

Financial Statement Presentation

Ted Benson



Pacific Union
Conference

S 19 Financial Reports

S 19 05 Distribution—

In order that controlling boards, executive committees, and responsible officers may be kept fully informed concerning the operations under their control, **monthly** financial statements should be furnished to the members of the responsible boards and committees and to the officers of the next higher organization.



To achieve this objective:

1. At least **nine** of the twelve monthly financial reports must be provided to the organization's administrative officers.

2. At least **four** of the twelve monthly financial reports, reasonably spaced throughout the year, must be provided to the controlling board, executive committee, and officers of the next higher organization.



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3. In the case of relatively inactive organizations, quarterly financial reports are required (instead of monthly).



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- Who will be the recipient of the report?
- Do you know your committee?
 - Is there a knowledge of finance
 - Is the committee older or younger



Common Themes

- Communication
- Credibility
- Transparency



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Common Themes

- Communication
- Credibility
- Transparency



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**Seventh-day Adventist Church
Pacific Union Conference**



**Operating Fund
Financial Statement
For Period Ending
December - 2016**

Adventist Accounting Software International
Add-in v.1.2.3 - AASI_OP_FS v.2.0.49 r.4 - OLAP: [naddcloud.net][AASI_FS_OLAP_PUC]
Calculation Entity: ANP111

Entity Type: Union Conferences
User: mayers

Accounting month not yet closed. Temporary report, subject to changes!



**Pacific Union
Conference**

Pacific Union Conference
Operating Fund
Statement of Financial Position
Period Ending December, 2016 and 2015

<u>ASSETS</u>	Sch.	ACTUAL 2016	ACTUAL 2015	INCREASE (DECREASE)	YEAR END 2015
Current Assets					
Cash and Cash Equivalents	S01	767,783.34	2,098,777.52	(1,330,994.18)	2,098,777.52
Investments	S02	5,650,000.00	6,797,000.00	(1,147,000.00)	6,797,000.00
Remittances Receivable	S03	11,387,100.79	10,806,942.86	580,157.93	10,806,942.86
Accounts Receivable	S04,S05	1,051,744.89	989,387.28	62,357.63	989,387.28
Notes and Loans Receivable	S06	0.00	0.00	0.00	0.00
Inventory	S07	259,432.42	157,346.72	102,085.70	157,346.72
Prepaid Expense and Other Current Assets	S08,S09	117,110.86	167,870.53	(50,759.67)	167,870.53
Inter-Fund Receivables	S10	7,350,717.71	7,587,189.45	(236,451.74)	7,587,189.45
Total Current Assets		28,603,890.01	28,804,494.34	(2,010,604.33)	28,604,494.34
Plant Assets (Net)	S11	0.00	0.00	0.00	0.00
Other Assets					
Long Term Account Receivable	S12	0.00	0.00	0.00	0.00
Notes Receivable, Long-term	S13	0.00	0.00	0.00	0.00
Other Assets	S14	11,231,844.14	10,365,819.33	866,024.81	10,365,819.33
Inter-Fund Loan Receivable, Long Term	S15	0.00	0.00	0.00	0.00
Total Other Assets		11,231,844.14	10,365,819.33	866,024.81	10,365,819.33
Total Assets		37,825,734.15	38,970,313.67	(1,144,579.52)	38,970,313.67
LIABILITIES					
Current Liabilities					
Remittance Payable	S20	8,928,843.07	8,482,800.24	444,042.83	8,482,800.24
Accounts Payable	S21,S22	1,454,725.64	3,295,248.64	(1,830,523.00)	3,295,248.64
Notes and Loans Payable, Current	S23	0.00	0.00	0.00	0.00
Offering Funds and Agency Accounts	S24	93,380.75	134,199.19	(40,808.44)	134,199.19
Other Liabilities, Current	S25,S26	7,310.00	1,010.00	6,300.00	1,010.00
Inter-Fund Accounts Payable	S27	573,810.16	470,724.00	103,086.16	470,724.00
Total Current Liabilities		11,058,079.62	12,373,982.07	(1,317,902.45)	12,373,982.07
Other Liabilities					
Notes and Loans Payable, Long-term	S28	0.00	0.00	0.00	0.00
Other Liabilities, Long-term	S29	0.00	0.00	0.00	0.00
Capital Lease Payable	S30	0.00	0.00	0.00	0.00
Inter-Fund Loans Payable, Long-Term	S31	0.00	0.00	0.00	0.00
Total Other Liabilities		0.00	0.00	0.00	0.00
Total Liabilities		11,058,079.62	12,373,982.07	(1,317,902.45)	12,373,982.07
NET ASSETS					
Unrestricted: Unallocated		11,430,442.24	11,487,295.51	(56,853.27)	11,487,295.51
Unrestricted: Allocated Operating		14,403,405.31	14,276,725.14	126,680.17	14,276,725.14
Unrestricted: Allocated Capital		0.00	0.00	0.00	0.00
Unrestricted: Allocated Other Funds		0.00	0.00	0.00	0.00
Unrestricted: Allocated Endowment		0.00	0.00	0.00	0.00
Unrestricted: Allocated Investment in Plant		0.00	0.00	0.00	0.00
Total Unrestricted		25,833,847.55	25,764,020.65	69,826.90	25,764,020.65
Temporarily Restricted	S40	935,906.98	832,310.95	103,496.03	832,310.95
Permanently Restricted	S41	0.00	0.00	0.00	0.00
Total Net Assets		26,769,654.53	26,596,331.60	173,322.93	26,596,331.60
Total Liabilities & Net Assets		37,825,734.15	38,970,313.67	(1,144,579.52)	38,970,313.67



