

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

Charlotte, North Carolina

Audited Financial Statements

December 31, 2017

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, 2017, 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 2016 financial statements, and in our report dated June 14, 2017 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, 2017, 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.

July 30, 2018
Charlotte, North Carolina

FINANCIAL STATEMENTS

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Statement of Financial Position

December 31, 2017

(With Comparative Totals as of December 31, 2016)

ASSETS	<u>2017</u>	<u>2016</u>
Current assets:		
Cash and cash equivalents	\$ 842,922	\$ 654,821
Investments	-	39,709
Investments - temporary	2,164,989	2,123,568
Accounts receivable	5,405	4,090
Inventories	30,443	47,265
Prepaid expenses	5,320	13,696
Total current assets	<u>3,049,079</u>	<u>2,883,149</u>
Investments- long term	612,256	578,522
Investments- pension	9,440,339	8,281,221
Property and equipment, net	291,340	308,344
Total assets	<u>\$ 13,393,014</u>	<u>\$ 12,051,236</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 32,300	\$ 72,524
Departmental accommodations	37,894	46,002
Subscriptions due	9,795	11,134
Total current liabilities	<u>79,989</u>	<u>129,660</u>
Ministers' accumulated vested benefits- A Fund	4,441,330	4,252,098
Ministers' accumulated vested benefits- B Fund	1,501,070	1,181,681
Pension annuity - participants vested amounts	1,194,239	1,199,695
Total long-term liabilities	<u>7,136,639</u>	<u>6,633,474</u>
Total liabilities	<u>7,216,628</u>	<u>6,763,134</u>
Net assets:		
Permanently restricted	639,898	591,337
Temporarily restricted	495,059	454,309
Unrestricted:		
Undesignated	2,930,915	2,531,406
Board designated	2,110,514	1,711,050
Total net assets	<u>6,176,386</u>	<u>5,288,102</u>
Total liabilities and net assets	<u>\$ 13,393,014</u>	<u>\$ 12,051,236</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, 2017

(With Comparative Totals for the Year Ended December 31, 2016)

	<u>Unrestricted Funds</u>	
	<u>Undesignated Funds</u>	<u>Board Designated Funds</u>
REVENUES, GAINS, AND OTHER SUPPORT		
Support:		
United ministries	\$ 676,097	\$ -
Penny crusade	484,949	-
Christmas in October	61,487	-
First responders	29,905	-
Individual and estate gifts	235,014	18,175
Field offerings and other gifts	22,785	-
Revenues and gains:		
Administrative service fees	16,000	-
Pension deposits	284,549	-
Subscriptions	24,212	-
Income on investments	193,048	2,597
Convention income	53,383	(1,025)
Other income	-	-
Gains (losses) on sale of marketable securities	76,847	344,605
Resource Center gross profit	42,157	-
Unrealized gain (loss) on investments, net	711,662	138,578
Total revenues, gains and other support	<u>2,912,095</u>	<u>502,929</u>
Reclassifications:		
Satisfaction of purpose restriction	158,584	(88,957)
Transfers between funds, ACGC Fund	(7,100)	(3,934)
Transfers between funds, Pension Fund	(369,225)	-
Total reclassifications	<u>(217,741)</u>	<u>(92,891)</u>
EXPENSES		
Program services:		
United ministries program	353,478	-
World outreach program	638,777	-
Communications program	211,127	-
Nurture program	41,905	-
Student and family program	120,854	-
Convention program	64,887	-
Supporting services:		
Management and general	441,231	10,574
Distributions to pension participants	409,123	-
Fund raising	13,463	-
Total expenses	<u>2,294,845</u>	<u>10,574</u>
Change in net assets	\$ 399,509	\$ 399,464
Net assets, beginning of year	<u>2,531,406</u>	<u>1,711,050</u>
Net assets, end of year	<u>\$ 2,930,915</u>	<u>\$ 2,110,514</u>

