

**ADVENT CHRISTIAN GENERAL CONFERENCE  
OF AMERICA, INCORPORATED**

**Charlotte, North Carolina**

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Audited Financial Statements

December 31, 2014

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

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## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
Advent Christian General Conference of America, Incorporated  
Charlotte, North Carolina

We have audited the accompanying financial statements of Advent Christian General Conference of America, Incorporated (a nonprofit organization), which comprise the statement of financial position as of December 31, 2014, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. The prior year's summarized comparative information has been derived from Advent Christian General Conference of America, Incorporated's 2013 financial statements, and in our report dated May 8, 2014, we expressed an unqualified opinion on those financial statements. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Advent Christian General Conference of America, Incorporated as of December 31, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The individual fund financial statements and schedules on pages 17-23 are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Rowell, Craven & Short, P.A.*  
August 3, 2015  
Charlotte, North Carolina

**FINANCIAL STATEMENTS**

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Statement of Financial Position  
December 31, 2014  
(With Comparative Totals as of December 31, 2013)*

<b>ASSETS</b>	<u>2014</u>	<u>2013</u>
Current assets:		
Cash and cash equivalents	\$ 574,656	\$ 390,368
Investments	84,319	184,283
Investments - temporary	1,975,402	1,757,967
Accounts receivable	2,667	5,313
Inventories	40,126	62,535
Prepaid expenses	7,169	2,328
Total current assets	<u>2,684,339</u>	<u>2,402,794</u>
Investments- long term	574,044	560,867
Investments- pension	7,841,771	7,470,258
Property and equipment, net	322,930	342,374
Total assets	<u>\$ 11,423,084</u>	<u>\$ 10,776,293</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable	\$ 19,215	\$ 55,870
Departmental accommodations	44,861	58,824
Subscriptions due	11,826	10,669
Total current liabilities	<u>75,902</u>	<u>125,363</u>
Ministers' accumulated vested benefits- A Fund	3,602,290	3,519,552
Ministers' accumulated vested benefits- B Fund	1,050,201	999,373
Pension annuity - participants vested amounts	1,270,302	1,270,302
Total long-term liabilities	<u>5,922,793</u>	<u>5,789,227</u>
Total liabilities	<u>5,998,695</u>	<u>5,914,590</u>
Net assets:		
Permanently restricted	579,184	568,872
Temporarily restricted	483,522	282,030
Unrestricted:		
Undesignated	2,830,533	2,530,146
Board designated	1,531,150	1,480,655
Total net assets	<u>5,424,389</u>	<u>4,861,703</u>
Total liabilities and net assets	<u>\$ 11,423,084</u>	<u>\$ 10,776,293</u>

*The notes to the financial statements are an integral part of this statement.*

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Statement of Activities and Changes in Net Assets*

*For the Year Ended December 31, 2014*

*(With Comparative Totals for the Year Ended December 31, 2013)*

	Unrestricted Funds	
	Undesignated Funds	Board Designated Funds
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>		
Support:		
United ministries	\$ 1,191,213	\$ -
Christmas in October	59,234	-
First responders	28,947	-
Individual and estate gifts	295,736	300
Field offerings and other gifts	29,476	-
Revenues and gains:		
Administrative service fees	16,000	-
Pension deposits	203,206	-
Subscriptions	24,912	-
Income on investments	211,642	13,514
Convention income	88,035	-
Other income	-	-
Gains (losses) on sale of marketable securities	332,953	5,884
Venture Bookstore gross profit	55,467	-
Unrealized gain (loss) on investments, net	337,168	82,941
Total revenues, gains and other support	2,873,989	102,639
Reclassifications:		
Satisfaction of purpose restriction	114,720	(63,634)
Transfers between funds, ACGC Fund	(24,124)	20,212
Transfers between funds, Pension Fund	(25,519)	-
Total reclassifications	65,077	(43,422)
<b>EXPENSES</b>		
Program services:		
United ministries program	357,334	-
World outreach program	601,853	-
Communications program	247,757	-
Nurture program	235,650	-
Convention program	120,699	-
Supporting services:		
Management and general	483,472	8,722
Distributions to participants	584,794	-
Fund raising	7,119	-
Total expenses	2,638,679	8,722
Change in net assets	\$ 300,387	\$ 50,495
Net assets, beginning of year	2,530,146	1,480,655
Net assets, end of year	\$ 2,830,533	\$ 1,531,150

*The notes to the financial statements are an integral part of this statement.*

<u>Temporarily Restricted Funds</u>	<u>Permanently Restricted Funds</u>	<u>Total All Funds</u>	
		<u>2014</u>	<u>2013</u>
\$ -	\$ -	\$ 1,191,213	\$ 1,248,581
-	-	59,234	66,626
-	-	28,947	28,317
163,315	-	459,351	360,136
-	-	29,476	27,592
-	-	16,000	16,000
-	-	203,206	186,588
-	-	24,912	27,778
1,524	29,241	255,921	250,045
-	-	88,035	-
-	-	-	34,348
(4)	(2)	338,831	187,484
-	-	55,467	61,675
<u>86,338</u>	<u>(19,703)</u>	<u>486,744</u>	<u>1,227,708</u>
<u>251,173</u>	<u>9,536</u>	<u>3,237,337</u>	<u>3,722,878</u>
(50,582)	(503)	-	-
1,045	2,867	-	-
<u>-</u>	<u>-</u>	<u>(25,519)</u>	<u>(156,367)</u>
<u>(49,537)</u>	<u>2,364</u>	<u>(25,519)</u>	<u>(156,367)</u>
-	-	357,334	374,073
-	-	601,853	608,779
-	-	247,757	240,016
-	-	235,650	265,808
-	-	120,699	-
144	1,588	493,926	472,367
-	-	584,794	570,348
-	-	7,119	15,593
<u>144</u>	<u>1,588</u>	<u>2,649,132</u>	<u>2,546,984</u>
\$ 201,492	\$ 10,312	\$ 562,686	\$ 1,019,527
<u>282,030</u>	<u>568,872</u>	<u>4,861,703</u>	<u>3,842,176</u>
\$ <u>483,522</u>	\$ <u>579,184</u>	\$ <u>5,424,389</u>	\$ <u>4,861,703</u>