**Pacific Union Conference
Operating Fund
Statement of Changes in Net Assets
Period Ending December, 2016 and 2015**

		ACTUAL	BUDGET	INCREASE	ANNUAL BUDGET	ACTUAL
Sch		2016	2016	(DECREASE)	2016	2015
UNRESTRICTED NET ASSETS						
<u>Unrestricted Revenues and Gains</u>						
	Gross Tithes Income	S42 16,042,963.61	15,433,576.54	609,387.07	15,433,576.54	15,666,312.87
	(-) Tithes % to GC/Division	S43 (1,613,941.35)	(9,000.00)	(1,604,941.35)	(9,000.00)	(751,036.17)
	(-) Tithes % to Union	S43 0.00	(1,543,357.65)	1,543,357.65	(1,543,357.65)	(825,009.88)
	Net Tithes Income	14,428,022.26	13,891,218.89	547,803.37	13,891,218.89	14,090,266.82
	Title Special Assist. Fund for Conferences	S44 0.00	0.00	0.00	0.00	0.00
	Title Exchanged with Division	S45 (1,415,254.00)	(456,737.00)	(958,517.00)	(456,737.00)	597,062.00
	Non-tithe Funds from Division	S46 1,415,254.00	456,737.00	958,517.00	456,737.00	(597,062.00)
	Offerings and Donations	S47 33,647.28	29,000.00	4,647.28	29,000.00	28,335.50
	Appropriations Received	S48 503,540.10	464,291.00	39,249.10	464,291.00	386,261.31
	Direct Operating Income	S49 864,592.74	272,720.00	591,872.74	272,720.00	565,557.43
	Academic Tuition	S50 0.00	0.00	0.00	0.00	0.00
	Matured Deferred Gifts	S51 25,000.00	0.00	25,000.00	0.00	60,000.00
	Exchange Gain/Loss	S52 0.00	0.00	0.00	0.00	0.00
	Investment Earnings	S53 536,354.26	640,000.00	(103,645.74)	640,000.00	574,856.03
	Other Income	S54 250,265.46	277,060.00	(26,794.54)	277,060.00	253,664.00
	Changes in Irrevocable Agreements	S55 0.00	0.00	0.00	0.00	0.00
	Total Unrestricted Revenues	16,642,422.10	15,564,289.89	1,078,132.21	15,564,289.89	15,981,971.09
	Net Assets Released from Restrictions	16,608,218.47	16,450,792.19	157,426.28	16,450,792.19	16,215,797.06
	Total Unrestricted Support	33,250,640.57	32,015,082.08	1,235,558.49	32,015,082.08	32,197,768.15
<u>Expenses and Losses</u>						
<u>Program Services Functions</u>						
	Church Ministries	S101 3,929,901.33	3,304,630.00	625,271.33	3,304,630.00	3,351,460.65
	Educational	S102 15,029,232.32	15,064,819.00	(35,586.68)	15,064,819.00	14,795,717.33
	Publishing	S103 284,065.83	265,813.00	18,252.83	265,813.00	273,066.10
	Health and Humanitarian	S104 125,830.14	83,187.19	42,642.95	83,187.19	80,898.89
	Other	S105 10,226,204.83	10,177,893.90	51,310.93	10,177,893.90	9,955,460.66
	Total Program Services Functions	29,598,234.45	28,896,343.09	701,891.36	28,896,343.09	28,460,653.63
<u>Supporting Services Functions</u>						
	Conference Administration	S106 1,871,199.53	1,963,124.00	(91,924.47)	1,963,124.00	1,818,101.93
	Retirement Contribution	S107 2,315,534.38	2,227,579.55	87,954.82	2,227,579.55	2,261,171.11
	Conventions & Meetings	S108 216,609.97	200,000.00	16,609.97	200,000.00	180,462.15
	Office Operations & Maintenance	S109 (1,725.08)	(3,731.99)	2,006.88	(3,731.99)	7,444.45
	Fund-Raising	S110 0.00	0.00	0.00	0.00	0.00
	Other Supporting Services	S111 301,435.28	252,060.00	49,375.28	252,060.00	384,224.78
	Total Supporting Services Functions	4,703,054.08	4,630,031.60	64,022.48	4,630,031.60	4,651,404.43
	Total Expense	S56 34,301,288.53	33,535,374.69	765,913.84	33,535,374.69	33,112,058.06
	Net Incr.(Decr.) from Operations	(1,050,647.96)	(1,520,292.61)	469,644.65	(1,520,292.61)	(914,269.91)
<u>Non-operating Activity</u>						
	Non-operating Income	S66 0.00	0.00	0.00	0.00	0.00
	Non-operating Expense	S67 0.00	0.00	0.00	0.00	0.00
	Net Transfers Between Funds, In (Out)	S68 1,052,733.92	1,520,307.04	(467,573.12)	1,520,307.04	1,197,271.36
	Realized Gain(Loss) on Sale of Assets	S69 4,537.99	0.00	4,537.99	0.00	0.00
	Unrealized Gain(Loss) on Investments	S70 63,202.95	0.00	63,202.95	0.00	(240,312.04)
	Net Assets Released from Restrictions	0.00	0.00	0.00	0.00	0.00
	Total Net Non-operating Activity	1,120,474.86	1,520,307.04	(399,832.18)	1,520,307.04	956,959.35
	Increase (Decrease) Unrest. Net Assets	68,826.90	14.43	68,812.47	14.43	42,669.44
	Unrestricted Net Assets, Beginning	25,764,020.65	25,764,020.65	0.00	25,764,020.65	25,721,351.21
	Unrestricted Net Assets, Ending	25,832,847.55	25,784,035.08	68,812.47	25,784,035.08	25,764,020.65