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

Temporarily <u>Restricted Funds</u>	Permanently <u>Restricted Funds</u>	<u>Total All Funds</u>	
		<u>2017</u>	<u>2016</u>
\$ -	\$ -	\$ 676,097	672,748
-	-	484,949	517,435
-	-	61,487	67,267
-	-	29,905	23,429
81,913	-	335,102	283,947
-	-	22,785	22,719
-	-	16,000	16,000
-	-	284,549	256,050
-	-	24,212	25,314
303	12,482	208,430	237,820
-	-	52,358	43,961
-	-	-	8,250
2,111	(10,161)	413,401	9,012
-	-	42,157	39,770
<u>9,478</u>	<u>53,747</u>	<u>913,464</u>	<u>786,929</u>
<u>93,805</u>	<u>56,068</u>	<u>3,564,897</u>	<u>3,010,651</u>
(66,020)	(3,607)	-	-
13,125	(2,091)	-	-
<u>-</u>	<u>-</u>	<u>(369,225)</u>	<u>(415,115)</u>
<u>(52,895)</u>	<u>(5,698)</u>	<u>(369,225)</u>	<u>(415,115)</u>
-	-	353,478	354,830
-	-	638,777	635,640
-	-	211,127	208,038
-	-	41,905	161,868
-	-	120,854	105,338
-	-	64,887	50,049
-	-	-	-
160	1,809	453,774	441,637
-	-	409,123	255,809
-	-	13,463	11,737
<u>160</u>	<u>1,809</u>	<u>2,307,388</u>	<u>2,224,946</u>
\$ 40,750	\$ 48,561	\$ 888,284	\$ 370,590
<u>454,309</u>	<u>591,337</u>	<u>5,288,102</u>	<u>4,917,512</u>
<u>\$ 495,059</u>	<u>\$ 639,898</u>	<u>\$ 6,176,386</u>	<u>\$ 5,288,102</u>

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Statement of Cash Flows

For the Year Ended December 31, 2017

(With Comparative Totals for the Year Ended December 31, 2016)

	<u>2017</u>	<u>2016</u>
OPERATING ACTIVITIES		
Change in net assets	\$ 888,284	\$ 370,590
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	21,541	25,924
Loss (gain) on sale of investments	(413,401)	(9,012)
Loss on disposal of assets	597	139
Unrealized (gain) loss on investments, net	(913,465)	(786,929)
Receipt of donated stock	(14,533)	(17,115)
(Increase) decrease in operating assets:		
Accounts receivable	(1,315)	447
Inventories	16,822	(12,675)
Prepaid expenses	8,373	(4,292)
Increase (decrease) in operating liabilities:		
Accounts payable	(40,223)	42,227
Departmental accommodations	(8,108)	(1,028)
Subscriptions due	(1,339)	(1,556)
Net cash used by operating activities	<u>(456,767)</u>	<u>(393,280)</u>
INVESTING ACTIVITIES		
Purchases of property and equipment	(5,134)	(3,099)
Proceeds from sale of assets	-	-
Purchases of investments	(5,000,182)	(935,150)
Proceeds from redemption of investments	<u>5,147,016</u>	<u>1,156,630</u>
Net cash provided by investing activities	<u>141,700</u>	<u>218,381</u>
FINANCING ACTIVITIES		
Change in vested benefits	501,805	416,941
Transfers between funds, net	<u>1,360</u>	<u>(1,826)</u>
Net cash provided by financing activities	<u>503,165</u>	<u>415,115</u>
Net increase in cash	188,098	240,216
Cash, at beginning of year	<u>654,824</u>	<u>414,608</u>
Cash, at end of year	<u>\$ 842,922</u>	<u>\$ 654,824</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, 2017 and 2016. 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 \$21,541 and \$25,924 for years ended December 31, 2017 and 2016, respectively.

	2017	2016
Land and land improvements	\$ 231,954	\$ 231,954
Headquarters property	279,678	278,078
Headquarters furnishings and equipment	80,459	99,884
Residences (including furnishings)	130,471	130,471
Vehicles	24,991	24,991
	<u>747,553</u>	<u>765,378</u>
Less, accumulated depreciation	456,213	457,034
Total property and equipment, net	<u>\$ 291,340</u>	<u>\$ 308,344</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, 2017 and 2016, respectively as follows:

