

THE FUND FOR THE DIACONATE
OF THE EPISCOPAL CHURCH

FINANCIAL STATEMENTS

JULY 31, 2025 and 2024

THE FUND FOR THE DIACONATE OF THE EPISCOPAL CHURCH

Contents

	<u>Page</u>
Independent Accountants' Review Report	1
Financial Statements	
Statements of financial position as of July 31, 2025 and 2024	2
Statements of activities for the years ended July 31, 2025 and 2024	3
Statement of functional expenses for the year ended July 31, 2025 (with summarized financial information for 2024)	4
Statement of functional expenses for the year ended July 31, 2024	5
Statements of cash flows for the years ended July 31, 2025 and 2024	6
Notes to financial statements	7 - 13

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors of
The Fund for the Diaconate of the Episcopal Church

We have reviewed the accompanying financial statements of The Fund for the Diaconate of the Episcopal Church (the "Fund"), which comprise the statement of financial position as of July 31, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Fund management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying 2025 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Report on 2024 Financial Statements

The 2024 financial statements were audited by us, and we expressed an unmodified opinion on them in our report dated March 25, 2025. We have not performed any auditing procedures since March 25, 2025.



EISNERAMPER LLP

New York, New York

May 15, 2026

"EisnerAmper" is the brand name under which EisnerAmper LLP and Eisner Advisory Group LLC and its subsidiary entities provide professional services. EisnerAmper LLP and Eisner Advisory Group LLC are independently owned firms that practice in an alternative practice structure in accordance with the AICPA Code of Professional Conduct and applicable law, regulations and professional standards. EisnerAmper LLP is a licensed CPA firm that provides attest services, and Eisner Advisory Group LLC and its subsidiary entities provide tax and business consulting services. Eisner Advisory Group LLC and its subsidiary entities are not licensed CPA firms.

THE FUND FOR THE DIACONATE OF THE EPISCOPAL CHURCH

Statements of Financial Position

(See independent accountants' review report and notes to financial statements)

	July 31,	
	2025 (Reviewed)	2024 (Audited)
ASSETS		
Cash and cash equivalents	\$ 246,017	\$ 202,187
Investments	8,319,502	8,303,853
Prepaid expenses	38,222	8,839
Beneficial interest in perpetual trust	28,336	26,715
	<u>\$ 8,632,077</u>	<u>\$ 8,541,594</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$ 41,586	\$ 14,714
Grants payable, net	272,124	282,668
	<u>313,710</u>	<u>297,382</u>
Net Assets:		
Without donor restrictions	8,264,196	8,195,896
With donor restrictions:		
Perpetual in nature	54,171	48,316
	<u>8,318,367</u>	<u>8,244,212</u>
	<u>\$ 8,632,077</u>	<u>\$ 8,541,594</u>

THE FUND FOR THE DIACONATE OF THE EPISCOPAL CHURCH

Statements of Activities

(See independent accountants' review report and notes to financial statements)

	Year Ended July 31,					
	2025 (Reviewed)			2024 (Audited)		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Operating activities:						
Public support and revenue:						
Contributions and grants	\$ 4,150	\$ -	\$ 4,150	\$ 2,446	\$ -	\$ 2,446
Interest and dividends, net	134,237	774	135,011	128,949	-	128,949
Net realized and unrealized gains on investments	590,491	3,460	593,951	1,021,042	5,720	1,026,762
Other income	813	-	813	692	-	692
Total public support and revenue	<u>729,691</u>	<u>4,234</u>	<u>733,925</u>	<u>1,153,129</u>	<u>5,720</u>	<u>1,158,849</u>
Operating expenses:						
Program services	516,362	-	516,362	424,328	-	424,328
General and administrative	103,593	-	103,593	108,138	-	108,138
Fund-raising	41,994	-	41,994	20,287	-	20,287
Total operating expenses	<u>661,949</u>	<u>-</u>	<u>661,949</u>	<u>552,753</u>	<u>-</u>	<u>552,753</u>
Change in net assets from operating activities	<u>67,742</u>	<u>4,234</u>	<u>71,976</u>	<u>600,376</u>	<u>5,720</u>	<u>606,096</u>
Non-operating activities:						
Distribution from beneficial interest in perpetual trust	558	-	558	2,115	-	2,115
Change in value of beneficial interest in perpetual trust	-	1,621	1,621	-	1,496	1,496
Total non-operating activities	<u>558</u>	<u>1,621</u>	<u>2,179</u>	<u>2,115</u>	<u>1,496</u>	<u>3,611</u>
Increase in net assets	68,300	5,855	74,155	602,491	7,216	609,707
Net assets, beginning of year	<u>8,195,896</u>	<u>48,316</u>	<u>8,244,212</u>	<u>7,593,405</u>	<u>41,100</u>	<u>7,634,505</u>
Net assets, end of year	\$ 8,264,196	\$ 54,171	\$ 8,318,367	\$ 8,195,896	\$ 48,316	\$ 8,244,212

