12 - RELATED-PARTY TRANSACTIONS (CONT'D.)

	<u>2024</u>	<u>2023</u>
<u>Providence Housing Corporation</u>		
New Orleans Baptist Theological Seminary 3.5% term note, due on demand, unsecured	\$ 382,000	\$ 382,000
New Orleans Baptist Theological Seminary 7% note with monthly installments of \$11,643, due January, 2044, unsecured	1,481,182	1,515,882
New Orleans Baptist Theological Seminary 7% note with monthly installments of \$8,180, due February, 2025, unsecured	55,949	146,717
New Orleans Baptist Seminary Foundation 7% note with monthly installments of \$26,987, due June 2034, unsecured	2,317,360	2,471,701
New Orleans Baptist Theological Seminary 7% note with monthly installments of \$10,649, due January 2034, unsecured	884,690	947,940
New Orleans Baptist Seminary Foundation 7% note with monthly installments of \$22,769, due August 2028, unsecured	967,984	1,165,874
New Orleans Baptist Theological Seminary 7% note with monthly installments of \$25,399, due February 2035, unsecured	2,273,290	2,413,104
New Orleans Baptist Seminary Foundation 7% note with monthly installments of \$33,265, due April 2036, unsecured	3,205,835	3,374,157
New Orleans Baptist Theological Seminary 7% note with monthly installments of \$33,265, due July 2035, unsecured	3,056,307	3,234,710
New Orleans Baptist Seminary Foundation 6% note, with monthly installments of \$10,622, due July 2048, unsecured	1,619,250	1,648,596
New Orleans Baptist Theological Seminary 6% note with monthly installments of \$2,548, due August 1, 2040, unsecured	314,995	326,301
New Orleans Baptist Theological Seminary 6% note with monthly installments of \$59,955, due July, 2052, unsecured	<u>9,746,824</u>	<u>9,877,198</u>
Total – Providence Housing Corporation	<u>26,305,666</u>	<u>27,504,180</u>

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 12 - RELATED-PARTY TRANSACTIONS (CONT'D.)

Notes Receivable (Cont'd.)

	<u>2024</u>	<u>2023</u>
<u>Providence Educational Foundation</u>		
New Orleans Baptist Theological Seminary 7% note, interest due monthly, principal due on or before December 2024, unsecured	300,000	300,000
New Orleans Baptist Theological Seminary 7% note with monthly installments of \$2,062, due January 2044.	<u>262,390</u>	<u>268,538</u>
Total – Providence Educational Foundation	<u>562,390</u>	<u>568,538</u>
Total notes receivable	<u>\$ 26,868,056</u>	<u>\$ 28,072,718</u>

The above notes receivable from related parties are included in investments on the Seminary's consolidated statement of financial position.

Lease Agreements

Providence Housing Corporation

The Seminary leases all of the property of the Corporation, which consists of apartment and residential rental units, land and copiers. Under the terms of the lease, which is a year-to-year lease, the Seminary paid annual rentals of \$3,659,640 for 2024 and 2023.

Contracted Services

Providence Educational Foundation

The Foundation contracts with the Seminary to provide services for radio station and rental operations. These services include personnel costs, rent and other costs. The amount reimbursed to the Seminary for 2024 and 2023 totaled \$1,126,883 and \$1,069,087, respectively.

Other Support

The Seminary received \$200,000 and \$230,000 during the years ended July 31, 2024 and 2023, respectively, from Providence Educational Foundation for the general needs of the Seminary.

The Seminary received \$500,000 during the years ended July 31, 2024 and 2023, from Providence Housing Corporation.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 AND 2023

Note 12 - RELATED-PARTY TRANSACTIONS (CONT'D.)

Summary of Financial Information

A summary of financial information at July 31, 2024 and 2023 for Providence Housing Corporation and Providence Educational Foundation is as follows:

	2024		2023	
	<u>Providence Housing Corporation</u>	<u>Providence Educational Foundation</u>	<u>Providence Housing Corporation</u>	<u>Providence Educational Foundation</u>
Total assets	<u>\$ 30,676,877</u>	<u>\$ 8,464,248</u>	<u>\$ 31,508,699</u>	<u>\$ 8,390,471</u>
Total liabilities	<u>\$ 31,999,479</u>	<u>\$ 603,368</u>	<u>\$ 32,844,973</u>	<u>\$ 658,951</u>
Net assets (deficit)	<u>(\$ 1,322,602)</u>	<u>\$ 7,860,880</u>	<u>(\$ 1,336,274)</u>	<u>\$ 7,731,520</u>
Revenue	<u>\$ 3,671,607</u>	<u>\$ 1,654,385</u>	<u>\$ 3,649,242</u>	<u>\$ 1,535,878</u>
Expenses	<u>\$ 3,657,935</u>	<u>\$ 1,525,025</u>	<u>\$ 3,647,893</u>	<u>\$ 1,499,473</u>

Note 13 - RISKS AND UNCERTAINTIES

The Seminary invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect investment account balances included in the Seminary's consolidated financial statements.

