



# **Corus International, Inc. and Affiliates**

**Consolidated Financial Statements**  
Years Ended September 30, 2023 and 2022

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



# **Corus International, Inc. and Affiliates**

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Consolidated Financial Statements  
Years Ended September 30, 2023 and 2022

# Corus International, Inc. and Affiliates

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Tel: 703-893-0600  
Fax: 703-893-2766  
www.bdo.com

8401 Greensboro Drive, Suite 800  
McLean, VA 22102

## Independent Auditor's Report

To Board of Directors  
**Corus International, Inc. and Affiliates**  
Baltimore, Maryland

### *Opinion*

We have audited the consolidated financial statements of **Corus International, Inc. and Affiliates** (Corus), which comprise the consolidated statements of financial position as of September 30, 2023 and 2022, 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 accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of **Corus International, Inc. and Affiliates** as of September 30, 2023 and 2022, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### *Basis for Opinion*

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

### *Responsibilities of Management for the Consolidated Financial Statements*

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

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



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

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Corus' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Corus' ability to continue as a going concern for a reasonable period of time.

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

*BDO USA, P.C.*

June 21, 2024

## **Consolidated Financial Statements**

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# Corus International, Inc. and Affiliates

## Consolidated Statements of Financial Position

<i>September 30,</i>	2023	2022
<b>Assets</b>		
Cash and cash equivalents	\$ 20,131,558	\$ 7,296,057
Investments	18,573,032	15,372,001
Grants and contributions receivable	3,413,651	11,276,381
Inventory of materials for distribution	15,672,260	13,267,799
Advances to subrecipients	408,207	868,700
Cash surrender value of life insurance contracts	364,869	353,122
Other investments	4,648,372	4,130,579
Charitable trusts	889,401	828,806
Other receivables and prepaid expenses	8,593,149	6,914,902
Property and equipment, net	1,141,831	1,096,380
Operating lease right-of-use assets	5,483,691	7,232,065
Other assets	1,242,044	1,219,916
<b>Total assets</b>	<b>\$ 80,562,065</b>	<b>\$ 69,856,708</b>
<b>Liabilities and net assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses	\$ 12,618,695	\$ 14,576,319
Amounts due to subrecipients	5,170,107	3,399,983
Refundable advances for program purposes	17,821,896	4,953,733
Monetization payable	123	-
Operating lease liabilities	5,589,146	7,308,955
Debt	1,190,642	1,765,164
<b>Total liabilities</b>	<b>42,390,609</b>	<b>32,004,154</b>
<b>Commitments and contingencies</b>		
<b>Net assets</b>		
Without donor restrictions		
General	22,822,691	21,361,556
With donor restrictions		
Time restricted	1,375,120	1,312,015
Purpose restricted	13,973,645	15,178,983
<b>Total with donor restrictions</b>	<b>15,348,765</b>	<b>16,490,998</b>
<b>Total net assets</b>	<b>38,171,456</b>	<b>37,852,554</b>
<b>Total liabilities and net assets</b>	<b>\$ 80,562,065</b>	<b>\$ 69,856,708</b>

*See accompanying notes to consolidated financial statements.*

# Corus International, Inc. and Affiliates

## Consolidated Statements of Activities

<i>Year ended September 30, 2023</i>	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and Revenue:</b>			
<b>Support:</b>			
Church body support:			
Evangelical Lutheran Church in America	\$ -	\$ 1,587,094	\$ 1,587,094
Individuals and congregations:			
Contributions	26,950,141	4,610,823	31,560,964
Bequests	3,972,669	-	3,972,669
	30,922,810	4,610,823	35,533,633
Institutional donors:			
U.S. Government grants	73,253,446	-	73,253,446
Corporate and other grants	22,497,237	5,883,850	28,381,087
Program service revenue	48,819	-	48,819
	95,799,502	5,883,850	101,683,352
<b>Total support</b>	<b>126,722,312</b>	<b>12,081,767</b>	<b>138,804,079</b>
<b>Revenue:</b>			
Donated goods and services:			
Donated material resources	19,474,043	-	19,474,043
Contributed services	513,167	19,892	533,059
	19,987,210	19,892	20,007,102
Net assets released from restrictions:			
Satisfaction of program and time restrictions	13,244,288	(13,244,288)	-
<b>Total support and revenue</b>	<b>159,953,810</b>	<b>(1,142,629)</b>	<b>158,811,181</b>
<b>Expenses:</b>			
Program services	138,854,643	-	138,854,643
Supporting services:			
Management and general	10,592,436	-	10,592,436
Fundraising	9,966,366	-	9,966,366
<b>Total supporting services</b>	<b>20,558,802</b>	<b>-</b>	<b>20,558,802</b>
<b>Total expenses</b>	<b>159,413,445</b>	<b>-</b>	<b>159,413,445</b>
<b>Changes in net assets before investment gain</b>	<b>540,365</b>	<b>(1,142,629)</b>	<b>(602,264)</b>
Investment gain, net	920,770	396	921,166
<b>Total change in net assets</b>	<b>1,461,135</b>	<b>(1,142,233)</b>	<b>318,902</b>
<b>Net assets, beginning of year</b>	<b>21,361,556</b>	<b>16,490,998</b>	<b>37,852,554</b>
<b>Net assets, end of year</b>	<b>\$ 22,822,691</b>	<b>\$ 15,348,765</b>	<b>\$ 38,171,456</b>

*See accompanying notes to consolidated financial statements.*



# Corus International, Inc. and Affiliates

## Consolidated Statements of Activities

<i>Year ended September 30, 2022</i>	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support and Revenue:</b>			
<b>Support:</b>			
Church body support:			
Evangelical Lutheran Church in America	\$ 1,016,957	\$ 448,043	\$ 1,465,000
Individuals and congregations:			
Contributions	27,683,685	8,100,018	35,783,703
Bequests	7,921,354	-	7,921,354
	35,605,039	8,100,018	43,705,057
Institutional donors:			
U.S. Government grants	46,322,151	-	46,322,151
Corporate and other grants	27,743,314	3,011,399	30,754,713
Program service revenue	436,088	-	436,088
	74,501,553	3,011,399	77,512,952
<b>Total support</b>	<b>111,123,549</b>	<b>11,559,460</b>	<b>122,683,009</b>
<b>Revenue:</b>			
Donated goods and services:			
Donated material resources	13,536,510	-	13,536,510
Contributed services	24,922	-	24,922
	13,561,432	-	13,561,432
Net assets released from restrictions:			
Satisfaction of program and time restrictions	5,783,837	(5,783,837)	-
<b>Total support and revenue</b>	<b>130,468,818</b>	<b>5,775,623</b>	<b>136,244,441</b>
<b>Expenses:</b>			
Program services	103,541,024	-	103,541,024
Supporting services:			
Management and general	17,693,639	-	17,693,639
Fundraising	9,990,088	-	9,990,088
<b>Total supporting services</b>	<b>27,683,727</b>	<b>-</b>	<b>27,683,727</b>
<b>Total expenses</b>	<b>131,224,751</b>	<b>-</b>	<b>131,224,751</b>
<b>Changes in net assets before investment (loss) gain</b>	<b>(755,933)</b>	<b>5,775,623</b>	<b>5,019,690</b>
<b>Investment (loss) gain, net</b>	<b>(1,135,114)</b>	<b>1,141</b>	<b>(1,133,973)</b>
<b>Total change in net assets</b>	<b>(1,891,047)</b>	<b>5,776,764</b>	<b>3,885,717</b>
<b>Net assets, beginning of year</b>	<b>23,252,603</b>	<b>10,714,234</b>	<b>33,966,837</b>
<b>Net assets, end of year</b>	<b>\$ 21,361,556</b>	<b>\$ 16,490,998</b>	<b>\$ 37,852,554</b>

