TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT ................................................................. 1

FINANCIAL STATEMENTS

Statements of financial position ................................................................. 2
Statements of activities and changes in net assets ........................................ 3 and 4
Statements of functional expenses .......................................................... 5 and 6
Statements of cash flows ........................................................................ 7
Notes to financial statements .................................................................. 8-19
INDEPENDENT AUDITOR'S REPORT

To the Audit/Finance/Investment Committee
Society of Biblical Literature
Atlanta, Georgia

We have audited the accompanying financial statements of Society of Biblical Literature (a nonprofit organization), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Society of Biblical Literature as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Atlanta, Georgia
October 15, 2018
## SOCIETY OF BIBLICAL LITERATURE

### STATEMENTS OF FINANCIAL POSITION

#### JUNE 30, 2018 AND 2017

### ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
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<td>$1,762,171</td>
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<tr>
<td>Marketable securities</td>
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<td>Accounts receivable</td>
<td>$253,244</td>
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<td>Prepaid expenses and other assets</td>
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<td>Book inventories, net of valuation reserve</td>
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<td>Furniture and equipment, net of accumulated depreciation</td>
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<td>Net share of Luce Center assets</td>
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<td><strong>Total assets</strong></td>
<td><strong>$8,541,134</strong></td>
<td><strong>$7,166,851</strong></td>
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### LIABILITIES AND NET ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$359,601</td>
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<tr>
<td>Deferred revenue</td>
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<td><strong>Total deferred revenue</strong></td>
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<td><strong>Total liabilities</strong></td>
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<td>Temporarily restricted net assets</td>
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<td>$525,236</td>
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<td>Permanently restricted net assets</td>
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<td>$294,630</td>
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<tr>
<td><strong>Total net assets</strong></td>
<td><strong>6,150,439</strong></td>
<td><strong>5,341,133</strong></td>
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</table>

### Total Liabilities and Net Assets

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td><strong>$8,541,134</strong></td>
<td><strong>$7,166,851</strong></td>
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</tbody>
</table>

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See Notes to Financial Statements.
## SOCIETY OF BIBLICAL LITERATURE

### STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

**YEAR ENDED JUNE 30, 2018**

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
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<tbody>
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<td><strong>Revenues and gains</strong></td>
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<td>Congresses</td>
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<td>Development and fundraising</td>
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<td>17,184</td>
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<td>3,138,119</td>
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<tr>
<td><strong>Net assets at beginning of year</strong></td>
<td>4,521,267</td>
<td>525,236</td>
<td>294,630</td>
<td>5,341,133</td>
</tr>
<tr>
<td><strong>Net assets at end of year</strong></td>
<td>$ 5,237,196</td>
<td>$ 618,613</td>
<td>$ 294,630</td>
<td>$ 6,150,439</td>
</tr>
</tbody>
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*See Notes to Financial Statements.*
## SOCIETY OF BIBLICAL LITERATURE

### STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

**YEAR ENDED JUNE 30, 2017**

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues and gains</strong></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Congresses</td>
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<tr>
<td>Membership fees</td>
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<td>589,953</td>
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<tr>
<td>Marketing</td>
<td>43,894</td>
<td></td>
<td></td>
<td>43,894</td>
</tr>
<tr>
<td>Professions</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Employment center</td>
<td>78,334</td>
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<td>78,334</td>
</tr>
<tr>
<td>Grant revenue</td>
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<td></td>
<td></td>
<td>11,629</td>
</tr>
<tr>
<td>Fonts</td>
<td>500</td>
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<td></td>
<td>500</td>
</tr>
<tr>
<td>Press</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Book sales</td>
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<td></td>
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<td>497,454</td>
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<tr>
<td>Subscriptions</td>
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<tr>
<td>Royalties</td>
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<td>93,218</td>
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<td>Marketing</td>
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<td>Permissions</td>
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<td>20,703</td>
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<td>104,109</td>
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<td>Contract income</td>
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<td>50,000</td>
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<tr>
<td>Grant revenue</td>
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<td></td>
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<td>27,133</td>
</tr>
<tr>
<td>Fee income</td>
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<td>10,366</td>
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<tr>
<td>Development and fundraising</td>
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<td>40,280</td>
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<td>Investment income and change in market value, net</td>
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<td>106,005</td>
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<td>454,634</td>
</tr>
<tr>
<td>Rental income, net</td>
<td>20,263</td>
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<td>20,263</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>3,409</td>
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<td>-</td>
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<td><strong>Total revenues and gains</strong></td>
<td>3,646,749</td>
<td>103,946</td>
<td></td>
<td>3,750,695</td>
</tr>
</tbody>
</table>