Note 14 - CARES ACT

Employee Retention Credit

During the year ended July 31, 2023, the Seminary qualified for the Employee Retention Credit (ERC) under guidance set forth by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and further amended by the Consolidated Appropriations Act (CAA) and the American Rescue Plan (ARP). The Employee Retention Credit is an IRS tax credit designed to help eligible entities retain their employees during the pandemic. The credit is calculated based on qualified wages paid to employees and taken against certain payroll taxes. The Seminary filed an amended employment tax form detailing total credits in the amount of \$832,500. Laws and regulations concerning government programs, including the Employee Retention Credit established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act, are complex and subject to varying interpretations. Claims made under the CARES Act may also be subject to retroactive audit and review. There can be no assurance that regulatory authorities will not challenge the Seminary's claim to the ERC, and it is not possible to determine the impact (if any) this would have upon the Seminary. However, management is confident the credits will be received. As such, the remaining amount of the credits in the amount of \$832,500 are booked as a grant receivable within these financial statements.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONT'D.) FOR THE YEARS ENDED JULY 31, 2024 and 2023

Note 15 - GOVERNMENT GRANTS

As stated in note 1, The Seminary derives a portion of its revenue from Federal educational assistance received directly by the School. The below information is required by the U.S. Department of Education and is presented for purposes of additional analysis and is not a required part of the basic financial statements.

For the year ended July 31, 2024, the Seminary's cash basis calculation is:

<u>Adjusted Student Federal Revenue</u>	<u>\$290,624</u>	2.366%
Adjusted Student Federal Revenue +	\$12,282,506	
Sum of Non-Federal Revenue and		
Revenue from Other Sources		

SUPPLEMENTARY INFORMATION

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

CONSOLIDATING STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED JULY 31, 2024

	New Orleans Baptist		
	Total Current Fund	Student Loan Fund	Endowment Fund
Assets:			
Cash and cash equivalents	\$ 688,884	\$ -	\$ 40,019
Accounts receivable	1,150,672	-	-
Grants receivable	832,500	-	-
Accounts receivable - related organizations	31,402	-	823,493
Prepaid expenses and other assets	1,433,644	-	-
Investments	5,119,993	-	50,883,951
Property and equipment - net	-	-	-
Funds held in trust by others	-	-	3,293,555
Accounts receivable - other funds	1,892,395	-	-
Total assets	\$ 11,149,490	\$ -	\$ 55,041,018
Liabilities:			
Cash overdraft	\$ 75,478	\$ -	\$ -
Accounts payable and accrued expenses	4,386	-	-
Accounts payable - related organizations	-	-	-
Deposits and deferred revenue	1,893,750	-	-
Accounts payable - other funds	-	-	1,912,754
Total liabilities	1,973,614	-	1,912,754
Net assets:			
Without donor restrictions	3,226,123	-	5,644,216
With donor restrictions	5,949,753	-	47,484,048
Total net assets	9,175,876	-	53,128,264
Total liabilities and net assets	\$ 11,149,490	\$ -	\$ 55,041,018

Theological Seminary		New Orleans Baptist Seminary Foundation	Total Before Eliminations	Eliminations	Consolidated Total
Plant Fund	Total				
\$ 23,617	\$ 752,520	\$ 101,733	\$ 854,253	\$ -	\$ 854,253
-	1,150,672	-	1,150,672	-	1,150,672
-	832,500	-	832,500	-	832,500
-	854,895	432,785	1,287,680	(7,125)	1,280,555
-	1,433,644	-	1,433,644	-	1,433,644
3,995,809	59,999,753	28,397,646	88,397,399	-	88,397,399
28,110,511	28,110,511	-	28,110,511	-	28,110,511
-	3,293,555	-	3,293,555	-	3,293,555
20,359	1,912,754	-	1,912,754	(1,912,754)	-
<u>\$ 32,150,296</u>	<u>\$ 98,340,804</u>	<u>\$ 28,932,164</u>	<u>\$ 127,272,968</u>	<u>\$ (1,919,879)</u>	<u>\$ 125,353,089</u>
\$ -	\$ 75,478	\$ -	\$ 75,478	\$ -	\$ 75,478
-	4,386	-	4,386	-	4,386
-	-	7,125	7,125	(7,125)	-
-	1,893,750	-	1,893,750	-	1,893,750
-	1,912,754	-	1,912,754	(1,912,754)	-
-	3,886,368	7,125	3,893,493	(1,919,879)	1,973,614
32,150,296	41,020,635	4,361,058	45,381,693	-	45,381,693
-	53,433,801	24,563,981	77,997,782	-	77,997,782
<u>32,150,296</u>	<u>94,454,436</u>	<u>28,925,039</u>	<u>123,379,475</u>	<u>-</u>	<u>123,379,475</u>
<u>\$ 32,150,296</u>	<u>\$ 98,340,804</u>	<u>\$ 28,932,164</u>	<u>\$ 127,272,968</u>	<u>\$ (1,919,879)</u>	<u>\$ 125,353,089</u>