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Statement of Cash Flows*

*For the Year Ended December 31, 2014*

*(With Comparative Totals for the Year Ended December 31, 2013)*

	<u>2014</u>	<u>2013</u>
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ 562,686	\$ 1,019,527
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	24,005	22,547
Loss (gain) on sale of investments	(338,831)	(187,484)
Loss on disposal of assets	(500)	(1,500)
Unrealized (gain) loss on investments, net	(486,743)	(1,227,708)
Receipt of donated stock	(10,063)	(10,390)
(Increase) decrease in operating assets:		
Accounts receivable	2,646	3,739
Inventories	22,409	1,448
Prepaid expenses	(4,841)	(599)
Increase (decrease) in operating liabilities:		
Accounts payable	(36,655)	5,064
Departmental accommodations	(13,963)	15,037
Subscriptions due	1,157	605
Net cash used by operating activities	<u>(278,693)</u>	<u>(359,714)</u>
<b>INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(4,561)	(40,883)
Proceeds from sale of assets	500	1,500
Purchases of investments	(1,485,912)	(2,189,066)
Proceeds from redemption of investments	1,819,388	1,986,412
Net cash provided by investing activities	<u>329,415</u>	<u>(242,037)</u>
<b>FINANCING ACTIVITIES</b>		
Change in vested benefits	133,566	156,167
Transfers between funds, net	<u>-</u>	<u>-</u>
Net cash provided by financing activities	<u>133,566</u>	<u>156,167</u>
Net increase in cash	184,288	(445,584)
Cash, at beginning of year	<u>390,368</u>	<u>835,952</u>
Cash, at end of year	<u>\$ 574,656</u>	<u>\$ 390,368</u>

*The notes to the financial statements are an integral part of this statement.*



# ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

## *Notes to Financial Statements*

### NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Organization**

The Advent Christian General Conference of America, Inc. is organized to serve the denomination of Advent Christian people. The General Conference serves by promoting the mission and purpose of the Advent Christian Church, working interdependently with all denominational entities, encouraging each local Advent Christian Church and coordinating common endeavors to fulfill the Great Commission of our Lord Jesus Christ. The General Conference provides religious and missionary services through various programs including United Ministries, Convention, World Outreach, Communications, and Nurture Program.

#### **Net Assets**

Net assets are classified into three categories permanently restricted, temporarily restricted, and unrestricted.

Permanently restricted funds are endowment funds established by specific donor restrictions and/or action by the Executive Council. The performance expectation is an overall return of ten percent, and investment income earned by these funds may be released for use in accordance with the guidelines established for each fund. To satisfy its long-term rate-of-return objectives, the Organization 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).

Temporarily restricted funds are restricted for special purposes at the request of the donor(s). Funds are released for use in accordance with the wishes of the donor or by the guidelines previously established by the Executive Council when a particular fundraising appeal was created. Resources are used and accounted for in accordance with the donor-intended purpose.

Board designated funds are temporarily restricted by action of the Executive Council. Funds are released for use in accordance with restrictions established by Executive Council.

Unrestricted funds are the portions that are uncommitted at year end.

#### **Cash and Cash Equivalents**

The Organization considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents.

#### **Accounts Receivable**

Accounts receivable are comprised of amounts due from customers for goods shipped requiring payment within 30 days from the invoice date. The Organization provides for losses on accounts receivable using the allowance method. The allowance method is based on experience and each customer balance is individually reviewed when the balance exceeds 90 days from the invoice date. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. Credit losses, when realized, have been within the range of the Organization's expectations and, historically have not been significant. Accounts receivable are reported at the full

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

**Accounts Receivable** – continued

amount management expects to collect from outstanding balances. Management considers all accounts receivable to be fully collectible; accordingly, no allowance for doubtful accounts was considered necessary.

**Investments**

Cash, cash investments, securities, certificates of deposit and passbook accounts are reflected at fair market value plus interest earned and credited through December 31, 2014 and 2013. Investments in securities are reflected at fair market value or at estate value in the case of bequests. Dividends earned are recognized as income at the time the funds are received. In accordance with FASB ASC 958-320-50 unrealized gains or losses are included in the statement of activities and changes in net assets.

**Inventories**

Inventories are stated at the lower of cost or market and consist primarily of literature, hymnal and supply inventories. Cost is determined by the average cost method.

**Property**

Property and equipment that is purchased are carried at cost, while property received through gifts are recorded at fair market value at the date of the gift. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. Depreciation of property and equipment is provided using the straight-line method for financial reporting purposes which amounted to \$24,005 and \$22,547 for years ended December 31, 2014 and 2013, respectively.

