

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

Charlotte, North Carolina

Audited Financial Statements

December 31, 2011

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 statement of financial position of Advent Christian General Conference of America, Incorporated as of December 31, 2011, and the related statements of activities, changes in net assets, and cash flows for the year then ended. These financial statements are the responsibility of the organizations' management. 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 2010 financial statements, and in our report dated May 10, 2011, 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Advent Christian General Conference of America, Incorporated as of December 31, 2011, and the results of activities, changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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 21-27 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 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.

July 30, 2012
Charlotte, North Carolina

FINANCIAL STATEMENTS

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

*Statement of Financial Position
December 31, 2011
(With Comparative Totals as of December 31, 2010)*

ASSETS	<u>2011</u>	<u>2010</u>
Current assets:		
Cash and cash equivalents	\$ 598,830	\$ 1,151,276
Investments	45,002	19,305
Investments - temporary	1,133,954	1,251,932
Accounts receivable	8,735	14,164
Inventories	54,648	103,670
Prepaid expenses	4,531	7,250
Total current assets	<u>1,845,700</u>	<u>2,547,597</u>
Note receivable- long term	-	43,299
Investments- long term	341,199	199,470
Investments- pension	6,370,997	5,774,382
Property and equipment, net	334,547	333,397
Total assets	<u>\$ 8,892,443</u>	<u>\$ 8,898,145</u>
 LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 29,255	\$ 69,399
Departmental accommodations	14,973	14,900
Customer deposits	612	547
Subscriptions due	15,499	13,087
Accrued interest payable	-	1,055
Current portion of notes payable	-	23,108
Total current liabilities	<u>60,339</u>	<u>122,096</u>
Ministers' accumulated vested benefits- A Fund	3,607,827	3,428,511
Ministers' accumulated vested benefits- B Fund	663,511	626,925
Pension annuity - participants vested amounts	1,314,584	1,314,584
Total long-term liabilities	<u>5,585,922</u>	<u>5,370,020</u>
Total liabilities	<u>5,646,261</u>	<u>5,492,116</u>
Net assets:		
Permanently restricted	481,609	497,447
Temporarily restricted	182,139	195,877
Unrestricted:		
Undesignated	1,538,438	1,571,465
Board designated	1,043,996	1,141,240
Total net assets	<u>3,246,182</u>	<u>3,406,029</u>
Total liabilities and net assets	<u>\$ 8,892,443</u>	<u>\$ 8,898,145</u>

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

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Statement of Activities

For the Year Ended December 31, 2011

(With Comparative Totals for the Year Ended December 31, 2010)

	<u>Unrestricted Funds</u>	
	<u>Undesignated Funds</u>	<u>Board Designated Funds</u>
REVENUES, GAINS, AND OTHER SUPPORT		
Support:		
United ministries	\$ 1,250,681	\$ -
Christmas in October	61,282	-
First responders	32,955	-
Individual and estate gifts	390,022	820
Field offerings and other gifts	22,524	-
Revenues and gains:		
Administrative service fees	20,400	-
Pension deposits	218,550	-
Subscriptions	29,428	-
Income on investments	203,220	1,888
Convention registrations	56,493	-
Other income	1,220	-
Gains (losses) on sale of marketable securities	112,054	2,161
Venture Bookstore gross profit	43,881	-
Unrealized gain (loss) on investments, net	(60,661)	(59,761)
Total revenues, gains and other support	<u>2,382,049</u>	<u>(54,892)</u>
Reclassifications:		
Satisfaction of purpose restriction	140,867	(42,208)
Transfers between funds	4,658	(144)
Total reclassifications	<u>145,525</u>	<u>(42,352)</u>
EXPENSES		
Program services:		
United ministries program	374,730	-
World outreach program	631,289	-
Communications program	249,327	-
Nurture program	178,451	-
Convention program	127,362	-
Supporting services:		
Management and general	484,143	-
Distributions to participants	257,011	-
Fund raising	60,959	-
Total expenses	<u>2,363,272</u>	<u>-</u>
Change in net assets	<u>\$ 164,302</u>	<u>\$ (97,244)</u>

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>2011</u>	<u>2010</u>
\$ -	\$ -	\$ 1,250,681	\$ 1,269,317
-	-	61,282	64,935
-	-	32,955	26,791
94,117	-	484,959	1,439,423
-	-	22,524	21,913
-	-	20,400	25,000
-	-	218,550	205,283
-	-	29,428	33,329
604	4,847	210,559	196,257
-	-	56,493	-
-	-	1,220	21,234
(506)	(11,592)	102,117	10,021
-	-	43,881	55,031
<u>(10,546)</u>	<u>(3,327)</u>	<u>(134,295)</u>	<u>499,492</u>
<u>83,669</u>	<u>(10,072)</u>	<u>2,400,754</u>	<u>3,868,026</u>
(98,204)	(455)	-	-
<u>797</u>	<u>(5,311)</u>	-	-
<u>(97,407)</u>	<u>(5,766)</u>	-	-
-	-	374,730	380,274
-	-	631,289	688,095
-	-	249,327	247,969
-	-	178,451	184,472
-	-	127,362	-
-	-	484,143	496,101
-	-	257,011	493,869
-	-	60,959	63,623
-	-	<u>2,363,272</u>	<u>2,554,403</u>
<u>\$ (13,738)</u>	<u>\$ (15,838)</u>	<u>\$ 37,482</u>	<u>\$ 1,313,623</u>