*See accompanying notes to consolidated financial statements.*

# Corus International, Inc. and Affiliates

## Consolidated Statement of Functional Expenses

Year Ended September 30, 2023	Program Services						Supporting Services				Total Expenses
	Health	Emergencies and Material Resources	Agriculture	Climate Change	Impact Investing	Livelihood	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Salaries	\$ 17,048,553	\$ 437,125	\$ 2,811,349	\$ 735,271	\$ 123,767	\$ 858,183	\$ 22,014,248	\$ 3,891,616	\$ 2,440,669	\$ 6,332,285	\$ 28,346,533
Employee benefits and payroll taxes	9,053,210	139,541	1,018,376	249,947	21,402	391,881	10,874,357	1,719,848	823,516	2,543,364	13,417,721
<b>Total salaries and related expenses</b>	<b>26,101,763</b>	<b>576,666</b>	<b>3,829,725</b>	<b>985,218</b>	<b>145,169</b>	<b>1,250,064</b>	<b>32,888,605</b>	<b>5,611,464</b>	<b>3,264,185</b>	<b>8,875,649</b>	<b>41,764,254</b>
Program expenses:											
Subaward	31,731,924	4,534,635	1,717,745	105,410	28,475	1,677,006	39,795,195	-	-	-	39,795,195
Project expenses and materials	21,752,023	669,488	179,152	161,385	794	295,589	23,058,431	891,835	7,591	899,426	23,957,857
Material resources:											
Donated materials (blankets and quilts, medical, etc.)	1,535,571	17,514,326	-	-	-	-	19,049,897	-	-	-	19,049,897
Purchased materials and cash-related costs	804,856	182,935	4,768	1,233	-	7,623	1,001,415	53	-	53	1,001,468
Retained services	4,274,571	686,195	986,071	55,706	384,951	429,448	6,816,942	1,019,369	1,680,119	2,699,488	9,516,430
Travel and meetings	3,869,335	218,259	530,223	13,737	79,559	94,986	4,806,099	358,675	228,365	587,040	5,393,139
Occupancy costs, HQ and overseas	2,006,534	30,455	77,704	29,595	2,781	82,852	2,229,921	1,297,141	1,955	1,299,096	3,529,017
Printing, publications and film	389,109	1,260	5,024	893	-	108,959	505,245	26,377	2,863,482	2,889,859	3,395,104
Training and conferences	2,835,969	21,916	172,653	81,499	104	111,675	3,223,816	33,450	29,799	63,249	3,287,065
Cost of equipment, supplies and maintenance	1,753,368	86,771	202,111	37,771	19,316	38,753	2,138,090	497,692	191,003	688,695	2,826,785
Communications and postage	693,911	7,109	46,406	9,433	216	41,085	798,160	87,524	1,133,357	1,220,881	2,019,041
Bank and merchant fees	475,618	1,755	16,753	239	881	5,326	500,572	87,292	474,379	561,671	1,062,243
Insurance	162,256	1,067	5,007	6,001	86	6,055	180,472	415,042	-	415,042	595,514
Depreciation	21,320	14	58,542	7	-	16	79,899	162,639	98	162,737	242,636
Membership fees	126,178	256	11,368	-	1,017	1,975	140,794	60,469	40,469	100,938	241,732
Miscellaneous	-	49,726	1,503,310	75,034	-	13,020	1,641,090	43,414	51,564	94,978	1,736,068
<b>Total expenses</b>	<b>\$ 98,534,306</b>	<b>\$ 24,582,833</b>	<b>\$ 9,346,562</b>	<b>\$ 1,563,161</b>	<b>\$ 663,349</b>	<b>\$ 4,164,432</b>	<b>\$ 138,854,643</b>	<b>\$ 10,592,436</b>	<b>\$ 9,966,366</b>	<b>\$ 20,558,802</b>	<b>\$ 159,413,445</b>

*See accompanying notes to consolidated financial statements.*

# Corus International, Inc. and Affiliates

## Consolidated Statement of Functional Expenses

Year Ended September 30, 2022	Program Services							Supporting Services				
	Health	Emergencies and Material Resources	Agriculture	Climate Change	Impact Investing	Livelihood	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total Expenses	
Salaries	\$ 13,330,275	\$ 484,157	\$ 2,715,831	\$ 630,835	\$ 33,578	\$ 601,225	\$ 17,795,901	\$ 9,158,230	\$ 2,556,614	\$ 11,714,844	\$ 29,510,745	
Employee benefits and payroll taxes	7,504,761	194,526	1,040,402	194,285	5,386	261,338	9,200,698	2,928,286	775,430	3,703,716	12,904,414	
<b>Total salaries and related expenses</b>	<b>20,835,036</b>	<b>678,683</b>	<b>3,756,233</b>	<b>825,120</b>	<b>38,964</b>	<b>862,563</b>	<b>26,996,599</b>	<b>12,086,516</b>	<b>3,332,044</b>	<b>15,418,560</b>	<b>42,415,159</b>	
Program expenses:												
Subaward	15,320,271	6,177,085	1,434,793	-	-	1,205,889	24,138,038	375,519	-	375,519	24,513,557	
Project expenses and materials	17,492,158	599,043	57,611	198	-	115,546	18,264,556	2,361	-	2,361	18,266,917	
Material resources:												
Donated materials (blankets and quilts, medical, etc.)	887,546	10,271,022	-	-	-	-	11,158,568	-	-	-	11,158,568	
Purchased materials and cash-related costs	1,870,813	1,431,416	11,162	-	-	-	3,313,391	1,013	1,274	2,287	3,315,678	
Retained services	2,593,020	457,853	1,178,982	52,726	128	553,386	4,836,095	1,511,537	1,473,410	2,984,947	7,821,042	
Travel and meetings	3,143,272	60,816	398,575	9,755	6,560	50,372	3,669,350	575,885	240,965	816,850	4,486,200	
Occupancy costs, HQ and overseas	1,733,848	44,570	123,967	26,644	2,005	64,091	1,995,125	1,142,182	11,107	1,153,289	3,148,414	
Printing, publications and film	324,111	4,760	12,958	2,269	-	3,362	347,460	146,966	2,806,538	2,953,504	3,300,964	
Training and conferences	2,043,220	30,495	642,869	27,954	169	58,548	2,803,255	58,811	10,269	69,080	2,872,335	
Cost of equipment, supplies and maintenance	1,186,904	63,681	206,344	66,416	3,905	132,807	1,660,057	575,673	154,290	729,963	2,390,020	
Communications and postage	657,687	13,227	113,857	7,526	127	24,590	817,014	118,498	1,256,561	1,375,059	2,192,073	
Bank and merchant fees	480,939	3,599	9,383	74	171	5,610	499,776	144,682	614,500	759,182	1,258,958	
Insurance	95,544	22,745	8,347	4,899	-	6,964	138,499	343,678	-	343,678	482,177	
Program materials and other supplies	405,651	4,435	24,858	3,458	508	5,791	444,701	41,488	7,675	49,163	493,864	
Depreciation	287,503	220	2,319	92	-	294	290,428	125,314	1,063	126,377	416,805	
Membership fees	75,351	145	14,316	1,641	-	299	91,752	62,936	39,765	102,701	194,453	
Miscellaneous	1,144,014	-	55,176	9,354	5,480	-	1,214,024	376,305	40,627	416,932	1,630,956	
<b>Total expenses</b>	<b>\$ 70,576,888</b>	<b>\$ 19,863,795</b>	<b>\$ 8,051,750</b>	<b>\$ 1,038,126</b>	<b>\$ 58,017</b>	<b>\$ 3,090,112</b>	<b>\$ 102,678,688</b>	<b>\$ 17,689,364</b>	<b>\$ 9,990,088</b>	<b>\$ 27,679,452</b>	<b>\$ 130,358,140</b>	

*See accompanying notes to consolidated financial statements.*

# Corus International, Inc. and Affiliates

## Consolidated Statements of Cash Flows

<i>Years ended September 30,</i>	<b>2023</b>	<b>2022</b>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ 318,902	\$ 3,885,717
<b>Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:</b>		
Material aid in-kind shipped	15,698,083	10,376,571
Noncash lease expense	2,803,499	2,406,027
Loss in equity in investment in Lutheran Center Corporation and other investments	230,523	152,953
Depreciation	242,636	416,805
Amortization of bond premium and deferred loan costs	2,046	2,045
Gain on disposition of property and equipment	-	(21,225)
Realized/unrealized (gains) losses on investments	(148,604)	1,471,095
Contributions restricted for long-term investment	-	(24,922)
Support in-kind	(20,007,102)	(13,561,432)
<b>Changes in assets and liabilities:</b>		
(Increase) decrease in:		
Grants and contributions receivable	7,862,730	(1,345,237)
Inventory of materials for distribution	1,904,558	(194,450)
Advances to subrecipients	460,493	590,305
Other receivables and prepaid expenses, cash surrender value of life insurance contracts and charitable trusts	(1,891,596)	(988,976)
Other assets	(22,128)	(254,309)
Increase (decrease) in:		
Accounts payable and accrued expenses	(1,957,501)	1,464,503
Amounts due to subrecipients	1,770,124	24,077
Refundable advances for program purposes	12,868,163	(1,745,711)
Principal reduction in operating lease liabilities	(2,774,934)	(2,329,137)
Deferred rent and lease incentive	-	(625,837)
<b>Net cash provided by (used in) operating activities</b>	<b>17,359,892</b>	<b>(301,138)</b>
<b>Cash flows from investing activities:</b>		
Proceeds from maturities and sales of investments	8,666,311	10,823,739
Purchase of property and equipment	(288,087)	(310,711)
Proceeds from sale of property and equipment	-	245,845
Cash paid for other investments	(607,309)	(1,367,843)
Purchase of investments	(11,718,738)	(13,832,047)
<b>Net cash used in investing activities</b>	<b>(3,947,823)</b>	<b>(4,441,017)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from line of credit	11,230,000	281,524
Proceeds (repayment) on line of credit - Charlie Goldsmith	80,932	(182,816)
Proceeds from contributions restricted for long-term investment	-	24,922
Principal payments on long-term debt	(157,500)	(147,500)
Repayment on line of credit	(11,730,000)	(1,289,024)
<b>Net cash used in financing activities</b>	<b>(576,568)</b>	<b>(1,312,894)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>12,835,501</b>	<b>(6,055,049)</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>7,296,057</b>	<b>13,351,106</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 20,131,558</b>	<b>\$ 7,296,057</b>
<b>Supplemental disclosure of cash flow information:</b>		
Noncash operating lease assets obtained in exchange for new operating lease liabilities - new leases	\$ 1,055,125	\$ -
Cash payments for interest	\$ 67,069	\$ 37,402

*See accompanying notes to consolidated financial statements.*

# Corus International, Inc. and Affiliates

## Notes to the Consolidated Financial Statements

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### 1. Corus International, Inc.

