

OPEN AIR CAMPAIGNERS, U.S., INC.
DECEMBER 31, 2022

**OPEN AIR CAMPAIGNERS, U.S., INC.
DECEMBER 31, 2022**

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WENTZEL and COMPANY, PC

Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors of
Open Air Campaigners, U.S., Inc.**

Opinion

We have audited the accompanying financial statements of Open Air Campaigners, U.S., Inc. (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Open Air Campaigners U.S., Inc. as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Open Air Campaigners, U.S., Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Open Air Campaigners, U.S., Inc.'s ability to continue as a going concern within one year after the date that the 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 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 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, we:

- **Exercise professional judgment and maintain professional skepticism throughout the audit.**
- **Identify and assess the risks of material misstatement of the 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 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 Open Air Campaigners, U.S., Inc.'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 Open Air Campaigners, U.S., Inc.'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.

Wentzel and Company, PC

Fleetwood, Pennsylvania
October 19, 2023

**OPEN AIR CAMPAIGNERS, U.S., INC.
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2022**

ASSETS:

Cash and Cash Equivalents	\$ 641,553
Investments	312,698
Inventory	24,941
Other Asset	125,000
Operating Lease Right-of-Use Assets	17,580
Property and Equipment, Net	<u>55,877</u>

TOTAL ASSETS	\$ <u>1,177,649</u>
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LIABILITIES AND NET ASSETS:

LIABILITIES:

Operating Lease Liabilities	\$ 17,580
Liabilities Under Split-Interest Agreements	<u>21,048</u>

TOTAL LIABILITIES	<u>38,628</u>
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NET ASSETS:

Without Donor Restrictions	722,371
With Donor Restrictions	<u>416,650</u>

TOTAL NET ASSETS	<u>1,139,021</u>
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TOTAL LIABILITIES AND NET ASSETS	\$ <u>1,177,649</u>
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See notes to financial statements.

OPEN AIR CAMPAIGNERS, U.S., INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022

SUPPORT AND REVENUE:	<u>WITHOUT DONOR RESTRICTIONS</u>	<u>WITH DONOR RESTRICTIONS</u>	<u>TOTAL</u>
Contributions	\$ 1,745,170	\$ 73,620	\$ 1,818,790
Income, Supplies	2,356		2,356
Interest	2,683		2,683
Investment Return, net		(50,341)	(50,341)
Change in Value of Split-Interest Agreements		2,777	2,777
TOTAL SUPPORT AND REVENUE	<u>1,750,209</u>	<u>26,056</u>	<u>1,776,265</u>
 EXPENSES:			
Program	1,405,824		1,405,824
Administration and General	194,054		194,054
Fundraising	76,776		76,776
TOTAL EXPENSES	<u>1,676,654</u>	<u>0</u>	<u>1,676,654</u>
 CHANGE IN NET ASSETS FOR THE YEAR	 73,555	 26,056	 99,611
NET ASSETS, BEGINNING OF YEAR	914,410	125,000	1,039,410
RESTATEMENT OF NET ASSETS	<u>(265,594)</u>	<u>265,594</u>	<u>0</u>
NET ASSETS, END OF YEAR	<u>\$ 722,371</u>	<u>\$ 416,650</u>	<u>\$ 1,139,021</u>

See notes to financial statements.

**OPEN AIR CAMPAIGNERS, U.S., INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022**

CASH PROVIDED (USED) BY OPERATING ACTIVITIES:

Change in Net Assets	\$	99,611
Adjustments to reconcile the change in net assets to net cash provided by operating activities:		
Depreciation		18,423
(Gains) Losses on Investment Transactions		50,491
(Increase) Decrease in Accounts Receivable		788
(Increase) Decrease in Inventory		6,339
Increase (Decrease) in Split-Interest Agreement		<u>(5,225)</u>
TOTAL CASH PROVIDED (USED) BY OPERATING ACTIVITIES		<u>170,427</u>

CASH PROVIDED (USED) BY INVESTING ACTIVITIES:

(Purchases)/Sales of Investments		<u>(71,322)</u>
TOTAL CASH PROVIDED (USED) BY INVESTING ACTIVITIES		<u>(71,322)</u>

NET INCREASE (DECREASE) IN CASH FOR THE YEAR		99,105
CASH, BEGINNING OF THE YEAR		<u>542,448</u>
CASH, END OF THE YEAR	\$	<u><u>641,553</u></u>

See notes to financial statements.

