

Wabash.

Independent Auditor's Report and Financial Statements

June 30, 2022 and 2021



W a b a s h C o l l e g e

J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

C o n t e n t s

I n d e p e n d e n t A u d i t o r ' s R e p o r t 1

F i n a n c i a l S t a t e m e n t s

Board of Trustees
Wabash College
Crawfordsville, Indiana

Opinion

We have audited the financial statements of Wabash College (College), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, functional expenses and cash flow for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Wabash College as of June 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of Wabash College 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 Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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 financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Wabash College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Wabash College's ability to continue as a going concern for a reasonable period of time.

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

FORVIS,LLP

Indianapolis, Indiana
November 22, 2022

W a b a s h C o l l e g e
 S t a t e m e n t s o f A c t i v i t i e s
 Y e a r s E n d e d J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

	2 0 2 2		
	W I L L A M S B U R G H	W I L L A M S B U R G H	T O T A L
	M A Y 1 5 2 0 2 1 - 2 0 2 2	M A Y 1 5 2 0 2 0 - 2 0 2 1	T O T A L
Revenues, Income and Other Support			
Expenses			
Change in Net Assets Before Other Changes			
Other Changes			
Change in Net Assets			
Net Assets, Beginning of Year			
Net Assets, End of Year			

W a b a s h C o l l e g e

S t a t e m e n t o f F u n c t i o n a l E x p e n s e s

Y e a r E n d e d J u n e 3 0 , 2 0 2 2

(W i t h C o m p a r a t i v e T o t a l s f o r 2 0 2 1

2022						2021					
Functional Expenses			Total			Functional Expenses			Total		
2022	2021	Total	2022	2021	Total	2022	2021	Total	2022	2021	Total
_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____
=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====

W a b a s h C o l l e g e

S t a t e m e n t o f F u n c t i o n a l E x p e n s e s

Y e a r E n d e d J u n e 3 0 , 2 0 2 1

2021						2020			
Fund		Account				Fund		Account	
2021	2020	2021	2020	2021	2020	2021	2020	2021	2020

W a b a s h C o l l e g e
 S t a t e m e n t s o f C a s h F l o w s
 Y e a r s E n d e d J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

	2 0 2 2	2 0 2 1
Operating Activities		
Investing Activities		
Financing Activities		
Increase in Cash		
Cash, Beginning of Year		
Cash, End of Year		
Supplemental Cash Flows Information		

N o t e 1 : N a t u r e o f O p e r a t i o n s a n d S u m m a r y o f S i g n i f i c a n t A c c o u n t i n g P o l i c i e s

Nature of Operations

Use of Estimates

Cash

Investments and Investment Return

Accounts Receivable

Property and Equipment

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Long-Lived Asset Impairment

Net Assets

Contributions

N a t u r e o f t h e G i f t

V a l u e R e c o g n i z e d

Collections

In-Kind Contributions

Government Grants

Income Taxes

Functional Allocation of Expenses

Self-Insurance

Subsequent Events

W a b a s h C o l l e g e

N o t e s t o F i n a n c i a l S t a t e m e n t s

J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

N O T E 2: I N V E S T M E N T S A N D I N V E S T M E N T R E T U R N

2 0 2 2 2 0 2 1

_____	_____
_____	_____
_____	_____
_____	_____
=====	=====

2 0 2 2

W I N N E D O W N T	W I N N E D O W N T	T O T A L
R E S T R I C T E D	R E S T R I C T E D	
_____	_____	_____
_____	_____	_____
=====	=====	=====

W a b a s h C o l l e g e

N O T E S T O F I N A N C I A L S T A T E M E N T S

J U N E 3 0 , 2 0 2 2 A N D 2 0 2 1

2021		
W I N D O W S	W I N D O W S	
R E S T R I C T E D	R E S T R I C T E D	T O T A L

Alternative Investments

A L T E R N A T I V E I N V E S T M E N T S			
F A S T M O V I N G	C O M M O D I T I E S	R E S T R I C T E D	T O T A L

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Hedge Funds

Distressed Debt Securities

Private Equity and Venture Capital

Real Estate

Natural Resources

N O T E 3 : C O N T R I B U T I O N S R E C E I V A B L E

W I T H D E D U C T I O N S	
2 0 2 2	2 0 2 1
_____	_____
_____	_____
_____	_____
=====	=====

W a b a s h C o l l e g e
N o t e s t o F i n a n c i a l S t a t e m e n t s
J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

N o t e 4 : P r o p e r t y a n d E q u i p m e n t

2 0 2 2	2 0 2 1

N o t e 5 : B e n e f i c i a l I n t e r e s t I n T r u s t s

Charitable Remainder Trusts Held by Others

Charitable Remainder Trusts Held by the College

and 2021

2 0 2 2	2 0 2 1

Beneficial Interest in Perpetual Trusts

N o t e 6 : L i n e o f C r e d i t

N o t e 7 : L o n g - T e r m D e b t

2 0 2 2	2 0 2 1
_____	_____
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W a b a s h C o l l e g e