#### *Organization*

On October 1, 2019, Corus International, Inc. (“Corus”) was formed as the parent company of Lutheran World Relief (“LWR”) and IMA World Health (“IMA”) and their subsidiaries. Corus is a Maryland Corporation.

Corus believes poverty and health are intrinsically linked. An impoverished family can scarcely afford health care. A sick breadwinner may be unable to earn income. A country unable to invest in medical professionals, facilities, and resources will have weak health systems.

Corus is an ensemble of faith-based organizations working in concert to deliver the holistic, lasting solutions needed to overcome these interrelated challenges. Together with local partners, Corus helps reduce poverty at the same time as improving communities’ health.

LWR was formed after the end of World War II in 1945, when it was estimated that one-fifth of the world’s Lutherans were left homeless. Here in the United States, Lutheran churches in at least 20 states mobilized to collect and send aid to Europe through this new agency. Over the next decade, LWR would send aid to areas affected by conflict in parts of Asia, and by the 1960’s and 1970’s, had expanded their operations to include assisting with farming and agriculture initiatives to improve food security in developing nations. Today, LWR operates in East and West Africa, Latin America, Asia, and the Middle East, helping some of the world’s most vulnerable and economically limited communities build the resilience they need to thrive. LWR is a nonprofit organization incorporated in 1945 in the State of New York.

IMA (also d/b/a IMA World Health), is a Washington D.C. based international church membership non-profit organization that provides health services and build healthy communities around the world. IMA was founded in 1960 as a coalition between Protestant Churches and church-based organizations, with the main goal of providing healthcare to vulnerable and marginalized people in the developing world. IMA’s main aim was to provide pharmaceutical and medical assistance to healthcare facilities, refugee centers, and disaster relief programs. IMA intentionally operates as an ecumenical organization, with an emphasis on unity and respect for all faiths and traditions. IMA’s activities are funded primarily through United States (U.S.) contracts, grants and contributions.

The joining of LWR and IMA was a natural fit of both organizations missions and values to work in partnership to reach more of the world’s most vulnerable.

#### *Nature of Activities*

Corus International’s significant nature of activities includes the following program and supporting services, which are included in the accompanying consolidated statements of activities:

#### *Program Services*

**Health** programs build integrated, holistic and sustainable health systems that increase access to quality health care, with an emphasis on vulnerable people. These programs are built around designing and implementing innovative and effective technical approaches that demonstrate long-term, measurable improvements and impact on individual and community health.

# Corus International, Inc. and Affiliates

## Notes to the Consolidated Financial Statements

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**Emergencies and material resources** help communities experiencing poverty and marginalization cope with, and recover from, emergencies in ways that promote lasting improvements in people's living conditions. Corus' humanitarian work responds to both natural disaster and complex emergencies involving conflict. Corus engages in emergency response and material resources projects and our partners conduct distributions of Corus quilts and kits to reach people in need around the world.

**Agriculture** programs are focused on coffee and cocoa projects that engaged farmers to improve their agricultural production and incomes. By strengthening rural economies through improving agricultural practices and increasing food security, Corus creates lasting impact in poverty reduction, community stability, and resilience.

In conjunction with agriculture programs, Corus has **Climate change** programs to help communities adapt to changing climates, which is a key element to building resilient communities and strong local economies. Increasing variability in weather patterns lead to an increase in frequency and severity of natural disasters, negatively impacting food production and resilience of economic and environmental systems.

**Impact investing** is an enterprise-based approach to development. Corus reduces poverty by engaging workers, their households, and communities to sustain and raise incomes, build assets, increase resilience and ultimately access pathways out of poverty. This is done by the establishment, support, and investment in locally based for-profit businesses that seek to deliver needed goods and services in a commercially sustainable manner and create positive social impact and value for impoverished communities.

**Livelihood** programs help to improve living condition of rural people by achieving substantial and sustained poverty reduction through providing economic empowerment and improving communities' self-reliance, training, and support of entrepreneurship.

### **Supporting Services**

**Management and General** category include the functions necessary to provide core mission support and proper administrative functioning of Corus' governing board and leadership.

**Fundraising** includes expenditures which provide the structure necessary to encourage and secure financial resources for Corus' worldwide operations and programs.

The consolidated financial statements also include the following subsidiaries and affiliates:

- Ground Up Investing, LLC ("GUI"), a wholly owned for-profit affiliate of LWR, formed as a Delaware limited liability company in April 2017. The purpose of this entity is to establish, support and invest in for-profit businesses that seek to deliver needed goods and services to the vulnerable in a commercially sustainable manner and create positive social impact and value for impoverished communities.
- Corus Solutions ("Solutions"), formerly IMA Innovations, a wholly owned subsidiary of Corus, is a charitable organization that seeks to develop projects and initiatives to solve public health crises around the world. Solutions works in conjunction with IMA, testing and implementing programs on behalf of IMA, to achieve better health outcomes for people in developing and emergency settings, specifically in Asia and Africa. Solutions is recognized

# Corus International, Inc. and Affiliates

## Notes to the Consolidated Financial Statements

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by the Internal Revenue Service as an organization exempt from federal income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code (“the IRC”). Solutions was incorporated in April 2018 in the District of Columbia.

- Corus Technologies (formerly Charlie Goldsmith Associates Limited) (“CT”), a wholly owned subsidiary of LWR, was acquired in October 2019. CT is a for-profit organization that was founded in 2011 and is based in the United Kingdom (UK). The main purpose of this entity is to alleviate poverty and promote human development by bringing opportunities through technology to marginalized communities.

## 2. Summary of Significant Accounting Policies

The following is a summary of the significant accounting policies followed by Corus in the preparation of these consolidated financial statements:

### *Basis of Accounting*

The accompanying consolidated financial statements are presented in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and have been prepared on the accrual basis of accounting, whereby, revenue is recognized when earned and expenses are recognized when incurred.

### *Consolidation Policy*

The consolidated financial statements include the accounts of Corus and its respective subsidiaries. All material intercompany transactions and balances have been eliminated in the consolidation.

### *Use of Estimates*

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

### *Cash and Cash Equivalents*

For purposes of reporting cash flows, Corus considers all highly liquid investments with a maturity of three months or less to be cash equivalents. Any cash held by investment managers is considered investments, regardless of maturity.

### *Investments*

Investments are reflected at fair market value. Certain other investments are segregated for presentation purposes. Corus’ non-segregated investments include some amounts for investment pools which are valued at fair value based on the applicable percentage ownership of the underlying pools’ net assets as of the measurement date, as determined by the manager. The manager values securities and other financial instruments on a fair value basis of accounting. The fair value of Corus’ investment in such investment pools generally represents the amount Corus would expect to receive if it were to liquidate its investment excluding any redemption charges that may apply. However,

# Corus International, Inc. and Affiliates

## Notes to the Consolidated Financial Statements

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the estimated fair values of the assets underlying this investment may include securities for which prices are not readily available and are determined by the fund manager, and, therefore, may not reflect amounts that could be realized upon immediate sale, nor amounts that ultimately may be realized. Accordingly, the estimated fair values may differ significantly from the values that would have been used had a ready market existed for these investments. Corus may adjust the respective manager's valuation when circumstances support such an adjustment. No such adjustments have been deemed necessary by management at September 30, 2023 and 2022.

### ***Grants and Contributions Receivable***

Grants receivables are comprised of allowable costs in excess of amounts received on federal and foundation grants. Recoverable costs from federal grants are billable when qualifying expenditures are incurred. As these amounts are mainly due from the U.S. Government and foundations, it is anticipated that all receivables are collectible. There was no provision for uncollectible balances on grants receivable as of September 30, 2023 and 2022.

Contributions receivable are recognized when the donor makes a pledge to Corus that is, in substance, unconditional. Contributions to be received in a future period are discounted to their net present value, using a then commensurate discount rate, at the time the revenue is recorded. Corus uses the allowance method to determine uncollectible promises to give. The allowance is based on prior years' experience and management's analysis of specific pledges made. There was no provision for uncollectible balances on contributions receivable as of September 30, 2023 and 2022.