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Statement of Changes in Net Assets
For the year ended December 31, 2011
(With Comparative Totals for the Year Ended December 31, 2010)

	Unrestricted Funds	
	<u>Undesignated Funds</u>	<u>Board Designated Funds</u>
Net assets, beginning of year	\$ 1,571,465	\$ 1,141,240
Change in net assets	164,302	(97,244)
Transfers between funds	<u>(197,329)</u>	<u>-</u>
Net assets, end of year	<u>\$ 1,538,438</u>	<u>\$ 1,043,996</u>

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>2011</u>	<u>2010</u>
\$ 195,877	\$ 497,447	\$ 3,406,029	\$ 2,190,065
(13,738)	(15,838)	37,482	1,313,623
<u>-</u>	<u>-</u>	<u>(197,329)</u>	<u>(97,660)</u>
<u>\$ 182,139</u>	<u>\$ 481,609</u>	<u>\$ 3,246,182</u>	<u>\$ 3,406,029</u>

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

*Statement of Cash Flows
For the Year Ended December 31, 2011
(With Comparative Totals for the Year Ended December 31, 2010)*

	<u>2011</u>	<u>2010</u>
OPERATING ACTIVITIES		
Change in net assets	\$ 37,482	\$ 1,313,623
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	25,500	23,655
Loss (gain) on sale of investments	(102,117)	(10,021)
Loss on disposal of assets	-	(773)
Unrealized (gain) loss on investments, net	134,295	(499,492)
Receipt of donated stock	(37,258)	(1,027,677)
(Increase) decrease in operating assets:		
Accounts receivable	5,429	(902)
Inventories	49,022	(8,683)
Prepaid expenses	2,719	5,141
Increase (decrease) in operating liabilities:		
Accounts payable	(41,199)	26,660
Customer deposits	65	50
Departmental accommodations	73	(4,504)
Subscriptions due	<u>2,412</u>	<u>(990)</u>
Net cash provided (used) by operating activities	<u>76,423</u>	<u>(183,912)</u>
INVESTING ACTIVITIES		
Purchases of property and equipment	(26,650)	(53,294)
Proceeds from sale of assets	-	1,200
Charge off of note receivable	43,299	2,100
Purchases of investments	(1,182,771)	(1,184,302)
Proceeds from redemption of investments	<u>578,449</u>	<u>1,443,525</u>
Net cash provided (used) by investing activities	<u>(587,673)</u>	<u>209,229</u>
FINANCING ACTIVITIES		
Payments on long-term debt	(23,108)	(21,908)
Change in vested benefits	215,902	210,977
Transfers between funds, net	<u>(233,990)</u>	<u>(145,466)</u>
Net cash provided (used) by financing activities	<u>(41,196)</u>	<u>43,603</u>
Net increase (decrease) in cash	(552,446)	68,920
Cash, at beginning of year	<u>1,151,276</u>	<u>1,082,356</u>
Cash, at end of year	<u>\$ 598,830</u>	<u>\$ 1,151,276</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.

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- Continued

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 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.

Notes Receivable

Notes historically have been made to churches associated with the conference. Notes are stated at the unpaid principal balance. Interest income on the note is recognized when received. Past due status is determined based on contractual terms. The Organization's practice is to charge off any note receivable or portion of the note receivable when the note is determined by management to be uncollectible due to a church's failure to meet repayment terms, a church's deteriorating or deteriorated financial condition, or for other reasons. In 2010, one particular church experienced financial difficulties and restructured the terms of the note agreement, however, the Organization was confident in receiving the repayment of the note. During the 2011 year, that Church was still experiencing financial difficulties and the Executive Council voted to charge off the balance of the note receivable on June 30, 2011 amounting to \$43,299.

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, 2011 and 2010. 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 first-in, first-out method.

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ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- Continued

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 \$25,500 and \$23,655 for years ended December 31, 2011 and 2010, respectively.

	2011	2010
Land and land improvements	\$ 231,954	\$ 231,954
Headquarters property	269,396	262,846
Headquarters furnishings and equipment	91,708	74,899
Residences (including furnishings)	97,735	97,735
Vehicles	16,943	16,943
	<u>707,736</u>	<u>684,377</u>
Less, accumulated depreciation	373,189	350,980
Total property and equipment, net	<u>\$ 334,547</u>	<u>\$ 333,397</u>

Shipping and Handling Costs

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

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.