THE FUND FOR THE DIACONATE OF THE EPISCOPAL CHURCH

Statement of Functional Expenses

Year Ended July 31, 2025

(with summarized financial information for 2024)

(See independent accountants' review report and notes to financial statements)

	Reviewed				Audited	
	Program Services	Supporting Services			Total Expenses	
	Grant Making and Administration	General and Administrative	Fund-raising	Total Supporting Services	Total Expenses 2024	
Grants	\$ 385,855	\$ -	\$ -	\$ -	\$ 385,855	\$ 299,495
Payroll and related benefits	50,410	6,301	11,995	18,296	68,706	62,827
Audit and accounting fees	38,551	38,550	-	38,550	77,101	81,837
Legal fees	6,746	6,745	-	6,745	13,491	5,026
Other professional fees	1,906	-	-	-	1,906	1,204
Communications	-	-	6,249	6,249	6,249	6,103
Board meetings, travel, and meals	32,894	32,894	-	32,894	65,788	67,182
Election costs	-	1,198	-	1,198	1,198	579
Institutional development	-	-	23,750	23,750	23,750	3,789
Office expenses	-	15,214	-	15,214	15,214	18,375
Insurance	-	2,691	-	2,691	2,691	6,336
Total expenses	\$ 516,362	\$ 103,593	\$ 41,994	\$ 145,587	\$ 661,949	\$ 552,753

THE FUND FOR THE DIACONATE OF THE EPISCOPAL CHURCH

Statement of Functional Expenses

Year Ended July 31, 2024

(See independent accountants' review report and notes to financial statements)

	Audited				
	Program Services	Supporting Services			Total Expenses
	Grant Making and Grant Administration	General and Administrative	Fund-raising	Total Supporting Services	
Grants	\$ 299,495	\$ -	\$ -	\$ -	\$ 299,495
Payroll and related benefits	46,606	5,826	10,395	16,221	62,827
Audit and accounting fees	40,919	40,918	-	40,918	81,837
Legal fees	2,513	2,513	-	2,513	5,026
Other professional fees	1,204	-	-	-	1,204
Communications	-	-	6,103	6,103	6,103
Board meetings, travel, and meals	33,591	33,591	-	33,591	67,182
Election costs	-	579	-	579	579
Institutional development	-	-	3,789	3,789	3,789
Office expenses	-	18,375	-	18,375	18,375
Insurance	-	6,336	-	6,336	6,336
Total expenses	\$ 424,328	\$ 108,138	\$ 20,287	\$ 128,425	\$ 552,753

THE FUND FOR THE DIACONATE OF THE EPISCOPAL CHURCH

Statements of Cash Flows

(See independent accountants' review report and notes to financial statements)

	Year Ended July 31,	
	<u>2025</u> <u>(Reviewed)</u>	<u>2024</u> <u>(Audited)</u>
Cash flows from operating activities:		
Increase in net assets	\$ 74,155	\$ 609,707
Adjustments to reconcile increase in net assets to net cash used in operating activities:		
Net realized and unrealized gains on investments	(593,951)	(1,026,762)
Change in value of beneficial interest in perpetual trust	(1,621)	(1,496)
Changes in:		
Interest and dividends receivable	-	806
Prepaid expenses	(29,383)	(5,839)
Accrued expenses	26,872	(24,926)
Grants payable, net	(10,544)	(42,058)
	<u>(534,472)</u>	<u>(490,568)</u>
Net cash used in operating activities		
Cash flows from investing activities:		
Proceeds from sales of investments	655,802	8,111,731
Purchases of investments	(77,500)	(7,472,824)
	<u>578,302</u>	<u>638,907</u>
Net cash provided by investing activities		
Increase in cash and cash equivalents	43,830	148,339
Cash and cash equivalents, beginning of year	<u>202,187</u>	<u>53,848</u>
Cash and cash equivalents, end of year	\$ 246,017	\$ 202,187

THE FUND FOR THE DIACONATE OF THE EPISCOPAL CHURCH

Notes to Financial Statements July 31, 2025 and 2024

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Organization:

The Fund for the Diaconate of the Episcopal Church (the "Fund"), was organized in New York in 1927. The Fund is operated for the benefit of the Episcopal Church to provide allowances to those ordained to the ministry of the Episcopal Church, who have insufficient provisions for their needs.

