

BISHOP OF THE EPISCOPAL DIOCESE OF
GEORGIA, INC. AND OPERATING ENTITY

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016



Holland, Bromley,
Barnhill & Brett LLP

Certified Public Accountants and Business Advisors

BISHOP OF THE EPISCOPAL DIOCESE OF
GEORGIA, INC. AND OPERATING ENTITY

CONSOLIDATED FINANCIAL STATEMENTS

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Independent Auditor's Report

To the Diocesan Council of
Bishop of the Episcopal Diocese of Georgia, Inc.

We have audited the accompanying consolidated financial statements of Bishop of the Episcopal Diocese of Georgia, Inc. and its operating entity (collectively, the Organization) (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2017, and the related consolidated statements of activities and changes in net assets and of 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. 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Organization 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.

Report on Summarized Comparative Information

We have previously audited the Organization's 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 20, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating supplemental schedules on pages 15-18 are presented for purposes of additional analysis and are not a required part of the consolidated 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.



Holland, Bromley, Barnhill & Brett, LLP
Savannah, Georgia
August 1, 2018

BISHOP OF THE EPISCOPAL DIOCESE OF GEORGIA, INC. AND OPERATING ENTITY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	December 31,	
	<u>2017</u>	<u>2016</u>
ASSETS		
Cash and cash equivalents	\$ 600,465	\$ 518,199
Investments	690,346	701,464
Other current assets	<u>53,721</u>	<u>43,878</u>
Total current assets	1,344,532	1,263,541
Property and equipment, net	<u>516,175</u>	<u>527,140</u>
Total assets	<u>\$ 1,860,707</u>	<u>\$ 1,790,681</u>
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	\$ 43,927	\$ 81,929
Deferred revenue	2,645	6,745
Loan from Endowment Fund of the Episcopal Diocese of Georgia	<u>100,755</u>	<u>100,755</u>
Total current liabilities	147,327	189,429
Long-term debt	<u>1,165,000</u>	<u>1,225,000</u>
Total liabilities	<u>1,312,327</u>	<u>1,414,429</u>
Net assets		
Unrestricted	(582,085)	(600,956)
Unrestricted - designated	383,956	321,906
Temporarily restricted	<u>746,509</u>	<u>655,302</u>
Total net assets	<u>548,380</u>	<u>376,252</u>
Total liabilities and net assets	<u>\$ 1,860,707</u>	<u>\$ 1,790,681</u>

(The accompanying notes are an integral part of the consolidated financial statements.)

BISHOP OF THE EPISCOPAL DIOCESE OF GEORGIA, INC. AND OPERATING ENTITY
CONSOLIDATED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total all funds</u>	
			<u>2017</u>	<u>2016</u>
Support and revenues				
Parish and aided parish pledges and donations	\$ 1,624,354	\$ -	\$ 1,624,354	\$ 1,637,074
Special purpose income	194,472	770,574	965,046	356,609
Episcopal Church camps	197,821	-	197,821	212,162
Other revenue	83,722	-	83,722	69,134
Meetings, group and lodging	135,691	-	135,691	113,685
Trust income	74,191	-	74,191	80,851
Interest income	379	-	379	253
Released from restrictions	<u>679,367</u>	<u>(679,367)</u>	<u>-</u>	<u>-</u>
Total support and revenues	<u>2,989,997</u>	<u>91,207</u>	<u>3,081,204</u>	<u>2,469,768</u>
Expenses				
Episcopal office	1,112,073	-	1,112,073	1,087,067
Special purpose	743,237	-	743,237	486,442
Mission outside the Diocese	246,988	-	246,988	216,188
General and administrative	176,289	-	176,289	155,441
Mission inside the Diocese	178,126	-	178,126	148,067
Direct operational	133,764	-	133,764	142,555
Dining room and food	138,080	-	138,080	140,570
Depreciation	74,820	-	74,820	72,640
Interest	60,374	-	60,374	60,750
Housekeeping	41,873	-	41,873	40,018
Miscellaneous	<u>3,452</u>	<u>-</u>	<u>3,452</u>	<u>2,958</u>
Total expenses	<u>2,909,076</u>	<u>-</u>	<u>2,909,076</u>	<u>2,552,696</u>
Change in net assets	<u>80,921</u>	<u>91,207</u>	<u>172,128</u>	<u>(82,928)</u>
Net assets - beginning of year	<u>(279,050)</u>	<u>655,302</u>	<u>376,252</u>	<u>459,180</u>
Net assets - end of year	<u>\$ (198,129)</u>	<u>\$ 746,509</u>	<u>\$ 548,380</u>	<u>\$ 376,252</u>

(The accompanying notes are an integral part of the consolidated financial statements.)