**OPEN AIR CAMPAIGNERS, U.S., INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022**

ACCOUNT:	<u>Program</u>	Administration and <u>General</u>	<u>Fundraising</u>	<u>TOTAL EXPENSES</u>
Salaries	\$ 1,075,981	\$ 126,586	\$ 63,293	\$ 1,265,860
Payroll Taxes	70,303	8,271	4,135	82,709
Affiliation Expenses	2,902	2,902	2,488	8,292
Depreciation	13,817	3,685	921	18,423
Evangelism Supplies	164,401			164,401
Insurance	4,358	3,921	436	8,715
Meetings	3,433	5,149		8,582
Occupancy Costs	9,654	1,810	603	12,067
Office Supplies	27,109	9,682	1,936	38,727
Postage	2,255	2,819	564	5,638
Professional Services		8,200		8,200
Promotion	1,785	893	893	3,571
Staff Conferences	11,271	16,907		28,178
Telephone	3,420	2,735	684	6,839
Travel	15,135	494	823	16,452
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENSES	\$ <u>1,405,824</u>	\$ <u>194,054</u>	\$ <u>76,776</u>	\$ <u>1,676,654</u>

See notes to financial statements.

**OPEN AIR CAMPAIGNERS, U.S., INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

1. Organization and Nature of Activities

Open Air Campaigners, U.S., Inc. (OAC) is a nonprofit corporation dedicated to evangelism by proclaiming the Gospel in the United States of America and abroad. OAC also assists and equips local churches in effective open-air outreaches, working through field offices located throughout the United States and abroad.

2. Summary of Significant Accounting Policies

The significant accounting policies of Open Air Campaigners, U.S., Inc. are as follows:

Basis of Accounting

The financial statements of Open Air Campaigners, U.S., Inc. have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Basis of Presentation

Financial statement presentation follows the Financial Accounting Standards Board in its Accounting Standards Codification (ASC) No. 958. Under ASC No. 958, Open Air Campaigners, U.S., Inc. is required to report information regarding its financial position and activities according to two classes of net assets, as follows:

Without donor restrictions – Net assets available for use in general operations and not subject to donor-imposed restrictions.

With donor restrictions – Net assets that are subject to donor-imposed restrictions that will be satisfied by the passage of time or by fulfilling a specific purpose.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking and money market accounts and certificates of deposit with initial maturities of less than 90 days.

OPEN AIR CAMPAIGNERS, U.S., INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

2. Summary of Significant Accounting Policies, (continued)

Donated Materials and Services

Materials and other assets received as donations are recorded and reflected in the accompanying financial statements at their fair values at the date of receipt, when reliable estimates of the fair value of such items are available. Contributed services are reported as contributions at their fair value if such services create or enhance nonfinancial assets or would have been purchased if not provided by donation, require special skills, and are provided by individuals possessing such specialized skills. OAC relies on the services of volunteers; however, the value of these services has not been reflected in the statement of activities since it does not meet the aforementioned recognition requirements. No significant contributions of such goods or services were received during the year ended December 31, 2022.

Expense Allocation

Administration and general expenses include those expenses for supporting activities of the organization that are not directly identifiable with one or more program or fundraising activities. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Those expenses include salaries, payroll taxes, affiliation, depreciation, insurance, occupancy, office supplies, postage, promotion, utilities, and travel. Salaries and payroll taxes are allocated based on estimates of time and effort; occupancy and utilities are allocated based on estimates of percentage of time the building is utilized; depreciation, office supplies, postage, printing and website are allocated based on estimates of usage.

Fair Value Measurements

Open Air Campaigners, U.S., Inc. adopted the provisions of ASC No. 820, Fair Value Measurements and Disclosures (“ASC 820”). ASC 820 does not require additional fair value measurements, but defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles and expands disclosures about fair value measurements.

Income Tax Status

Open Air Campaigners, U.S., Inc. is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the organization’s tax-exempt purpose is subject to taxation as unrelated business income. In addition, OAC qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as a public charity under Section 509(a)(1).

OPEN AIR CAMPAIGNERS, U.S., INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

2. Summary of Significant Accounting Policies, (continued)

Income Tax Status, continued

ASC No. 740, Income Taxes (“ASC 740”) clarifies the accounting for uncertainty in income taxes recognized in an enterprise’s financial statements, and prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. There were no uncertain income tax positions identified that would have a material effect on the financial statements for the year ended December 31, 2022.