### ***Inventory of Materials for Distribution***

The inventory consists of donated materials for distribution. The fair value of all the materials (blankets, quilts and various kits) is reviewed and adjusted as needed. Fair value is determined through an annual market study which consists of surveys of purchased prices of similar items at various outlets. The value of inventory is adjusted annually based on the results of the market study. Donated materials are valued at their estimated fair value at the date of receipt and are removed from inventory at the time of distribution at carrying value as of the date of distribution. Inventory balances consist of undistributed items on hand. There was no provision for inventory obsolescence as of September 30, 2023 and 2022.

### ***Advances To and Amounts Due to Subrecipients***

Corus advances grant funds to subrecipients under the terms of its various cost-reimbursable grant agreements and records these amounts as advances to subrecipients. Upon submission of the required financial reports by the subrecipients detailing the amount of funds expended under these grant agreements during each month or quarter and upon approval by Corus personnel, Corus recognizes allowable direct and indirect grant expenses incurred by the subrecipients. Any amounts advanced by Corus more than expenses incurred by the subrecipients are reflected as advances to subrecipients in the accompanying consolidated statements of financial position. Any amounts due to subrecipients for expenditures incurred in excess of advances made are reflected in amounts due to subrecipients in the accompanying consolidated statements of financial position.



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### ***Cash Surrender Value of Life Insurance Contracts***

Corus has entered into life insurance contracts on various individuals. Corus makes premium payments to fund the life insurance policies. The policy holders have assigned the cash surrender value and proceeds from death benefits of the policies to Corus to the extent of Corus' cumulative premium payments.

### ***Charitable Trusts***

Charitable trusts consist of charitable remainder unitrust agreements where Corus is not the trustee. These agreements call for Corus to receive a certain percentage of the trust when the trustee agreement has terminated. Corus records the estimated present value of the beneficial interest using risk-adjusted discount rates. The estimated present value of the beneficial interest of the charitable trusts are recorded in the year the existence and information to compute the beneficial interest first become known.

### ***Other Receivables and Prepaid Expenses***

These are receivables at either the country office or headquarters offices and with employees or other customers. There was no provision for uncollectible balances on other receivable as of September 30, 2023 and 2022. The prepaid expenses represent costs that Corus has paid cash up front but has not yet incurred the expenses associated with transaction purchase.

### ***Property and Equipment***

Property and equipment purchased by Corus are recorded at cost or if donated, at fair market value on the date of donation. Corus follows the practice of capitalizing all expenditures for property and equipment over \$5,000. Depreciation is computed on the straight-line method over the estimated useful lives of the assets, which are three to ten years for furniture and equipment and five years for overseas transportation and other equipment. Assets purchased with donor funds are expensed and charged to awards in accordance with approved grant agreements.

### ***Leases (Operating Lease Right-of-Use Assets and Operating Lease Liabilities)***

Leases arise from contractual obligations that convey the right to control the use of identified property and equipment for a period of time in exchange for consideration. At the inception of the contract, Corus determines if an arrangement contains a lease based on whether there is an identified asset and whether Corus controls the use of the identified asset. Corus also determines whether the lease classification is an operating or financing lease at the commencement date.

A right-of-use asset represents Corus' right to use an underlying asset and a lease liability represents Corus' obligation to make payments during the lease term. Right-of-use assets are recorded and recognized at commencement for the lease liability amount, adjusted for initial direct costs incurred and lease incentives received. Lease liabilities are recorded at the present value of the future lease payments over the lease term at commencement. The implicit rate for Corus' leases is not readily determinable; therefore, Corus has elected to use a risk-free discount rate at the lease commencement date for all new leases to determine the present value of lease payments.

Corus' operating leases typically include non-lease components such as common-area maintenance costs, utilities, and other maintenance costs. Corus has elected to not include non-lease components

# Corus International, Inc. and Affiliates

## Notes to the Consolidated Financial Statements

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for the purpose of calculating lease right-of-use assets and liabilities as they are neither fixed nor variable based on an index or rate and are expensed as incurred as variable lease payments.

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

As a matter of policy, Corus elected to exclude leases with terms of 12 months or less from the consolidated statements of financial position date. Lease expense for these short-term leases is recognized on a straight-line basis over the expected term of the lease.

### ***Net Assets***

Corus reports information regarding their financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. As of September 30, 2023 and 2022 and for the years then ended, Corus has recorded activities in the following net assets classes:

#### *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 Corus.

#### *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 Corus or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resources was restricted has been fulfilled, or both.

### ***Financial Instruments and Credit Risk***

Corus maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. Corus has not experienced any losses in such accounts. Corus believes it is not exposed to any significant financial risk on cash. Corus manages financial risk by monitoring the financial institutions in which deposits are made.

Corus invests in professionally managed portfolios that contain mutual funds, common stock, fixed income instruments and certain pooled investments. Such investments are exposed to various risks, such as market and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near-term could materially affect investment balances and the amounts reported in the consolidated financial statements.

# Corus International, Inc. and Affiliates

## Notes to the Consolidated Financial Statements

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### ***Foreign Currency Translation***

The functional currency of Corus is the U.S. Dollar. The consolidated financial statements and transactions of Corus' foreign operations are generally maintained in the relevant local currency. Where local currencies are used, assets and liabilities are remeasured at the consolidated statements of financial position date using the spot rate as of September 30, 2023 and 2022. For revenue and expense items, translation is performed using the rate of exchange in effect at approximately the date of transaction.

### ***Revenue Recognition***

#### ***Contributions***

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

Contributions are reported at fair value, which is net of estimated uncollectible amounts. Corus uses the allowance method to determine uncollectible, unconditional pledges receivable. The allowance is based on experience as well as management's analysis of specific pledges made, including such factors as prior collection history, type of contribution, and nature of fundraising activity. Contributions to be received after one year, are recorded at the present value of the estimated future cash flows. Subsequent changes in this discount resulting from the passage of time are accounted for as contributions in subsequent years.

Conditional promises to give, including those received under multi-year grant agreements are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. A promise is considered conditional only if the donor has stipulated one or more barriers that must be overcome before Corus is entitled to the assets transferred or promised, and there also exists a right of return to the donor of any assets transferred or a right of release of the donor's obligation to honor the promise.

#### ***Grants and Contract Revenue***

In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2018-08, *Not-for-Profit Entities (Topic 958), Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, these arrangements constitute contributions since the donor does not receive commensurate value for the consideration received by Corus; rather, the purpose of an arrangement is for the benefit of the public. Therefore, Corus management concluded that the agreements are conditional due to rights of return/release and barriers to entitlement to funds. Revenue is recognized when the condition is satisfied. Because the nature of conditions is either based on incurring qualifying expenses

# Corus International, Inc. and Affiliates

## Notes to the Consolidated Financial Statements

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or satisfying a milestone or other deliverable, the pattern of revenue recognition remained consistent with previous years.

### ***Donated Agricultural Commodities and Other in-Kind Gifts***

Under U.S. Public Law 480, Title II, the United States Department of Agriculture (USDA) has provided agricultural commodities to Corus for the purpose of promoting food security and agricultural market development under the Food for Progress Program. Those commodities are sold, and proceeds are used by Corus to carry out programmatic activities. Uncollected sales proceeds are recorded by Corus as monetization receivable with an offsetting monetization liability.

Gift-in-kind revenue is recognized as revenue in circumstances in which Corus has enough discretion over the use and disposition of the items to recognize a contribution. Accordingly, the recognition of gifts-in-kind revenue is limited to circumstances in which Corus takes constructive possession of the gifts-in-kind and Corus is the recipient of the gift, rather than an agent or intermediary. Corus receives in-kind contributions from individuals and faith-based non-governmental organizations, of handmade quilts and kits. These in-kind contributions are recorded at the estimated fair value at the date of receipt by Corus, which is the cost an individual would pay for the items in a retail setting in the United States.

### ***Grant Expenses***

Grant expenses are recognized when the expense is paid by the grantee and Corus receives the request for reimbursement for these expenses.

### ***Income Taxes***

Corus, LWR, IMA and Solutions are generally exempt from federal income taxes under the provisions of Section 501(c)(3) of the IRC. In addition, contributions to Corus, LWR, IMA, and Solutions qualify for charitable contribution deductions and each entity has been classified as an organization that is not a private foundation. Income received, which is not related to exempt purposes, less applicable deductions, is subject to federal and state corporate income taxes. Corus had no net unrelated business income for the years ended September 30, 2023 and 2022. GUI, Mountain Harvest, Farmers Market Brand are all for-profit entities, which are disregarded entities of LWR, and, as such, there is no provision or liability for income taxes has been included in the consolidated statements of activities. CT is a for profit organization organized in the UK and recognizes tax provision in accordance with the UK tax laws.

Corus follows U.S. GAAP which recognize income tax positions taken or expected to be taken in a tax return only when it is determined that the income tax position will more-likely-than-not be sustained upon examination by taxing authorities. Corus files tax returns in the U.S. federal jurisdictions. Corus believes that income tax filing positions will be sustained upon examination and does not anticipate any adjustments that would result in a material adverse effect on Corus's financial position, results of activities or cash flows. Accordingly, Corus has not recorded any reserves or related accruals for taxes, interest and penalties for uncertain income tax positions on September 30, 2023 and 2022. Corus is open to examination by taxing authorities from its tax year ended September 30, 2020 forward.