	2014	2013
Land and land improvements	\$ 231,954	\$ 231,954
Headquarters property	271,970	268,877
Headquarters furnishings and equipment	93,182	95,155
Residences (including furnishings)	125,867	125,867
Vehicles	9,991	17,459
	<u>732,964</u>	<u>739,312</u>
Less, accumulated depreciation	410,034	396,938
Total property and equipment, net	<u>\$ 322,930</u>	<u>\$ 342,374</u>

**Shipping and Handling Costs**

The Organization classifies freight billed to customers as sales revenue and the related freight costs as cost of sales.

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Notes to Financial Statements*

**NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- Continued**

**Support and Revenue**

Contributions received by the Organization are generally available for unrestricted use in the related year unless specifically restricted by the donor. Contributions of donated noncash assets are recorded at their fair values in the period received.

**Use of Estimates**

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**NOTE 2- INVESTMENTS**

Investments are presented in the financial statements at fair market value at December 31, 2014 and 2013, respectively as follows:

	12/31/2014		
	Cost	Market Value	Unrealized Gain(Loss) on Investments
Undesignated Fund	\$ 84,179	\$ 84,319	\$ 140
Undesignated Fund- Pension	5,560,764	7,841,771	2,281,007
Temporarily & Board Designated Fund	1,234,725	1,975,402	740,677
Permanently Restricted Fund	576,837	574,044	(2,793)
<b>Total</b>	<b>\$ 7,456,505</b>	<b>\$ 10,475,536</b>	<b>\$ 3,019,031</b>
	Cost	Market Value	Unrealized Gain(Loss) on Investments
<b>Undesignated Fund</b>			
Mutual funds	\$ 84,179	\$ 84,319	\$ 140
	Cost	Market Value	Unrealized Gain(Loss) on Investments
<b>Undesignated Fund- Pension</b>			
Fixed income securities:			
Corporate bonds	\$ 200,591	\$ 198,053	\$ (2,538)
Government obligations	527,852	599,610	71,758
Mutual funds	2,247,060	2,686,733	439,673
Common stock	2,585,261	4,357,375	1,772,114
	\$ 5,560,764	\$ 7,841,771	\$ 2,281,007

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Notes to Financial Statements*

**NOTE 2- INVESTMENTS- Continued**

	<u>12/31/2014</u>		
	<u>Cost</u>	<u>Market Value</u>	<u>Unrealized Gain(Loss) on Investments</u>
<b>Temporarily &amp; Board Designated Fund</b>			
Mutual funds	\$ 359,198	\$ 356,979	\$ (2,219)
Common stock	875,527	1,618,423	742,896
	<u>\$ 1,234,725</u>	<u>\$ 1,975,402</u>	<u>\$ 740,677</u>
	<u>Cost</u>	<u>Market Value</u>	<u>Unrealized Gain(Loss) on Investments</u>
<b>Permanently Restricted Fund</b>			
Mutual funds	\$ 576,837	\$ 574,044	\$ (2,793)
	<u>Cost</u>	<u>Market Value</u>	<u>Unrealized Gain(Loss) on Investments</u>
<b>Total all funds</b>			
Common stock	\$ 3,460,788	\$ 5,975,798	\$ 2,515,010
Mutual funds	3,267,274	3,702,075	434,801
Fixed income securities:			
Corporate bonds	200,591	198,053	(2,538)
Government obligations	527,852	599,610	71,758
	<u>\$ 7,456,505</u>	<u>\$ 10,475,536</u>	<u>\$ 3,019,031</u>

The following tabulation summarizes the net increase(decrease) in unrealized appreciation of investments:

	<u>Cost</u>	<u>Market Value</u>	<u>Market over Cost (Cost over Market)</u>
Balance at end of year	<u>\$ 7,456,505</u>	<u>\$ 10,475,536</u>	\$ 3,019,031
Balance at beginning of year	<u>\$ 7,040,560</u>	<u>\$ 8,345,139</u>	\$ 1,304,579
Increase (decrease) in unrealized appreciation of investments.			<u>\$ 1,714,452</u>

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Notes to Financial Statements*

**NOTE 2- INVESTMENTS- Continued**

	12/31/2013		
	Cost	Market Value	Unrealized Gain(Loss) on Investments
Undesignated Fund	\$ 184,179	\$ 184,283	\$ 104
Undesignated Fund- Pension	5,526,383	7,470,258	1,943,875
Temporarily & Board Designated Fund	1,186,569	1,757,967	571,398
Permanently Restricted Fund	543,957	560,867	16,910
<b>Total</b>	<b>\$ 7,441,088</b>	<b>\$ 9,973,375</b>	<b>\$ 2,532,287</b>
<b>Undesignated Fund</b>	<b>Cost</b>	<b>Market Value</b>	<b>Unrealized Gain(Loss) on Investments</b>
Fixed income securities:			
Certificates of deposits	\$ 100,000	\$ 99,964	\$ (36)
Mutual funds	84,179	84,319	140
	<b>\$ 184,179</b>	<b>\$ 184,283</b>	<b>\$ 104</b>
<b>Undesignated Fund- Pension</b>	<b>Cost</b>	<b>Market Value</b>	<b>Unrealized Gain(Loss) on Investments</b>
Fixed income securities:			
Corporate bonds	\$ 289,884	\$ 287,324	\$ (2,560)
Government obligations	589,498	646,395	56,897
Mutual funds	2,276,386	2,600,992	324,606
Common stock	2,370,615	3,935,547	1,564,932
	<b>\$ 5,526,383</b>	<b>\$ 7,470,258</b>	<b>\$ 1,943,875</b>
<b>Temporarily &amp; Board Designated Fund</b>	<b>Cost</b>	<b>Market Value</b>	<b>Unrealized Gain(Loss) on Investments</b>
Mutual funds	\$ 257,875	\$ 260,440	\$ 2,565
Common stock	928,694	1,497,527	568,833
	<b>\$ 1,186,569</b>	<b>\$ 1,757,967</b>	<b>\$ 571,398</b>