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ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 2- INVESTMENTS

Investments are presented in the financial statements at fair market value at December 31, 2011 and 2010, respectively as follows:

	12/31/2011		Unrealized Gain(Loss) on Investments
	Cost	Market Value	
Undesignated Fund	\$ 45,000	\$ 45,002	\$ 2
Undesignated Fund- Pension	5,480,647	6,370,997	890,350
Temporarily & Board Designated Fund	1,101,892	1,133,954	32,062
Permanently Restricted Fund	372,104	341,199	(30,905)
Total	\$ 6,999,643	\$ 7,891,152	\$ 891,509

	12/31/2011		Unrealized Gain(Loss) on Investments
	Cost	Market Value	
Undesignated Fund			
Fixed income securities:			
Certificates of deposits	\$ 45,000	\$ 45,002	\$ 2
	<u>\$ 45,000</u>	<u>\$ 45,002</u>	<u>\$ 2</u>

	12/31/2011		Unrealized Gain(Loss) on Investments
	Cost	Market Value	
Undesignated Fund- Pension			
Fixed income securities:			
Corporate bonds	\$ 492,785	\$ 465,471	\$ (27,314)
Government obligations	859,755	968,756	109,001
Certificates of deposits	63,000	62,994	(6)
Mutual funds	1,929,265	1,986,581	57,316
Common stock	2,135,842	2,887,195	751,353
	<u>\$ 5,480,647</u>	<u>\$ 6,370,997</u>	<u>\$ 890,350</u>

	12/31/2011		Unrealized Gain(Loss) on Investments
	Cost	Market Value	
Temporarily & Board Designated Fund			
Mutual funds	\$ 86,339	\$ 79,521	\$ (6,818)
Common stock	965,053	1,003,413	38,360
Fixed income securities:			
Government obligations	50,500	51,020	520
	<u>\$ 1,101,892</u>	<u>\$ 1,133,954</u>	<u>\$ 32,062</u>

-Continued-

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 2- INVESTMENTS- Continued

	12/31/2011		Unrealized Gain(Loss) on Investments
	Cost	Market Value	
Permanently Restricted Fund			
Common stock	\$ 28,563	\$ 26,320	\$ (2,243)
Mutual funds	285,031	261,560	(23,471)
Fixed income securities:			
Corporate bonds	40,000	34,916	(5,084)
Government obligations	18,510	18,403	(107)
	<u>\$ 372,104</u>	<u>\$ 341,199</u>	<u>\$ (30,905)</u>
	12/31/2011		Unrealized Gain(Loss) on Investments
	Cost	Market Value	
Total all funds			
Common stock	\$ 3,129,458	\$ 3,916,928	\$ 787,470
Mutual funds	2,300,635	2,327,662	27,027
Fixed income securities:			
Corporate bonds	532,785	500,387	(32,398)
Government obligations	928,765	1,038,179	109,414
Certificates of deposits	108,000	107,996	(4)
	<u>\$ 6,999,643</u>	<u>\$ 7,891,152</u>	<u>\$ 891,509</u>

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

	12/31/2011		Market over Cost (Cost over Market)
	Cost	Market Value	
Balance at end of year	<u>\$ 6,999,643</u>	<u>\$ 7,891,152</u>	\$ 891,509
Balance at beginning of year	<u>\$ 6,219,285</u>	<u>\$ 7,245,089</u>	\$ 1,025,804
Decrease in unrealized appreciation of investments.			<u>\$ (134,295)</u>

	12/31/2010		Unrealized Gain(Loss) on Investments
	Cost	Market Value	
Undesignated Fund	\$ 19,298	\$ 19,305	\$ 7
Undesignated Fund- Pension	4,823,375	5,774,382	951,007
Temporarily & Board Designated Fund	1,149,562	1,251,932	102,370
Permanently Restricted Fund	227,050	199,470	(27,580)
Total	<u>\$ 6,219,285</u>	<u>\$ 7,245,089</u>	<u>\$ 1,025,804</u>

-Continued-

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 2- INVESTMENTS- Continued

	<u>12/31/2010</u>		Unrealized
	<u>Cost</u>	<u>Market Value</u>	Gain(Loss) on
Undesignated Fund			<u>Investments</u>
Fixed income securities:			
Common stock	\$ 19,298	\$ 19,305	\$ 7
	<u>\$ 19,298</u>	<u>\$ 19,305</u>	<u>\$ 7</u>
	<u>12/31/2010</u>		Unrealized
	<u>Cost</u>	<u>Market Value</u>	Gain(Loss) on
Undesignated Fund- Pension			<u>Investments</u>
Fixed income securities:			
Corporate bonds	\$ 562,785	\$ 556,490	\$ (6,295)
Government obligations	701,403	761,479	60,076
Mutual funds	1,828,207	1,870,145	41,938
Common stock	1,730,980	2,586,268	855,288
	<u>\$ 4,823,375</u>	<u>\$ 5,774,382</u>	<u>\$ 951,007</u>
	<u>12/31/2010</u>		Unrealized
	<u>Cost</u>	<u>Market Value</u>	Gain(Loss) on
Temporarily & Board Designated Fund			<u>Investments</u>
Mutual funds	\$ 50,206	\$ 50,873	\$ 667
Common stock	998,856	1,100,930	102,074
Fixed income securities:			
Government obligations	100,500	100,129	(371)
	<u>\$ 1,149,562</u>	<u>\$ 1,251,932</u>	<u>\$ 102,370</u>
	<u>12/31/2010</u>		Unrealized
	<u>Cost</u>	<u>Market Value</u>	Gain(Loss) on
Permanently Restricted Fund			<u>Investments</u>
Common stock	\$ 3,316	\$ 2,739	\$ (577)
Mutual funds	183,734	161,135	(22,599)
Fixed income securities:			
Corporate bonds	40,000	35,596	(4,404)
	<u>\$ 227,050</u>	<u>\$ 199,470</u>	<u>\$ (27,580)</u>