| **Expenses**             |              |                        |                        |             |
| Congresses               | 1,087,905    |                        |                        | 1,087,905   |
| Membership               | 193,682      |                        |                        | 193,682     |
| Professions              | 274,651      |                        |                        | 274,651     |
| Press                    | 1,177,409    |                        |                        | 1,177,409   |
| Regions                  | 67,644       |                        |                        | 67,644      |
| Research and technology  | 67,472       |                        |                        | 67,472      |
| **Total program expenses** | 2,868,763  |                        |                        | 2,868,763   |
| Development and fundraising | 34,056   |                        |                        | 34,056      |
| General and administration | 176,637    |                        |                        | 176,637     |
| **Total expenses**       | 3,079,456    |                        |                        | 3,079,456   |

| Increase in net assets   | 567,293      | 103,946                |                        | 671,239     |
| **Net assets at beginning of year** | 3,953,974 | 421,290                | 294,630                | 4,669,894   |
| **Net assets at end of year** | $4,521,267 | $525,236               | $294,650                | $5,341,133  |

See Notes to Financial Statements.
<table>
<thead>
<tr>
<th>Congresses</th>
<th>Membership</th>
<th>Professions</th>
<th>Press</th>
<th>Regions</th>
<th>Research and Technology</th>
<th>Total Programs</th>
<th>Development and Fundraising</th>
<th>General and Admin.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and wages</td>
<td>$315,272</td>
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<td>$108,797</td>
<td>$440,979</td>
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<td>$7,629</td>
<td>$46,020</td>
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<td>3,121</td>
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## SOCIETY OF BIBLICAL LITERATURE
### STATEMENT OF FUNCTIONAL EXPENSES
#### YEAR ENDED JUNE 30, 2017

<table>
<thead>
<tr>
<th>Congresses</th>
<th>Membership</th>
<th>Professions</th>
<th>Press</th>
<th>Regions</th>
<th>Research and Technology</th>
<th>Total Programs</th>
<th>Development and Fundraising</th>
<th>General and Admin.</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and wages</td>
<td>$327,383</td>
<td>$106,943</td>
<td>$121,808</td>
<td>$417,100</td>
<td>$7,212</td>
<td>$35,271</td>
<td>$1,015,717</td>
<td>$9,822</td>
<td>$36,831</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>74,073</td>
<td>21,543</td>
<td>31,894</td>
<td>72,076</td>
<td>1,872</td>
<td>8,248</td>
<td>209,706</td>
<td>1,962</td>
<td>7,032</td>
</tr>
<tr>
<td>Payroll taxes</td>
<td>22,047</td>
<td>7,010</td>
<td>8,269</td>
<td>29,410</td>
<td>486</td>
<td>2,313</td>
<td>69,535</td>
<td>664</td>
<td>2,392</td>
</tr>
</tbody>
</table>

| Salaries and wages | $327,383 | $106,943 | $121,808 | $417,100 | $7,212 | $35,271 | $1,015,717 | $9,822 | $36,831 | $1,062,370 |
| Employee benefits | 74,073 | 21,543 | 31,894 | 72,076 | 1,872 | 8,248 | 209,706 | 1,962 | 7,032 | 218,700 |
| Payroll taxes | 22,047 | 7,010 | 8,269 | 29,410 | 486 | 2,313 | 69,535 | 664 | 2,392 | 72,591 |

423,503 | 135,496 | 161,971 | 518,586 | 9,570 | 45,832 | 1,294,958 | 12,448 | 46,255 | 1,353,661 |

