

**ITEM A.211
INFORMATION**

Consolidated Financial Statements - Presbyterian Church (USA), A Corp.

The Consolidated Financial statements are prepared, analyzed and provided to the Finance Committee and to the Audit Committee for accountability, transparency and planning.

The attached Presbyterian Church (USA), A Corp. Statement of Financial Position, Statement of Activities, and Statement of Cash Flows are as of December 31, 2014.

Presbyterian Church (U.S.A.), A Corporation
 Unaudited Financial Snapshot
 Year Ended December 31, 2014

ASSETS	
Cash and cash equivalents	\$ 5,131,614
Beneficial interest in pooled investments held by the Foundation- short term	57,999,714
Other investments and accrued income	56,058,851
Contributions receivable from congregations	3,257,551
Receivables from related entities, net	4,083,150
Due from the Foundation FMS	1,844,846
Other accounts receivable	83,880
Mortgages and loans on churches and manses, including accrued interest - net	1,566,316
Inventories, prepaid expenses and other assets	1,012,645
Property and equipment, net of accumulated depreciation	16,275,976
Beneficial interest in pooled investments held by the Foundation - long-term	336,457,258
Other investments held by the Foundation	6,209,789
Beneficial interest in perpetual trusts	69,670,791
Total assets	\$ 559,652,381

REVENUES AND EXPENSES	
Revenues, Gains, and Other Support:	
Contributions	
Congregations	\$ 23,010,497
Presbyterian Women	-
Gifts, bequests and grants	11,604,257
Special giving and special offering	22,836,897
Total contributions	\$ 57,451,651
Investment income	
Income from endowment funds held by the Foundation	4,688,902
Income from other investments	990,519
Realized and unrealized gains on investments, net	3,838,009
Change in value of beneficial interest in perpetual trusts	303,425
Total investment return	\$ 9,820,855
Interest income from loans	158,058
The Hubbard Press	1,432,051
Sales of resources and services	19,122,995
Other	1,279,754
Total revenues, gains, and other support	\$ 89,265,364

LIABILITIES AND NET ASSETS	
Liabilities:	
Accounts payable and accrued expenses	\$ 8,030,536
Amounts received from congregations and designated for others	487,446
Amounts held for missionaries and committed for projects	2,647,173
Amounts due to other agencies	5,935,628
Due to the Foundation - church loans	2,220,890
Deferred revenues	587,128
Other	739,907
Total liabilities	\$ 20,648,708

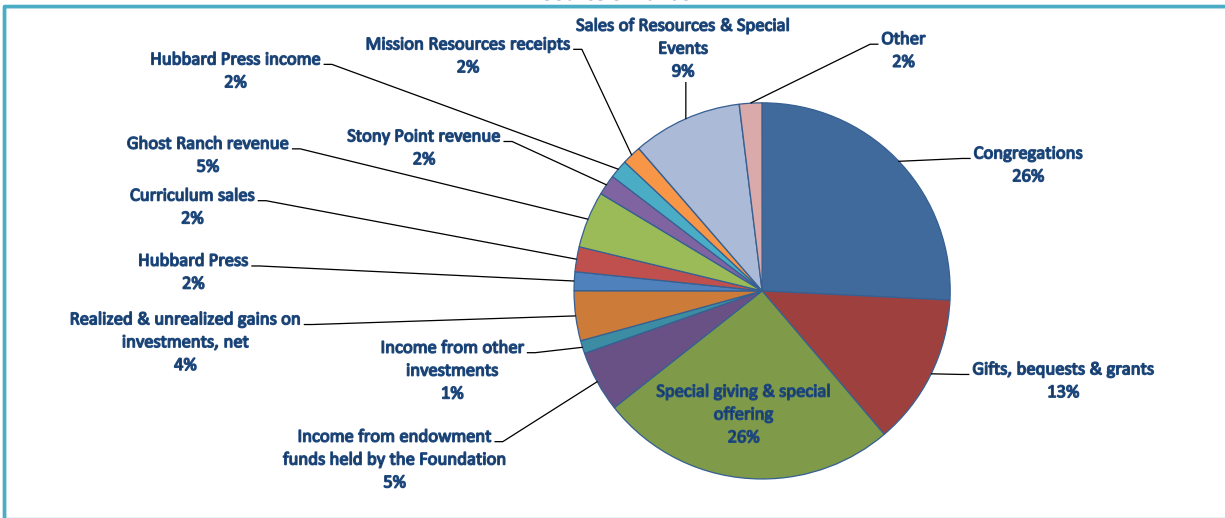
Net Assets:	
Unrestricted	
Undesignated	\$ 9,437,200
Designated	46,135,095
Total unrestricted	\$ 55,572,295
Temporarily restricted	
Permanently restricted	\$ 209,241,457
Total net assets	\$ 539,003,673