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

CONSOLIDATING STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED JULY 31, 2023

	New Orleans Baptist		
	Total Current Fund	Student Loan Fund	Endowment Fund
Assets:			
Cash and cash equivalents	\$ 867,077	\$ -	\$ 40,020
Accounts receivable	859,010	-	-
Grants receivable	832,500	-	-
Accounts receivable - related organizations	912,449	-	903,817
Prepaid expenses and other assets	2,217,814	-	-
Investments	7,508,350	-	44,926,196
Property and equipment - net	-	-	-
Funds held in trust by others	-	-	3,116,054
Accounts receivable - other funds	1,373,368	-	-
Total assets	\$ 14,570,568	\$ -	\$ 48,986,087
Liabilities:			
Cash overdraft	\$ 1,151,578	\$ -	\$ -
Accounts payable and accrued expenses	137,406	-	-
Accounts payable - related organizations	-	-	-
Deposits and deferred revenue	1,567,199	-	-
Accounts payable - other funds	-	-	1,373,368
Total liabilities	2,856,183	-	1,373,368
Net assets:			
Without donor restrictions	4,510,104	-	5,185,307
With donor restrictions	7,204,281	-	42,427,412
Total net assets	11,714,385	-	47,612,719
Total liabilities and net assets	\$ 14,570,568	\$ -	\$ 48,986,087

Theological Seminary		New Orleans Baptist Seminary Foundation		Total Before Eliminations		Consolidated Total	
Plant Fund	Total				Eliminations		
\$ 23,570	\$ 930,667	\$ 101,716	\$ 1,032,383	\$ -	\$ 1,032,383		
-	859,010	-	859,010	-	859,010		
-	832,500	-	832,500	-	832,500		
13,480	1,829,746	59,943	1,889,689	(925,929)	963,760		
-	2,217,814	-	2,217,814	-	2,217,814		
4,959,638	57,394,184	28,885,960	86,280,144	-	86,280,144		
27,516,042	27,516,042	-	27,516,042	-	27,516,042		
-	3,116,054	-	3,116,054	-	3,116,054		
-	1,373,368	-	1,373,368	(1,373,368)	-		
<u>\$ 32,512,730</u>	<u>\$ 96,069,385</u>	<u>\$ 29,047,619</u>	<u>\$ 125,117,004</u>	<u>\$ (2,299,297)</u>	<u>\$ 122,817,707</u>		
\$ -	\$ 1,151,578	\$ -	\$ 1,151,578	\$ -	\$ 1,151,578		
-	137,406	-	137,406	-	137,406		
-	-	925,929	925,929	(925,929)	-		
-	1,567,199	-	1,567,199	-	1,567,199		
-	1,373,368	-	1,373,368	(1,373,368)	-		
-	4,229,551	925,929	5,155,480	(2,299,297)	2,856,183		
32,512,730	42,208,141	3,863,633	46,071,774	-	46,071,774		
-	49,631,693	24,258,057	73,889,750	-	73,889,750		
<u>32,512,730</u>	<u>91,839,834</u>	<u>28,121,690</u>	<u>119,961,524</u>	<u>-</u>	<u>119,961,524</u>		
<u>\$ 32,512,730</u>	<u>\$ 96,069,385</u>	<u>\$ 29,047,619</u>	<u>\$ 125,117,004</u>	<u>\$ (2,299,297)</u>	<u>\$ 122,817,707</u>		

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

CONSOLIDATING STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JULY 31, 2024