**Pacific Union Conference
Operating Fund
Statement of Changes in Net Assets
Period Ending December, 2016 and 2015**

	Sch	ACTUAL 2016	BUDGET 2016	INCREASE (DECREASE)	ANNUAL BUDGET 2016	ACTUAL 2015
TEMPORARILY RESTRICTED NET ASSETS						
<u>Restricted Income</u>						
Appropriations Received	S71	16,392,060.70	16,394,034.19	(11,973.49)	16,394,034.19	16,051,702.82
Offerings	S72	379.92	0.00	379.92	0.00	1,043.66
Donations	S73	70,272.49	56,758.00	13,514.49	56,758.00	87,118.95
Investment Earnings	S74	4,638.78	6,000.00	(1,060.22)	6,000.00	1,688.82
Matured Annuity	S75	0.00	0.00	0.00	0.00	0.00
Matured Trusts and Wills	S76	254,061.61	0.00	254,061.61	0.00	0.00
Ingathered Reversion	S77	0.00	0.00	0.00	0.00	0.00
New Irrevocable Split-Interest Agreements	S78	0.00	0.00	0.00	0.00	0.00
Split-Interest Agreements Present Value Adj.	S79	0.00	0.00	0.00	0.00	0.00
Capital Donations	S80	0.00	0.00	0.00	0.00	0.00
Actuarial Adjust. Restricted Agree	S85	0.00	0.00	0.00	0.00	0.00
Other Income	S81	0.00	0.00	0.00	0.00	0.00
Total Restricted Income Received		16,711,714.50	16,456,792.19	254,922.31	16,456,792.19	16,141,555.25
Net Assets Released from Restrictions						
Operating Functions	S82	(16,008,218.47)	(16,450,792.19)	(157,426.28)	(16,450,792.19)	(16,215,787.06)
Capital Functions	S83	0.00	0.00	0.00	0.00	0.00
Net Transfer Between Funds, In, (Out)	S84	0.00	0.00	0.00	0.00	0.00
Increase (Decrease) Temp. Res. Net Assets		103,496.03	6,000.00	97,496.03	6,000.00	(74,241.81)
Temporarily Restricted Net Assets, Beginning		832,310.95	832,310.95	0.00	832,310.95	906,552.76
Temporarily Restricted Net Assets, Ending		935,806.98	838,310.95	97,496.03	838,310.95	832,310.95
PERMANENTLY RESTRICTED NET ASSETS						
<u>Restricted Income</u>						
Endowment Additions	S86	0.00	0.00	0.00	0.00	0.00
Agency	S87	0.00	0.00	0.00	0.00	0.00
Net Transfer Between Funds, In, (Out)	S88	0.00	0.00	0.00	0.00	0.00
Increase (Decrease) Permanently Res. Net Assets		0.00	0.00	0.00	0.00	0.00
Permanently Restricted Net Assets, Beginning		0.00	0.00	0.00	0.00	0.00
Permanently Restricted Net Assets, Ending		0.00	0.00	0.00	0.00	0.00
TOTAL NET ASSETS						
Increase (Decrease) Unrestricted		89,826.90	14.43	89,812.47	14.43	42,689.44
Increase (Decrease) Temp. Restricted		103,496.03	6,000.00	97,496.03	6,000.00	(74,241.81)
Increase (Decrease) Permanently Restricted		0.00	0.00	0.00	0.00	0.00
Increase (Decrease) Net Assets		173,322.93	6,014.43	167,308.50	6,014.43	(31,572.37)
Total Net Assets, Beginning		26,596,331.60	26,596,331.60	0.00	26,596,331.60	26,627,903.97
Total Net Assets, Ending		26,769,654.53	26,602,346.03	167,308.50	26,602,346.03	26,596,331.60

This report is intended for management use only.

This is not intended to be a complete financial statement for the organization as a whole.



Executive Committee



Pacific Union
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FINANCIAL REPORT