	<u>Cost</u>	<u>Market Value</u>	<u>Gain(Loss) on Investments</u>
Undesignated Fund	\$ -	\$ -	\$ -
Undesignated Fund- Pension	6,443,031	9,440,339	2,997,308
Temporarily & Board Designated Fund	1,084,293	2,164,990	1,080,697
Permanently Restricted Fund	565,847	612,256	46,409
Total	\$ 8,093,171	\$ 12,217,585	\$ 4,124,414
			<u>Unrealized Gain(Loss) on Investments</u>
Undesignated Fund- Pension	<u>Cost</u>	<u>Market Value</u>	
Fixed income securities:			
Corporate bonds	\$ 6,319	\$ 6,042	\$ (277)
Government obligations	374,505	428,176	53,671
Certificates of deposits	310,000	310,023	23
Mutual funds	3,608,397	4,420,369	811,972
Common stock	2,143,810	4,275,729	2,131,919
	<u>\$ 6,443,031</u>	<u>\$ 9,440,339</u>	<u>\$ 2,997,308</u>
			<u>Unrealized Gain(Loss) on Investments</u>
Temporarily & Board Designated Fund	<u>Cost</u>	<u>Market Value</u>	
Mutual funds	\$ 14,155	\$ 16,875	\$ 2,720
Common stock	863,679	1,940,227	1,076,548
Exchange traded funds	206,459	207,888	1,429
	<u>\$ 1,084,293</u>	<u>\$ 2,164,990</u>	<u>\$ 1,080,697</u>

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 2- INVESTMENTS- Continued

	12/31/2017		Unrealized Gain(Loss) on Investments
	Cost	Market Value	
Permanently Restricted Fund			
Exchange traded funds	\$ 384,284	\$ 387,968	\$ 3,684
Mutual funds	181,563	224,288	42,725
	<u>\$ 565,847</u>	<u>\$ 612,256</u>	<u>\$ 46,409</u>
Total all funds			
Common stock	\$ 3,007,489	\$ 6,215,956	\$ 3,208,467
Exchange traded funds	590,743	595,856	5,113
Mutual funds	3,804,115	4,661,532	857,417
Fixed income securities:			
Corporate bonds	6,319	6,042	(277)
Government obligations	374,505	428,176	53,671
Certificates of deposits	310,000	310,023	23
	<u>\$ 8,093,171</u>	<u>\$ 12,217,585</u>	<u>\$ 4,124,414</u>

The following tabulation summarizes the net increase(decrease) in unrealized appreciation of investments at December 31, 2017:

	Cost	Market Value	Market over Cost (Cost over Market)
Balance at end of year	<u>\$ 8,093,171</u>	<u>\$ 12,217,585</u>	\$ 4,124,414
Balance at beginning of year	<u>\$ 7,812,072</u>	<u>\$ 11,023,019</u>	\$ 3,210,947
Increase in unrealized appreciation of investments.			<u>\$ 913,467</u>

	12/31/2016		Unrealized Gain(Loss) on Investments
	Cost	Market Value	
Undesignated Fund	\$ 40,797	\$ 39,709	\$ (1,088)
Undesignated Fund- Pension	5,994,488	8,281,221	2,286,733
Temporarily & Board Designated Fund	1,190,928	2,123,567	932,639
Permanently Restricted Fund	585,859	578,522	(7,337)
Total	<u>\$ 7,812,072</u>	<u>\$ 11,023,019</u>	<u>\$ 3,210,947</u>

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 2- INVESTMENTS-Continued

	<u>12/31/2016</u>		
	Cost	Market Value	Unrealized Gain(Loss) on Investments
Undesignated Fund			
Common stock	\$ -	\$ -	\$ -
Mutual funds	40,797	39,709	(1,088)
	<u>\$ 40,797</u>	<u>\$ 39,709</u>	<u>\$ (1,088)</u>
Undesignated Fund- Pension	Cost	Market Value	Unrealized Gain(Loss) on Investments
Fixed income securities:			
Corporate bonds	\$ 6,319	\$ 6,064	\$ (255)
Government obligations	382,865	440,484	57,619
Mutual funds	2,370,044	2,903,698	533,654
Common stock	3,235,260	4,930,975	1,695,715
	<u>\$ 5,994,488</u>	<u>\$ 8,281,221</u>	<u>\$ 2,286,733</u>
Temporarily & Board Designated Fund	Cost	Market Value	Unrealized Gain(Loss) on Investments
Mutual funds	\$ 377,756	\$ 361,682	\$ (16,074)
Common stock	813,172	1,761,885	948,713
	<u>\$ 1,190,928</u>	<u>\$ 2,123,567</u>	<u>\$ 932,639</u>
Permanently Restricted Fund	Cost	Market Value	Unrealized Gain(Loss) on Investments
Mutual funds	\$ 585,859	\$ 578,522	\$ (7,337)
Total all funds	Cost	Market Value	Unrealized Gain(Loss) on Investments
Common stock	\$ 4,048,432	\$ 6,692,860	\$ 2,644,428
Mutual funds	3,374,456	3,883,611	509,155
Fixed income securities:			
Corporate bonds	6,319	6,064	(255)
Government obligations	382,865	440,484	57,619
	<u>\$ 7,812,072</u>	<u>\$ 11,023,019</u>	<u>\$ 3,210,947</u>