	New Orleans Baptist		
	Total Current Fund	Student Loan Fund	Endowment Fund
Revenues, gains, and other support:			
Student tuition fees	\$ 11,722,612	\$ -	\$ -
Gifts:			
Southern Baptist Convention - Cooperative Program	6,537,229	-	-
Other	6,697,911	-	4,218,555
Endowment income	1,416,073	-	1,122,878
Investment and other income	321,855	-	97,228
Net appreciation in fair value of investments	466,417	-	125,178
Change in value of funds held in trust by others	-	-	171,501
Gifts to funds held in trust by others	-	-	6,000
Auxiliary enterprises:			
Student housing	2,728,533	-	-
Other	-	-	-
Supporting departments income	2,751,781	-	-
Other	3,367,956	-	-
Total revenues, gains and other support	<u>36,010,367</u>	<u>-</u>	<u>5,741,340</u>
Expenses:			
Programs:			
Instruction:			
Division of Biblical Studies	576,254	-	14,710
Division of Theological and Historical Studies	736,961	-	32,791
Division of Church Ministry	944,339	-	227,661
Division of Christian Education	-	-	-
Division of Counseling	577,446	-	-
Division of Church and Music Ministries	280,373	-	-
Center of Evangelism and Church Growth	111,443	-	70,396
Leavell College	769,758	-	-
Non-Divisional Academic	5,634,361	-	-
Academic Support:			
Library	662,462	-	-
Academic Dean's Office	235,713	-	-
Registry Office	265,022	-	-
Student Services:			
Student aid	5,521,816	-	-
Supporting departments expenses	2,998,781	-	-
Auxiliary:			
Student housing	3,299,640	-	-
Other	2,670,659	-	-
Total program expenses	<u>25,285,028</u>	<u>-</u>	<u>345,558</u>
Support services:			
Management and general:			
Administrative and general	3,629,640	-	62,444
Fundraising:			
Development	768,022	-	-
Facilities management:			
Maintenance	7,856,647	-	-
Capital projects	55,815	-	-
Depreciation	-	-	-
Total support services expenses	<u>12,310,124</u>	<u>-</u>	<u>62,444</u>
Total expenses	<u>37,595,152</u>	<u>-</u>	<u>408,002</u>
Transfers	<u>(953,724)</u>	<u>-</u>	<u>182,207</u>
Changes in net assets	(2,538,509)	-	5,515,545
Net assets at beginning of year	<u>11,714,385</u>	<u>-</u>	<u>47,612,719</u>
Net assets at end of year	<u>\$ 9,175,876</u>	<u>\$ -</u>	<u>\$ 53,128,264</u>

Theological Seminary		New Orleans Baptist Seminary Foundation	Total Before Eliminations	Eliminations	Consolidated Total
Plant Fund	Total				
\$ -	\$ 11,722,612	\$ -	\$ 11,722,612	\$ -	\$ 11,722,612
-	6,537,229	-	6,537,229	-	6,537,229
588,650	11,505,116	440,254	11,945,370	-	11,945,370
-	2,538,951	-	2,538,951	-	2,538,951
419,864	838,947	1,993,665	2,832,612	-	2,832,612
-	-	-	-	-	-
191,764	783,359	131,029	914,388	-	914,388
-	171,501	-	171,501	-	171,501
-	6,000	-	6,000	-	6,000
-	2,728,533	-	2,728,533	-	2,728,533
-	-	-	-	-	-
-	2,751,781	-	2,751,781	-	2,751,781
461,886	3,829,842	-	3,829,842	(1,949,380)	1,880,462
1,662,164	43,413,871	2,564,948	45,978,819	(1,949,380)	44,029,439
-	590,964	72,337	663,301	(87,047)	576,254
-	769,752	109,358	879,110	(142,149)	736,961
-	1,172,000	463,198	1,635,198	(690,859)	944,339
-	-	64,164	64,164	(64,164)	-
-	577,446	-	577,446	-	577,446
-	280,373	89,700	370,073	(89,700)	280,373
-	181,839	-	181,839	(70,396)	111,443
-	769,758	-	769,758	-	769,758
-	5,634,361	742,621	6,376,982	(742,621)	5,634,361
-	662,462	-	662,462	-	662,462
-	235,713	-	235,713	-	235,713
-	265,022	-	265,022	-	265,022
-	5,521,816	-	5,521,816	-	5,521,816
-	2,998,781	-	2,998,781	-	2,998,781
-	3,299,640	-	3,299,640	-	3,299,640
-	2,670,659	-	2,670,659	-	2,670,659
-	25,630,586	1,541,378	27,171,964	(1,886,936)	25,285,028
-	3,692,084	11,665	3,703,749	(62,444)	3,641,305
-	768,022	-	768,022	-	768,022
-	7,856,647	-	7,856,647	-	7,856,647
1,091,530	1,147,345	202,763	1,350,108	-	1,350,108
1,710,378	1,710,378	-	1,710,378	-	1,710,378
2,801,908	15,174,476	214,428	15,388,904	(62,444)	15,326,460
2,801,908	40,805,062	1,755,806	42,560,868	(1,949,380)	40,611,488
777,310	5,793	(5,793)	-	-	-
(362,434)	2,614,602	803,349	3,417,951	-	3,417,951
32,512,730	91,839,834	28,121,690	119,961,526	-	119,961,524
\$ 32,150,296	\$ 94,454,436	\$ 28,925,039	\$ 123,379,477	\$ -	\$ 123,379,475