**Pacific Union Conference
Executive Committee
March 16, 2017**

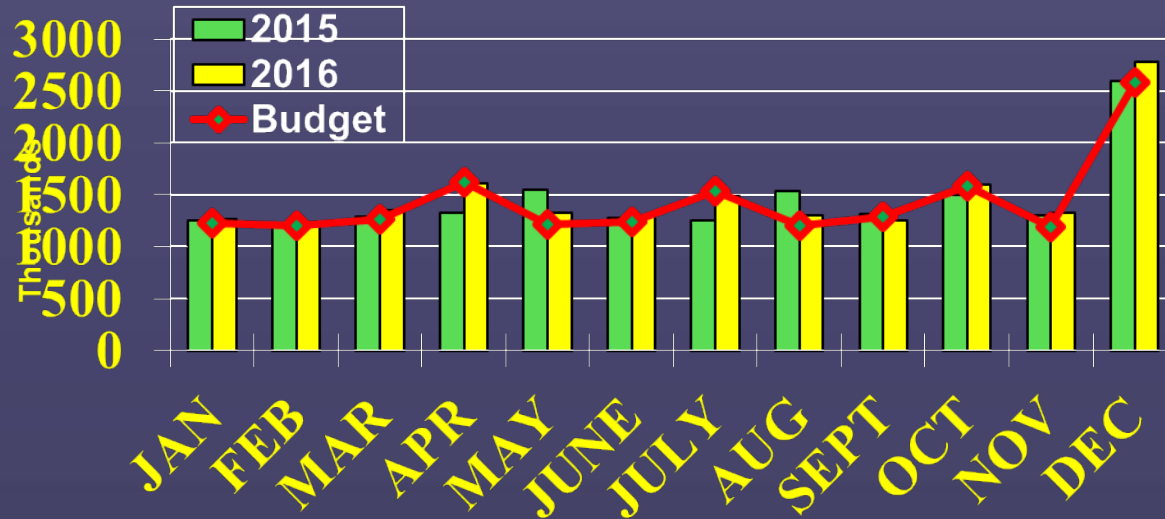


**Pacific Union
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Tithe Trend

For the Month Ended December 2016

2.40% Increase



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Revenue and Expenses

For the Period Ended December 31, 2016