BISHOP OF THE EPISCOPAL DIOCESE OF GEORGIA, INC. AND OPERATING ENTITY

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	December 31,	
	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Change in net assets	\$ 172,128	\$ (82,928)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	74,820	72,640
Gain on sale of property and equipemnt	(11,736)	-
Gain on forgiveness of bond debt	(60,000)	-
(Increase) decrease in other current assets	(9,843)	10,960
(Decrease) increase in accounts payable and accrued expenses	(38,002)	12,696
(Decrease) increase in deferred revenue	<u>(4,100)</u>	<u>1,445</u>
Net cash provided by operating activities	<u>123,267</u>	<u>14,813</u>
Cash flows from investing activities:		
Purchase of property and equipment	(82,577)	(42,283)
Proceeds from sale of property and equipment	30,458	-
Net investment activity	<u>11,118</u>	<u>95,188</u>
Net cash (used for) provided by investing activities	<u>(41,001)</u>	<u>52,905</u>
Net increase in cash and cash equivalents	82,266	67,718
Cash and cash equivalents - beginning of year	<u>518,199</u>	<u>450,481</u>
Cash and cash equivalents - end of year	<u>\$ 600,465</u>	<u>\$ 518,199</u>
Cash paid for interest	<u>\$ 60,374</u>	<u>\$ 91,753</u>

(The accompanying notes are an integral part of the consolidated financial statements.)

BISHOP OF THE EPISCOPAL DIOCESE OF GEORGIA, INC. AND OPERATING ENTITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016

NOTE 1 - PURPOSE OF ORGANIZATION

The Bishop of the Episcopal Diocese of Georgia, Inc. (the Diocese) is a non-profit organization located in Savannah, Georgia which incorporated in Georgia in 1992. It was formerly known as The Episcopal Church in the Diocese of Georgia. The Diocese is the administrative unit of the Episcopal parishes and aided parishes within its geographical boundaries and comprises approximately the southern three-fifths of the state of Georgia.

The Georgia Episcopal Camp and Conference Center (the Camp) is an operating entity of the Diocese. The Camp, which is also known as 'Honey Creek', spans 100 acres in Waverly, Georgia and has been in existence since the 1950's to provide a unique setting for the spiritual, community-building and educational needs of its guests. In addition to being an ideal location for spiritual camps, the facilities are utilized for a variety of other functions including weddings, reunions and retreats.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States (U.S. GAAP). The consolidated financial statements include the accounts of the Diocese and the Camp (collectively referred to as 'the Organization'). All significant inter-organizational transactions and balances have been eliminated in consolidation.

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Restricted and unrestricted revenue and support

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a temporary restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash and cash equivalents

Cash and short-term highly liquid investments are included as cash and cash equivalents in the accompanying consolidated financial statements.

Property

The Diocese capitalizes purchases of property and equipment which exceed \$1,000 and are expected to provide benefit for multiple years. The Camp capitalizes purchases of property and equipment which exceed \$2,000 and are expected to provide benefit for multiple years. The Organization recognizes depreciation on these assets using the straight-line method over the following estimated useful lives:

- Automobiles - 5 years
- Equipment - 5 to 10 years
- Furniture and fixtures - 5 to 7 years
- Building improvements - 15 years
- Buildings - 40 years

Assets acquired by the Diocese prior to January 1, 2009 are not included in the consolidated statements of financial position. The land, building, and facilities spanning approximately 100 acres in Waverly, Georgia and utilized for operations of the Camp are part of these excluded assets. This property was originally gifted to the Diocese in the late 1950's with certain restrictions surrounding the sale of the property. The tax value of this property was approximately \$1,116,000 at December 31, 2017.