Leases

OAC determines if an arrangement is or contains a lease at inception. Leases are included in right-of-use (ROU) assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term. OAC has made an accounting policy election to use a risk-free rate in lieu of its incremental borrowing rate to discount future lease payments. Operating lease expense is recognized on a straight-line basis over the lease term. OAC does not report ROU assets and leases liabilities for its short-term leases (leases with an initial term of 12 months or less). Instead, the lease payments of those leases are reported as lease expense on a straight-line basis over the lease term.

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. The organization’s capitalization policy is to capitalize property and equipment when the cost exceeds \$500. Depreciation is computed using primarily the straight-line method over the estimated useful lives of the assets, generally 3 to 5 years for equipment and 5 years for vehicles.

OPEN AIR CAMPAIGNERS, U.S., INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

2. Summary of Significant Accounting Policies, (continued)

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which supersedes existing guidance for accounting for leases under *Topic 840, Leases*. The most significant change in the new leasing guidance is the requirement to recognize right-of-use (ROU) assets and lease liabilities for operating and financing leases on the statement of financial position. OAC elected to adopt this ASU effective January 1, 2022. The adoption had a material impact on OAC's statement of financial position but did not have a material impact on the statement of activities. The most significant impact was the recognition of ROU assets and lease liabilities for operating leases. As a result of implementing ASU No. 2016-02, OAC recognized right-of-use assets of \$22,001 and lease liabilities totaling \$22,001 in its statement of financial position as of January 1, 2022.

OAC elected not to reassess at adoption (i) expired or existing contracts to determine whether they are or contain a lease, (ii) the lease classification of any existing leases, or (iii) initial direct costs for existing leases.

OAC elected the short-term lease exemption for all leases with an initial term of 12 months or less for both existing and ongoing operating and financing leases to not recognize the asset and liability for these leases. Lease payments for short-term leases are recognized on straight-line basis.

OAC elected the practical expedient to not separate lease and non-lease components for office equipment leases.

Revenue Recognition

Contributions received are recorded as net assets with donor restrictions or net assets without donor restrictions depending on the existence or nature of any donor restrictions. 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 statement of activities as net assets released from restrictions.

Unconditional contributions are recognized as revenue when the contribution is received. Conditional contributions are recorded as refundable advances until the conditions are substantially met. When the conditions are substantially met, the contribution becomes unconditional and is recognized as revenue. Revenues from contracts or grants with governmental or nongovernmental funding agencies are considered conditional contributions. Conditions are met when services have been provided or as costs are incurred, as appropriate to a specific grant or contract.

OPEN AIR CAMPAIGNERS, U.S., INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

2. Summary of Significant Accounting Policies, (continued)

Split-Interest Agreements

Under charitable gift annuity contracts, OAC receives immediate title to contributed assets and agrees to make fixed recurring payments over the stipulated period. Contributed assets are recorded at fair value on the date of receipt. The related liability for future payments to be made to the specified beneficiaries is recorded at fair value using present value techniques and risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the liability. The excess of contributed assets over the annuity liability is recorded as a contribution with donor restrictions, as part of the James A. Duffecy Endowment. In subsequent years, the liability for future annuity payments is reduced by payments made to the specified beneficiaries and is adjusted to reflect changes in the fair value of the liability at the end of the year. Upon termination of the annuity contract, the remaining liability is removed and recognized as contributions with donor restrictions for the James A. Duffecy Endowment.

Use of Estimates

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

3. Cash and Cash Equivalents

At December 31, 2022 cash and cash equivalents consist of:

Petty Cash	\$ 650
Checking Accounts	473,537
Money Market Funds	<u>167,366</u>
Total Cash and Cash Equivalents	\$ <u>641,553</u>

**OPEN AIR CAMPAIGNERS, U.S., INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

4. Investments

At December 31, 2022 investment values consist of:

	<u>Cost</u>	<u>Market</u>
Treasury Obligations –		
Money Market Funds	\$ 10,727	\$ 10,727
Equities – Common Stocks	124,295	118,932
Mutual Funds	57,050	53,172
Exchange Traded Funds	123,197	119,761
Real Estate Investment Trusts	<u>10,705</u>	<u>10,106</u>
 Total Investments	 \$ <u>325,974</u>	 \$ <u>312,698</u>

5. Liquidity and Availability of Financial Assets

The below reflects Open Air Campaigners, U.S., Inc.’s financial assets as of the statement of financial position date, reduced by amounts that are not available for general use due to contractual or donor-imposed restrictions within one year of the statement of financial position date.