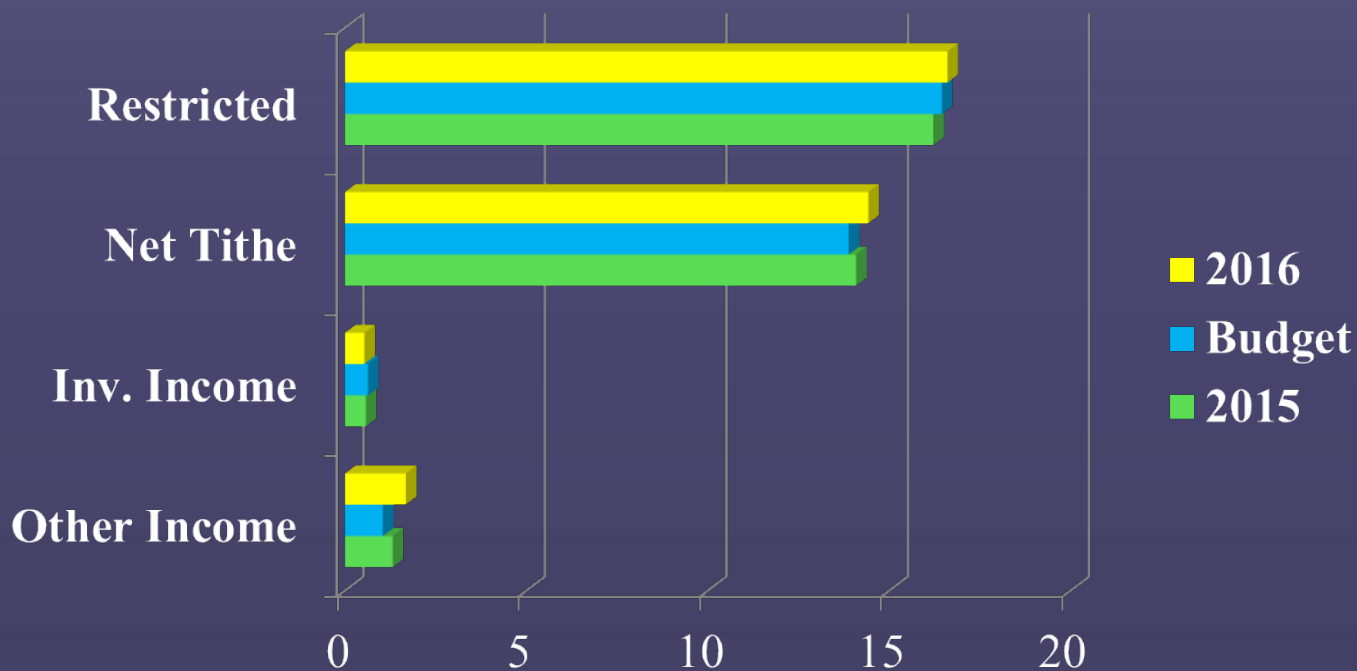
	<u>2016 Actual</u>	<u>2016 Budget</u>	<u>2015 Actual</u>
Revenue	\$33,250,641	\$32,015,082	\$32,197,768
Expenses	<u>\$34,301,289</u>	<u>\$33,535,375</u>	<u>\$33,112,058</u>
Net Inc/Dec	\$(1,050,648)	\$(1,520,293)	\$(914,290)
Non-Oper Inc	<u>\$1,120,475</u>	<u>\$ 1,520,307</u>	<u>\$956,959</u>
Net Assets	\$ 69,827	\$ 14	\$ (42,669)