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ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 2- INVESTMENTS- Continued

	12/31/2010		Unrealized Gain(Loss) on Investments
	Cost	Market Value	
Total all funds			
Common stock	\$ 2,752,450	\$ 3,709,242	\$ 956,792
Mutual funds	2,062,147	2,082,153	20,006
Fixed income securities:			
Corporate bonds	602,785	592,086	(10,699)
Government obligations	801,903	861,608	59,705
	<u>\$ 6,219,285</u>	<u>\$ 7,245,089</u>	<u>\$ 1,025,804</u>

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

	12/31/2010		Market over Cost (Cost over Market)
	Cost	Market Value	
Balance at end of year	<u>\$ 6,219,285</u>	<u>\$ 7,245,089</u>	\$ 1,025,804
Balance at beginning of year	<u>\$ 5,393,006</u>	<u>\$ 5,919,318</u>	\$ 526,312
Increase in unrealized appreciation of investments.			<u>\$ 499,492</u>

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). 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.

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ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 2- INVESTMENTS- Continued

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, 2011 and 2010.

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.

The following tables set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2011 and 2010, respectively:

-Continued-

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 2- INVESTMENTS- Continued

Fair Value Measurements at Reporting Date Using			
	Quoted Prices in	Significant Other	December 31, 2011
	Active Markets for Identical Assets (Level I)	Observable Inputs (Level II)	
Exchange Traded Funds:			
Large Cap Funds	\$ 17,564	\$ -	\$ 17,564
Fixed Income:			
Corporate Bonds	-	500,387	500,387
Government obligations	-	1,038,178	1,038,178
Mutual Funds:			
Inflation Funds	417,668	-	417,668
Intermediate Funds	167,549	-	167,549
International Funds	84,511	-	84,511
Large Funds	390,535	-	390,535
Mid-Cap Funds	348,740	-	348,740
Short Term Fund	479,446	-	479,446
Small Cap Funds	13,343	-	13,343
Total Return Fund	291,597	-	291,597
Other Funds	116,709	-	116,709
Common Stocks:			
Automotive	8,468	-	8,468
Conglomerates	139,250	-	139,250
Consumer Goods	466,780	-	466,780
Entertainment	6,904	-	6,904
Financial	367,540	-	367,540
Industrial Goods	170,660	-	170,660
Insurance	644,960	-	644,960
Healthcare	288,120	-	288,120
Manufacturing	14,809	-	14,809
Oil and Gas	452,400	-	452,400
Retail	290,380	-	290,380
Technology	780,445	-	780,445
Transportation	146,380	-	146,380
Utilities	102,182	-	102,182
Other	37,651	-	37,651
Certificate of Deposit	-	107,996	107,996
	<u>\$ 6,244,591</u>	<u>\$ 1,646,561</u>	<u>\$ 7,891,152</u>

-Continued-

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 2- INVESTMENTS- Continued

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, 2010
Fixed Income:			
Corporate Bonds	\$ -	\$ 592,086	\$ 592,086
Government obligations	-	861,608	861,608
Mutual Funds:			
Inflation Funds	328,849	-	328,849
Intermediate Funds	163,748	-	163,748
International Funds	131,080	-	131,080
Large Funds	372,366	-	372,366
Mid-Cap Funds	358,601	-	358,601
Short Term Fund	460,102	-	460,102
Total Return Fund	221,342	-	221,342
Other Funds	46,065	-	46,065
Common Stocks:			
Automotive	13,214	-	13,214
Conglomerates	68,280	-	68,280
Consumer Goods	412,840	-	412,840
Entertainment	12,260	-	12,260
Financial	384,245	-	384,245
Industrial Goods	152,440	-	152,440
Insurance	657,926	-	657,926
Healthcare	198,831	-	198,831
Manufacturing	13,600	-	13,600
Oil and Gas	436,340	-	436,340
Retail	274,223	-	274,223
Technology	822,804	-	822,804
Transportation	145,160	-	145,160
Utilities	91,788	-	91,788
Other	25,291	-	25,291
	<u>\$ 5,791,395</u>	<u>\$ 1,453,694</u>	<u>\$ 7,245,089</u>

-Continued-

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 3- CONCENTRATION OF CREDIT RISK

The Organization maintains cash balances at several financial institutions. The balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each institution. These financial institutions participate in the Federal Deposit Insurance Corporation's Transaction Account Guarantee Program, and the accounts that are non-interest bearing are fully guaranteed by the Federal Deposit Insurance Corporation for the entire amount of the accounts. The Organization does maintain cash balances in accounts that do not participate in the transaction account guarantee program due to interest earnings. 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. As of December 31, 2011 and 2010 cash balances exceeded federally insured limits by \$96,721 and \$522,591, respectively.