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 2- INVESTMENTS- Continued

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>\$ 7,812,072</u>	<u>\$ 11,023,019</u>	\$ 3,210,947
Balance at beginning of year	<u>\$ 8,007,425</u>	<u>\$ 10,431,443</u>	<u>\$ 2,424,018</u>
Increase (decrease) in unrealized appreciation of investments.			<u>\$ 786,929</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).

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.

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

NOTE 2- INVESTMENTS- Continued

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, 2017 and 2016.

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.

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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, 2017 and 2016, 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, 2017	December 31, 2016
Exchange Traded Funds:				
Corporate Bond Funds	720,997	-	720,997	-
Emerging Market Funds	250,695	-	250,695	-
International Funds	59,667	-	59,667	-
High Yield Bond Funds	298,582	-	298,582	-
Inflation-Protected Bond Funds	43,130	-	43,130	-
Intermediate Funds	933,192	-	933,192	-
Large Funds	119,371	-	119,371	-
Long Term Funds	425,159	-	425,159	-
Mid-Cap Funds	8,149	-	8,149	-
Nontraditional Bond Funds	214,976	-	214,976	-
Real Estate Funds	6,180	-	6,180	-
Short Term Funds	40,595	-	40,595	496,267
Total Return Funds	-	-	-	2,675
Ultrashort Funds	223,652	-	223,652	-
Other Funds	84,888	-	84,888	-
Fixed Income:				
Corporate Bonds	-	6,042	6,042	6,064
Government obligations	-	428,176	428,176	440,484
Mutual Funds:				
Inflation Funds	-	-	-	-
Intermediate Funds	-	-	-	645,532
International Funds	16,996	-	16,996	169,329
Large Funds	988,555	-	988,555	891,320
Mid-Cap Funds	807,123	-	807,123	645,848
Short Term Funds	-	-	-	716,246
Small Funds	15,482	-	15,482	12,456
Other Funds	-	-	-	303,937
Common Stocks:				
Basic Materials	33,945	-	33,945	355,380
Consumer Goods	525,255	-	525,255	548,200
Financial	1,711,489	-	1,711,489	1,900,755
Healthcare	770,974	-	770,974	703,490
Industrial Goods	536,298	-	536,298	541,180
Services	703,945	-	703,945	930,382
Technology	1,806,580	-	1,806,580	1,597,043
Utilities	127,469	-	127,469	116,430
Certificates of Deposit	-	310,023	310,023	-
	\$ 11,473,344	\$ 744,241	\$ 12,217,585	\$ 11,023,018

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. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2017 and 2016 the Organization's uninsured cash balances were \$196,287 and \$46,778 respectively.

The Organization's marketable securities at December 31, 2017 and 2016 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, 2017 and 2016 was \$16,911 and \$19,153, respectively. Future minimum rental payments required under operating leases having initial or remaining non-cancelable terms in excess of one year at December 31, 2017 were:

2018	\$ 18,887
2019	13,842
2020	13,008
2021	7,232
2022	-
	<u>\$ 52,969</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 Christian 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 de-recognition, classification, interest and penalties, accounting in interim periods, and disclosure.