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Notes to Financial Statements*

**NOTE 2- INVESTMENTS- Continued**

	12/31/2013		Unrealized Gain(Loss) on Investments
	Cost	Market Value	
<b>Permanently Restricted Fund</b>			
Mutual funds	\$ 543,957	\$ 560,867	\$ 16,910
	<u>\$ 543,957</u>	<u>\$ 560,867</u>	<u>\$ 16,910</u>
<b>Total all funds</b>			
Common stock	\$ 3,299,309	\$ 5,433,074	\$ 2,133,765
Mutual funds	3,162,397	3,506,618	344,221
Fixed income securities:			
Corporate bonds	289,884	287,324	(2,560)
Government obligations	589,498	646,395	56,897
Certificates of deposits	100,000	99,964	(36)
	<u>\$ 7,441,088</u>	<u>\$ 9,973,375</u>	<u>\$ 2,532,287</u>

The following tabulation summarizes the net increase(decrease) in unrealized appreciation of investments at December 31, 2013:

	Cost	Market Value	Market over Cost (Cost over Market)
Balance at end of year	<u>\$ 7,441,088</u>	<u>\$ 9,973,375</u>	\$ 2,532,287
Balance at beginning of year	<u>\$ 7,040,560</u>	<u>\$ 8,345,139</u>	\$ 1,304,579
Increase in unrealized appreciation of investments.			<u>\$ 1,227,708</u>

Unrealized gain (loss) on investments is reported in Revenues, Gains, and Other Support on the Statement of Activities.

Professional literature defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The guidance states that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions market participants would use in pricing the asset or liability under current market conditions at the measurement date. As a basis for considering market participant assumptions in fair value measurements, the guidance establishes a fair value hierarchy that is based on the subjectivity of inputs (Level I and II) which are either observable market data or those that are unobservable (Level III).

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

*Notes to Financial Statements*

**NOTE 2- INVESTMENTS- Continued**

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

Three levels of inputs that may be used to measure fair value are as follows:

- Level 1- Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
- Level 2- Inputs to the valuation methodology include:
  - A. Quoted prices for similar assets or liabilities in active markets.
  - B. Quoted prices for identical or similar assets or liabilities in inactive markets.
  - C. Inputs other than quoted prices that are observable for the asset or liability.
  - D. Inputs that are derived principally from or corroborated by observable market data by correlation or by other means.If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3- Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments. For example, short-term debt securities maturing in sixty days or less are generally valued at amortized cost. Generally, amortized cost approximates the current fair value of short-term debt securities, but since the valuation is not obtained from a quoted price in an active market, such securities are reflected as Level 2.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2014 and 2013.

Equity securities- mutual funds and common stock: Valued at the quoted market price from the exchange.

Corporate debt securities and government obligations: Valued based on recently executed transactions and market quotations (where observable).

Certificate of deposits: Valued at cost, which approximates fair value.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Notes to Financial Statements*

**NOTE 2- INVESTMENTS- Continued**

The following tables set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2014 and 2013, respectively:

	Fair Value Measurements at Reporting Date Using				
	Quoted Prices in Active Markets for Identical Assets (Level I)		Significant Other Observable Inputs (Level II)		
				December 31, 2014	
				December 31, 2013	
<b>Exchange Traded Funds:</b>					
Short Term Funds	\$	360,782	\$ -	\$ 360,782	\$ 404,273
Total Return Funds		244,868		244,868	305,841
<b>Fixed Income</b>					
Corporate Bonds			198,053	198,053	287,324
Government obligations			599,610	599,610	646,395
<b>Mutual Funds</b>					
Intermediate Funds		653,355		653,355	364,321
International Funds		202,869		202,869	192,418
Large Funds		792,644		792,644	735,196
Mid-Cap Funds		558,629		558,629	527,704
Short Term Funds		313,782		313,782	432,255
Small Funds		39,829		39,829	28,001
Other Funds		535,317		535,317	516,609
<b>Common Stocks</b>					
Basic Materials		352,710		352,710	407,631
Consumer Goods		488,125		488,125	382,378
Financial		1,794,380		1,794,380	1,482,507
Industrial Goods		508,880		508,880	357,900
Healthcare		626,300		626,300	488,648
Services		1,105,773		1,105,773	813,738
Technology		974,320		974,320	1,396,757
Utilities		125,310		125,310	103,515
<b>Certificates of Deposit</b>					99,964
	\$	9,677,873	\$ 797,663	\$ 10,475,536	\$ 9,973,375



**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Notes to Financial Statements*

**NOTE 3- CONCENTRATION OF CREDIT RISK**

The Organization maintains cash balances at multiple financial institutions. The Organization has not experienced any losses in the accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents. At December 31, 2014 and 2013 no cash balances exceeded federally insured limits.