# Corus International, Inc. and Affiliates

## Notes to the Consolidated Financial Statements

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### ***Functional Allocation of Expenses***

The consolidated statements of functional expenses present expenses by function and natural classification. Expenses directly attributable to specific functional area of Corus are reported as expenses of those functional areas. A portion of management and general costs that benefit multiple functional areas (indirect costs) have been allocated across programs and supporting services based on the proportion of the full-time employee equivalents of a program or other supporting service versus the total organizational full-time employee equivalent. Natural expenses attributable to more than one functional expense category are allocated using a variety of cost allocation techniques such as time and effort.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Occupancy costs, HQ and overseas	Time and effort
Program materials and other supplies	Time and effort
Cost of equipment, supplies and maintenance	Time and effort

### ***Reclassifications***

Certain amounts in the 2022 consolidated financial statements have been reclassified to conform to the 2023 presentation. The reclassifications have no effect on the previously reported change in net assets.

### ***Recently Issued Accounting Standards Not Yet Adopted***

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* (“ASU 2016-13”), which it clarified and updated through the following ASUs (collectively, “Accounting Standards Codification (ASC) Topic 326”):

- ASU No. 2018-19, Codification Improvements to Topic 326, *Financial Instruments—Credit Losses*
- ASU No. 2019-04, Codification Improvements to Topic 326, *Financial Instruments—Credit Losses, Topic 815, Derivatives and Hedging, and Topic 825, Financial Instruments*
- ASU No. 2019-05, *Financial Instruments—Credit Losses (Topic 326): Targeted Transition Relief*
- ASU No. 2019-10, *Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates*
- ASU No. 2019-11, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses*
- ASU No. 2022-02, *Financial Instruments—Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures*

ASC Topic 326 changes the impairment model for most financial assets measured at amortized cost, as well as certain other instruments, from an incurred loss model to an expected loss model. As a result, companies will be required to recognize credit losses on financing receivables and other financial assets earlier than previously stipulated and for the entire contractual term of an instrument. The update applies to financial assets recorded at amortized cost basis (e.g., loan receivables, trade and certain other receivables, off-balance sheet credit exposures such as loan commitments and financial guarantees) but does not apply to financial assets measured at fair value

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(e.g., promises to give/pledges receivable; loans and receivables between entities under common control). ASC Topic 326 is effective for Corus' fiscal year 2024. Management continues to evaluate the potential impact of this update.

In June 2022, the FASB issued ASU 2022-03, *Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions (Topic 820)*. This ASU was issued to clarify the guidance in Topic 820, when measuring the fair value of an equity security subject to contractual restrictions that prohibit the sale of an equity security. The amendments clarify that a contractual restriction on the sale of an equity security is not considered part of the unit of account of the equity security and, therefore, is not considered in measuring fair value. The amendments also clarify that an entity cannot, as a separate unit of account, recognize and measure a contractual sale restriction. This amendment also requires the following disclosures for equity securities subject to contractual sale restrictions: (1) the fair value of equity securities subject to contractual sale restrictions reflected in the statement of financial position; (2) the nature and remaining duration of the restriction(s); and (3) the circumstances that could cause a lapse in the restriction(s). ASU 2022-03 is effective date is for fiscal year ends beginning after December 15, 2024 (Corus fiscal year 2025). The ASU should be applied prospectively and any adjustments from adoption should be recognized in earnings and disclosed on the date of adoption. Management is currently evaluating the impact of this ASU on the consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740), Improvements to Income Tax Disclosures*. This requires organizations to provide additional, disaggregated disclosures for income taxes paid, along with information about income from continuing operations before income tax expense on a disaggregated basis. Certain other disclosure requirements were eliminated. This update is effective for annual periods beginning after December 15, 2025 (Corus fiscal year 2026). Early adoption is permitted. Management is currently evaluating the impact of this ASU on its consolidated financial statements.

In March 2024, the FASB issued ASU 2024-02, *Codification Improvements - Amendments to Remove References to the Concept Statements*. This update contains amendments to the codification that remove references to various Concepts Statements. In most instances, the references are extraneous and not required to understand or apply the guidance. In other instances, the references were used in prior Statements to provide guidance in certain topical areas. This update is effective for annual periods beginning after December 15, 2024 (Corus fiscal year 2025). Early adoption is permitted. Management is currently evaluating the impact of this ASU on its consolidated financial statements.

Corus has assessed other accounting pronouncements issued or effecting during the years ended September 30, 2023 and 2022, and deemed they were not applicable to Corus and are not anticipated to have a material effect on the consolidated financial statements.

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**Notes to the Consolidated Financial Statements**

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**3. Investments**

Investments consist of the following:

<i>September 30,</i>	<b>2023</b>	<b>2022</b>
Money market funds	\$ 10,169,020	\$ 7,191,644
Mutual funds	2,567,888	2,451,077
U.S. Treasury and municipal obligations	2,390,630	2,348,001
Mortgage-backed securities	1,065,583	716,332
Corporate and foreign bonds	1,015,232	1,145,648
Investment pools	968,662	833,739
Asset-backed securities	201,197	187,743
U.S. Government agency bonds	133,458	435,665
REIT funds	61,362	62,152
	<b>\$ 18,573,032</b>	<b>\$ 15,372,001</b>

**4. Grants and Contributions Receivable**

Grants and contributions receivable consist of the following:

<i>September 30,</i>	<b>2023</b>	<b>2022</b>
Contributions receivable - General	\$ 1,504,012	\$ 2,269,832
Grants receivables - U.S. Government	1,909,639	9,006,549
<b>Total grants and contributions receivable</b>	<b>\$ 3,413,651</b>	<b>\$ 11,276,381</b>

All contributions receivable at September 30, 2023 and 2022 were expected to be collected within twelve-months.

**5. Fair Value Measurements**

ASC 820 provides the 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 ASC 820 are described below:

- **Level 1:** Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity can access at the measurement date. Listed equities and holdings in mutual funds are types of investments included in Level 1.
- **Level 2:** Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly; Level 2 includes the use of models or other valuation

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**Notes to the Consolidated Financial Statements**

methodologies. Investments which are generally included in this category include corporate loans, less liquid, restricted equity securities and certain corporate bonds, and over-the-counter derivatives.

- **Level 3:** Inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investments level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Corus' assessment of the significance of an input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

The following table presents Corus' fair value hierarchy for those assets reflected in the consolidated statements of financial position, measured at fair value on a recurring basis:

Description	As of September 30, 2023			Total
	Level 1	Level 2	Level 3	
Money market funds	\$ 10,169,020	\$ -	\$ -	\$ 10,169,020
Mutual funds:				
Domestic equity	755,203	-	-	755,203
International funds	1,812,685	-	-	1,812,685
	2,567,888	-	-	2,567,888
U.S. Treasury obligations	-	2,223,699	-	2,223,699
Municipal obligations	-	166,931	-	166,931
	-	2,390,630	-	2,390,630
Corporate and foreign bonds	-	1,015,232	-	1,015,232
Mortgage-backed securities	-	1,065,583	-	1,065,583
U.S. Government agency bonds	-	133,458	-	133,458
Asset-backed securities	-	201,197	-	201,197
REIT funds	-	61,362	-	61,362
	\$ 12,736,908	\$ 4,867,462	\$ -	17,604,370
Investment pools:				
Pooled trust fund, measured at NAV <sup>(a)</sup>				968,662
Total investments				\$ 18,573,032
Charitable trusts	\$ -	\$ -	\$ 889,401	\$ 889,401

(a) In accordance with U.S. GAAP, certain investments that were measured at net asset value (NAV) per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the consolidated statements of financial position.



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**Notes to the Consolidated Financial Statements**

Description	As of September 30, 2022			Total
	Level 1	Level 2	Level 3	
Money market funds	\$ 7,191,644	\$ -	\$ -	\$ 7,191,644
Mutual funds:				
Domestic equity	666,029	-	-	666,029
International funds	1,785,048	-	-	1,785,048
	2,451,077	-	-	2,451,077
U.S. Treasury obligations	-	2,125,962	-	2,125,962
Municipal obligations	-	222,039	-	222,039
	-	2,348,001	-	2,348,001
Corporate and foreign bonds	-	1,145,648	-	1,145,648
Mortgage-backed securities	-	716,332	-	716,332
U.S. Government agency bonds	-	435,665	-	435,665
Asset-backed securities	-	187,743	-	187,743
REIT funds	-	62,152	-	62,152
	\$ 9,642,721	\$ 4,895,541	\$ -	14,538,262
Investment pools:				
Pooled trust fund, measured at NAV <sup>(a)</sup>				833,739
<b>Total investments</b>				<b>\$ 15,372,001</b>
Charitable trusts	\$ -	\$ -	\$ 828,806	\$ 828,806

(a) In accordance with U.S. GAAP, certain investments that were measured at net asset value (NAV) per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the consolidated statements of financial position.