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 \$284,550 and \$256,050 for years ended December 31, 2017 and 2016, 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, 2017 and 2016 is \$5,942,400 and \$5,433,779, 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, 2017 and 2016 were \$140,885 and \$139,396, respectively. The fair market value of Part III investments set aside for this plan at December 31, 2017 was \$1,111,174. According to the actuarial study the obligation to participants at December 31, 2017 was \$1,194,239. The investments consist of 54.43% invested in government securities and corporate bonds and the remaining 45.57% invested in mutual funds and certificates of deposits. An actuarial study was performed on January 12, 2017 for the December 31, 2016 year end. The obligation on the balance sheet is currently at that actuarial valuation. Actuarial valuations are completed every three years. Below contains information on the assumptions used in the study:

Measurement Period 01/01/2016-12/31/2016

Asset valuation method: Fair market value of assets at 12/31/2016

Interest rate	3.50%*
Retirees **	29

* 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, 2016, with duration similar to the duration of the liabilities for annuity benefits being valued in this plan.

** Generational RP-2014 Mortality Table for Healthy Annuitants, with mortality projection using MP-2016 Mortality Projection Scale.

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, 2016, 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, 2017 and 2016:

<u>Permanently Restricted</u>	<u>December 31, 2017</u>	<u>December 31, 2016</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	335,079	338,174
Fair Market Value Investment Adjustment	51,250	(404)
Total Permanently Restricted	<u>\$ 639,896</u>	<u>\$ 591,337</u>

<u>Temporarily Restricted</u>	<u>December 31, 2017</u>	<u>December 31, 2016</u>
AIMS Support Fund	\$ 850	\$ 825
Minority Scholarship Fund	3,583	3,336
Leadership Resource Fund	53,753	54,459
TLC Project Fund	4,832	3,656
Missionary Relief Fund	-	100
Short Term Missions Fund	6,024	-
Radio Evangelism	11,755	11,755
Pastors Library Fund	16,479	14,045
Mission Capital Fund	160,596	158,261
World Hunger/Emergency Relief	20,207	14,583
Focus Home Missions Fund	450	50
Michael Scholarship Fund	1,050	363
Fair Market Value Investment Adjustment	215,481	192,876
Total Temporarily Restricted	<u>\$ 495,060</u>	<u>\$ 454,309</u>

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED

Notes to Financial Statements

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 July 30, 2018, 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, 2017
(With Comparative Totals as of December 31, 2016)

ASSETS	Unrestricted Funds	
	Undesignated Funds	Board Designated Funds
Current assets:		
Cash and cash equivalents	\$ 183,211	\$ 356,874
Investments	-	1,753,641
Accounts receivable	5,405	-
Inventories	30,443	-
Prepaid expenses	5,322	-
Total current assets	224,381	2,110,515
Investments- long term	-	-
Property and equipment, net	291,341	-
Total assets	\$ 515,722	\$ 2,110,515
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 31,834	\$ -
Departmental accommodations	37,894	-
Subscriptions due	9,795	-
Total current liabilities	79,523	-
Total liabilities	79,523	-
Net assets:		
Permanently restricted	-	-
Temporarily restricted	-	-
Unrestricted:		
Undesignated	436,199	-
Board designated	-	2,110,515
Total net assets	436,199	2,110,515
Total liabilities and net assets	\$ 515,722	\$ 2,110,515

See accompanying notes to financial statements.

Temporarily Restricted Funds	Permanently Restricted Funds	Total All Funds	
		2017	2016
\$ 83,712	\$ 27,640	\$ 651,437	\$ 224,833
411,348	-	2,164,989	2,163,276
-	-	5,405	4,090
-	-	30,443	47,265
-	-	5,322	13,696
<u>495,060</u>	<u>27,640</u>	<u>2,857,596</u>	<u>2,453,160</u>
-	612,256	612,256	578,522
-	-	291,341	308,344
<u>\$ 495,060</u>	<u>\$ 639,896</u>	<u>\$ 3,761,193</u>	<u>\$ 3,340,026</u>
\$ -	\$ -	\$ 31,834	\$ 70,697
-	-	37,894	46,002
-	-	9,795	11,134
<u>-</u>	<u>-</u>	<u>79,523</u>	<u>127,833</u>
-	-	79,523	127,833
-	639,896	639,896	591,337
495,060	-	495,060	454,309
-	-	436,199	455,497
-	-	2,110,515	1,711,050
<u>495,060</u>	<u>639,896</u>	<u>3,681,670</u>	<u>3,212,193</u>
<u>\$ 495,060</u>	<u>\$ 639,896</u>	<u>\$ 3,761,193</u>	<u>\$ 3,340,026</u>