The Organization's marketable securities at December 31, 2014 and 2013 are held by financial services companies. Management believes the Organization has no significant concentration of credit risk with respect to these investments.

**NOTE 4- COMPENSATED ABSENCES**

The Organization provides for vacation and sick leave for employees as work load allows. Compensated absences for vacation and sick pay have not been accrued since they cannot be reasonably estimated, but are expensed as incurred.

**NOTE 5- OPERATING LEASES**

The organization presently leases certain office equipment which is classified as operating leases under certain criteria established by the Financial Accounting Standards Board Codification. Total rent expense for December 31, 2014 and 2013 was \$20,369 and \$17,744, respectively. Future minimum rental payments required under operating leases having initial or remaining non-cancelable terms in excess of one year at December 31, 2014 were:

2015	\$ 17,220
2016	16,076
2017	15,504
2018	5,879
2019	834
	<u>\$ 55,513</u>

**NOTE 6 - INCOME TAXES**

The Organization has obtained exemption from income taxes under Section 501(c) (3) of the Internal Revenue Code and, therefore, no provision for income taxes has been recognized in the accompanying financial statements. Although the Organization is exempt from filing a tax return because of their religious exemption, they are voluntarily filing Form 990 beginning with the 2012 year.

The Financial Accounting Standards Board (FASB) issued FASB ASC 740-10, "Accounting for Uncertainty in Income Taxes," which clarifies the accounting and recognition for income tax positions taken. While Advent General Conference is considered a tax exempt organization, the provisions of ASC 740-10 may still apply in certain situations. ASC 740-10 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in the tax return. ASC 740-10 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, and disclosure. Management has determined that the Organization does not have any uncertain tax positions and associated unrecognized that materially impact the financial statements or related disclosures.

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Notes to Financial Statements*

**NOTE 6 - INCOME TAXES – continued**

Management has determined that the Organization does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Management will continually evaluate expiring statutes of limitations, changes in tax law, and new authoritative rulings.

**NOTE 7- DEFINED CONTRIBUTION PLAN**

The General Conference has established a defined contribution plan for its ministers and employees. Ministers in the conference can contribute to the plan and their respective churches also can make contributions to the plan. Contributions received in the plan totaled \$203,206 and \$186,588 for years ended December 31, 2014 and 2013, respectively. Below are the respective liabilities for the pension fund. The General Conference annually contributes nine percent of the senior staff salary to the plan.

Ministers' Accumulated Vested Benefit Accounts-- This represents an obligation to fund the members' vested pension accounts in accordance with contractual agreements. Total amount of accumulated vested benefits at December 31, 2014 and 2013 is \$4,652,491 and \$4,518,925, respectively.

**NOTE 8- ANNUITY PARTICIPANTS VESTED AMOUNTS**

Upon retirement, member balances are transferred from Part II to Part III and their lifetime annual annuity payments are calculated based on their accumulated balance and life expectancy. Obligations to fund the members' vested annuity account in accordance with contractual agreements are reported in the Statement of Financial Position as Pension annuity- participants vested amounts. Distributions to participants under this plan for the years ended December 31, 2014 and 2013 were \$141,624 and \$142,491, respectively. The fair market value of Part III investments set aside for this plan at December 31, 2014 was \$1,279,912. According to the actuarial study the obligation to participants at December 31, 2013 was \$1,270,302. The investments consist of 40.63% invested in government securities and corporate bonds and the remaining 59.37% invested in mutual funds and certificates of deposits. An actuarial study was performed on January 8, 2014 for the December 31, 2013 year end. The obligation on the balance sheet is currently at the actuarial valuation. Below contains information on the assumptions used in the study:

Measurement Period 01/01/2013-12/31/2013

Asset valuation method: Fair market value of assets at 12/31/2013

Interest rate 3.75%\*

Retirees \*\* 31

\* This interest rate was chosen to comply with Accounting Standards Codification Section 715-20-50. This interest rate is based on spot yields of investment grade, long-term corporate bonds as of December 31, 2013, with duration similar to the duration of the liabilities for annuity benefits being valued in this plan.

\*\* Generational RP-2000 Mortality Table for Healthy Annuitants, with mortality projection using projection scale AA to age at decrement.

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Notes to Financial Statements*

**NOTE 9- PRIOR YEAR SUMMARIZED INFORMATION**

The financial statements contain certain prior year comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended December 31, 2013, from which summarized information was derived.

**NOTE 10- TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS**

Net assets were temporarily and permanently restricted for the following purposes at December 31, 2014 and 2013:

<u>Permanently Restricted</u>	<u>December 31, 2014</u>	<u>December 31, 2013</u>
Leadership Resource Endowment	\$ 12,752	\$ 12,752
J. Howard Shaw Endowment Fund	110,661	110,661
Shew Trust	9,917	9,917
C. Kirby Endowment Fund Missions	105,898	105,898
Michael Scholarship Endowment	14,339	14,339
Tithing Powers Endowment Fund	314,492	287,344
Fair Market Value Investment Adjustment	11,125	27,961
Total Permanently Restricted	<u>\$ 579,184</u>	<u>\$ 568,872</u>

<u>Temporarily Restricted</u>	<u>December 31, 2014</u>	<u>December 31, 2013</u>
AIMS Support Fund	\$ 225	\$ 1,577
Minority Scholarship Fund	4,250	4,250
Leadership Resource Fund	62,298	62,780
TLC Project Fund	1,333	1,607
Missionary Relief Fund	150	150
Anniversary Campaign Fund	280	7,312
Radio Evangelism	22,255	22,255
Pastors Library Fund	10,994	9,105
Mission Capital Fund	168,003	56,495
World Hunger/Emergency Relief	16,073	20,621
Focus Home Missions Fund	1,555	2,840
Michael Scholarship Fund	732	1,504
Fair Market Value Investment Adjustment	195,374	91,534
Total Temporarily Restricted	<u>\$ 483,522</u>	<u>\$ 282,030</u>

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**

*Notes to Financial Statements*

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**NOTE 11- DATE OF MANAGEMENT'S REVIEW**

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through August 3, 2015, the date that the financial statements were available to be issued.