| Advertising | 185 | 80 | 15 | 13,325 | 5 | 10 | 13,620 | 10 | 50 | 13,680 |
| Building depreciation | - | - | - | - | - | - | - | - | - | 66,424 |
| Communication | 62,446 | 10,238 | 15,325 | 27,913 | 591 | 4,148 | 120,661 | 1,910 | 11,773 | 134,344 |
| Cost of publications sold | - | - | - | 22,604 | - | - | 22,604 | - | - | 22,604 |
| Depreciation - furniture and equipment | 8,598 | 3,718 | 697 | 6,739 | 232 | 465 | 20,449 | 465 | 2,324 | 23,238 |
| Distribution costs | - | - | - | 69,934 | - | - | 69,934 | - | - | 69,934 |
| Donations and discounts | 4,192 | 1,866 | 1,246 | 26,746 | 7,613 | 227 | 41,890 | 677 | 1,638 | 44,205 |
| Equipment and supplies | 182,465 | 3,281 | 8,447 | 17,983 | 3,946 | 2,234 | 218,356 | 595 | 2,407 | 221,358 |
| Grants to individuals | - | - | 5,017 | - | - | - | - | - | - | 5,017 |
| Occupancy | 11,517 | 4,217 | 10,270 | 18,691 | 403 | 7,333 | 52,431 | 3,670 | 9,900 | 66,001 |
| Printing | 4,909 | - | 1,554 | 231,020 | - | - | 237,483 | 45 | - | 237,528 |
| Professional fees | 110,413 | 6,880 | 28,277 | 105,253 | 7,256 | 1,262 | 259,341 | 11,565 | 28,269 | 299,175 |
| Provision for inventory valuation | - | - | - | 19,754 | - | - | 19,754 | - | - | 19,754 |
| Royalties and author fees | - | - | 2,150 | 41,879 | - | - | 44,029 | - | - | 44,029 |
| Travel and hospitality | 232,095 | 10,644 | 36,582 | 40,532 | 7,256 | 5,151 | 361,802 | 2,134 | 5,406 | 369,342 |
| Other | 47,582 | 17,262 | 3,100 | 16,450 | 1,230 | 810 | 86,434 | 537 | 2,191 | 89,162 |

Total expenses | $1,087,905 | $193,682 | $274,651 | $1,177,409 | $67,644 | $67,472 | $2,868,763 | $34,056 | $176,637 | $3,079,456 |

See Notes to Financial Statements.
<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
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</thead>
<tbody>
<tr>
<td><strong>OPERATING ACTIVITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase in net assets</td>
<td>$ 809,306</td>
<td>$ 671,239</td>
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<tr>
<td>Adjustments to reconcile increase in net assets to net cash provided by operating activities:</td>
<td></td>
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<tr>
<td>Depreciation</td>
<td>83,521</td>
<td>89,661</td>
</tr>
<tr>
<td>Realized gains on marketable securities</td>
<td>(85,265)</td>
<td>(29,819)</td>
</tr>
<tr>
<td>Unrealized gains on marketable securities</td>
<td>(202,425)</td>
<td>(315,586)</td>
</tr>
<tr>
<td>Changes in operating assets and liabilities</td>
<td></td>
<td></td>
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<tr>
<td>Accounts receivable</td>
<td>(102,109)</td>
<td>8,299</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>(156,429)</td>
<td>(20,911)</td>
</tr>
<tr>
<td>Book inventories and books in production, net</td>
<td>2,790</td>
<td>457</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>126,248</td>
<td>18,089</td>
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<tr>
<td>Deferred revenue</td>
<td>438,729</td>
<td>151,732</td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>914,366</td>
<td>573,161</td>
</tr>
<tr>
<td><strong>INVESTING ACTIVITIES</strong></td>
<td></td>
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</tr>
<tr>
<td>Acquisition of furniture and equipment</td>
<td>(3,310)</td>
<td>(11,245)</td>
</tr>
<tr>
<td>Purchases of marketable securities</td>
<td>(1,426,861)</td>
<td>(1,052,420)</td>
</tr>
<tr>
<td>Proceeds from sales of marketable securities</td>
<td>964,838</td>
<td>657,406</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>(465,333)</td>
<td>(406,259)</td>
</tr>
<tr>
<td>Increase in cash and cash equivalents</td>
<td>449,033</td>
<td>166,902</td>
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<tr>
<td>Cash and cash equivalents at beginning of year</td>
<td>1,762,171</td>
<td>1,595,269</td>
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<tr>
<td>Cash and cash equivalents at end of year</td>
<td>$ 2,211,204</td>
<td>$ 1,762,171</td>
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</table>

See Notes to Financial Statements.
NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization:

The Society of Biblical Literature (the “Society” or “Organization”) is a not-for-profit organization established to foster biblical scholarship. Membership in the Society is composed of scholars, teachers, and non-specialists throughout the world, with numerous universities, libraries, and members subscribing to the journals and monographic series of the Society.