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED
ACGC

Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2017
(With Comparative Totals for the Year Ended December 31, 2016)

	Unrestricted Funds	
	Undesignated Funds	Board Designated Funds
REVENUES, GAINS, AND OTHER SUPPORT		
Support:		
United ministries	\$ 676,097	\$ -
Penny crusade	484,949	-
Christmas in October	61,487	-
First responders	29,905	-
Individual and estate gifts	235,014	18,175
Field offerings and other gifts	22,785	-
Revenues and gains:		
Administrative service fees	16,000	-
Subscriptions	24,212	-
Income on investments	5,354	2,597
Convention registrations	53,383	(1,025)
Other income	-	-
Gains (losses) on sale of marketable securities	7,140	344,604
Resource Center gross profit	42,157	-
Unrealized gain (loss) on investments, net	1,088	138,578
Total revenues, gains and other support	1,659,571	502,929
Reclassifications:		
Satisfaction of purpose restriction	158,584	(88,957)
Transfers between funds	(7,100)	(3,934)
Total reclassifications	151,484	(92,891)
EXPENSES		
Program services:		
United ministries program	353,478	-
World outreach program	638,777	-
Communications program	211,127	-
Nurture program	41,905	-
Student and family program	120,854	-
Convention program	64,887	-
Supporting services:		
Management and general	385,863	10,574
Fundraising	13,463	-
Total expenses	1,830,354	10,574
Change in net assets	(19,299)	399,464
Net assets, beginning of year	455,497	1,711,051
Net assets, end of year	\$ 436,198	\$ 2,110,515

See accompanying notes to financial statements.

<u>Temporarily Restricted Funds</u>	<u>Permanently Restricted Funds</u>	<u>Total All Funds</u>	
		<u>2017</u>	<u>2016</u>
\$ -	\$ -	\$ 676,097	672,748
-	-	484,949	517,435
-	-	61,487	67,267
-	-	29,905	23,429
81,913	-	335,102	283,947
-	-	22,785	22,719
-	-	16,000	16,000
-	-	24,212	25,314
303	12,482	20,736	43,878
-	-	52,358	43,961
-	-	-	-
2,111	(10,161)	343,694	6,059
-	-	42,157	39,770
<u>9,478</u>	<u>53,747</u>	<u>202,891</u>	<u>250,551</u>
<u>93,805</u>	<u>56,068</u>	<u>2,312,373</u>	<u>2,013,078</u>
(66,020)	(3,607)	-	-
<u>13,125</u>	<u>(2,091)</u>	<u>-</u>	<u>-</u>
<u>(52,895)</u>	<u>(5,698)</u>	<u>-</u>	<u>-</u>
-	-	353,478	354,830
-	-	638,777	635,640
-	-	211,127	208,038
-	-	41,905	161,868
-	-	120,854	105,338
-	-	64,887	50,049
160	1,809	398,406	392,415
-	-	13,463	11,737
<u>160</u>	<u>1,809</u>	<u>1,842,897</u>	<u>1,919,915</u>
40,750	48,561	469,476	93,163
<u>454,310</u>	<u>591,335</u>	<u>3,212,193</u>	<u>3,119,030</u>
<u>\$ 495,060</u>	<u>\$ 639,896</u>	<u>\$ 3,681,669</u>	<u>\$ 3,212,193</u>

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED
ACGC

Statement of Cash Flows
For the Year Ended December 31, 2017
(With Comparative Totals for the Year Ended December 31, 2016)

	2017	2016
OPERATING ACTIVITIES		
Change in net assets	\$ 469,476	\$ 93,163
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	21,541	25,924
(Gain) on disposal of assets	597	139
Loss (Gain) on sale of investments	(343,695)	(6,059)
Unrealized loss (gain) on investments, net	(202,891)	(250,553)
Receipt of donated stock	(14,533)	(17,115)
(Increase) decrease in operating assets:		
Accounts receivable	(1,315)	447
Inventories	16,822	(12,675)
Prepaid expenses	8,373	(4,292)
Increase (decrease) in operating liabilities:		
Accounts payable	(38,863)	40,401
Departmental accommodations	(8,108)	(1,028)
Subscriptions due	(1,339)	(1,557)
Net cash used by operating activities	(93,935)	(133,205)
INVESTING ACTIVITIES		
Purchases of property and equipment	(5,134)	(3,099)
Proceeds from sale of assets	-	-
Purchases of investments	(971,960)	(122,712)
Proceeds from redemption of investments	1,497,633	324,675
Net cash provided (used) by investing activities	520,539	198,864
Net increase in cash	426,604	65,660
Cash, at beginning of year	224,833	159,173
Cash, at end of year	\$ 651,437	\$ 224,833