**SUPPLEMENTAL INFORMATION**

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**  
**ACGC**

*Statement of Financial Position*  
*December 31, 2014*  
*(With Comparative Totals as of December 31, 2013)*

<b>ASSETS</b>	<b>Unrestricted Funds</b>	
	<b>Undesignated Funds</b>	<b>Board Designated Funds</b>
Current assets:		
Cash and cash equivalents	\$ 136,035	\$ 29,844
Investments	84,319	1,501,306
Accounts receivable	2,667	-
Inventories	40,126	-
Prepaid expenses	7,169	-
Total current assets	270,316	1,531,150
Investments- long term	-	-
Property and equipment, net	322,930	-
Total assets	\$ 593,246	\$ 1,531,150
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable	\$ 19,215	\$ -
Departmental accommodations	44,861	-
Subscriptions due	11,826	-
Total current liabilities	75,902	-
Total liabilities	75,902	-
Net assets:		
Permanently restricted	-	-
Temporarily restricted	-	-
Unrestricted:		
Undesignated	517,344	-
Board designated	-	1,531,150
Total net assets	517,344	1,531,150
Total liabilities and net assets	\$ 593,246	\$ 1,531,150

*See accompanying notes to financial statements.*

<u>Temporarily Restricted Funds</u>	<u>Permanently Restricted Funds</u>	<u>Total All Funds</u>	
		<u>2014</u>	<u>2013</u>
\$ 9,425	\$ 5,140	\$ 180,444	\$ 157,420
474,097	-	2,059,722	1,942,250
-	-	2,667	5,313
-	-	40,126	62,535
-	-	7,169	2,328
<u>483,522</u>	<u>5,140</u>	<u>2,290,128</u>	<u>2,169,846</u>
-	574,044	574,044	560,867
-	-	322,930	342,374
<u>\$ 483,522</u>	<u>\$ 579,184</u>	<u>\$ 3,187,102</u>	<u>\$ 3,073,087</u>
\$ -	\$ -	\$ 19,215	\$ 55,870
-	-	44,861	58,824
-	-	11,826	10,669
-	-	75,902	125,363
-	-	75,902	125,363
-	579,184	579,184	568,872
483,522	-	483,522	282,030
-	-	517,344	616,167
-	-	1,531,150	1,480,655
<u>483,522</u>	<u>579,184</u>	<u>3,111,200</u>	<u>2,947,724</u>
<u>\$ 483,522</u>	<u>\$ 579,184</u>	<u>\$ 3,187,102</u>	<u>\$ 3,073,087</u>

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**  
**ACGC**

*Statement of Activities and Changes in Net Assets*  
*For the Year Ended December 31, 2014*  
*(With Comparative Totals for the Year Ended December 31, 2013)*

	Unrestricted Funds	
	<u>Undesignated Funds</u>	<u>Board Designated Funds</u>
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>		
Support:		
United ministries	\$ 1,191,213	\$ -
Christmas in October	59,234	-
First responders	28,947	-
Individual and estate gifts	295,736	300
Field offerings and other gifts	29,476	-
Revenues and gains:		
Administrative service fees	16,000	-
Subscriptions	24,912	-
Income on investments	17,112	13,514
Convention registrations	88,035	-
Other income	-	-
Gains (losses) on sale of marketable securities	2,030	5,884
Venture Bookstore gross profit	55,467	-
Unrealized gain (loss) on investments, net	36	82,941
Total revenues, gains and other support	1,808,198	102,639
Reclassifications:		
Satisfaction of purpose restriction	114,720	(63,634)
Transfers between funds	(24,124)	20,212
Total reclassifications	90,596	(43,422)
<b>EXPENSES</b>		
Program services:		
United ministries program	357,334	-
World outreach program	601,853	-
Communications program	247,757	-
Nurture program	235,650	-
Convention program	120,699	-
Supporting services:		
Management and general	427,205	8,722
Fundraising	7,119	-
Total expenses	1,997,618	8,722
Change in net assets	(98,824)	50,495
Net assets, beginning of year	616,167	1,480,655
Net assets, end of year	\$ 517,343	\$ 1,531,150