N o t e s t o F i n a n c i a l S t a t e m e n t s

J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

W a b a s h C o l l e g e

N o t e s t o F i n a n c i a l S t a t e m e n t s

J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

L o a n - T e r m
D e b t

N o t e 5 : D e r i v a t i v e F i n a n c i a l I n s t r u m e n t

W a b a s h C o l l e g e
 N o t e s t o F i n a n c i a l S t a t e m e n t s
 J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

N o t e 9 : L e a s e s

C a p i t a l L e a s e s	O p e r a t i n g L e a s e s
	2 0 2 2

N o t e 1 0 : A n n u i t i e s a n d T r u s t s P a y a b l e

W a b a s h C o l l e g e

N o t e s t o F i n a n c i a l S t a t e m e n t s

J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

N o t e 1 1 : N e t A s s e t s W i t h D o n o r R e s t r i c t i o n s

Net Assets With Donor Restrictions

2 0 2 2 2 0 2 1

W a b a s h C o l l e g e
N o t e s t o F i n a n c i a l S t a t e m e n t s
J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

(C O N T I N U E)

2 0 2 2	2 0 2 1
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Net Assets Released From Restrictions

2 0 2 2	2 0 2 1

N o t e 1 2 : E n d o w m e n t

W a b a s h C o l l e g e

N o t e s t o F i n a n c i a l S t a t e m e n t s

J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

2 0 2 2		
W I L L H A M D H A R Y	W I L L D H A R Y	T O T A L
R E C E I V E S	R E C E I V E S	

2 0 2 1		
W I L L H A M D H A R Y	W I L L D H A R Y	T O T A L
R E C E I V E S	R E C E I V E S	

W a b a s h C o l l e g e

N o t e s t o F i n a n c i a l S t a t e m e n t s

J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

N o t e 13: P e n s i o n P l a n s

W a b a s h C o l l e g e
 N o t e s t o F i n a n c i a l S t a t e m e n t s
 J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

N O T E 1 4 : P o s t r e t i r e m e n t P l a n

2 0 2 2	2 0 2 1

2 0 2 2	2 0 2 1

W a b a s h C o l l e g e

N o t e s t o F i n a n c i a l S t a t e m e n t s

J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

2 0 2 2

2 0 2 1

2 0 2 2

2 0 2 1

N O T E 1 5 : D I S C L O S U R E S A B O U T F A I R V A L U E O F A S S E T S A N D L I A B I L I T I E S

Level 1

Level 2

Level 3

Investments

Domestic Common Stocks and Foreign Common Stocks:

Fixed Income Securities/Funds:

Alternative Investments:

Charitable Remainder Trusts

Beneficial Interest in Perpetual Trust

Interest Rate Swap Agreement

Recurring Measurements

	F I N A N C I A L M E A S U R E M E N T S		
	A M O U N T	C H A N G E	B E G I N N I N G
P A R T	A M O U N T	I N C R E A S E	B E G I N N I N G
P A R T	C H A N G E	D E C R E A S E	B E G I N N I N G
June 30, 2022			

June 30, 2021

W a b a s h C o l l e g e
 N o t e s t o F i n a n c i a l S t a t e m e n t s
 J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

C A R T I D I A	I N T E R E S T
R A T I O S H A R E	R A T I O S H A R E
T R A D I N G	A G R E E M E N T

Unobservable (Level 3) Inputs

N o t e 1 6 : L i q u i d i t y

W a b a s h C o l l e g e

N o t e s t o F i n a n c i a l S t a t e m e n t s

J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

	2 0 2 2	2 0 2 1
	_____	_____
	_____	_____
	=====	=====

N o t e 1 7 : R e l a t e d P a r t i e s

W a b a s h C o l l e g e

N o t e s t o F i n a n c i a l S t a t e m e n t s

J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

N o t e 18: R e v e n u e F r o m C o n t r a c t s

2 0 2 2	2 0 2 1

Performance Obligations

Transaction Price

Contract Assets and Liabilities

Disaggregation of Revenue

2 0 2 2		2 0 2 1	

2 0 2 2		2 0 2 1	

W a b a s h C o l l e g e

N o t e s t o F i n a n c i a l S t a t e m e n t s

J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

N o t e 1 9 : U . S . D e p a r t m e n t o f E d u c a t i o n F i n a n c i a l R e s p o n s i b i l i t y R a t i o
I n f o r m a t i o n

2 0 2 2

W a b a s h C o l l e g e

N o t e s t o F i n a n c i a l S t a t e m e n t s

J u n e 3 0 , 2 0 2 2 a n d 2 0 2 1

(C o n t i n u e d)

2 0 2 2

N o t e 2 0 : S i g n i f i c a n t l y e x c e e d i n g t h e 5 p e r c e n t t h r e s h o l d , t h e f o l l o w i n g i n f o r m a t i o n p r o v i d e s a d d i t i o n a l d e t a i l s o f t h e s e t i m e s e r i e s .

Litigation

Other Discrete Events