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, 2017

	Fund Balance 1/1/2017	Income	Expenses	Transfers In (Out)	Fund Balance 12/31/17
<u>Board Designated</u>					
Church Planting Fund	\$ 51,195	\$ -	\$ 149	\$ -	\$ 51,046
Headquarters Capital Bd. Des.	269	-	269	-	-
New Church Builders Union	7,375	17,975	-	-	25,350
Powers Trust Fund	828,184	320,582	62,191	-	1,086,575
Convention Reserve	77,507	-	10,103	960	68,364
Properties Capital Reserve Fund	-	8,399	8,399	-	-
World Missions Reserve Fund	-	7,846	7,846	-	-
Fair Market Value Investment Adjustment	744,536	-	-	134,644	879,180
Total Board Designated	\$ 1,709,066	\$ 354,802	\$ 88,957	\$ 135,604	\$ 2,110,515
<u>Permanently Restricted</u>					
Leadership Resource Endowment	\$ 12,752	\$ -	\$ -	\$ -	\$ 12,752
J. Howard Shaw Endowment Fund	110,661	-	-	-	110,661
Shew Trust	9,917	735	735	-	9,917
Tithing Powers Endowment	338,174	(223)	2,872	-	335,079
C. Kirby Endowment Fund Missions	105,898	-	-	-	105,898
Michael Scholarship Endowment	14,339	-	-	-	14,339
Fair Market Value Investment Adjustment	(404)	-	-	51,654	51,250
Total Permanently Restricted	\$ 591,337	\$ 512	\$ 3,607	\$ 51,654	\$ 639,896
<u>Temporarily Restricted</u>					
AIMS Support Fund	\$ 825	\$ 25	\$ -	\$ -	\$ 850
Minority Scholarship Fund	3,336	247	-	-	3,583
Leadership Resource Fund	54,459	944	1,650	-	53,753
TLC Project Fund	3,656	11,601	10,425	-	4,832
Missionary Relief Fund	100	150	250	-	-
Radio Evangelism	11,755	-	-	-	11,755
Pastors Library Fund	14,045	3,785	1,619	268	16,479
Missions Project	158,261	32,011	25,901	(3,775)	160,596
Short Term Missions Fund	-	14,834	12,317	3,507	6,024
World Hunger/Emergency Relief	14,583	18,212	12,588	-	20,207
Focus Home Missions Fund	50	1,295	895	-	450
Michael Scholarship Fund	363	1,062	375	-	1,050
Fair Market Value Investment Adjustment	192,876	-	-	22,605	215,481
Total Temporarily Restricted	\$ 454,309	\$ 84,166	\$ 66,020	\$ 22,605	\$ 495,060
Total	\$ 2,754,712	\$ 439,480	\$ 158,584	\$ 209,863	\$ 3,245,471

See accompanying notes to financial statements.

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

*Statement of Financial Position
December 31, 2017
(With Comparative Totals as of December 31, 2016)*

	Part I Operating Fund	Part II Ministers' Accumulation Fund
ASSETS		
Current assets:		
Cash on hand and invested	\$ 52,847	\$ 68,885
Due from / to other Board of Pension funds	(13,313)	-
Total current assets	39,534	68,885
Investments- long term	99,645	8,229,520
Total assets	\$ 139,179	\$ 8,298,405
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable	\$ 466	\$ -
Total current liabilities	466	-
Long-term liabilities:		
Ministers' accumulated vested benefits- A Fund	-	4,441,330
Ministers' accumulated vested benefits- B Fund	-	1,501,070
Pension annuity- participants vested amounts	-	-
Total liabilities	466	5,942,400
Net Assets:		
Unrestricted:		
Undesignated	138,713	2,356,005
Total net assets	138,713	2,356,005
Total liabilities and net assets	\$ 139,179	\$ 8,298,405

See accompanying notes to financial statements.