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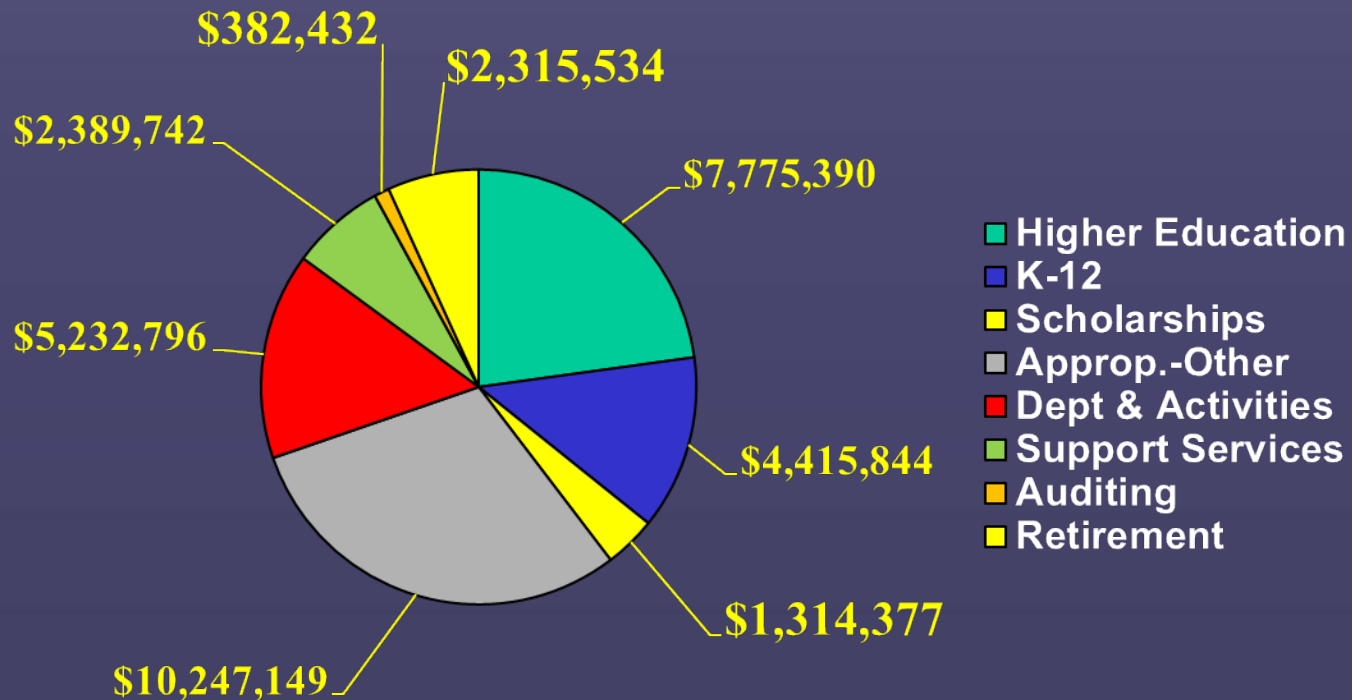
Operating Income