*See accompanying notes to financial statements.*



	<u>Temporarily Restricted Funds</u>	<u>Permanently Restricted Funds</u>	<u>Total All Funds</u>	
			<u>2014</u>	<u>2013</u>
\$	\$	\$	\$	\$
			1,191,213	1,248,581
			59,234	66,626
			28,947	28,317
	163,315		459,351	360,136
			29,476	27,592
			16,000	16,000
			24,912	27,778
	1,524	29,241	61,391	47,538
			88,035	-
			-	31,615
	(2)	(2)	7,908	44,935
			55,467	61,675
	<u>86,339</u>	<u>(19,703)</u>	<u>149,613</u>	<u>425,648</u>
	<u>251,173</u>	<u>9,536</u>	<u>2,171,546</u>	<u>2,386,441</u>
	(50,582)	(503)	-	-
	<u>1,045</u>	<u>2,867</u>	-	-
	<u>(49,537)</u>	<u>2,364</u>	-	-
			357,334	374,073
			601,853	608,779
			247,757	240,016
			235,650	265,808
			120,699	-
	144	1,588	437,659	421,915
			7,119	15,593
	<u>144</u>	<u>1,588</u>	<u>2,008,071</u>	<u>1,926,184</u>
	201,492	10,312	163,475	460,257
	<u>282,030</u>	<u>568,872</u>	<u>2,947,724</u>	<u>2,487,467</u>
\$	<u>483,522</u>	<u>579,184</u>	<u>3,111,199</u>	<u>2,947,724</u>

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**  
**ACGC**

*Statement of Cash Flows*  
*For the Year Ended December 31, 2014*  
*(With Comparative Totals for the Year Ended December 31, 2013)*

	2014	2013
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ 163,475	\$ 460,257
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	24,005	22,547
(Gain) on disposal of assets	(500)	(1,500)
Loss (Gain) on sale of investments	(7,908)	(44,935)
Unrealized loss (gain) on investments, net	(149,613)	(425,648)
Receipt of donated stock	(10,062)	(10,390)
(Increase) decrease in operating assets:		
Accounts receivable	2,646	3,739
Inventories	22,409	1,448
Prepaid expenses	(4,841)	(599)
Increase (decrease) in operating liabilities:		
Accounts payable	(36,655)	5,064
Departmental accommodations	(13,963)	15,037
Subscriptions due	1,157	605
Net cash used by operating activities	(9,849)	25,625
<b>INVESTING ACTIVITIES</b>		
Purchases of property and equipment	(4,561)	(40,883)
Proceeds from sale of assets	500	1,500
Purchases of investments	(222,369)	(933,050)
Proceeds from redemption of investments	259,303	737,985
Net cash provided (used) by investing activities	32,873	(234,448)
Net increase in cash	23,024	(208,823)
Cash, at beginning of year	157,420	366,243
Cash, at end of year	\$ 180,444	\$ 157,420

*See accompanying notes to financial statements.*

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED**  
**ACGC**

*Schedule of Activity and Changes in Fund Balances*  
*Permanently and Temporarily Restricted and Board Designated Funds*  
*For the Year Ended December 31, 2014*

	Fund Balance 1/1/2014	Income	Expenses	Transfers In (Out)	Fund Balance 12/31/2014
<b><u>Board Designated</u></b>					
Church Planting Fund	\$ 38,053	\$ -	\$ -	\$ 16,455	\$ 54,508
New Church Builders Union	275	100	-	-	375
Powers Trust Fund	929,618	(313)	52,446	-	876,859
Properties Capital Reserve Fund	-	5,815	5,815	-	-
World Missions Reserve Fund	-	5,373	5,373	-	-
Fair Market Value Investment Adjustment	512,709	-	-	86,699	599,408
<b>Total Board Designated</b>	<b>\$ 1,480,655</b>	<b>\$ 10,975</b>	<b>\$ 63,634</b>	<b>\$ 103,154</b>	<b>\$ 1,531,150</b>
<b><u>Permanently Restricted</u></b>					
Leadership Resource Endowment	\$ 12,752	\$ -	\$ -	\$ -	\$ 12,752
J. Howard Shaw Endowment Fund	110,661	-	-	-	110,661
Shew Trust	9,917	503	503	-	9,917
Tithing Powers Endowment	287,344	27,149	-	-	314,493
C. Kirby Endowment Fund Missions	105,898	-	-	-	105,898
Michael Scholarship Endowment	14,339	-	-	-	14,339
Fair Market Value Investment Adjustment	27,961	-	-	(16,837)	11,124
<b>Total Permanently Restricted</b>	<b>\$ 568,872</b>	<b>\$ 27,652</b>	<b>\$ 503</b>	<b>\$ (16,837)</b>	<b>\$ 579,184</b>
<b><u>Temporarily Restricted</u></b>					
AIMS Support Fund	\$ 1,577	\$ 300	\$ 1,652	\$ -	\$ 225
Minority Scholarship Fund	4,250	-	-	-	4,250
Leadership Resource Fund	62,780	647	1,130	-	62,297
Leadership Conference	-	-	-	-	-
TLC Project Fund	1,607	210	484	-	1,333
Missionary Relief Fund	150	150	150	-	150
Anniversary Campaign Fund	7,312	630	7,662	-	280
Radio Evangelism	22,255	-	-	-	22,255
Pastors Library Fund	9,105	4,803	2,913	-	10,995
Missions Project	56,495	136,148	8,185	(16,455)	168,003
World Hunger/Emergency Relief	20,621	20,859	25,407	-	16,073
Focus Home Missions Fund	2,840	215	1,500	-	1,555
Michael Scholarship Fund	1,504	728	1,500	-	732
Fair Market Value Investment Adjustment	91,534	-	-	103,840	195,374
<b>Total Temporarily Restricted</b>	<b>\$ 282,030</b>	<b>\$ 164,690</b>	<b>\$ 50,583</b>	<b>\$ 87,385</b>	<b>\$ 483,522</b>
<b>Total</b>	<b>\$ 2,331,557</b>	<b>\$ 203,317</b>	<b>\$ 114,720</b>	<b>\$ 173,702</b>	<b>\$ 2,593,856</b>