The Fund qualifies as a charitable organization as defined by Section 501(c)(3) of the U.S. Internal Revenue Code (the "Code"), and accordingly, is exempt from federal income taxes under Section 509(a)(3) as a Type 1 supporting organization of the Code, and from state and local taxes under comparable laws.

[2] Basis of accounting:

The accompanying financial statements of the Fund have been prepared using the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("U.S. GAAP"), as applicable to not-for-profit organizations.

[3] Use of estimates:

The preparation of financial statements in conformity with U.S. GAAP requires the Fund's management to make estimates and assumptions that affect the reported amount of assets, liabilities, public support and revenue and expenses and the disclosure of commitments and contingencies. Actual results could differ from those estimates.

[4] Cash and cash equivalents:

The Fund considers all highly liquid investments, with maturities of three months or less when purchased, to be cash equivalents.

[5] Investments:

Investments in publicly traded exchange funds, equities and mutual funds are reported at their fair values in the statements of financial position based on quoted market prices. The Fund's investments, in general, are subject to various risks, such as interest-rate, market, and credit risks. Due to the level of risk associated with certain investment vehicles, it is at least reasonably possible that changes in the values of those securities could occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Investment transactions are recorded on a trade-date basis. Realized gains and losses on investments sold, and unrealized appreciation and depreciation on investments held, are reported in the statements of activities as increases or decreases in assets without donor restrictions, unless the use of which is restricted through donor stipulation. Realized gains and losses on investments are determined by comparison of the cost to proceeds at the time of disposition. Unrealized gains and losses on investments are determined by comparing the investments' costs to their fair values at the end of each year. The earnings from dividends and interest are recognized when earned. Investment expenses include the services of bank trustees, investment managers, and custodians. The balances of investment management fees disclosed in Note B are those specific fees charged by the Fund's various investment managers in each fiscal year; however, they do not include those fees that are embedded in various other investment transactions.

THE FUND FOR THE DIACONATE OF THE EPISCOPAL CHURCH

Notes to Financial Statements July 31, 2025 and 2024

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[6] Beneficial interest in perpetual trust:

The Fund has been named as an irrevocable beneficiary of a perpetual trust which is administered by a third-party trustee. Under the perpetual trust arrangement, the Fund has reported the assets and has recognized the donor restricted contribution revenue at the fair value of the Fund's beneficial interest in the trust's assets. Distributions received on the trust assets are reported as without donor restrictions revenue in the statements of activities, in accordance with the donor's intent. Subsequent changes in the fair value of the perpetual trust's assets are recorded as a change in value of beneficial interest in perpetual trust in net assets with donor restrictions.

[7] Grants awards and payable:

The Fund provides various types of grant support to individuals ordained as Deacon in the Episcopal Church. Unconditional grants are recorded as expenses and liabilities after approval by the Board of Directors ("the Board"), based upon (i) the recommendations of the Grants Panel; and (ii) the availability of funding. Conditional grants are not reported as expenses until the conditions or milestones are met. Grants which are terminated and returned to the Fund, or grants which have been previously approved, but then canceled, are reported as non-operating activities.

[8] Net assets:

The net assets of the Fund and changes therein are classified and reported as follows:

(i) *Net assets without donor restrictions:*

Net assets without donor restrictions represent those resources for which there are no donor restrictions as to their use.

(ii) *Net assets with donor restrictions:*

Net assets with donor restrictions represent those resources that are subject to donor-imposed restrictions, such as specific purposes and/or the passage of time. Also included within net assets with donor restrictions are donor restrictions that are perpetual in nature and are subject to the requirements of the New York Prudent Management of Institutional Funds Act ("NYPMIFA"). These donors have stipulated that those resources be maintained in perpetuity with the resultant income and net capital appreciation arising from the underlying assets to be used in satisfaction of the wishes of those donors. When a donor restriction expires, that is, when a stipulated time restriction ends, or a purpose restriction is accomplished, or funds are appropriated through an action of the Board, net assets with donor restrictions are reclassified to net assets without donor restriction and are reported in the statements of activities as "net assets released from restrictions." Contributions received in the same year in which the donor restrictions are satisfied, are classified as without donor restrictions.

[9] Revenue recognition:

Contributions and grants to the Fund are recognized as revenue upon the receipt of either cash or other assets, or of unconditional pledges. Contributions and grants are reported as "with donor restrictions" if they are received with donor stipulations or time considerations as to their use. Conditional contributions are recognized when the donor's conditions have been met by requisite actions of the Fund's management or necessary events take place, and if received in advance, are recognized in the statements of financial position as funds received in advance. The Fund records bequest income at the time it has an established right to a bequest and the proceeds are measurable. Contributions to be received over periods longer than a single year, if any, are discounted at an interest rate commensurate with the risk involved.