Significant Accounting Policies:

The significant accounting policies adopted by the Society are set forth below:

Basis for Presentation:

The Society has adopted FASB’s *Accounting for Contributions Received and Contributions Made*, and FASB’s *Financial Statements of Not-For-Profit Organizations*. Under these provisions, net assets and revenues, expenses, gains and losses are classified on the existence or absence of donor-imposed restrictions. The Society records contributions of cash and other assets as unrestricted income unless specifically restricted by the donor. Restricted contributions are recorded as restricted income. When the donor stipulation expires, the temporarily restricted net assets are reclassified to unrestricted net assets and are reported as net assets released from restrictions. Accordingly, net assets of the Society and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that will be met either by actions of the Society and/or the passage of time.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that are required to be maintained permanently by the Society. Generally, the donors of these assets permit the Society to use all or part of the income earned on related investments for general or specific purposes.

Basis of Accounting:

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

Functional Expenses:

The costs of providing the program services and management activities have been summarized on a functional basis. Expenses are charged directly to program, general and administrative, or development and fundraising based on specific identification, and certain indirect expenses have been allocated based on level of effort.

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and Expense Recognition:

Revenue is recognized when earned or received. Deferred revenue represents revenue received in advance for future events and future memberships and subscriptions.

Receivables represent amounts due for revenue earned prior to year-end. Gifts of cash or other assets are recorded as revenue when received or at the time an unconditional promise to give is made known to the Society.

Cash and Cash Equivalents:

The Society considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents consist of cash held in checking and money market accounts. Cash balances are maintained with financial institutions which are insured by the Federal Deposit Insurance Corporation. Balances exceed insured amounts from time to time. The Society believes it is not exposed to any significant credit risk on cash.

 Marketable Securities:

The Society carries its investments at fair market value in accordance with FASB’s Accounting for Certain Investments Held by Not-For-Profit Organizations. Realized and unrealized gains and losses, as well as interest and dividends, are recognized as income or loss in the accompanying statements of activities.

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

Building, Furniture and Equipment:

At June 30, 2018 and 2017, furniture and equipment is stated at cost, less accumulated depreciation of $139,645 and $126,365, respectively.

Depreciation is provided using the straight-line method over the estimated useful lives of the related assets, ranging from three to thirty-nine years.

Long-lived assets, held and used by the Society, are reviewed for impairment whenever changes in circumstances indicate the carrying value of an asset may not be recoverable. The Society’s policy is to capitalize its capital assets over $1,000. Depreciation expense on the Society’s furniture and equipment for the years ended June 30, 2018 and 2017 was $17,328 and $23,238, respectively. Depreciation expense on Luce Center building and equipment for the years ended June 30, 2018 and 2017 was $66,193 and $66,424, respectively.

Inventories:

At June 30, 2018 and 2017, book inventories are stated at cost using the first-in, first-out (“FIFO”) method, less a valuation reserve of $116,020 and $125,872, respectively. The valuation reserve reflects the estimated decline in value of certain books since their original publication.
NOTES TO FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(Continued)

Income Taxes:

The Society is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Unrelated business income, if any, may be subject to income tax. A provision of $2,194 has been included in these financial statements for taxes on unrelated business income for the year ended June 30, 2018. The Society did not owe any taxes on unrelated business income for the year ended June 30, 2017.

Generally accepted accounting principles require the recognition, measurement, classification, and disclosure in the financial statements of uncertain tax positions taken or expected to be taken in the Society’s tax returns. Management has determined that the Society does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. All tax exempt entities are subject to review and audit by federal, state and other applicable agencies. Such agencies may review the taxability of unrelated business income, or the qualification of the tax-exempt entity under the Internal Revenue Code and applicable state statutes.

NOTE 2. MARKETABLE SECURITIES

The aggregate cost and fair values, as well as unrealized appreciation, of marketable securities as of June 30, 2018 and 2017 were:

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Unrealized Appreciation</th>
<th>Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate stocks</td>
<td>$638,840</td>
<td>$31,439</td>
<td>$670,279</td>
</tr>
<tr>
<td>Mutual funds and ETFs</td>
<td>2,195,689</td>
<td>518,645</td>
<td>2,714,334</td>
</tr>
<tr>
<td>Private limited partnerships</td>
<td>410,372</td>
<td>-</td>
<td>410,372</td>
</tr>
<tr>
<td>Total</td>
<td>$3,244,901</td>
<td>$550,084</td>
<td>$3,794,985</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Equity securities - Luce Center endowment fund corpus and accumulated earnings</th>
<th>Cost</th>
<th>Unrealized Appreciation</th>
<th>Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>$453,777</td>
<td>$233,382</td>
<td>$687,159</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Unrealized Appreciation</th>
<th>Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate stocks</td>
<td>$429,600</td>
<td>$167,256</td>
<td>$596,856</td>
</tr>
<tr>
<td>Mutual funds and ETFs</td>
<td>2,021,484</td>
<td>227,932</td>
<td>2,249,416</td>
</tr>
<tr>
<td>Private limited partnerships</td>
<td>271,196</td>
<td>-</td>
<td>271,196</td>
</tr>
<tr>
<td>Total</td>
<td>$2,722,280</td>
<td>$395,188</td>
<td>$3,117,468</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Equity securities - Luce Center endowment fund corpus and accumulated earnings</th>
<th>Cost</th>
<th>Unrealized Appreciation</th>
<th>Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>$434,599</td>
<td>$179,763</td>
<td>$614,362</td>
<td></td>
</tr>
</tbody>
</table>
NOTE 2.  MARKETABLE SECURITIES (Continued)