Additionally, the office building and land located in downtown Savannah, Georgia and utilized for operations of the Diocese are also excluded. This property was originally purchased for \$5,451 in 1956. At December 31, 2017, the tax value was approximately \$483,000. See Note 14 for discussion of subsequent events related to this property.

Concentration of credit risk

The Organization maintains its cash balances with commercial banks throughout southeast Georgia in deposit accounts which at December 31, 2017 and other times throughout the year, exceeded federally insured limits. The Organization has not experienced any losses of such funds and management believes the Organization is not exposed to any significant risk on cash. The amount of uninsured cash at December 31, 2017 and 2016 is approximately \$23,000 and \$0, respectively.

Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Investments

The Organization carries its investments in marketable securities at their fair values in the consolidated statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying consolidated statements of activities and changes in net assets.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Diocese funding to the Camp

The Diocese paid the Camp \$36,094 and \$94,253 during 2017 and 2016, respectively, for lodging, camps and various conferences. These amounts have been eliminated during the consolidation.

Income taxes

The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization is classified as other than a private foundation. Therefore, no provision for income taxes has been made in these consolidated financial statements.

A tax position is recognized as a benefit only if it is “more likely than not” that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. Once the threshold is met, the amount recognized in the financial statements is the largest amount of tax benefit likely realized on examination. For tax positions not meeting the “more likely than not” test, no tax benefit is recorded. The Organization does not expect the total amount of unrecognized tax benefits to significantly change in the next twelve months.

If incurred, the Organization would recognize interest and penalties related to unrecognized tax benefits in interest expense. The Organization has no amounts accrued for interest and penalties as of December 31, 2017 and 2016. Additionally, no interest or penalties were recorded for the years then ended.

Reclassifications

Certain prior year amounts have been reclassified to conform with current year presentation.

Subsequent events

The Organization has evaluated subsequent events through August 1, 2018, the date the financial statements were available to be issued.

NOTE 3 - ENDOWMENT FUND

An investment fund earmarked for the Camp is held by the Endowment Fund of the Episcopal Diocese of Georgia (the Endowment Fund), and a balance of \$79,421 and \$67,779 was maintained at December 31, 2017 and 2016, respectively. Because this investment is an asset of the Endowment Fund, rather than the Camp, it is not reflected on the accompanying consolidated statements of financial position. See Note 8 for a description of the amount due to the Endowment Fund as of December 31, 2017.

NOTE 4 - RELATED PARTIES

The Diocese has approximately seventy related parishes and aided parishes. The revenues received from these parishes and aided parishes are recorded as 'Parish and aided parish pledges and donations', and the related Diocesan expenses are recorded as 'Mission inside the Diocese' on the consolidated statements of activities and changes in net assets.

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2017 and 2016 consists of the following:

	<u>Diocese</u>	<u>Camp</u>	<u>Total</u>	
			<u>2017</u>	<u>2016</u>
Buildings and improvements	\$ 56,839	\$ 511,324	\$ 568,163	\$ 520,063
Furniture and fixtures		62,324	62,324	62,324
Office equipment	30,458	27,336	57,794	48,384
Vehicles	19,699	9,500	29,199	29,199
Maintenance equipment		30,002	30,002	30,002
Kitchen equipment		17,409	17,409	14,809
Disc golf course		6,706	6,706	6,706
Computers and software		62,536	62,536	62,536
	<u>106,996</u>	<u>727,137</u>	<u>834,133</u>	<u>774,023</u>
Less - accumulated depreciation	<u>(28,197)</u>	<u>(334,564)</u>	<u>(362,761)</u>	<u>(291,686)</u>
	78,799	392,573	471,372	482,337
Land	<u>44,803</u>	<u>-</u>	<u>44,803</u>	<u>44,803</u>
Total property and equipment	<u>\$ 123,602</u>	<u>\$ 392,573</u>	<u>\$ 516,175</u>	<u>\$ 527,140</u>

Depreciation expense for the years ended December 31, 2017 and 2016, totaled \$74,820 and \$72,640, respectively. The depreciation expense for December 31, 2017 consists of \$5,863 and \$68,957 for the Diocese and the Camp, respectively. The depreciation expense for December 31, 2016 consists of \$5,197 and \$67,443 for the Diocese and the Camp, respectively.