THE FUND FOR THE DIACONATE OF THE EPISCOPAL CHURCH

Notes to Financial Statements July 31, 2025 and 2024

NOTE A - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

[10] Functional allocation of expenses:

The costs of providing the Fund's programs and activities have been summarized on a functional basis in the statements of activities. The statement of functional expenses presents expenses by natural classification and function. Natural expenses attributable to more than one expense category are allocated by management based on time and effort. The program-related expenses include all expenses related to the administration of grants, and other expenses directly related to the programs of the Fund.

[11] Income taxes:

The Fund is subject to the provisions of the Financial Accounting Standards Board's (the "FASB") Accounting Standards Codification ("ASC") Topic 740, *Income Taxes*, as it relates to the accounting and reporting for uncertainty in income taxes. Because of the Fund's general tax-exempt status, ASC Topic 740 has not had, and is not anticipated to have, a material impact on the Fund's financial statements.

[12] Measure of operations:

The Fund includes in its definition of operations, all public support and revenue and expenses that are an integral part of its program and supporting activities. Distributions from, and changes in, the beneficial interest in the perpetual trust are recognized as part of the Fund's non-operating activities.

[13] Subsequent events:

The Fund has evaluated subsequent events through May 15, 2026, the date on which the financial statements were available to be issued.

NOTE B - INVESTMENTS AND FAIR VALUE MEASUREMENTS

At each fiscal year-end, investments consisted of the following:

	July 31,			
	2025		2024	
	(Reviewed)		(Audited)	
	Fair Value	Cost	Fair Value	Cost
Exchange traded fund	\$ 435,519	\$ 387,539	\$ -	\$ -
Equities	-	-	452,894	387,540
Mutual funds:				
Equity	5,890,661	4,647,009	6,087,506	5,261,140
Bond	<u>1,993,322</u>	<u>1,938,835</u>	<u>1,763,453</u>	<u>1,551,117</u>
	<u>\$ 8,319,502</u>	<u>\$ 6,973,383</u>	<u>\$ 8,303,853</u>	<u>\$ 7,199,797</u>

THE FUND FOR THE DIACONATE OF THE EPISCOPAL CHURCH

Notes to Financial Statements July 31, 2025 and 2024

NOTE B - INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

During each fiscal year, investment returns consisted of the following:

	Year Ended July 31,	
	2025 (Reviewed)	2024 (Audited)
Interest and dividends	\$ 144,948	\$ 136,751
Investment custody fees	<u>(9,937)</u>	<u>(7,802)</u>
	<u>135,011</u>	<u>128,949</u>
Realized gains	351,888	1,301,968
Unrealized gains (losses)	<u>242,063</u>	<u>(275,206)</u>
	<u>593,951</u>	<u>1,026,762</u>
	<u>\$ 728,962</u>	<u>\$ 1,155,711</u>

The FASB's ASC Topic 820, *Fair Value Measurements*, establishes a three-level valuation hierarchy of fair-value measurements. These valuation techniques are based on observable and unobservable inputs. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions. These two types of inputs create the following fair value hierarchy:

- Level 1: Valuations are based on observable inputs that reflect quoted market prices in active markets for identical investments, at the reporting date.
- Level 2: Valuations are based on (i) quoted prices for similar investments in active markets, or (ii) quoted prices for those investments, or similar investments, in markets that are not active, or (iii) pricing inputs other than quoted prices that are directly or indirectly observable at the reporting date.
- Level 3: Valuations are based on pricing inputs that are unobservable and include situations where (i) there is little, if any, market activity for the investments, or (ii) the investments cannot be independently valued.

The Fund's investments are valued entirely under Level 1 and the Fund's beneficial interest, a perpetual trust, is valued under Level 3 of the fair value hierarchy.

The availability of available market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or valuation techniques may require the transfers of financial instruments from one level to another. In such instances, the transfer is reported at the beginning of the reporting period. Investment fees are embedded in investment transactions.