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

CONSOLIDATING STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JULY 31, 2023

	New Orleans Baptist		
	Total Current Fund	Student Loan Fund	Endowment Fund
Revenues, gains, and other support:			
Student tuition fees	\$ 10,271,914	\$ -	\$ -
Gifts:			
Southern Baptist Convention - Cooperative Program	6,645,463	-	-
Other	7,473,740	-	1,866,203
Endowment income	1,386,739	-	1,056,952
Investment and other income	597,901	-	2,256
Net appreciation (depreciation) in fair value of investments	(572,260)	-	(948,250)
Change in value of funds held in trust by others	-	-	56,798
Gifts to funds held in trust by others	-	-	7,500
Auxiliary enterprises:			
Student housing	3,251,869	-	-
Other	10,991	-	-
Supporting departments income	3,503,149	-	-
Other	4,282,757	-	-
Total revenues, gains and other support	<u>36,852,263</u>	<u>-</u>	<u>2,041,459</u>
Expenses:			
Programs:			
Instruction:			
Division of Biblical Studies	620,102	-	14,868
Division of Theological and Historical Studies	808,247	-	34,607
Division of Church Ministry	1,084,018	-	210,542
Division of Christian Education	-	-	-
Division of Counseling	692,351	-	-
Division of Church and Music Ministries	336,668	-	-
Center of Evangelism and Church Growth	131,714	-	74,323
Leavell College	761,458	-	-
Non-Divisional Academic	7,708,571	-	-
Academic Support:			
Library	764,333	-	-
Academic Dean's Office	303,458	-	-
Registry Office	232,573	-	-
Student Services:			
Student aid	4,671,768	-	-
Supporting departments expenses	3,418,576	-	-
Auxiliary:			
Student housing	3,299,640	-	-
Other	2,191,630	-	-
Total program expenses	<u>27,025,107</u>	<u>-</u>	<u>334,340</u>
Support services:			
Management and general:			
Administrative and general	3,828,538	-	43,445
Fundraising:			
Development	854,277	-	-
Facilities management:			
Maintenance	6,472,448	-	-
Capital projects	393,295	-	-
Depreciation	-	-	-
Total support services expenses	<u>11,548,558</u>	<u>-</u>	<u>43,445</u>
Total expenses	<u>38,573,665</u>	<u>-</u>	<u>377,785</u>
Transfers	<u>372,090</u>	<u>(306,710)</u>	<u>183,338</u>
Changes in net assets	(1,349,312)	(306,710)	1,847,012
Net assets at beginning of year	<u>13,553,697</u>	<u>306,710</u>	<u>45,765,707</u>
Net assets at end of year	<u>\$ 12,204,385</u>	<u>\$ -</u>	<u>\$ 47,612,719</u>