NOTE 6 - FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board (FASB) Accounting Standards Codification ("ASC") Topic 820, *Fair Value Measurements*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability, in the principal or most advantageous market for the asset or liability, in an orderly transaction between market participants at the measurement date. ASC 820 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of the fair value hierarchy are described below:

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.

NOTE 6 - FAIR VALUE MEASUREMENTS (continued)

Level 2 – Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the assets or liabilities;
- Inputs that are derived principally from or corroborated by observable market data by correlation or 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 asset's 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 should maximize the use of observable inputs and minimize the use of unobservable inputs.

The following represents the Organization's assets measured at fair value as of December 31, 2017 and 2016:

December 31, 2017

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Government obligations	\$ 357,132		\$ -	\$ 357,132
Corporate obligations		\$ 333,214		333,214
	<u>\$ 357,132</u>	<u>\$ 333,214</u>	<u>\$ -</u>	<u>\$ 690,346</u>

December 31, 2016

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Government obligations	\$ 299,369		\$ -	\$ 299,369
Corporate obligations		\$ 402,095		402,095
	<u>\$ 299,369</u>	<u>\$ 402,095</u>	<u>\$ -</u>	<u>\$ 701,464</u>

NOTE 7 - EMPLOYEE BENEFIT PLANS

The Bishop and his ordained canons participate in the national clergy pension plan of the Church Pension Fund. This is a defined benefit plan, and Diocese contributions are assessed at approximately 18% of related salaries.

As of July 1, 2012, all full-time employees of the Organization are eligible to participate in a Section 403(b) plan. The Organization contributes a total of 10% of each participant's salary to the defined contribution 403(b) plan.

Total contributions for all plans for the years ended December 31, 2017 and 2016 were \$65,834 and \$67,453, respectively.

NOTE 8 - DEBT

Below is information regarding the Organization's outstanding debt at December 31, 2017.

Bond debt

During 2012 and 2011, the Diocese issued 109 bonds totaling \$1,245,000. The proceeds from this bond issuance were provided to the Camp for the purpose of extinguishing debt and purchasing capital assets. All issued bonds mature December 31, 2021 and require semi-annual interest payments at 5%. Bonds may be called by the Diocese at any time. From issuance through December 31, 2015, three bonds totaling \$20,000 were forgiven by the holders. During 2017, nine bonds totaling \$60,000 were forgiven by the holders. A total of \$60,374 and \$60,750 of bond interest expense was recorded for the years ended December 31, 2017 and 2016, respectively, with no amounts accrued but not paid at December 31, 2017 or 2016. As of August 1, 2018, the date the financial statements were available to be issued, seven additional bonds totaling \$95,000 had been forgiven by the holders.

Loan from Endowment Fund

During 2011, the Camp borrowed funds from the Endowment Fund. These funds were borrowed interest free and are due back to the Endowment Fund as soon as possible. At December 31, 2017 and 2016, a total of \$100,755 was due to the Endowment Fund.

All debt agreements

While the debt agreements are accounted for as liabilities of the Camp and satisfied from the assets of the Camp, the borrower on the debt agreements is the Diocese. Assets of the Camp represent partial collateral under these agreements, but the Diocese is ultimately responsible as the borrower. Property owned by the Diocese and utilized by the Camp serves as the final collateral under these agreements.

Other

The Diocese is the guarantor on a note payable to a local financial institution by an Episcopal parish. The amount outstanding on this note payable was approximately \$193,700 and \$216,500 at December 31, 2017 and 2016. The note payable is collateralized by a security deed on real estate of the Episcopal parish and matures in May 2020.