THE FUND FOR THE DIACONATE OF THE EPISCOPAL CHURCH

**Notes to Financial Statements
July 31, 2025 and 2024**

NOTE B - INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

Quantitative information regarding unobservable inputs developed by the Fund and assumptions used to measure the fair value of the split-interest agreement are as follows:

Type	July 31,		Valuation Techniques	Significant Unobservable Inputs	Range
	2025 (Reviewed)	2024 (Audited)			
Beneficial interest in perpetual trust	\$ 28,336	\$26,715	Market approach through valuation of underlying securities	Fair value of trust assets	N/A

NOTE C - GRANTS

The changes in grants payable during the year are summarized as follows:

	Year Ended July 31,	
	2025 (Reviewed)	2024 (Audited)
Grants payable, beginning of year	\$ 288,572	\$ 333,308
Current year activity:		
Grant awards	383,002	296,817
Grant payments	(396,399)	(332,437)
Write-offs/cancelled grants	-	(9,116)
Grants payable	275,175	288,572
Reduction in grants payable in excess of one year to present value at a discount rate of 4.0%	(3,051)	(5,904)
Grants payable, net, end of year	\$ 272,124	\$ 282,668

At each year-end, grants were awarded for the following purposes:

	Year Ended July 31,	
	2025 (Reviewed)	2024 (Audited)
Support need	\$ 360,712	\$ 266,695
Medical need	12,527	5,068
Special need	2,511	16,544
Emergency need	-	5,000
Diaconal formation	7,252	3,510
	\$ 383,002	\$ 296,817

THE FUND FOR THE DIACONATE OF THE EPISCOPAL CHURCH

Notes to Financial Statements July 31, 2025 and 2024

NOTE C - GRANTS (CONTINUED)

At each year-end, grants payable are expected to be paid as follows:

	Year Ended July 31,	
	2025 (Reviewed)	2024 (Audited)
2025	\$ -	\$ 214,282
2026	236,785	74,290
2027	<u>38,390</u>	<u>-</u>
	<u>\$ 275,175</u>	<u>\$ 288,572</u>

NOTE D - NET ASSETS WITH DONOR RESTRICTIONS AND ENDOWMENT

[1] The endowment:

The Fund's endowment consists of two donor-restricted funds established to exist in perpetuity and to provide income to be used for the Fund's purposes.

[2] Interpretation of relevant law:

NYPMIFA is applicable to all of the Fund's institutional funds, including its donor-restricted fund. The Board adheres to NYPMIFA's requirements.

[3] Endowment net-asset composition and changes in endowment during the fiscal-year:

	July 31,	
	2025 (Reviewed)	2024 (Audited)
Endowment net assets, beginning of year	\$ 48,316	\$ 41,100
Endowment returns	<u>5,855</u>	<u>7,216</u>
Endowment net assets, end of year	<u>\$ 54,171</u>	<u>\$ 48,316</u>

[4] Return objectives, risk parameters and strategies employed for achieving objectives:

The Board evaluates the long-term asset allocation in meeting its fiduciary responsibilities for funding programs and protecting its endowment resources. To satisfy its long-term rate-of-return objectives, the Fund relies on a total-return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Fund maintains a diversified asset base within prudent risk constraints.

[5] Funds with deficiencies:

Due to unfavorable market fluctuations, from time-to-time, the fair value of assets associated with individual donor-restricted endowment funds may decline below the historical dollar value of the donor's original restricted contribution, or the amount required to be maintained under state law, referred to as underwater endowment. Under the terms of NYPMIFA, the Fund has no responsibility to restore such decreases in value.

THE FUND FOR THE DIACONATE OF THE EPISCOPAL CHURCH

Notes to Financial Statements July 31, 2025 and 2024

NOTE D - NET ASSETS WITH DONOR RESTRICTIONS AND ENDOWMENT (CONTINUED)

[6] Spending policy:

The Fund does not have a formal spending policy for its endowment. To preserve the purchasing power of the endowment, the Fund has elected not to appropriate any amounts for expenditure during the fiscal year. All endowment funds remain invested in accordance with the Fund's investment guidelines, which are designed to achieve long-term growth and maintain the real value of the assets after inflation.

NOTE E - LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Fund's financial assets as of each year-end available for general expenditures within one year of the statements of financial position dates:

	<u>July 31,</u>	
	<u>2025</u> <u>(Reviewed)</u>	<u>2024</u> <u>(Audited)</u>
Cash and cash equivalents	\$ 246,017	\$ 202,187
Investments	<u>8,319,502</u>	<u>8,303,853</u>
Total financial assets available within one year	8,565,519	8,506,040
Less:		
Amounts unavailable for general expenditures within one year, due to:		
Perpetual in nature	<u>(54,171)</u>	<u>(48,316)</u>
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 8,511,348</u>	<u>\$ 8,457,724</u>

Liquidity policy:

The Fund's policy is to structure its financial assets to be available for its general expenditures, liabilities and other obligations as they come due.