The Organization's marketable securities at December 31, 2011 and December 31, 2010 are held by a financial services company. 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- LONG TERM DEBT

At December 31, 2011 the note payable was paid in full. Interest expense for December 31, 2011 and 2010 was \$211 and \$1,466 respectively.

NOTE 6- 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, 2011 and 2010 was \$16,159 and \$21,043, respectively. Future minimum rental payments required under operating leases having initial or remaining non-cancelable terms in excess of one year at December 31, 2011 were:

2012	\$ 16,731
2013	15,941
2014	12,502
2015	1,716
2016	572
	<u>\$ 47,462</u>

-Continued-

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 7 - 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. The Organization is exempt from filing a tax return because of their religious exemption.

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 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. Currently no tax returns have been filed due to their religious exemption, and therefore no open audit periods exist.

NOTE 8- 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 \$218,550 and \$205,283 for years ended December 31, 2011 and 2010, 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, 2011 and 2010 is \$4,271,338 and \$4,055,436, respectively.

NOTE 9- 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, 2011 and 2010 were \$138,266 and \$134,462, respectively. The fair market value of Part III investments set aside for this plan at December 31, 2011 was \$1,294,349. According to the actuarial study the obligation to participants at December 31, 2011 was \$1,314,584.

-Continued-

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 9- ANNUITY PARTICIPANTS VESTED AMOUNTS- Continued

However, pension operating fund investments are available to cover the unfunded portion, and, therefore, no liability has been reported in the Statement of Financial Position. The investments consist of 55% invested in government and corporate bonds and the remaining 45% invested in mutual funds and certificates of deposits. An actuarial study was performed on March 25, 2011 for the December 31, 2010 year end. The obligation on the balance sheet is currently at the actuarial valuation as there has been minimal change since the study was performed. Below contains information on the assumptions used in the study:

Measurement Period 01/01/2010-12/31/2010

Asset valuation method: Fair market value of assets at 12/31/2010

Interest rate 4.5%*

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, 2010, 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.

NOTE 10- SUPPLEMENTAL CASH FLOW INFORMATION

Cash paid for interest as follows:

	2011	2010
Interest	<u>\$ 211</u>	<u>\$ 1,466</u>

Non- cash activities as follows:

	2011	2010
Donated stock	<u>\$ 37,258</u>	<u>\$ 1,027,677</u>
Charge off of note receivable	<u>43,299</u>	<u>-</u>
Total Non-cash activities	<u>\$ 80,557</u>	<u>\$ 1,027,677</u>

NOTE 11- RECLASSIFICATIONS

Certain amounts in the financial statements for 2010 have been reclassified to conform to the current year presentation. Such reclassification had no effect on net income.

-Continued-

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 12- 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, 2010, from which summarized information was derived.

NOTE 13- TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Net assets were temporarily and permanently restricted for the following purposes at December 31, 2011 and 2010:

<u>Permanently Restricted</u>	<u>December 31, 2011</u>	<u>December 31, 2010</u>
Leadership Resource Endowment	\$ 12,752	\$ 12,752
J. Howard Shaw Endowment Fund	110,662	110,907
Shew Trust	9,917	9,917
C. Kirby Endowment Fund Missions	105,898	106,228
Michael Scholarship Endowment	14,340	14,346
Tithing Powers Endowment	258,950	266,149
Fair Market Value Investment Adjustment	(30,910)	(22,852)
Total Permanently Restricted	<u>\$ 481,609</u>	<u>\$ 497,447</u>

<u>Temporarily Restricted</u>	<u>December 31, 2011</u>	<u>December 31, 2010</u>
Minority Scholarship Fund	\$ 5,000	\$ 7,500
Leadership Resource Fund	68,863	69,956
Pastor's Conference	3,669	3,669
TLC Project Fund	1,425	241
M3 Project Fund	(1)	974
Missionary Relief Fund	100	275
Anniversary Campaign Fund	40,123	30,152
Radio Evangelism	22,255	26,256
Pastors Library Fund	8,799	11,175
Mission Capital Fund	8	773
World Hunger/Emergency Relief	26,165	28,950
Focus Home Missions Fund	125	255
Michael Scholarship Fund	-	190
Headquarters Restricted Funds	-	150
Fair Market Value Investment Adjustment	5,608	15,361
Total Temporarily Restricted	<u>\$ 182,139</u>	<u>\$ 195,877</u>

-Continued-

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 14- DATE OF MANAGEMENT'S REVIEW

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through July 30, 2012, 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, 2011
(With Comparative Totals as of December 31, 2010)