Theological Seminary		New Orleans Baptist Seminary Foundation	Total Before Eliminations	Eliminations	Consolidated Total
Plant Fund	Total				
\$ -	\$ 10,271,914	\$ -	\$ 10,271,914	\$ -	\$ 10,271,914
-	6,645,463	-	6,645,463	-	6,645,463
1,026,500	10,366,443	124,217	10,490,660	-	10,490,660
-	2,443,691	-	2,443,691	-	2,443,691
359,807	959,964	1,543,200	2,503,164	-	2,503,164
-	-	-	-	-	-
542,887	(977,623)	(452,716)	(1,430,339)	-	(1,430,339)
-	56,798	-	56,798	-	56,798
-	7,500	-	7,500	-	7,500
-	3,251,869	-	3,251,869	-	3,251,869
-	10,991	-	10,991	-	10,991
-	3,503,149	-	3,503,149	-	3,503,149
64,085	4,346,842	-	4,346,842	(1,610,484)	2,736,358
1,993,279	40,887,001	1,214,701	42,101,702	(1,610,484)	40,491,218
-	634,970	58,791	693,761	(73,659)	620,102
-	842,854	88,879	931,733	(123,486)	808,247
-	1,294,560	375,647	1,670,207	(586,189)	1,084,018
-	-	52,148	52,148	(52,148)	-
-	692,351	-	692,351	-	692,351
-	336,668	72,903	409,571	(72,903)	336,668
-	206,037	-	206,037	(74,323)	131,714
-	761,458	-	761,458	-	761,458
-	7,708,571	584,331	8,292,902	(584,331)	7,708,571
-	764,333	-	764,333	-	764,333
-	303,458	-	303,458	-	303,458
-	232,573	-	232,573	-	232,573
-	4,671,768	-	4,671,768	-	4,671,768
-	3,418,576	-	3,418,576	-	3,418,576
-	3,299,640	-	3,299,640	-	3,299,640
-	2,191,630	-	2,191,630	-	2,191,630
-	27,359,447	1,232,699	28,592,146	(1,567,039)	27,025,107
-	3,871,983	11,565	3,883,548	(43,445)	3,840,103
-	854,277	-	854,277	-	854,277
-	6,472,448	-	6,472,448	-	6,472,448
1,469,831	1,863,126	167,946	2,031,072	-	2,031,072
1,062,001	1,062,001	-	1,062,001	-	1,062,001
2,531,832	14,123,835	179,511	14,303,346	(43,445)	14,259,901
2,531,832	41,483,282	1,412,210	42,895,492	(1,610,484)	41,285,008
(251,040)	(2,322)	2,322	-	-	-
(789,593)	(598,603)	(195,187)	(793,790)	-	(793,790)
33,302,323	92,928,439	28,316,877	121,245,316	-	121,245,316
\$ 32,512,730	\$ 92,329,836	\$ 28,121,690	\$ 120,451,526	\$ -	\$ 120,451,524

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

CURRENT FUND CONSOLIDATION FOR THE YEAR ENDED JULY 31, 2024

	Unrestricted		Current Fund	Restricted	
	Budgeted	Unbudgeted	Eliminations	Student Aid	Total
Revenues, gains and other support:					
Student tuition and fees	\$ 11,722,612	\$ -	\$ -	\$ -	\$ 11,722,612
Gifts:					
Southern Baptist Convention -					
Cooperative Program	6,537,229	-	-	-	6,537,229
Other	1,759,926	1,649,971	-	3,288,014	6,697,911
Endowment income	202,690	239,036	-	974,347	1,416,073
Investment and other income	107,434	-	-	214,421	321,855
Net appreciation in fair					
value of investments	-	205,707	-	260,710	466,417
Auxiliary enterprises:					
Student housing	2,728,533	-	-	-	2,728,533
Other	-	-	-	-	-
Supporting departments income	2,751,781	-	-	-	2,751,781
Other	3,242,372	402,167	(276,583)	-	3,367,956
Total revenues, gains and					
other support	29,052,577	2,496,881	(276,583)	4,737,492	36,010,367
Expenses:					
Programs:					
Instruction:					
Division of Biblical Studies	576,254	-	-	-	576,254
Division of Theological and					
Historical Studies	736,961	-	-	-	736,961
Division of Church Ministry	944,339	-	-	-	944,339
Division of Counseling	577,446	-	-	-	577,446
Division of Church and Music Ministries	280,373	-	-	-	280,373
Center of Evangelism and Church					
Growth	111,443	-	-	-	111,443
Leavell College	769,758	-	-	-	769,758
Non-Divisional Academic	2,818,238	3,205,926	(389,804)	-	5,634,360
Academic Support:					
Library	662,462	-	-	-	662,462
Academic Dean's Office	235,713	-	-	-	235,713
Registry Office	265,022	-	-	-	265,022
Student Services:					
Student aid	-	115,482	-	5,406,334	5,521,816
Supporting departments expenses	2,998,781	-	-	-	2,998,781
Auxiliary:					
Student housing	3,299,640	-	-	-	3,299,640
Other	2,618,882	51,777	-	-	2,670,659
Total program expenses	16,895,312	3,373,185	(389,804)	5,406,334	25,285,027
Support services:					
Management and general:					
Administrative and general	3,629,640	-	-	-	3,629,640
Fundraising:					
Development	654,801	-	113,221	-	768,022
Facilities management:					
Maintenance	7,856,647	-	-	-	7,856,647
Capital projects	-	55,815	-	-	55,815
Total support services expenses	12,141,088	55,815	113,221	-	12,310,124
Total expenses	29,036,400	3,429,000	(276,583)	5,406,334	37,595,151
Transfers	-	(468,372)	-	(485,352)	(953,724)
Changes in net assets	16,177	(1,400,491)	-	(1,154,194)	(2,538,508)
Net assets at beginning of year	816,206	3,647,196	-	7,250,983	11,714,385
Net assets at end of year	\$ 832,383	\$ 2,246,705	\$ -	\$ 6,096,789	\$ 9,175,877