Money market funds and mutual funds are classified as Level 1 instruments, as they are actively traded on public exchanges and valued based on quoted market prices.

U.S. Government agency bonds and corporate and foreign bonds are included in Level 2 assets as identical assets are not actively traded. The fair market values are based on quoted prices for similar assets in active markets or quoted prices for identical assets in markets that are not active.

The charitable trusts are classified as Level 3 instruments, as there is no market for Corus' interest in the trusts. Further, Corus' asset is the right to receive cash flows from the trusts, not the assets of the trusts themselves. Although the trust assets may be investments for which quoted prices in an active market are available, Corus does not control those investments.

For fair value measurements categorized within Level 3 of the fair value hierarchy, a presorting entity shall provide quantitative information about the significant unobservable inputs used in the fair value measurement.

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The following table provides the required information for Corus as of September 30, 2023 and 2022:

Type	Fair Value September 30, 2023	Valuation Technique	Unobservable Inputs	Range
Charitable trusts	\$ 889,401	Present Value	Discount Rate	2.00%

Type	Fair Value September 30, 2022	Valuation Technique	Unobservable Inputs	Range
Charitable trusts	\$ 828,806	Present Value	Discount Rate	2.00%

Corus performs due diligence reviews of the NAV or its equivalent to determine the fair value of certain investments. Corus has assessed factors including, but not limited to, managers compliance with fair value measurements standards, price transparency and valuation procedures in place, the ability to redeem at NAV at the measurement date and the existence of certain redemption restrictions at the measurement date.

The table below details Corus' ability to redeem investment funds valued at NAV or its equivalent as of September 30, 2023:

	Fair Value Estimated Using NAV per Share			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
<b>Pooled trust fund</b>	<b>\$ 968,662</b>	<b>\$ -</b>	<b>Daily</b>	<b>Unknown</b>

The table below details Corus' ability to redeem investment funds valued at NAV or its equivalent as of September 30, 2022:

	Fair Value Estimated Using NAV per Share			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
<b>Pooled trust fund</b>	<b>\$ 833,739</b>	<b>\$ -</b>	<b>Daily</b>	<b>Unknown</b>

**Pooled Trust Fund:** In this class the funds endeavor is to achieve long-term return objectives within prudent risk constraints by investing the assets in a diversified portfolio that places a greater emphasis on equity-based and fixed-income investments. Since February 2021, the funds target asset range of permissible investments are from 0% to 50% for all equity securities, 50% to 100% in fixed income securities, and from 0% to 30% in cash and cash equivalents.

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**6. Property and Equipment**

Property and equipment, net, consists of the following:

<i>September 30,</i>	<b>2023</b>	<b>2022</b>
Office furniture and equipment - headquarters	\$ 1,329,756	\$ 1,491,808
Transportation and other equipment - overseas operations	1,199,384	750,079
Computer equipment and software	686,354	686,354
Office furniture and equipment - overseas	717,641	577,500
Office building - overseas	110,856	104,776
	<b>4,043,991</b>	<b>3,610,517</b>
Less: accumulated depreciation	<b>(2,902,160)</b>	<b>(2,514,137)</b>
Property and equipment, net	<b>\$ 1,141,831</b>	<b>\$ 1,096,380</b>

Depreciation expenses were \$242,636 and \$416,805 for the years ended September 30, 2023 and 2022, respectively.

**7. Other Investments**

**Lutheran Center Corporation (LCC) by LWR:** Corus occupies approximately 49.9% of the office space and common space in the Lutheran Center owned by the Lutheran Center Corporation (LCC). The LCC, a nonprofit organization, was organized to construct and operate the office building, which Corus and Lutheran Immigration and Refugee Service (LIRS) occupy. Corus, through its subsidiary LWR, has a 50% interest in LCC and as such, carries its investment in LCC on the equity method. LWR and LIRS are providing monthly payments to LCC under a partial cost sharing agreement, which provides for reimbursement of costs, including interest and depreciation, in operating the building based upon space occupied. The Agreement is for 30 years commencing September 1, 1999, through August 31, 2029, with six renewal options of ten years each. For the years ended September 30, 2023 and 2022, Corus has recorded occupancy expenses of \$530,438 and \$561,762, respectively. The recording of depreciation expense as part of the cost share reduces the investment in LCC since LWR has previously provided equity investments in LCC. At September 30, 2023 and 2022, LWR's equity in LCC was \$3,239,947 and \$3,329,463, respectively. At September 30, 2023 and 2022, LCC assets consisted principally of the building and LCC liabilities were insignificant. The building is subject to a ground lease, which provides for LCC to pay rent of \$1 per year for the 50 years to the Christ Lutheran Church, with four optional ten-year extensions.

**Ground Up Investing LLC by LWR:** On April 4, 2017, Ground Up Investing LLC was formed as a wholly owned subsidiary of LWR. Its mission is to reduce poverty through an enterprise-based approach of engaging workers, their households and communities to sustain and raise incomes, build assets, increase resilience and ultimately access pathways out of poverty. This is done by the establishment, support and investment in for-profit businesses that seek to deliver needed goods and services in a commercially sustainable manner and create positive social impact and value for impoverished communities.

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Below are the financial results of Ground Up Investing LLC (GUI) included in the consolidated statements of activities. The expenses of GUI represent costs paid by LWR on behalf of GUI.

<i>For the years ended September 30,</i>	<b>2023</b>	<b>2022</b>
Revenue	\$ 4,600,872	\$ 4,907,777
Less:		
Salaries and benefits	679,375	699,545
Professional fees and retained services	431,968	266,491
Travel	111,455	53,564
Bank fees	913	1,688
Subsidy to Mountain Harvest	-	106,000
Other program expenses	208,426	15,721
<b>Net income</b>	<b>\$ 3,168,735</b>	<b>\$ 3,764,768</b>

For the years ended September 30, 2023 and 2022, there were intercompany transactions between GUI and LWR of \$3,015,675 and \$4,807,950, respectively, which were eliminated in the consolidation.

**Mountain Harvest - SMC Limited (MH):** As of October 2017, LWR's subsidiary Ground Up Investing LLC (GUI) made an investment in MH. MH is a wholly owned coffee production company in Uganda that engages in small scale trade in fair trade, organic, and Rainforest Alliance certified coffee while providing terms to farmers which are more favorable than otherwise available. MH is considered a disregarded entity of LWR.

The consolidated statements of activities include the following operating results for Mountain Harvest:

<i>For the years ended September 30,</i>	<b>2023</b>	<b>2022</b>
Revenue from export sales of coffee, other	\$ 1,616,490	\$ 1,301,664
Less:		
Cost of goods sold	(1,080,418)	(749,337)
Other operating expenses	(494,368)	(596,351)
Interest and taxes	(64,754)	(38,298)
<b>Net loss</b>	<b>\$ (23,050)</b>	<b>\$ (82,322)</b>

As of September 30, 2023 and 2022, there is an intercompany payable from MH to GUI of \$1,600,626 and \$1,145,387, respectively.

**Farmers Market Brand:** On January 14, 2021, Corus' President moved forward to establish a new entity that is registered as a Delaware limited liability under the legal name Farmers Market Brands, LLC (Farmers). Farmers is a wholly owned company under the GUI entity. Farmers was established to improve the quality of engagement between growers and consumers in a way that provides farmers with a greater share of the retail value of their products in support of generating a living income, while at the same time providing the consumers with a high quality, high impact product. In addition, this formation will test and create a new model of development that combines

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traditional development programming with a business approach to connecting consumers and farmers to maximize impact at the household level.

The consolidated statements of activities include the following operating results for Farmers Market Brand (FMB):

<i>For the years ended September 30,</i>	<b>2023</b>		<b>2022</b>	
Revenue	\$	294,203	\$	130,109
Total expenses		(264,705)		(97,547)
<b>Net income</b>	<b>\$</b>	<b>29,498</b>	<b>\$</b>	<b>32,562</b>

As of September 30, 2023 and 2022, GUI has made an aggregate investment of \$145,000 and \$127,145, respectively, in capital investments into FMB.

**Corus Solutions, formerly IMA Innovations (Solutions):** Solutions is a charitable organization that seeks to develop projects and initiatives to solve public health crises around the world. Solutions works in conjunction with IMA, testing and implementing programs on behalf of IMA to achieve better health outcomes for people in developing and emergency settings, specifically in Asia and Africa. Solutions is a center where innovative public health and allied programs can be conceived, tested and implemented on behalf of IMA.

The consolidated statements of activities include the following operating results for Solutions.