ASSETS	Unrestricted Funds	
	Undesignated Funds	Board Designated Funds
Current assets:		
Cash and cash equivalents	\$ 154,325	\$ 77,248
Investments	45,002	963,861
Accounts receivable	8,735	-
Inventories	54,648	-
Prepaid expenses	4,531	-
Total current assets	267,241	1,041,109
Note receivable- long term	-	-
Investments- long term	-	-
Property and equipment, net	334,547	-
Total assets	\$ 601,788	\$ 1,041,109
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 29,255	\$ -
Accrued interest payable	-	-
Departmental accommodations	14,973	-
Customer deposits	612	-
Subscriptions due	15,499	-
Current portion of notes payable	-	-
Total current liabilities	60,339	-
Total liabilities	60,339	-
Net assets:		
Permanently restricted	-	-
Temporarily restricted	-	-
Unrestricted:		
Undesignated	541,449	-
Board designated	-	1,041,109
Total net assets	541,449	1,041,109
Total liabilities and net assets	\$ 601,788	\$ 1,041,109

See accompanying notes to financial statements.

<u>Temporarily Restricted Funds</u>	<u>Permanently Restricted Funds</u>	<u>Total All Funds</u>	
		<u>2011</u>	<u>2010</u>
\$ 12,046	\$ 140,410	\$ 384,029	\$ 515,218
170,093	-	1,178,956	1,271,237
-	-	8,735	14,164
-	-	54,648	103,670
-	-	4,531	7,250
<u>182,139</u>	<u>140,410</u>	<u>1,630,899</u>	<u>1,911,539</u>
-	-	-	43,299
-	341,199	341,199	199,470
-	-	334,547	333,397
<u>\$ 182,139</u>	<u>\$ 481,609</u>	<u>\$ 2,306,645</u>	<u>\$ 2,487,705</u>
\$ -	\$ -	\$ 29,255	\$ 69,399
-	-	-	1,055
-	-	14,973	14,900
-	-	612	547
-	-	15,499	13,087
-	-	-	23,108
<u>-</u>	<u>-</u>	<u>60,339</u>	<u>122,096</u>
-	-	60,339	122,096
-	481,609	481,609	497,447
182,139	-	182,139	195,877
-	-	541,449	536,723
-	-	1,041,109	1,135,562
<u>182,139</u>	<u>481,609</u>	<u>2,246,306</u>	<u>2,365,609</u>
<u>\$ 182,139</u>	<u>\$ 481,609</u>	<u>\$ 2,306,645</u>	<u>\$ 2,487,705</u>

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED
ACGC

Statement of Activities
For the Year Ended December 31, 2011
(With Comparative Totals for the Year Ended December 31, 2010)

	Unrestricted Funds	
	Undesignated Funds	Board Designated Funds
REVENUES, GAINS, AND OTHER SUPPORT		
Support:		
United ministries	\$ 1,250,681	\$ -
Christmas in October	61,282	-
First responders	32,955	-
Individual and estate gifts	390,022	820
Field offerings and other gifts	22,524	-
Revenues and gains:		
Administrative service fees	20,400	-
Subscriptions	29,428	-
Income on investments	7,057	1,888
Convention registrations	56,493	-
Other income	1,220	-
Gains (losses) on sale of marketable securities	(500)	2,161
Venture Bookstore gross profit	43,881	-
Unrealized gain (loss) on investments, net	(5)	(59,761)
Total revenues, gains and other support	1,915,438	(54,892)
Reclassifications:		
Satisfaction of purpose restriction	138,076	(39,417)
Transfers between funds	4,658	(144)
Total reclassifications	142,734	(39,561)
EXPENSES		
Program services:		
United ministries program	374,730	-
World outreach program	631,289	-
Communications program	249,327	-
Nurture program	178,451	-
Convention program	127,362	-
Supporting services:		
Management and general	431,328	-
Fundraising	60,959	-
Total expenses	2,053,446	-
Change in net assets	4,726	(94,453)
Net assets, beginning of year	536,723	1,135,562
Net assets, end of year	\$ 541,449	\$ 1,041,109

See accompanying notes to financial statements.

<u>Temporarily Restricted Funds</u>	<u>Permanently Restricted Funds</u>	<u>Total All Funds</u>	
		<u>2011</u>	<u>2010</u>
\$ -	\$ -	\$ 1,250,681	\$ 1,269,317
-	-	61,282	64,935
-	-	32,955	26,791
94,117	-	484,959	1,439,423
-	-	22,524	21,913
-	-	20,400	25,000
-	-	29,428	33,329
604	4,847	14,396	6,936
-	-	56,493	-
-	-	1,220	2,535
(506)	(11,592)	(10,437)	1,759
-	-	43,881	55,031
<u>(10,546)</u>	<u>(3,327)</u>	<u>(73,639)</u>	<u>120,372</u>
<u>83,669</u>	<u>(10,072)</u>	<u>1,934,143</u>	<u>3,067,341</u>
(98,204)	(455)	-	-
<u>797</u>	<u>(5,311)</u>	<u>-</u>	<u>-</u>
<u>(97,407)</u>	<u>(5,766)</u>	<u>-</u>	<u>-</u>
-	-	374,730	380,274
-	-	631,289	688,095
-	-	249,327	247,969
-	-	178,451	184,472
-	-	127,362	-
-	-	431,328	439,727
-	-	60,959	63,623
-	-	<u>2,053,446</u>	<u>2,004,160</u>
(13,738)	(15,838)	(119,303)	1,063,181
<u>195,877</u>	<u>497,447</u>	<u>2,365,609</u>	<u>1,302,428</u>
<u>\$ 182,139</u>	<u>\$ 481,609</u>	<u>\$ 2,246,306</u>	<u>\$ 2,365,609</u>