Investment income consists of the following for the years ended June 30:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest and dividends</td>
<td>$154,476</td>
<td>$109,229</td>
</tr>
<tr>
<td>Realized gains/(losses)</td>
<td>85,265</td>
<td>29,819</td>
</tr>
<tr>
<td>Unrealized gains/(losses)</td>
<td>202,425</td>
<td>315,586</td>
</tr>
<tr>
<td></td>
<td><strong>$442,166</strong></td>
<td><strong>$454,634</strong></td>
</tr>
</tbody>
</table>

The following tables summarize the fair value measurements of certain investments that calculate net asset value per share (or its equivalent) as of June 30, 2018 and 2017:

<table>
<thead>
<tr>
<th>June 30, 2018</th>
<th>Fair Value</th>
<th>Unfunded Commitments</th>
<th>Redemption Frequency (If Currently Eligible)</th>
<th>Redemption Notice Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private credit fund (a)</td>
<td>$217,667</td>
<td>$-</td>
<td>Quarterly</td>
<td>-</td>
</tr>
<tr>
<td>Private real estate fund (b)</td>
<td>192,705</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td><strong>$410,372</strong></td>
<td><strong>$-</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>June 30, 2017</th>
<th>Fair Value</th>
<th>Unfunded Commitments</th>
<th>Redemption Frequency (If Currently Eligible)</th>
<th>Redemption Notice Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private credit fund (a)</td>
<td>$203,420</td>
<td>$-</td>
<td>Quarterly</td>
<td>-</td>
</tr>
<tr>
<td>Private real estate fund (b)</td>
<td>67,776</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td><strong>$271,196</strong></td>
<td><strong>$-</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(a)  This fund invests in private credit and specialty finance assets with shorter duration and contractual cash flows. The fair values of the investments in this category have been estimated using the net asset value per share of the investments.

(b)  This fund focuses on originating and purchasing real estate backed debt instruments. The fair value of the investment in this category is based on the net asset value of the Organization's ownership interest in partners' capital.
NOTE 3. FAIR VALUE MEASUREMENTS

FASB’s *Fair Value Measurements and Disclosures* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under this guidance are described as follows:

**Level 1** – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

**Level 2** – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially all of the full term of the asset or liability.

**Level 3** – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2018 and 2017.

*Mutual funds, corporate stocks, and ETFs:* Valued at the closing price reported on the active market on which the individual securities are traded.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization 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 fair value measurement at the reporting date.
NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy, the Organization’s investments measured at fair value on a recurring basis as of June 30, 2018:

<table>
<thead>
<tr>
<th></th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Corporate Stocks</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Common stocks</td>
<td>$670,279</td>
<td></td>
<td></td>
<td>$670,279</td>
</tr>
<tr>
<td><strong>Mutual Funds and ETFs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mid-cap blend</td>
<td>247,687</td>
<td></td>
<td></td>
<td>247,687</td>
</tr>
<tr>
<td>Small blend</td>
<td>27,602</td>
<td></td>
<td></td>
<td>27,602</td>
</tr>
<tr>
<td>Bond fund</td>
<td>445,011</td>
<td></td>
<td></td>
<td>445,011</td>
</tr>
<tr>
<td>Large growth</td>
<td>1,064,939</td>
<td></td>
<td></td>
<td>1,064,939</td>
</tr>
<tr>
<td>Mid-cap growth</td>
<td>27,162</td>
<td></td>
<td></td>
<td>27,162</td>
</tr>
<tr>
<td>Small growth</td>
<td>233,975</td>
<td></td>
<td></td>
<td>233,975</td>
</tr>
<tr>
<td>Large value</td>
<td>280,200</td>
<td></td>
<td></td>
<td>280,200</td>
</tr>
<tr>
<td>Commodities</td>
<td>54,980</td>
<td></td>
<td></td>
<td>54,980</td>
</tr>
<tr>
<td>International</td>
<td>95,600</td>
<td></td>
<td></td>
<td>95,600</td>
</tr>
<tr>
<td>World large stocks</td>
<td>156,978</td>
<td></td>
<td></td>
<td>156,978</td>
</tr>
<tr>
<td>Technology</td>
<td>26,671</td>
<td></td>
<td></td>
<td>26,671</td>
</tr>
<tr>
<td>Communications</td>
<td>25,420</td>
<td></td>
<td></td>
<td>25,420</td>
</tr>
<tr>
<td>Real estate</td>
<td>28,109</td>
<td></td>
<td></td>
<td>28,109</td>
</tr>
<tr>
<td><strong>Total Mutual Funds and ETFs</strong></td>
<td>2,714,334</td>
<td></td>
<td></td>
<td>2,714,334</td>
</tr>
<tr>
<td><strong>Other investments measured at net asset value</strong></td>
<td></td>
<td></td>
<td></td>
<td>410,372</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,384,613</td>
<td></td>
<td></td>
<td>3,794,985</td>
</tr>
<tr>
<td><strong>Equity Securities - Luce Center</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Luce Center endowment fund corpus</td>
<td>250,000</td>
<td></td>
<td></td>
<td>250,000</td>
</tr>
<tr>
<td>Luce Center endowment fund accumulated earnings</td>
<td>437,159</td>
<td></td>
<td></td>
<td>437,159</td>
</tr>
<tr>
<td><strong>Total Equity Securities - Luce Center</strong></td>
<td>687,159</td>
<td></td>
<td></td>
<td>687,159</td>
</tr>
<tr>
<td><strong>Total Investments at Fair Value</strong></td>
<td>$4,071,772</td>
<td></td>
<td></td>
<td>$4,482,144</td>
</tr>
</tbody>
</table>
NOTE 3.  FAIR VALUE MEASUREMENTS (Continued)

The following table sets forth by level, within the fair value hierarchy, the Organization’s investments measured at fair value on a recurring basis as of June 30, 2017:

<table>
<thead>
<tr>
<th></th>
<th>Level 1</th>
<th></th>
<th>Level 2</th>
<th></th>
<th>Level 3</th>
<th></th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Corporate Stocks</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Common stocks</td>
<td>$596,856</td>
<td></td>
<td>$</td>
<td></td>
<td>$</td>
<td></td>
<td>$596,856</td>
</tr>
<tr>
<td><strong>Mutual Funds and ETFs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Large blend</td>
<td>57,429</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>57,429</td>
</tr>
<tr>
<td>Moderate allocation</td>
<td>507,607</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>507,607</td>
</tr>
<tr>
<td>Mid-cap blend</td>
<td>316,087</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>316,087</td>
</tr>
<tr>
<td>Small blend</td>
<td>47,068</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>47,068</td>
</tr>
<tr>
<td>Bond fund</td>
<td>407,460</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>407,460</td>
</tr>
<tr>
<td>Large growth</td>
<td>484,550</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>484,550</td>
</tr>
<tr>
<td>Small growth</td>
<td>24,690</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>24,690</td>
</tr>
<tr>
<td>Large value</td>
<td>183,307</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>183,307</td>
</tr>
<tr>
<td>Mid-cap value</td>
<td>23,249</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>23,249</td>
</tr>
<tr>
<td>Small value</td>
<td>23,032</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>23,032</td>
</tr>
<tr>
<td>Commodities</td>
<td>22,252</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>22,252</td>
</tr>
<tr>
<td>International</td>
<td>152,685</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>152,685</td>
</tr>
<tr>
<td>Total Mutual Funds and ETFs</td>
<td>2,249,416</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2,249,416</td>
</tr>
<tr>
<td><strong>Other investments measured at net asset value</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>2,846,272</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,117,468</td>
</tr>
<tr>
<td><strong>Equity Securities - Luce Center</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Luce Center endowment fund corpus</td>
<td>250,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>250,000</td>
</tr>
<tr>
<td>Luce Center endowment fund accumulated earnings</td>
<td>364,362</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>364,362</td>
</tr>
<tr>
<td>Total Equity Securities - Luce Center</td>
<td>614,362</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>614,362</td>
</tr>
<tr>
<td><strong>Total Investments at Fair Value</strong></td>
<td>$3,460,634</td>
<td></td>
<td>$</td>
<td></td>
<td>$</td>
<td></td>
<td>$3,731,830</td>
</tr>
</tbody>
</table>

In accordance with Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in the tables above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of financial position.
NOTE 4.  