NOTE 9 - LEGAL MATTERS

On January 16, 2010, the Diocese was added as a party to the lawsuit between Christ the King Episcopal Church, Inc. and Lowndes County Board of Equalization and Lowndes County Board of Tax Assessors (Lowndes County). Christ the King Episcopal Church, Inc. is a parish of the Diocese and is challenging a determination by Lowndes County that the first floor of the church property in Valdosta, Georgia was not exempt from ad valorem property taxation. On June 29, 2010, the Superior Court denied the Lowndes County Motion for Summary Judgment. On August 4, 2010, the Georgia Court of Appeals denied the Lowndes County Application for Interlocutory Appeal. The approximate amount of money under dispute for Christ the King Episcopal Church, Inc. is \$20,000. The Diocese plans to vigorously defend the claim, but will explore the possibility of an out-of-court settlement. The likelihood of an unfavorable outcome is neither probable nor remote, and no related amounts have been included in the accompanying financial statements.

NOTE 10 - DONATED SERVICES AND MATERIALS

No amounts have been reflected in the consolidated financial statements for donated services or materials. The Organization pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with various committees.

NOTE 11 - OPERATING LEASE AGREEMENTS

The Diocese leases certain office equipment and real estate under operating lease agreements which expire at various times through 2022. The total expense under operating lease agreements was \$21,697 and \$20,345 for the years ended December 31, 2017 and 2016, respectively. The future minimum rental commitments under these non-cancelable operating leases are as follows:

Year ending December 31,	
2018	\$ 13,325
2019	4,415
2020	1,445
2021	1,445
2022	241
Thereafter	-
	<u>\$ 20,871</u>

NOTE 12 - UNRESTRICTED DESIGNATED NET ASSETS

Amounts designated by the Organization for specific purposes are noted below. The Diocesan Administrator with the approval of the Finance Committee determines these amounts. The following schedule presents the balances as of December 31, 2017 and 2016.

	<u>2017</u>	<u>2016</u>
Emergency reserve	\$ 165,459	\$ 165,459
Clergy interns	36,937	36,937
Mission operations	32,792	32,792
Episcopal transition	35,000	30,000
Honey Creek bond reserve	30,000	-
Diocesan convention	15,367	17,516
Youth counselor education	14,135	14,135
Bishop's visitation	27,671	9,236
Convention travel	16,250	6,250
Synod travel	5,940	5,676
Memorials	3,405	3,405
Lambeth	1,000	500
	<u>\$ 383,956</u>	<u>\$ 321,906</u>

NOTE 13 - TEMPORARILY RESTRICTED NET ASSETS

As of December 31, 2017 and 2016, amounts restricted by donors of the Organization for a specific purpose or time period are noted below.

	<u>2017</u>	<u>2016</u>
St. Luke's Hawkinsville Building Fund	\$ 459,000	\$ 459,000
Epiphany Church Plant	153,814	292
Campaign for Mission	137,594	252,888
Augusta Church Plant	109,033	-
Georgia Southern	31,177	32,110
St. Joseph's Community Fund	21,658	31,465
Clergy education	10,539	8,011
Youth Mission	7,715	1,810
DFMS Leadership Formation	7,000	-
Dominican Republic	2,381	5,590
Byllesby Fund	918	2,918
Other	<u>(194,320)</u>	<u>(138,782)</u>
	<u>\$ 746,509</u>	<u>\$ 655,302</u>

NOTE 14 - SUBSEQUENT EVENTS

In 2018, the Diocese sold the office building and land located in downtown Savannah, Georgia for approximately \$509,000 and purchased a new administrative building for approximately \$897,000 using the proceeds from the sale of the old property, operating cash, and a loan from the Endowment Fund of approximately \$378,000.