<i>For the years ended September 30,</i>	<b>2023</b>		<b>2022</b>	
Revenue	\$	11,519,671	\$	13,106,748
Total expenses		(11,395,759)		(10,802,750)
<b>Net income</b>	<b>\$</b>	<b>123,912</b>	<b>\$</b>	<b>2,303,998</b>

**Corus Technologies:** LWR acquired CT in October 2019. CT serves as a technical consulting firm in the Corus portfolio. CT delivers cost effective, innovative approaches to technology. Using technology to get basic services to the most vulnerable and economically limited communities. CT contributes to the national availability of basic services, particularly education, in several African fragile and conflict-affected states, by supporting effective public administration systems, and in particular by supporting the decentralization of resources, making host government and partner resources flow efficiently and sustainably to local government, schools and clinics, and individuals.

The consolidated statements of activities include the following operating results for CT.

<i>For the years ended September 30,</i>	<b>2023</b>		<b>2022</b>	
Revenue	\$	2,922,538	\$	2,497,621
Total expenses		(3,809,005)		(2,930,267)
<b>Net loss</b>	<b>\$</b>	<b>(886,467)</b>	<b>\$</b>	<b>(432,646)</b>

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**8. Debt**

Debt payable, consists of the following:

<i>September 30,</i>	<b>2023</b>	<b>2022</b>
Bond payable	\$ 1,138,489	\$ 1,299,163
Bond issuance costs, net	(28,779)	(33,999)
	<b>1,109,710</b>	<b>1,265,164</b>
Other debt		
IMA line of credit	-	500,000
Corus Technologies term loans	<b>80,932</b>	-
	<b>80,932</b>	<b>500,000</b>
	<b>\$ 1,190,642</b>	<b>\$ 1,765,164</b>

***Bond Payable***

On July 26, 2007, LWR and LIRS borrowed \$5,805,000 through the issuance of Economic Development Revenue Bonds, Series 2007 (2007 Bonds) through the Maryland Economic Development Corporation. The 2007 Bonds were issued to advance refund the Maryland Economic Development Revenue Bonds, Series 2000 (2000 Bonds) issued by the CT Maryland Economic Development Corporation. In addition, proceeds of the 2007 Bonds were used to pay a portion of the issuance costs of the 2007 Bonds. LWR and LIRS are jointly and severally liable for the 2007 Bonds and as such, each has recorded 50% of the outstanding debt and related issue costs. If LIRS is unable to pay off their portion of the outstanding debt, LWR will be liable. LCC, as owner of Lutheran Center, has guaranteed the repayment of the debt. LWR and LIRS must maintain a joint leverage ratio (cash and investments to annual debt service) of 5-to-1 or approximately \$2,250,000.

The 2007 Bonds were issued as Serial Bonds maturing April 1 in the years 2008 through 2029 and have annual mandatory sinking fund provisions, which began in 2008. The 2007 Bonds bear interest at 5.25% per annum. Deferred loan costs in the amount of \$113,106 were incurred in connection with the issuance of the 2007 Bonds and Corus capitalized 50% of these costs, which are being amortized on a straight-line basis over the life of the bonds. Long-term debt on the 2007 Bonds at September 30, 2023 and 2022 amounting to \$1,109,710 and \$1,265,164, respectively, included in the debt as shown on the consolidated statements of financial position, net of unamortized bond premium of \$18,489 and \$21,663, respectively, and deferred loan issuance costs of \$28,779 and \$33,999 as of September 30, 2023 and 2022, respectively.

In conjunction with the issuance of the 2007 Bonds, a Debt Service Reserve Fund was created in the amount of \$443,238 and LWR has recorded 50% of these funds. Funds in the Debt Service Reserve Fund may be withdrawn by the Trustee to make the principal or interest payments of the 2007 Bonds if the other funds available for the purpose are inadequate. Included in other assets on the consolidated statements of financial position at September 30, 2023 and 2022 is \$224,570 for both years, for LWR's 50% interest in the Debt Service Reserve Fund.

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Principal payments under the terms of the 2007 Bond indenture are as follows:

<i>Date</i>	LWR Portion	LIRS Portion	Total
April 1, 2024	\$ 162,500	\$ 162,500	\$ 325,000
April 1, 2025	172,500	172,500	345,000
April 1, 2026	180,000	180,000	360,000
April 1, 2027	192,500	192,500	385,000
April 1, 2028	202,500	202,500	405,000
Thereafter	210,000	210,000	420,000
	<u>1,120,000</u>	<u>1,120,000</u>	<u>2,240,000</u>
Bond discount	18,489	18,489	36,978
	<u>\$ 1,138,489</u>	<u>\$ 1,138,489</u>	<u>\$ 2,276,978</u>

Interest on the 2007 Bonds for the years ended September 30, 2023 and 2022, amounted to \$67,069 and \$74,812, respectively. Payments of principal and interest are partially funded by the other tenant in the Lutheran Center through allocation of building costs based upon space occupied.

***Covenant Non-compliance***

LWR was in compliance with all covenants related to the bonds payable with the exception of an administrative default of a requirement to provide final consolidated audited statements no more than 120 days after the close of the fiscal year for both years ended September 30, 2023 and 2022. Because of this noncompliance, the bonds payable are callable on demand. However, LWR has not been notified of any impending request for repayment of the outstanding bonds payable. LWR is still in compliance with the financial covenants contained in the loan agreement in consideration of the bond payable being considered a current liability.

***Other Debt***

Other debt items include a revolving \$5.0 million line of credit facility that IMA has access to with the PNC Bank. This line of credit (LOC) is used from time to time to ensure that IMA can provide program funds to the field regularly and there are no delays in program implementations. The nature of some of IMA grants and terms of reimbursement or subgrant advances are unpredictable and do not always coincide with country office cash needs so IMA can draw on the LOC, and then repay amounts owed as soon as the cash is received from grantors. During the years ended September 30, 2023 and 2022, IMA drew money from LOC totaled \$11.2 million and \$0.3 million, respectively. As of September 30, 2023, IMA had no outstanding balance of the available line of credit. The outstanding balance of \$500,000 as of September 30, 2022 was repaid on November 28, 2022.

Corus Technologies term loans consisted principally of a commercial bank loan with HSBC in the UK for \$31,445 as of September 30, 2023. The loan is repayable within 72 months from the date of the drawdown and interest rate on this loan was 2.5% as of September 30, 2023. In addition, Corus Technologies has an outstanding Coronavirus Disease (Covid-19) support Bounce-back loan (BBL) from the UK Government for \$49,487 as of September 30, 2023, at an annual interest rate of 2.5%. The outstanding amount will be repaid in January 2027.

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**9. Net Assets with Donor Restrictions**

Net assets with donor restrictions are restricted for the following purposes:

<i>September 30,</i>	<b>2023</b>	<b>2022</b>
<b>Subject to the passage of time:</b>		
Contributions receivable and deferred gifts	\$ 1,375,120	\$ 1,312,015
<b>Subject to expenditures for specified purposes:</b>		
Ukraine Emergency Response	3,093,281	6,031,025
Turkey Earthquake Response	1,274,720	-
World of Good	1,167,543	1,082,268
John Templeton Foundation	723,744	-
Osprey Foundation COVID 19 Vaccine Equity	721,688	-
The End Fund - Tropical Disease Prevention S. Sudan	682,158	-
CDP - Food Security in Ukraine	644,903	-
Margaret A. Cargill Philanthropies	522,192	675,296
Evangelical Lutheran Church Association (ELCA) Annual Fund	440,502	448,043
Nepal Earthquake Response	436,539	692,210
ELCA - Agriculture Support for Farmers Ukraine	420,362	-
Caribbean Hurricanes	335,650	353,953
Flood Response Transboundary Communities	319,213	608,301
Covid-19 Response Funds	299,590	2,356,614
Corus World Health	274,121	173,851
United Nations Population Fund (UNFPA) Partner Agreement	220,963	217,840
Middle East General Intervention Funds and Mobile Clinics	200,818	198,374
Haiti 2021 Earthquake	126,103	167,671
Other temporarily restricted funds	666,930	770,912
	<b>12,571,020</b>	<b>13,776,358</b>
<b>Endowments (perpetual in nature):</b>		
Endowments restricted for perpetuity (see Note 11)	1,402,625	1,402,625
<b>Total purpose restricted</b>	<b>13,973,645</b>	<b>15,178,983</b>
	<b>\$ 15,348,765</b>	<b>\$ 16,490,998</b>



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**10. Net Assets Released from Restrictions**

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

<i>Years Ended September 30,</i>	<b>2023</b>	<b>2022</b>
Ukraine Emergency Response	\$ 4,021,378	\$ -
UNFPA - Partner Agreement	1,290,653	-
ELCA Annual Fund	1,094,635	-
Osprey Found Covid 19 vaccine equity	1,055,900	-
Turkey Earthquake Response	980,266	-
Margaret A Cargill Philanthropies (MACP)	965,363	-
End Fund - Tropical Disease Prevention S. Sudan	810,253	541,077
John Templeton Foundation	376,256	-
CDP - Food security in Ukraine	355,097	-
Nepal Earthquake Response	255,671	-
Middle East Program	235,835	-
World of Good	209,895	438,235
Osprey Foundation (Private)	198,029	-
Haiti 2021 Earthquake	84,472	426,381
Expiration of time restrictions	36,315	1,726,261
Agriculture	-	683,829
Other international programs, relief and development	1,274,270	1,968,054
	<b>\$ 13,244,288</b>	<b>\$ 5,783,837</b>

**11. Endowment Funds**

The Board of Directors of Corus has interpreted the New York-enacted version of 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 the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. Corus has interpreted UPMIFA as requiring the preservation of the fair value of original donor-restricted contributions as of the date of the gift, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Committee classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of applicable donor gift instrument at the time the accumulation is added to the fund.