For the Period Ended December 31, 2016



OPERATING EXPENSES

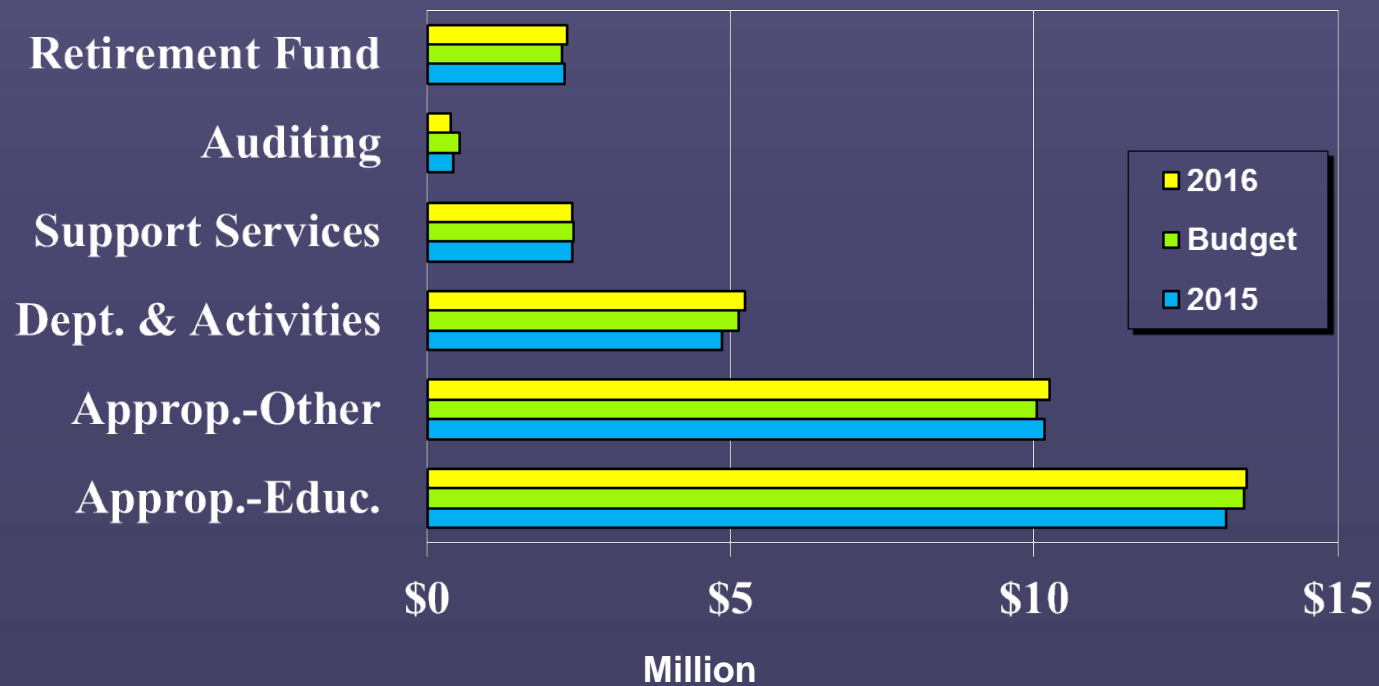
For the Period Ended December 31, 2016



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Operating Expenses

For the Period Ended December 31, 2016



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2016 Financial Indicators

	2016	2015	2014	2013	2012
Liquidity Ratios:					
Current Ratio	2.41:1	2.32:1	2.01:1	2.30:1	2.14:1
Expense per Day	\$ 93,976	\$ 90,718	\$ 90,436	\$ 87,395	\$ 87,935
Day of Cash for Expenses	68.29	98.06	118.95	90.86	79.26
Operating Ratios:					
Tithe Income - Net Retained	2.40%	1.51%	2.31%	0.99%	0.82%
% of Income to Budget	3.86%	2.71%	1.42%	2.77%	2.40%
% of Expenses to Budget	2.28%	0.41%	0.38%	-1.08%	-0.68%
% of Income Used for Programs	89.02%	88.39%	88.73%	87.06%	87.76%
% of Income Used for Support	14.14%	14.45%	14.96%	14.18%	14.19%
% of Oper. Gain to Total Income	.21%	0.13%	-0.26%	0.49%	2.43%



Constituency Session



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Pacific Union Conference Financial Report 2011 – 2015

Theodore R. Benson
Treasurer



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The Challenge



Appropriations To Conferences

2011 – 2015

\$80.8 Million



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Retirement Benefits

2011 – 2015

\$10.6 Million



Pacific Union
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Appropriations Higher Education

2011 – 2015

\$37.7 Million

La Sierra University

Pacific Union College

Oakwood University



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Conference Scholarships

2011 – 2015

\$6.38 Million



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Net Gains Returned

2011 – 2015

\$3.4 Million



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Office Operations

2011 – 2015

\$14.2 Million

9% of Operating



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NAD Year-End



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North American Division Treasurer/CFO Report