SUPPLEMENTAL SCHEDULES

BISHOP OF THE EPISCOPAL DIOCESE OF GEORGIA, INC. AND OPERATING ENTITY

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2017

	<u>Diocese</u>	<u>Camp</u>	<u>Intercompany Eliminations</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 581,008	\$ 19,457	\$ -	\$ 600,465
Investments	690,346	-	-	690,346
Other current assets	<u>35,736</u>	<u>17,985</u>	-	<u>53,721</u>
Total current assets	1,307,090	37,442	-	1,344,532
Property and equipment, net	<u>123,602</u>	<u>392,573</u>	-	<u>516,175</u>
Total assets	<u>\$ 1,430,692</u>	<u>\$ 430,015</u>	<u>\$ -</u>	<u>\$ 1,860,707</u>
LIABILITIES AND NET ASSETS				
Accounts payable and accrued expenses	\$ 27,580	\$ 16,347	\$ -	\$ 43,927
Deferred revenue	945	1,700	-	2,645
Loan from Endowment Fund of the Episcopal Diocese of Georgia	<u>-</u>	<u>100,755</u>	-	<u>100,755</u>
Total current liabilities	28,525	118,802	-	147,327
Long-term debt	<u>-</u>	<u>1,165,000</u>	-	<u>1,165,000</u>
Total liabilities	<u>28,525</u>	<u>1,283,802</u>	<u>-</u>	<u>1,312,327</u>
Net assets				
Unrestricted	271,702	(853,787)	-	(582,085)
Unrestricted - designated	383,956	-	-	383,956
Temporarily restricted	<u>746,509</u>	<u>-</u>	<u>-</u>	<u>746,509</u>
Total net assets	<u>1,402,167</u>	<u>(853,787)</u>	<u>-</u>	<u>548,380</u>
Total liabilities and net assets	<u>\$ 1,430,692</u>	<u>\$ 430,015</u>	<u>\$ -</u>	<u>\$ 1,860,707</u>

BISHOP OF THE EPISCOPAL DIOCESE OF GEORGIA, INC. AND OPERATING ENTITY

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2016

	<u>Diocese</u>	<u>Camp</u>	<u>Intercompany Eliminations</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 480,726	\$ 37,473	\$ -	\$ 518,199
Investments	701,464	-	-	701,464
Other current assets	<u>28,177</u>	<u>15,701</u>	-	<u>43,878</u>
Total current assets	1,210,367	53,174	-	1,263,541
Property and equipment, net	<u>117,729</u>	<u>409,411</u>	-	<u>527,140</u>
Total assets	<u>\$ 1,328,096</u>	<u>\$ 462,585</u>	<u>\$ -</u>	<u>\$ 1,790,681</u>
LIABILITIES AND NET ASSETS				
Accounts payable and accrued expenses	\$ 60,044	\$ 21,885	\$ -	\$ 81,929
Deferred revenue	945	5,800	-	6,745
Loan from Endowment Fund of the Episcopal Diocese of Georgia	-	<u>100,755</u>	-	<u>100,755</u>
Total current liabilities	60,989	128,440	-	189,429
Long-term debt	-	<u>1,225,000</u>	-	<u>1,225,000</u>
Total liabilities	<u>60,989</u>	<u>1,353,440</u>	<u>-</u>	<u>1,414,429</u>
Net assets				
Unrestricted	289,899	(890,855)	-	(600,956)
Unrestricted - designated	321,906	-	-	321,906
Temporarily restricted	<u>655,302</u>	-	-	<u>655,302</u>
Total net assets	<u>1,267,107</u>	<u>(890,855)</u>	<u>-</u>	<u>376,252</u>
Total liabilities and net assets	<u>\$ 1,328,096</u>	<u>\$ 462,585</u>	<u>\$ -</u>	<u>\$ 1,790,681</u>

BISHOP OF THE EPISCOPAL DIOCESE OF GEORGIA, INC. AND OPERATING ENTITY
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2017