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED
ACGC

Statement of Cash Flows
For the Year Ended December 31, 2011
(With Comparative Totals for the Year Ended December 31, 2010)

	2011	2010
OPERATING ACTIVITIES		
Change in net assets	\$ (119,303)	\$ 1,063,181
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	25,500	23,655
(Gain) on disposal of assets	-	(773)
Loss (Gain) on sale of investments	10,437	(1,759)
Unrealized loss (gain) on investments, net	73,639	(120,372)
Receipt of donated stock	(37,258)	(1,027,677)
(Increase) decrease in operating assets:		
Accounts receivable	5,429	(902)
Inventories	49,022	(8,683)
Prepaid expenses	2,719	5,141
Increase (decrease) in operating liabilities:		
Accounts payable	(41,199)	26,660
Customer deposits	65	50
Departmental accommodations	73	(4,504)
Subscriptions due	2,412	(990)
Net cash used by operating activities	(28,464)	(46,973)
INVESTING ACTIVITIES		
Purchases of property and equipment	(26,650)	(53,294)
Proceeds from sale of assets	-	1,200
Charge off of note receivable	43,299	2,100
Purchases of investments	(400,839)	(162,829)
Proceeds from redemption of investments	304,573	274,886
Net cash provided (used) by investing activities	(79,617)	62,063
FINANCING ACTIVITIES		
Payments on long-term debt	(23,108)	(21,908)
Net cash used by financing activities	(23,108)	(21,908)
Net decrease in cash	(131,189)	(6,818)
Cash, at beginning of year	515,218	522,036
Cash, at end of year	\$ 384,029	\$ 515,218

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, 2011

	Fund Balance 1/1/2011	Income	Expenses	Transfers In (Out)	Fund Balance 12/31/2011
<u>Board Designated</u>					
Church Planting Fund	\$ 40,318	\$ -	\$ -	\$ -	\$ 40,318
New Church Builders Union	4,455	620	4,855	5	225
Powers Trust Fund	1,003,777	3,261	33,000	-	974,038
Properties Capital Reserve Fund	-	602	847	245	-
World Missions Reserve Fund	-	385	715	330	-
Fair Market Value Investment Adjustment	87,013	-	-	(60,485)	26,528
Total Board Designated	\$ 1,135,563	\$ 4,868	\$ 39,417	\$ (59,905)	\$ 1,041,109
<u>Permanently Restricted</u>					
Leadership Resource Endowment	\$ 12,752	\$ -	\$ -	\$ -	\$ 12,752
J. Howard Shaw Endowment Fund	110,907	-	-	(245)	110,662
Shew Trust	9,917	455	455	-	9,917
Tithing Powers Endowment	266,149	(7,199)	-	-	258,950
C. Kirby Endowment Fund Missions	106,228	-	-	(330)	105,898
Michael Scholarship Endowment	14,346	-	-	(6)	14,340
Fair Market Value Investment Adjustment	(22,852)	-	-	(8,058)	(30,910)
Total Permanently Restricted	\$ 497,447	\$ (6,744)	\$ 455	\$ (8,639)	\$ 481,609
<u>Temporarily Restricted</u>					
Headquarters Restricted Funds	\$ 150	\$ 15,600	\$ 15,750	\$ -	\$ -
Minority Scholarship Fund	7,500	-	2,500	-	5,000
Leadership Resource Fund	69,956	47	1,140	-	68,863
Pastor's Conference	3,669	-	-	-	3,669
TLC Project Fund	241	1,684	500	-	1,425
M3 Project Fund	974	1,200	-	(2,175)	(1)
Missionary Relief Fund	275	175	350	-	100
Anniversary Campaign Fund	30,152	33,189	25,393	2,175	40,123
Radio Evangelism	26,256	-	4,001	-	22,255
Pastors Library Fund	11,175	1,686	4,062	-	8,799
Mission Capital Fund	773	-	765	-	8
World Hunger/Emergency Relief	28,950	37,441	40,212	(14)	26,165
Focus Home Missions Fund	255	3,142	3,281	9	125
Michael Scholarship Fund	190	52	250	8	-
Fair Market Value Investment Adjustment	15,361	-	-	(9,753)	5,608
Total Temporarily Restricted	\$ 195,877	\$ 94,216	\$ 98,204	\$ (9,750)	\$ 182,139
Total	\$ 1,828,887	\$ 92,340	\$ 138,076	\$ (78,294)	\$ 1,704,857

See accompanying notes to financial statements.