Financial assets, at year-end:	
Cash and cash equivalents	\$ 641,553
Investments	<u>312,698</u>
Total financial assets	\$ 954,251
Less those unavailable for general expenditures within one year, due to:	
Restricted by donor with time or purpose restrictions	<u>(416,650)</u>
Financial assets available to meet cash needs	
for general expenditures within one year	\$ <u>537,601</u>

As part of its liquidity management, OAC has a policy to structure its financial assets to be available as general expenditures, liabilities, and other obligations become due. OAC sets a goal of having financial assets on hand to meet 30 days of normal operating expenses, which are, on average, around \$ 120,000.

6. Inventory

Inventory consists of materials held for use by evangelists and others in the course of their ministries. They are valued at the lower of cost or market on an average cost basis.

**OPEN AIR CAMPAIGNERS, U.S., INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

7. Other Asset

In September, 2015 a donor contributed property to OAC, consisting of 18 acres of land and a home located in Mountain Grove, Missouri. The property is owned by OAC with the stipulation that the donor maintains the right of possession and occupancy of the property for the remainder of his natural life. The property is designated as net assets with donor restrictions until the right of possession and occupancy is fully relinquished to OAC.

The asset is recorded at fair value, which is determined based on realtor listings of similar properties in the same area.

8. Property and Equipment

Property and Equipment, at December 31, 2022 consists of:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Vehicles	\$ 293,757	\$ 240,527	\$ 53,230
Equipment	<u>14,908</u>	<u>12,261</u>	<u>2,647</u>
Total	\$ <u>308,665</u>	\$ <u>252,788</u>	\$ <u>55,877</u>

Depreciation expense for the year was \$ 18,423.

9. Leases

OAC has operating leases for office space and office equipment. Office space is leased under short-term leases. The office equipment is leased under a long-term lease with a remaining lease term of 3.58 years.

The components of lease expense for the year ended December 31, 2022 were as follows

Operating lease expense, included in office supplies	\$ 5,321
Short-term lease expense, included in occupancy costs	<u>9,657</u>
Total lease expense	\$ <u>14,978</u>

**OPEN AIR CAMPAIGNERS, U.S., INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

9. Leases, continued

Other information related to leases for the year ended December 31, 2022:

Cash paid for amounts included in the measurement of lease liabilities:

Operating cash flows from operating leases	\$ 5,321
Weighted average remaining lease term – operating leases	3.58 years
Weighted average discount rate – operating leases	4.50 %

Future minimum lease payments under non-cancellable operating leases with terms greater than one year are listed below as of December 31, 2022:

2023	\$ 5,321
2024	5,321
2025	5,321
2026	<u>3,105</u>
Total lease payments	19,068
Less imputed interest	<u>(1,488)</u>
Present value of lease liabilities	\$ <u>17,580</u>

10. James A. Duffecy Endowment

The James A. Duffecy Endowment (the Endowment) consists of contributions from donors to establish an endowment fund to provide financial resources for general operating expenses in future years. The goal of the Endowment is to accumulate the donations and investment return until the accumulated balance reaches \$1,000,000 before any of the investment earnings will be appropriated for expenditure.

OAC's Board of Directors has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, OAC retains in perpetuity (a) the original value of initial and subsequent gift amounts donated to the Endowment and (b) any accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added.

**OPEN AIR CAMPAIGNERS, U.S., INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

10. James A. Duffecy Endowment, continued

In accordance with SPMIFA, OAC considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) the purposes of the donor-restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the organization, and (7) the investment policies of the organization.

Investment Return and Spending Policies

OAC's Board of Directors has adopted investment and spending policies for the Endowment that attempt to provide a predictable stream of funding for operations while seeking to maintain the purchasing power of the Endowment assets. Over time, long-term rates of return should be equal to an amount sufficient to maintain the purchasing power of the Endowment assets, to provide the necessary capital to fund the spending policy, and to cover the costs of managing the Endowment investments. The target average rate of return is 7 percent annually. Actual returns in any given year may vary from this amount. To satisfy this long-term rate-of-return objective, the investment portfolio is structured on a total-return approach through which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). A significant portion of the funds are invested to seek growth of principal over time. The current spending rate is zero appropriation of earnings until the Endowment has accumulated assets of \$1,000,000.