In accordance with UPMIFA, Corus considers the following factors in making a determination to appropriate or accumulate donor-restricted cash contributions:

- The purpose of Corus and donor-restricted endowment fund;
- The duration and preservation of the fund;
- General economic conditions;
- The possible effect of inflation and deflation;

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- The expected total return from income and the appreciation of investments;
- Other available financial resources;
- Investment policies.

Corus 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 purchasing power of the endowment assets.

Earnings on the endowment fund are considered restricted and may be subsequently released from restriction at management's discretion up to a spending rate of 7%, as permitted by New York UPMIFA.

Endowment fund activity for the year ended September 30, 2023, consists of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ -	\$ 1,402,625	\$ 1,402,625
Investment income	-	60,183	60,183
Endowment draw	-	(60,183)	(60,183)
	<b>\$ -</b>	<b>\$ 1,402,625</b>	<b>\$ 1,402,625</b>

Endowment fund activity for the year ended September 30, 2022, consists of the following:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ -	\$ 1,402,625	\$ 1,402,625
Investment income	-	30,968	30,968
Endowment draw	-	(30,968)	(30,968)
	<b>\$ -</b>	<b>\$ 1,402,625</b>	<b>\$ 1,402,625</b>

## 12. U.S. Government Grants

Corus has entered into grant agreements with the U.S. Government for various programs. The expenditures, which include interest earned used to support program purposes, are as follows:

<i>Years ended September 30,</i>	<b>2023</b>	<b>2022</b>
Relief and other programs		
U.S. Agency for International Development	\$ 67,227,074	\$ 37,779,309
Office of U.S. Foreign Disaster Assistance	100,661	3,077,166
U.S. Department of Agriculture	5,224,415	4,919,171
U.S. Centers for Disease Control and Prevention	701,296	546,505
	<b>\$ 73,253,446</b>	<b>\$ 46,322,151</b>

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During the years ended September 30, 2023 and 2022, \$54,308 and \$18,056, respectively, of interest earned on grant funds expended is included in the expenditures above as the program income was used for programmatic purposes.

**13. Contributed Non-Financial Assets**

Corus received contributed non-financial assets in the form of donated material resources such as blankets and quilts kits for babies and school children along with pro-bono legal services to support programs. These contributed services meet the criteria for revenue recognition under FASB ASC 958-605-25, *Contributed Services*, at the fair value of such materials and services and are reported as donated goods and services on the consolidated statements of activities.

The value of contributed non-financial assets, received were as follows:

<i>Years ended September 30,</i>	<b>2023</b>	<b>2022</b>
<b><u>Type of service</u></b>	<b><u>Valuation Techniques</u></b>	
Donated Material Resources (blankets and quilts)	Rates based on fair market value for items, if purchased	
	\$ 5,950,662	\$ 6,127,380
Donated Material Resources (school supply kits, baby carekits)	Rates based on fair market value for items, if purchased	
	13,523,381	7,409,130
Pro-bono legal services and marketing services	Hourly rates per service provider by types of services provided by the firms	
	533,059	24,922
	<b>\$ 20,007,102</b>	<b>\$ 13,561,432</b>

**14. Retirement Plan**

Employees of Corus based in the United States including US Citizens and US Permanent Residents based abroad are enrolled upon employment in a qualified defined contribution pension plan (Corus 403(b) Plan). Corus also maintains a non-qualified defined contribution (Corus 457(b) Plan) for a select group of US management employees. Both plans are administered by One America. Contributions to the plans are based upon earnings for all eligible employees and are accrued and funded on a current basis. Retirement benefits expense was \$1,943,340 and \$1,922,660 for the years ended September 30, 2023 and 2022, respectively. Employees who are not based in the United States are provided comparable benefits through various plans and arrangements permitted within the country of employment.

As of October 1, 2017, LWR established a non-qualified deferred compensation plan, a 457(f) Plan (the 457(f) Plan). The purpose of the 457(f) Plan was to provide supplemental retirement benefits for a select group of management employees of LWR. Employer contributions under the 457(f) Plan for the years ended September 30, 2023 and 2022 were \$0 for both years, and the liability, including interest, was \$0 and \$26,695, as of September 30, 2023 and 2022, respectively. The 457 (f) plan was closed during the fiscal year 2022.

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**15. Liquidity and Availability of Resources**

The following reflects assets as of the consolidated statements of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the consolidated statements of financial statement date. Amounts not available include amounts set aside for satisfaction of donor restrictions or pledged contributions that will not be received within the next year.

<i>September 30,</i>	<b>2023</b>	<b>2022</b>
Cash and cash equivalents	\$ 20,131,558	\$ 7,296,057
Investments	18,573,032	15,372,001
Grants and contributions receivable, net	3,413,651	11,276,381
Other receivables less prepaid expenses	5,541,173	3,687,406
<b>Total financial assets available within one year</b>	<b>47,659,414</b>	<b>37,631,845</b>
Less amounts unavailable for general expenditures within one year, due to:		
Net assets with donor restrictions	(15,348,765)	(16,490,998)
<b>Total financial assets available to management for general expenditures within one year</b>	<b>\$ 32,310,649</b>	<b>\$ 21,140,847</b>

Corus maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, Corus invests cash in excess of the semi-monthly requirements in short-term investments.

To help manage unanticipated liquidity needs, IMA has a committed line of credit of \$5,000,000, which it could draw upon (see Note 8).

**16. Commitments and Contingencies**

Corus had entered into loan guarantee agreements with certain banks and not-for-profit microfinance institutions (MFIs) overseas in order to facilitate credit for various partner organizations. Under these agreements, Corus would be jointly responsible with the banks and MFIs for non-payment by the borrowers. These guarantee agreements with local banks and MFI's ended during 2022.

In the course of normal business operations, Corus is faced with routine legal matters. In the opinion of management, all matters are adequately covered by insurance or the costs have been accrued. U.S. government grants and contracts are subject to audit by various governmental agencies. Management believes, any potential disallowed costs would not be material to the consolidated financial statements.

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***Operating Leases***

Corus International, Inc. and affiliates have non-cancellable lease arrangements for corporate headquarters, as well as field offices and various office equipment which expire at various dates from fiscal year 2024 to 2027.

Rental payments under these leases include base rental amounts for the terms of each lease unless the lease contains variable costs based (e.g. utilities, real estate taxes, operating expenses such as common area maintenance, water, and insurance) on an index or rate. If a lease does include indexed or variable costs at a specific rate, Corus include those costs as part of operating lease expense. Other leases contain variable costs for expenses which are not based on an index or rate. These variable lease payments are determined based on actual expenses incurred by the lessor and passed to Corus on a periodic basis. Corus expense these non-lease components as incurred.

For leases that contain an option to extend to an additional period, management evaluated whether it is reasonably certain that Corus would, in fact, extend the lease. If Corus was not reasonably certain that a lease would be extended, the additional term was not included in the determination of the right-of-use asset and lease liability. If Corus was reasonably certain that a lease would be extended, the additional term was included in the determination of right-of-use asset and liability.

Corus recognized lease expenses for the following:

<i>For the years ended September 30,</i>	<b>2023</b>	<b>2022</b>
Operating lease expense	\$ 2,518,082	\$ 2,527,069
Variable lease expense	1,010,935	621,345
	<b>\$ 3,529,017</b>	<b>\$ 3,148,414</b>

The weighted-average remaining lease term and discount rate related to Corus lease liabilities:

<i>For the years ended September 30,</i>	<b>2023</b>	<b>2022</b>
Weighted average remaining lease term	<b>2.86 years</b>	3.08 years
Discount rate	<b>1.92%</b>	1.48%

**Corus International, Inc. and Affiliates**  
**Notes to the Consolidated Financial Statements**

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Aggregate remaining maturities of lease liabilities as of September 30, 2023, are as follows:

*Year ending September 30,*

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2024	\$ 2,450,739
2025	1,822,733
2026	1,299,165
2027	228,762
2028	13,085
	<hr/> 5,814,484
Less: Imputed interest	(225,338)
	<hr/> \$ 5,589,146

**17. Subsequent Events**

Corus evaluated subsequent events through June 21, 2024, which is the date the consolidated financial statements were available to be issued. There were no transactions or events, that required adjustment to or disclosure in the consolidated financial statements.