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

*Statement of Financial Position
December 31, 2011
(With Comparative Totals as of December 31, 2010)*

	Part I Operating Fund	Part II Ministers' Accumulation Fund
ASSETS		
Current assets:		
Cash on hand and invested	\$ 94,347	\$ 69,253
Due from (to) funds	(20,235)	-
Total current assets	74,112	69,253
Investments- long term	155,644	4,972,205
Total assets	<u>\$ 229,756</u>	<u>\$ 5,041,458</u>
LIABILITIES AND NET ASSETS		
Long-term liabilities:		
Ministers' accumulated vested benefits- A Fund	\$ -	\$ 3,607,827
Ministers' accumulated vested benefits- B Fund	-	663,511
Pension annuity- participants vested amounts	-	-
Total liabilities	-	<u>4,271,338</u>
Net Assets:		
Unrestricted:		
Undesignated	226,869	770,120
Board designated- Tate Memorial	2,887	-
Total net assets	<u>229,756</u>	<u>770,120</u>
Total liabilities and net assets	<u>\$ 229,756</u>	<u>\$ 5,041,458</u>

See accompanying notes to financial statements.

Part III Pension Annuity Fund	Total All Funds	
	2011	2010
\$ 51,201	\$ 214,801	\$ 636,058
20,235	-	-
71,436	214,801	636,058
1,243,148	6,370,997	5,774,382
<u>\$ 1,314,584</u>	<u>\$ 6,585,798</u>	<u>\$ 6,410,440</u>
\$ -	\$ 3,607,827	\$ 3,428,511
-	663,511	626,925
1,314,584	1,314,584	1,314,584
<u>1,314,584</u>	<u>5,585,922</u>	<u>5,370,020</u>
-	996,989	1,034,742
-	2,887	5,678
-	999,876	1,040,420
<u>\$ 1,314,584</u>	<u>\$ 6,585,798</u>	<u>\$ 6,410,440</u>

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

*Statement of Activities
For the Year Ended December 31, 2011
(With Comparative Totals for the Year Ended December 31, 2010)*

REVENUES AND GAINS	<u>Operating Fund</u>	<u>Ministers' Accumulated Vested Benefits</u>
Revenues and gains:		
Pension deposits	\$ -	\$ 218,550
Income from investments	7,512	138,117
Gain (loss) on sale of securities, net	-	113,860
Withdrawal penalty	-	-
Unrealized gain (loss) on investments, net	<u>(6,323)</u>	<u>(105,298)</u>
Total revenues and gains	<u>1,189</u>	<u>365,229</u>
 EXPENSES		
General and administrative:		
General conference services	20,511	-
Board meetings	2,106	-
Securities expense	24	1,991
Management fees	1,006	13,912
Audit fee	6,894	-
Distributions to participants	<u>-</u>	<u>118,745</u>
Total expenses	<u>30,541</u>	<u>134,648</u>
Change in net assets	<u>(29,352)</u>	<u>230,581</u>
 Net assets, beginning of year	191,860	848,560
Transfers between funds	<u>67,248</u>	<u>(309,021)</u>
 Net assets, end of year	<u>\$ 229,756</u>	<u>\$ 770,120</u>

See accompanying notes to financial statements.

Pension Annuity Participants Vested Amounts	Total All Funds	
	2011	2010
\$ -	\$ 218,550	\$ 205,283
50,534	196,163	189,321
(1,306)	112,554	8,262
-	-	18,699
<u>50,965</u>	<u>(60,656)</u>	<u>379,120</u>
<u>100,193</u>	<u>466,611</u>	<u>800,685</u>
-	20,511	25,229
-	2,106	1,342
-	2,015	2,473
6,371	21,289	21,330
-	6,894	6,000
<u>138,266</u>	<u>257,011</u>	<u>493,869</u>
<u>144,637</u>	<u>309,826</u>	<u>550,243</u>
<u>(44,444)</u>	<u>156,785</u>	<u>250,442</u>
-	1,040,420	887,638
<u>44,444</u>	<u>(197,329)</u>	<u>(97,660)</u>
<u>\$ -</u>	<u>\$ 999,876</u>	<u>\$ 1,040,420</u>

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED
BOARD OF PENSIONS

Statement of Cash Flows
For the Year Ended December 31, 2011
(With Comparative Totals for the Year Ended December 31, 2010)

	2011	2010
OPERATING ACTIVITIES		
Change in net assets	\$ 156,785	\$ 250,442
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
(Gain) on sale of investments	(112,554)	(8,262)
Unrealized loss (gain) on investments, net	60,656	(379,120)
Net cash provided (used) by operating activities	104,887	(136,940)
INVESTING ACTIVITIES		
Purchases of investments	(781,932)	(1,021,473)
Proceeds from redemption of investments	273,876	1,168,639
Net cash provided (used) by investing activities	(508,056)	147,166
FINANCING ACTIVITIES		
Change in vested benefits	215,902	210,977
Transfers between funds, net	(233,990)	(145,466)
Net cash provided (used) by financing activities	(18,088)	65,511
Net increase (decrease) in cash	(421,257)	75,737
Cash, at beginning of year	636,058	560,321
Cash, at end of year	\$ 214,801	\$ 636,058

See accompanying notes to financial statements.