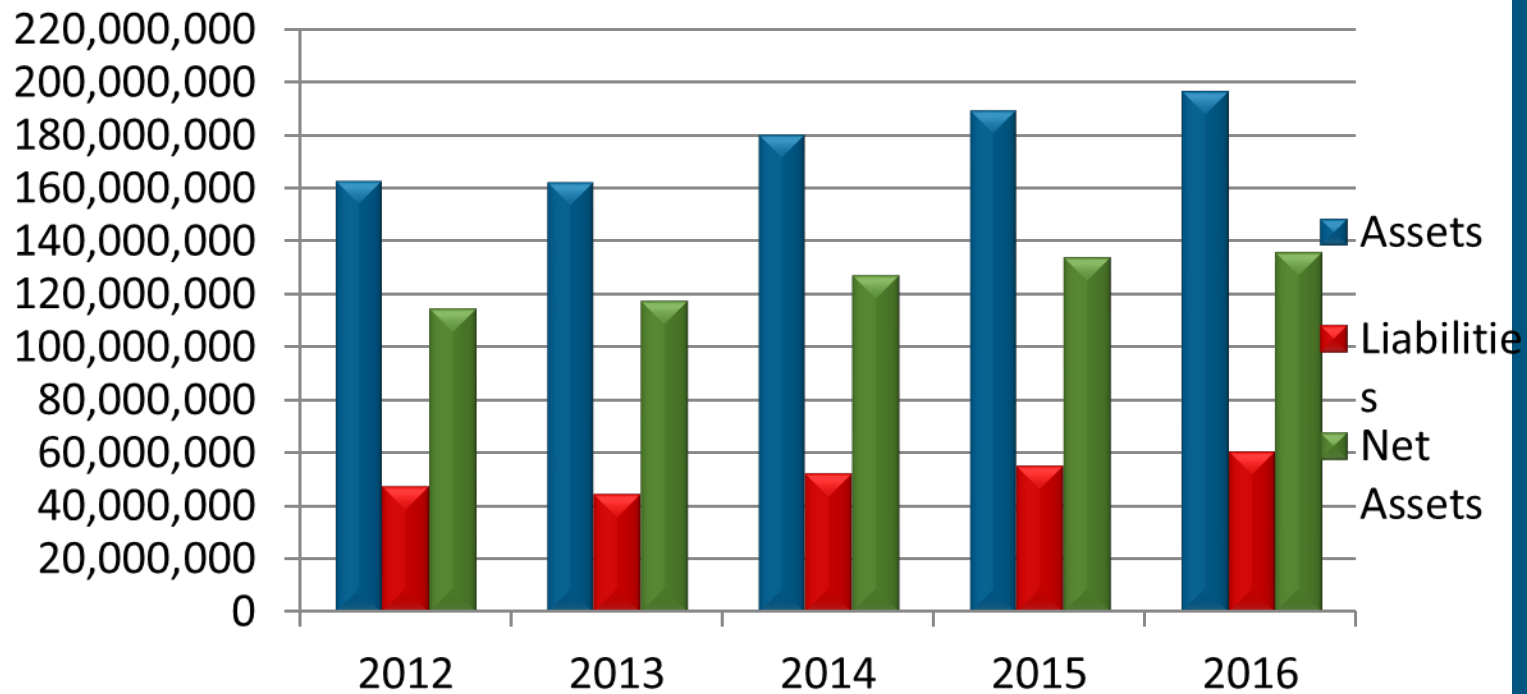
NAD YEAR-END MEETING
OCTOBER 30, 2017



North American Division Unaudited Consolidated Financial Statement

DECEMBER 31, 2016 AND 2015

NAD Unaudited Consolidated Financial Statement 2012 - 2016



NAD Consolidated Financial Statement



North American Division

- **Operations**
- **Plant Funds**

Other Funds and Subsidiaries

- **Adventist Community Services (ACS)**
- **Adventist Colleges Abroad (ACA)(June 30)**
- **Adventist Information Ministries (AIM)**
- **Adventist Media Center, Inc. (AMC)**
- **NAD Evangelism Institute (NADEI)**
- **Seminars Unlimited (SU)**



NAD Consolidated Financial Statement

Adventist Media Ministries

- Adventist Media Ministries Corporation – Silver Spring MD
- Adventist Media Ministries Operations – Riverside CA
- Breath of Life – Huntsville AL
- Faith for Today – Riverside CA
- It is Written – Chattanooga TN
- Jesus 101 – Riverside CA
- La Voz de la Esperanza – Riverside CA
- Life Talk Radio – Riverside CA and TN
- Voice of Prophecy – Loveland CO

2016 Consolidated Net Assets



Net Assets by Organization	Amount	Percent
North American Division Operating	\$69,227,070	50.91%
North American Division Plant	\$21,990,287	16.17%
Adventist Information Ministry	\$95,496	0.07%
Adventist Colleges Abroad	\$3,717,191	2.73%
Adventist Community Services	\$4,177,081	3.07%
Adventist Media Center	\$28,499,476	20.96%
NAD Evangelism Institute	\$1,613,183	1.19%
Seminars Unlimited	\$6,658,092	4.90%
Totals	\$135,977,876	100.00%

North American Division Tithe



2015 Total Tithe - \$983,252,924 – Avg. \$18,908,710 per/wk. for 52 wk.

2016 Total Tithe - \$1,002,275,749 – Avg. \$18,910,863 per/wk. for 53 wk.