**LUCE CENTER ASSETS**

As of June 30, 2001, the Society and the American Academy of Religion (the “Academy”), a related party organization, entered into a joint tenancy in common agreement, which establishes the ownership interests of certain assets and liabilities of the Luce Center. The agreement stipulated that the net book value of the Luce Center building and the Luce Center building endowment fund, including accumulated earnings, be shared equally between the two owners. All net revenues or expenses are also to be shared equally by the two owners. The building is subject to a ground lease with Emory University. This ground lease has a thirty-year term, expiring in March 2027, and there are two ten-year extension options available.

The Society’s net share of the Luce Center assets are as follows at June 30:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luce Center building</td>
<td>$2,249,830</td>
<td>$2,249,830</td>
</tr>
<tr>
<td>Luce Center furniture</td>
<td>35,452</td>
<td>35,452</td>
</tr>
<tr>
<td></td>
<td>2,285,282</td>
<td>2,285,282</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(1,028,080)</td>
<td>(961,888)</td>
</tr>
<tr>
<td></td>
<td>1,257,202</td>
<td>1,323,394</td>
</tr>
<tr>
<td>Luce Center endowment fund investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corpus - permanently restricted</td>
<td>250,000</td>
<td>250,000</td>
</tr>
<tr>
<td>Accumulated earnings - temporarily restricted</td>
<td>437,159</td>
<td>364,362</td>
</tr>
<tr>
<td></td>
<td>687,159</td>
<td>614,362</td>
</tr>
<tr>
<td>Total Net Share of Luce Center</td>
<td>$1,994,361</td>
<td>$1,937,756</td>
</tr>
</tbody>
</table>

NOTE 5.  

**ENDOWMENT**

**Interpretation of Relevant Law**

With regard to endowments, the Society has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of the interpretation, the Society classifies permanently restricted net assets as: (a) the original value of gifts donated to the permanent endowment, (b) subsequent gifts to the endowment, and (c) accumulations (appreciation and depreciation in value) to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The accumulations are added to the original gift due to the court-ordered unitrust described below. In accordance with UPMIFA, the Society 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 Society and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation or deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Society
7. The investment policies of the Society
NOTE 5. ENDOWMENT (Continued)

Funds with Deficiencies

From time to time, the fair value of the assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Society to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in unrestricted net assets. At June 30, 2018 and 2017, the Society did not have any such deficiencies in the endowment.

Return Objectives and Risk Parameters

The Society has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Society must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the Society, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Society relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Society targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy

The Luce Center Endowment allows for spending of the accumulated earnings for repairs and maintenance to the Luce Center and the Scholarship and Awards Endowment allows for spending of the accumulated earnings on awards to scholars. During the fiscal year ended June 30, 2016, the Society received a $50,000 temporarily restricted term endowment, the Philip G. and Lois F. Roets Endowment. The Roets Endowment allows for spending of principal and income for new content for the Bible Odyssey website.
NOTE 5. ENDOWMENT (Continued)

The Endowment Net Asset Composition by type of Fund at June 30, 2018 is:

<table>
<thead>
<tr>
<th>Endowment Net Asset Composition by Type of Fund as of June 30, 2018</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donor-restricted endowment funds</td>
<td>$ -</td>
<td>$ 526,062</td>
<td>$ 294,630</td>
<td>$ 820,692</td>
</tr>
</tbody>
</table>

The Changes in Endowment Net Assets for the year ended June 30, 2018 are:

<table>
<thead>
<tr>
<th>Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2018</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endowment net assets, beginning of year</td>
<td>$ -</td>
<td>$ 442,188</td>
<td>$ 294,630</td>
<td>$ 736,818</td>
</tr>
<tr>
<td>Net appreciation</td>
<td>-</td>
<td>62,775</td>
<td>-</td>
<td>62,775</td>
</tr>
<tr>
<td>Investment income</td>
<td>-</td>
<td>22,562</td>
<td>-</td>
<td>22,562</td>
</tr>
<tr>
<td>Contributions</td>
<td>-</td>
<td>450</td>
<td>-</td>
<td>450</td>
</tr>
<tr>
<td>Appropriation of endowment assets for expenditure</td>
<td>-</td>
<td>(1,913)</td>
<td>-</td>
<td>(1,913)</td>
</tr>
<tr>
<td>Endowment net assets, end of year</td>
<td>$ -</td>
<td>$ 526,062</td>
<td>$ 294,630</td>
<td>$ 820,692</td>
</tr>
</tbody>
</table>