	Diocese			Camp Total	Intercompany Eliminations	Total
	Unrestricted	Temporarily Restricted	Total			
Support and revenues						
Parish and aided parish pledges and donations	\$ 1,536,517	\$ -	\$ 1,536,517	\$ 87,837	\$ -	\$ 1,624,354
Special purpose income	159,292	770,574	929,866	35,180	-	965,046
Episcopal Church camps	2,998	-	2,998	230,917	(36,094)	197,821
Other revenue	59,109	-	59,109	24,613	-	83,722
Meetings, group and lodging	-	-	-	135,691	-	135,691
Trust income	74,191	-	74,191	-	-	74,191
Interest income	379	-	379	-	-	379
Released from restrictions	679,367	(679,367)	-	-	-	-
Total support and revenues	<u>2,511,853</u>	<u>91,207</u>	<u>2,603,060</u>	<u>514,238</u>	<u>(36,094)</u>	<u>3,081,204</u>
Expenses						
Episcopal office	1,112,331	-	1,112,331	-	(258)	1,112,073
Special purpose	743,237	-	743,237	-	-	743,237
Mission outside the Diocese	246,988	-	246,988	-	-	246,988
General and administrative	85,245	-	85,245	91,044	-	176,289
Mission inside the Diocese	213,962	-	213,962	-	(35,836)	178,126
Direct operational	-	-	-	133,764	-	133,764
Dining room and food	-	-	-	138,080	-	138,080
Depreciation	5,863	-	5,863	68,957	-	74,820
Interest	60,374	-	60,374	-	-	60,374
Housekeeping	-	-	-	41,873	-	41,873
Miscellaneous	-	-	-	3,452	-	3,452
Total expenses	<u>2,468,000</u>	<u>-</u>	<u>2,468,000</u>	<u>477,170</u>	<u>(36,094)</u>	<u>2,909,076</u>
Change in net assets	<u>43,853</u>	<u>91,207</u>	<u>135,060</u>	<u>37,068</u>	<u>-</u>	<u>172,128</u>
Net assets - beginning of year	<u>611,805</u>	<u>655,302</u>	<u>1,267,107</u>	<u>(890,855)</u>	<u>-</u>	<u>376,252</u>
Net assets - end of year	<u>\$ 655,658</u>	<u>\$ 746,509</u>	<u>\$ 1,402,167</u>	<u>\$ (853,787)</u>	<u>\$ -</u>	<u>\$ 548,380</u>

BISHOP OF THE EPISCOPAL DIOCESE OF GEORGIA, INC. AND OPERATING ENTITY
CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2016

	Diocese		Total	Camp Total	Intercompany Eliminations	Total
	Unrestricted	Temporarily Restricted				
Support and revenues						
Parish and aided parish pledges and donations	\$ 1,581,620	\$ -	\$ 1,581,620	\$ 55,454	\$ -	\$ 1,637,074
Special purpose income	69,709	282,164	351,873	4,736	-	356,609
Episcopal Church camps	56,039	-	56,039	250,376	(94,253)	212,162
Other revenue	51,173	-	51,173	17,961	-	69,134
Meetings, group and lodging	-	-	-	113,685	-	113,685
Trust income	80,851	-	80,851	-	-	80,851
Interest income	253	-	253	-	-	253
Released from restrictions	478,508	(478,508)	-	-	-	-
Total support and revenues	<u>2,318,153</u>	<u>(196,344)</u>	<u>2,121,809</u>	<u>442,212</u>	<u>(94,253)</u>	<u>2,469,768</u>
Expenses						
Episcopal office	1,110,660	-	1,110,660	-	(23,593)	1,087,067
Special purpose	486,442	-	486,442	-	-	486,442
Mission outside the Diocese	216,188	-	216,188	-	-	216,188
General and administrative	74,068	-	74,068	81,373	-	155,441
Mission inside the Diocese	218,727	-	218,727	-	(70,660)	148,067
Direct operational	-	-	-	142,555	-	142,555
Dining room and food	-	-	-	140,570	-	140,570
Depreciation	5,197	-	5,197	67,443	-	72,640
Interest	60,750	-	60,750	-	-	60,750
Housekeeping	-	-	-	40,018	-	40,018
Miscellaneous	-	-	-	2,958	-	2,958
Total expenses	<u>2,172,032</u>	<u>-</u>	<u>2,172,032</u>	<u>474,917</u>	<u>(94,253)</u>	<u>2,552,696</u>
Change in net assets	146,121	(196,344)	(50,223)	(32,705)	-	(82,928)
Net assets - beginning of year	465,684	851,646	1,317,330	(858,150)	-	459,180
Net assets - end of year	<u>\$ 611,805</u>	<u>\$ 655,302</u>	<u>\$ 1,267,107</u>	<u>\$ (890,855)</u>	<u>\$ -</u>	<u>\$ 376,252</u>