*See accompanying notes to financial statements.*

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED  
BOARD OF PENSIONS**

*Statement of Financial Position  
December 31, 2014  
(With Comparative Totals as of December 31, 2013)*

	<b>Part I Operating Fund</b>	<b>Part II Ministers' Accumulation Fund</b>
<b>ASSETS</b>		
Current assets:		
Cash on hand and invested	\$ 39,444	\$ 239,542
Total current assets	39,444	239,542
Investments- long term	89,114	6,587,970
Total assets	\$ 128,558	\$ 6,827,512
 <b>LIABILITIES AND NET ASSETS</b>		
Long-term liabilities:		
Ministers' accumulated vested benefits- A Fund	\$ -	\$ 3,602,290
Ministers' accumulated vested benefits- B Fund	-	1,050,201
Pension annuity- participants vested amounts	-	-
Total liabilities	-	4,652,491
Net Assets:		
Unrestricted:		
Undesignated	128,558	2,175,021
Board designated- Tate Memorial	-	-
Total net assets	128,558	2,175,021
Total liabilities and net assets	\$ 128,558	\$ 6,827,512

*See accompanying notes to financial statements.*

Part III Pension Annuity Fund	Total All Funds	
	2014	2013
\$ 115,226	\$ 394,212	\$ 232,948
115,226	394,212	232,948
1,164,686	7,841,770	7,470,258
\$ 1,279,912	\$ 8,235,982	\$ 7,703,206
\$ -	\$ 3,602,290	\$ 3,519,552
-	1,050,201	999,373
1,270,302	1,270,302	1,270,302
1,270,302	5,922,793	5,789,227
9,610	2,313,189	1,913,979
-	-	-
9,610	2,313,189	1,913,979
\$ 1,279,912	\$ 8,235,982	\$ 7,703,206

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED  
BOARD OF PENSIONS**

*Statement of Activities and Changes in Net Assets  
For the Year Ended December 31, 2014  
(With Comparative Totals for the Year Ended December 31, 2013)*

<b>REVENUES AND GAINS</b>	<b>Operating Fund</b>	<b>Ministers' Accumulated Vested Benefits</b>
Revenues and gains:		
Pension deposits	\$ -	\$ 203,206
Income from investments	4,645	149,739
Gain (loss) on sale of securities, net	(1,290)	332,153
Withdrawal penalty	-	-
Unrealized gain (loss) on investments, net	8,241	320,035
	<hr/>	<hr/>
Total revenues and gains	11,596	1,005,133
Reclassifications:		
Transfers between funds	29,461	(163,125)
	<hr/>	<hr/>
<b>EXPENSES</b>		
General and administrative:		
General conference services	16,016	-
Board meetings	2,072	-
Pastors insurance	2,517	-
Securities expense	35	7,295
Management fees	734	14,114
Audit fee	7,512	-
Distributions to participants	-	443,170
	<hr/>	<hr/>
Total expenses	28,886	464,579
Change in net assets	12,171	377,429
Net assets, beginning of year	<hr/> 116,387	<hr/> 1,797,592
Net assets, end of year	<hr/> \$ 128,558	<hr/> \$ 2,175,021

*See accompanying notes to financial statements.*

Pension Annuity Participants Vested Amounts	Total All Funds	
	2014	2013
\$ -	\$ 203,206	\$ 186,588
40,146	194,531	202,507
60	330,923	142,549
-	-	2,733
8,855	337,131	802,060
49,061	1,065,790	1,336,437
108,145	(25,519)	(156,367)
-	16,016	16,016
-	2,072	1,911
-	2,517	2,244
35	7,365	3,311
5,937	20,785	20,970
-	7,512	6,000
141,624	584,794	570,348
147,596	641,061	620,800
9,610	399,210	559,270
-	1,913,979	1,354,709
\$ 9,610	\$ 2,313,189	\$ 1,913,979

**ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED  
BOARD OF PENSIONS**

*Statement of Cash Flows  
For the Year Ended December 31, 2014  
(With Comparative Totals for the Year Ended December 31, 2013)*

	<b>2014</b>	<b>2013</b>
<b>OPERATING ACTIVITIES</b>		
Change in net assets	\$ 399,210	\$ 559,270
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Loss (gain) on sale of investments	(330,923)	(142,549)
Unrealized loss (gain) on investments, net	<u>(337,131)</u>	<u>(802,060)</u>
Net cash provided by operating activities	<u>(268,844)</u>	<u>(385,339)</u>
<b>INVESTING ACTIVITIES</b>		
Purchases of investments	(1,263,543)	(1,256,016)
Proceeds from redemption of investments	<u>1,560,085</u>	<u>1,248,427</u>
Net cash provided by (used in) investing activities	<u>296,542</u>	<u>(7,589)</u>
<b>FINANCING ACTIVITIES</b>		
Change in vested benefits	<u>133,566</u>	<u>156,167</u>
Net cash used in financing activities	<u>133,566</u>	<u>156,167</u>
Net increase (decrease) in cash	161,264	(236,761)
Cash, at beginning of year	<u>232,948</u>	<u>469,709</u>
Cash, at end of year	<u>\$ 394,212</u>	<u>\$ 232,948</u>

*See accompanying notes to financial statements.*