Description of Amounts Classified as Permanently Restricted Net Assets and Temporarily Restricted Net Assets (Endowment Only)

Permanently Restricted Net Assets
The portion of perpetual endowment funds that is required to be retained permanently either by explicit donor stipulations or by UPMIFA: $ 294,630

Temporarily Restricted Net Assets
The portion of perpetual endowment funds subject to a time restriction under UPMIFA:

Without purpose restrictions $ -

With purpose restrictions 526,062

Total endowment funds classified as temporarily restricted net assets $ 526,062
NOTE 5. ENDOWMENT (Continued)

The Endowment Net Asset Composition by type of Fund at June 30, 2017 is:

<table>
<thead>
<tr>
<th>Endowment Net Asset Composition by Type of Fund as of June 30, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Donor-restricted endowment funds</td>
</tr>
</tbody>
</table>

The Changes in Endowment Net Assets for the year ended June 30, 2017 are:

<table>
<thead>
<tr>
<th>Changes in Endowment Net Assets for the Fiscal Year Ended June 30, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Endowment net assets, beginning of year</td>
</tr>
<tr>
<td>Net appreciation</td>
</tr>
<tr>
<td>Investment income</td>
</tr>
<tr>
<td>Contributions</td>
</tr>
<tr>
<td>Appropriation of endowment assets for expenditure</td>
</tr>
<tr>
<td>Endowment net assets, end of year</td>
</tr>
</tbody>
</table>

Description of Amounts Classified as Permanently Restricted Net Assets and Temporarily Restricted Net Assets (Endowment Only)

Permanently Restricted Net Assets
The portion of perpetual endowment funds that is required to be retained permanently either by explicit donor stipulations or by UPMIFA

$294,630

Total endowment funds classified as permanently restricted net assets

$294,630

Temporarily Restricted Net Assets
The portion of perpetual endowment funds subject to a time restriction under UPMIFA:

- Without purpose restrictions
  - $ -
- With purpose restrictions
  - 442,188

Total endowment funds classified as temporarily restricted net assets

$442,188
NOTE 6. EMPLOYEE BENEFIT PLAN

Introductory full-time, regular full-time, and regular part-time employees of the Society are eligible to participate in a tax-deferred annuity plan. Under the plan, the Society made contributions equal to 10% of annual salary to the Teacher’s Insurance and Annuity Association and/or College Retirement Equities Fund (“TIAA-CREF”) defined contribution plan. Employee contributions are voluntary. Total retirement expense for the years ended June 30, 2018 and 2017 was $103,188 and $100,541, respectively.

NOTE 7. TEMPORARILY RESTRICTED NET ASSETS

At June 30, 2018 and 2017, temporarily restricted net assets were available for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luce Center Maintenance Fund</td>
<td>$437,159</td>
<td>$364,362</td>
</tr>
<tr>
<td>Scholarships and Awards</td>
<td>$118,918</td>
<td>$102,396</td>
</tr>
<tr>
<td>Bible Odyssey</td>
<td>$62,536</td>
<td>$58,478</td>
</tr>
<tr>
<td></td>
<td><strong>$618,613</strong></td>
<td><strong>$525,236</strong></td>
</tr>
</tbody>
</table>

During 2018, $2,000 was released from restrictions for scholarships and awards and $1,580 was released for investment expenses. During 2017, $2,000 was released for scholarships and awards and $1,409 was released for investment expenses. Temporarily restricted net assets are included in cash and cash equivalents and marketable securities on the statements of financial position.

NOTE 8. PERMANENTLY RESTRICTED NET ASSETS

At June 30, 2018 and 2017, permanently restricted net assets were available for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luce Center Endowment Principal</td>
<td>$250,000</td>
<td>$250,000</td>
</tr>
<tr>
<td>Scholarships and Awards</td>
<td>$44,630</td>
<td>$44,630</td>
</tr>
<tr>
<td></td>
<td><strong>$294,630</strong></td>
<td><strong>$294,630</strong></td>
</tr>
</tbody>
</table>

Permanently restricted net assets are included in cash and cash equivalents and marketable securities on the statements of financial position.

NOTE 9. SUBSEQUENT EVENTS

The Society has evaluated subsequent events through October 15, 2018, the date on which the financial statements were available to be issued.