Part III Pension Annuity Fund	Total All Funds	
	2017	2016
\$ 69,752	\$ 191,484	\$ 429,988
13,313	-	-
83,065	191,484	429,988
1,111,174	9,440,339	8,281,221
<u>\$ 1,194,239</u>	<u>\$ 9,631,823</u>	<u>\$ 8,711,209</u>
\$ -	\$ 466	\$ 1,826
-	466	1,826
-	4,441,330	4,252,098
-	1,501,070	1,181,681
<u>1,194,239</u>	<u>1,194,239</u>	<u>1,199,695</u>
<u>1,194,239</u>	<u>7,137,105</u>	<u>6,635,300</u>
-	2,494,718	2,075,909
-	2,494,718	2,075,909
<u>\$ 1,194,239</u>	<u>\$ 9,631,823</u>	<u>\$ 8,711,209</u>

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

*Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2017
(With Comparative Totals for the Year Ended December 31, 2016)*

REVENUES AND GAINS	Operating Fund	Ministers' Accumulated Vested Benefits
	Fund	Vested Benefits
Revenues and gains:		
Pension deposits	\$ -	\$ 284,549
Income from investments	2,766	158,260
Gain (loss) on sale of securities, net	659	81,208
Withdrawal penalty	-	-
Unrealized gain (loss) on investments, net	(643)	695,740
Total revenues and gains	2,782	1,219,757
Reclassifications:		
Transfers between funds	89,026	(574,563)
EXPENSES		
General and administrative:		
General conference services	16,000	-
Board meetings	-	-
Pastors insurance	2,231	-
Securities expense	83	4,442
Management fees	522	18,665
Audit fee	8,012	-
Distributions to participants	-	268,238
Total expenses	26,848	291,345
Change in net assets	64,960	353,849
Net assets, beginning of year	73,753	2,002,156
Net assets, end of year	\$ 138,713	\$ 2,356,005

See accompanying notes to financial statements.

	Pension Annuity Participants Vested Amounts	Total All Funds	
		2017	2016
\$	-	\$ 284,549	\$ 256,050
	26,668	187,694	193,942
	(12,160)	69,707	2,953
	-	-	8,250
	15,477	710,574	536,378
	<u>29,985</u>	<u>1,252,524</u>	<u>997,573</u>
	<u>116,312</u>	<u>(369,225)</u>	<u>(415,115)</u>
	-	16,000	16,000
	-	-	-
	-	2,231	2,384
	86	4,611	4,676
	5,326	24,513	19,862
	-	8,012	6,300
	140,885	409,123	255,809
	<u>146,297</u>	<u>464,490</u>	<u>305,031</u>
	-	418,809	277,427
	-	2,075,909	1,798,482
\$	<u>-</u>	<u>\$ 2,494,718</u>	<u>\$ 2,075,909</u>

ADVENT CHRISTIAN GENERAL CONFERENCE OF AMERICA, INCORPORATED
BOARD OF PENSIONS

Statement of Cash Flows
For the Year Ended December 31, 2017
(With Comparative Totals for the Year Ended December 31, 2016)

	2017	2016
OPERATING ACTIVITIES		
Change in net assets	\$ 418,808	\$ 277,427
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Loss (gain) on sale of investments	(69,707)	(2,953)
Unrealized loss (gain) on investments, net	(710,574)	(536,379)
Increase (decrease) in operating liabilities:		
Accounts Payable	(1,360)	1,826
Net cash provided by operating activities	(362,833)	(260,079)
INVESTING ACTIVITIES		
Purchases of investments	(4,028,219)	(812,438)
Proceeds from redemption of investments	3,649,383	831,955
Net cash provided by (used in) investing activities	(378,836)	19,517
FINANCING ACTIVITIES		
Change in vested benefits	501,805	416,941
Transfers between funds, net	1,360	(1,826)
Net cash used in financing activities	503,165	415,115
Net increase (decrease) in cash	(238,504)	174,553
Cash, at beginning of year	429,988	255,435
Cash, at end of year	\$ 191,484	\$ 429,988

See accompanying notes to financial statements.