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

CURRENT FUND CONSOLIDATION FOR THE YEAR ENDED JULY 31, 2023

	Unrestricted		Current Fund Eliminations	Restricted	Total
	Budgeted	Unbudgeted		Student Aid	
Revenues, gains and other support:					
Student tuition and fees	\$ 10,271,914	\$ -	\$ -	\$ -	\$ 10,271,914
Gifts:					
Southern Baptist Convention -					
Cooperative Program	6,645,463	-	-	-	6,645,463
Other	1,153,002	3,240,437	-	3,080,301	7,473,740
Endowment income	189,001	221,419	-	976,319	1,386,739
Investment and other income	394,978	-	-	202,923	597,901
Net depreciation in fair value of investments	-	(150,395)	-	(421,865)	(572,260)
Auxiliary enterprises:					
Student housing	3,251,869	-	-	-	3,251,869
Other	-	10,991	-	-	10,991
Supporting departments income	3,503,149	-	-	-	3,503,149
Other	3,406,729	1,077,555	(201,527)	-	4,282,757
Total revenues, gains and other support	<u>28,816,105</u>	<u>4,400,007</u>	<u>(201,527)</u>	<u>3,837,678</u>	<u>36,852,263</u>
Expenses:					
Programs:					
Instruction:					
Division of Biblical Studies	620,102	-	-	-	620,102
Division of Theological and Historical Studies	808,247	-	-	-	808,247
Division of Church Ministry	1,084,018	-	-	-	1,084,018
Division of Counseling	692,351	-	-	-	692,351
Division of Church and Music Ministries	336,668	-	-	-	336,668
Center of Evangelism and Church Growth	131,714	-	-	-	131,714
Leavell College	761,458	-	-	-	761,458
Non-Divisional Academic	3,194,591	5,205,507	(201,527)	-	8,198,571
Academic Support:					
Library	764,333	-	-	-	764,333
Academic Dean's Office	303,458	-	-	-	303,458
Registry Office	232,573	-	-	-	232,573
Student Services:					
Student aid	-	124,181	-	4,547,587	4,671,768
Supporting departments expenses	3,418,576	-	-	-	3,418,576
Auxiliary:					
Student housing	3,299,640	-	-	-	3,299,640
Other	2,157,482	34,148	-	-	2,191,630
Total program expenses	<u>17,805,211</u>	<u>5,363,836</u>	<u>(201,527)</u>	<u>4,547,587</u>	<u>27,515,107</u>
Support services:					
Management and general:					
Administrative and general	3,678,538	150,000	-	-	3,828,538
Fundraising:					
Development	854,277	-	-	-	854,277
Facilities management:					
Maintenance	6,472,448	-	-	-	6,472,448
Capital projects	-	393,295	-	-	393,295
Total support services expenses	<u>11,005,263</u>	<u>543,295</u>	<u>-</u>	<u>-</u>	<u>11,548,558</u>
Total expenses	<u>28,810,474</u>	<u>5,907,131</u>	<u>(201,527)</u>	<u>4,547,587</u>	<u>39,063,665</u>
Transfers	-	80,702	-	291,388	372,090
Changes in net assets	5,631	(1,426,422)	-	(418,521)	(1,839,312)
Net assets at beginning of year	<u>810,575</u>	<u>5,073,618</u>	<u>-</u>	<u>7,669,504</u>	<u>13,553,697</u>
Net assets at end of year	<u>\$ 816,206</u>	<u>\$ 3,647,196</u>	<u>\$ -</u>	<u>\$ 7,250,983</u>	<u>\$ 11,714,385</u>