Endowment net asset composition as of December 31, 2022 is as follows:

Donor-restricted endowment funds

Original donor-restricted gift amounts	\$ 270,318
required to be maintained in perpetuity	
Accumulated investment return	29,664
Change in value of split-interest agreements	<u>(8,332)</u>
 Total endowment funds	 \$ 291,650

Changes in Endowment net assets for the year ended December 31, 2022 are as follows:

Donor restricted endowment funds

Endowment net assets, beginning of year	\$ 265,594
Investment return, net	(50,341)
Contributions	73,620
Change in value of split-interest agreements	<u>2,777</u>
 Endowment net assets, end of year	 \$ <u>291,650</u>

OPEN AIR CAMPAIGNERS, U.S., INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

11. Net Assets with Donor Restrictions

Net assets with donor restrictions are subject to the following purpose or time restrictions:

Subject to time restrictions:

Property occupied by the donor for the remainder of his life \$ 125,000
Perpetual endowment, earnings from which are subject to

endowment spending policy and appropriation:

James A. Duffecy Endowment 291,650

Total net assets with donor restrictions \$ 416,650

12. Restatement of Net Assets

Net assets were restated to reclassify net assets with donor restrictions that were previously shown as net assets without donor restrictions. This reclassification was for contributions from prior years which were designated for the James A. Duffecy Endowment, along with accumulated investment return and changes in the value of split-interest agreements.

13. Transactions with Related Parties

Certain members of the board of directors are also officers and missionaries of OAC. As is generally the case with deputized support fund raising systems, missionaries raise funds for their own support and for a significant portion of the ministry expenses which they incur, so there is no conflict of interest in setting salaries. Expenses related to their ministries are reimbursed under an accountable reimbursable expense policy and are recorded in appropriate expense categories in the statement of functional expenses.

Members of the board of directors serve without pay for service on the board.

**OPEN AIR CAMPAIGNERS, U.S., INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022**

14. Concentrations

Deposits with Financial Institutions

OAC manages deposit concentration risk by placing cash and money market accounts with financial institutions believed by management of OAC to be creditworthy. Occasionally, the cash balances aggregate to amounts which may exceed the insured limits. Accordingly, those balances would have been at risk of loss in the event of nonperformance by the institutions. To date, OAC has not experienced losses in any of these accounts.

Sources of Funding

Contributions and grants are received from many individuals, foundations and church organizations throughout the world. During the year ended December 31, 2022, six contributors represented approximately 11.1% of total contributions.

15. Subsequent Events

Evaluation of Subsequent Events

Subsequent events have been evaluated through October 19, 2023. This is the date these financial statements were available to be issued.

16. Fair Value Measurements

Open Air Campaigners, U.S., Inc. adopted ASC 820 as discussed in Note 2. This standard defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements. ASC 820 establishes a valuation hierarchy for disclosure of the inputs to valuation used to measure fair value. This hierarchy prioritizes the inputs into three broad levels as follows. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument. Level 3 inputs are unobservable inputs based upon the organization's own assumptions used to measure assets and liabilities at fair value. A financial asset or liability's classification within the hierarchy is determined based on the lowest level of input that is significant to the fair value measurement.

OPEN AIR CAMPAIGNERS, U.S., INC.
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

16. Fair Value Measurements, continued

The following table presents information as of December 31, 2022, about the organization's financial assets and liabilities that are measured at fair value on a recurring basis, according to the valuation techniques used to determine their fair values.

	Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Other Unobservable Inputs (Level 3)	Total Fair Value
Assets:				
Investments:				
Money Market Funds	\$ 10,727	\$ 0	\$ 0	\$ 10,727
Equities:				
US Common Stocks	105,570	0	0	105,570
Foreign Common Stocks	13,362	0	0	13,362
Mutual Funds:				
Bonds	41,617	0	0	41,617
Equities	11,555	0	0	11,555
Exchange-Traded Funds:				
Bonds	61,938	0	0	61,938
Commodities	21,996	0	0	21,996
World Equities	10,032	0	0	10,032
US Equities	16,502	0	0	16,502
Other	9,293	0	0	9,293
Real Estate Investment Trusts	10,106	0	0	10,106
Other Asset	<u>0</u>	<u>125,000</u>	<u>0</u>	<u>125,000</u>
Total Assets at Fair Value	\$ <u>312,698</u>	\$ <u>125,000</u>	\$ <u>0</u>	\$ <u>437,698</u>
Liabilities:				
Split-Interest Agreements	\$ <u>0</u>	\$ <u>21,048</u>	\$ <u>0</u>	\$ <u>21,048</u>
Total Liabilities at Fair Value	\$ <u>0</u>	\$ <u>21,048</u>	\$ <u>0</u>	\$ <u>21,048</u>