NEW ORLEANS BAPTIST THEOLOGICAL SEMINARY

GIFTS SUPPORTING SCHEDULE
FOR THE YEARS ENDED JULY 31, 2024 AND 2023

	2024				2023			
	Total	Cooperative Program	Designated	Other	Total	Cooperative Program	Designated	Other
NOBTS								
Alabama	\$ 3,001,485	\$ 654,518	\$ 4,285	\$ 2,342,682	\$ 983,586	\$ 660,379	\$ 496	\$ 322,711
Alaska	8,584	4,094	-	4,490	6,310	4,160	-	2,150
Arizona	56,003	48,738	1,570	5,695	57,730	49,376	1,802	6,552
Arkansas	346,118	312,740	485	32,893	373,961	342,415	682	30,864
California	98,541	64,045	-	34,496	104,365	63,292	-	41,073
Churches – miscellaneous	149,878	149,878	-	-	151,919	151,919	-	-
Colorado	49,435	21,910	-	27,525	27,786	26,908	25	853
Connecticut	8,000	-	-	8,000	6,103	-	-	6,103
Dakota Fellowship	3,199	3,199	-	-	3,509	3,509	-	-
District of Columbia	100	-	-	100	88	-	-	88
Florida	1,806,867	484,068	20,071	1,302,728	1,939,329	497,707	14,905	1,426,717
Georgia	823,292	496,186	11,529	315,577	762,158	499,814	14,507	247,837
Hawaii	11,344	7,145	-	4,199	7,505	7,405	-	100
Illinois	121,658	67,181	1,982	52,495	169,749	75,162	2,232	92,355
Indiana	34,939	19,674	1,185	14,080	488,066	22,688	507	464,871
International	13,639	-	-	13,639	2,790	-	-	2,790
Iowa	26,584	26,429	-	155	30,343	30,218	-	125
Kansas and Nebraska	29,588	28,377	788	423	34,133	30,039	271	3,823
Kentucky	351,874	346,538	-	5,336	352,053	339,950	-	12,103
Louisiana	3,967,761	223,434	1,750	3,742,577	5,336,559	229,840	1,356	5,105,363
Maryland and Delaware	45,804	38,784	-	7,020	49,774	44,879	-	4,895
Massachusetts	8,906	-	-	8,906	24,689	-	-	24,689
Maine	-	-	-	-	-	-	-	-
Michigan	30,728	15,594	-	15,134	17,770	15,570	-	2,200
Minnesota and Wisconsin	40,867	4,317	-	36,550	97,490	7,490	-	90,000
Misc/Individuals	2,810	-	-	2,810	984	-	-	984
Mississippi	1,965,779	409,790	1,276	1,554,713	1,228,014	411,936	950	815,128
Missouri	199,683	160,541	27,721	11,421	215,462	168,546	24,840	22,076
Montana	5,425	5,425	-	-	8,741	5,731	-	3,010
Nevada	12,808	11,522	63	1,223	14,681	13,856	-	825
New England	4,257	4,257	-	-	4,662	4,662	-	-
New Hampshire	-	-	-	-	-	-	-	-
New Jersey	5,562	-	-	5,562	5,000	-	-	5,000
New Mexico	42,658	34,286	-	8,372	43,727	31,943	-	11,784
New York	13,071	7,576	-	5,495	10,579	7,659	-	2,920
North Carolina	523,347	475,944	4,010	43,393	494,042	446,072	5,532	42,438
Northwest	15,198	14,955	243	-	17,934	17,404	530	-
Ohio	191,367	80,687	-	110,680	119,666	95,376	-	24,290
Oklahoma	414,116	357,240	2,137	54,739	413,039	362,976	1,213	48,850
Oregon	549	-	-	549	297	-	-	297
Pennsylvania and S. Jersey	14,426	12,970	-	1,456	18,526	12,013	-	6,513
Puerto Rico/Virgin Islands	595	595	-	-	294	294	-	-
Rhode Island	610,655	-	-	610,655	320,320	-	-	320,320
South Carolina	408,117	351,162	14,453	42,502	411,216	360,219	7,992	43,005
Tennessee	1,081,243	552,623	9,614	519,006	749,278	555,972	11,257	182,049
Texas – BGCT	564,158	306,915	2,187	255,056	838,950	219,220	3,336	616,394
Texas – SBTC	515,522	515,522	-	-	512,062	512,062	-	-
Utah and Idaho	8,014	7,508	-	506	8,611	7,727	-	884
Virginia – BGAV	225,660	28,299	691	196,670	267,619	29,122	-	238,497
Virginia – SBCV	163,775	163,775	-	-	161,781	161,781	-	-
Washington	2,250	-	-	2,250	662	-	-	662
West Virginia	17,794	17,475	-	319	17,186	16,914	-	272
Wyoming	1,313	1,313	-	-	1,258	1,258	-	-
Total NOBTS	\$ 18,045,346	\$ 6,537,229	\$ 106,040	\$ 11,402,077	\$ 16,912,356	\$ 6,545,463	\$ 92,433	\$ 10,274,460
NOBS Foundation	\$ 440,254	\$ -	\$ -	\$ 440,254	\$ 124,217	\$ -	\$ -	\$ 124,217
Consolidated Total	\$ 18,485,600	\$ 6,537,229	\$ 106,040	\$ 11,842,331	\$ 17,036,573	\$ 6,545,463	\$ 92,433	\$ 10,398,677