Total liabilities and net assets	\$ 559,652,381
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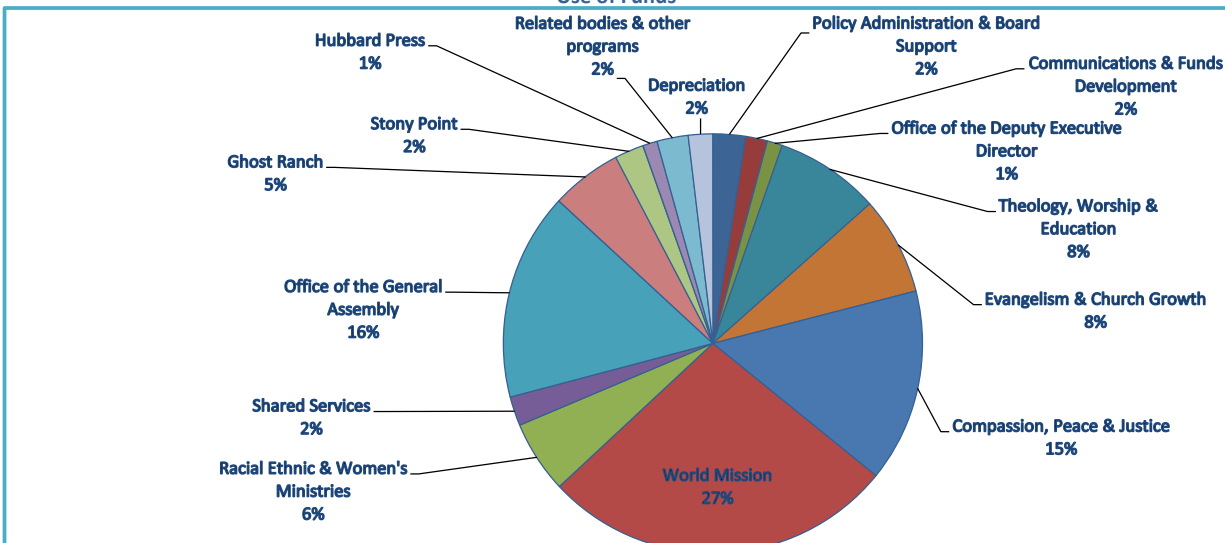
Expenses:	
Policy Administration and Board Support	\$ 2,306,014
Communications and Funds Development	1,556,310
Office of the Deputy Executive Director	1,087,946
Theology, Worship and Education	7,441,051
Evangelism and Church Growth	6,966,459
Compassion, Peace and Justice	13,723,987
World Mission	25,106,538
Racial Ethnic and Women's Ministries	5,128,086
Shared Services	2,071,543
Office of the General Assembly	9,829,474
Presbyterian Mission Agency	4,047,597
Presbyterian Historical Society, Inc.	891,425
Conference Center - Ghost Ranch	5,047,520
Conference Center - Stony Point	2,069,805
The Hubbard Press	1,024,829
Related Bodies and Other Programs	10,244
Shared	1,636,928
Depreciation	1,737,973
Other	581,518
Total expenses	\$ 92,265,247

Change in net assets	\$ (2,999,883)
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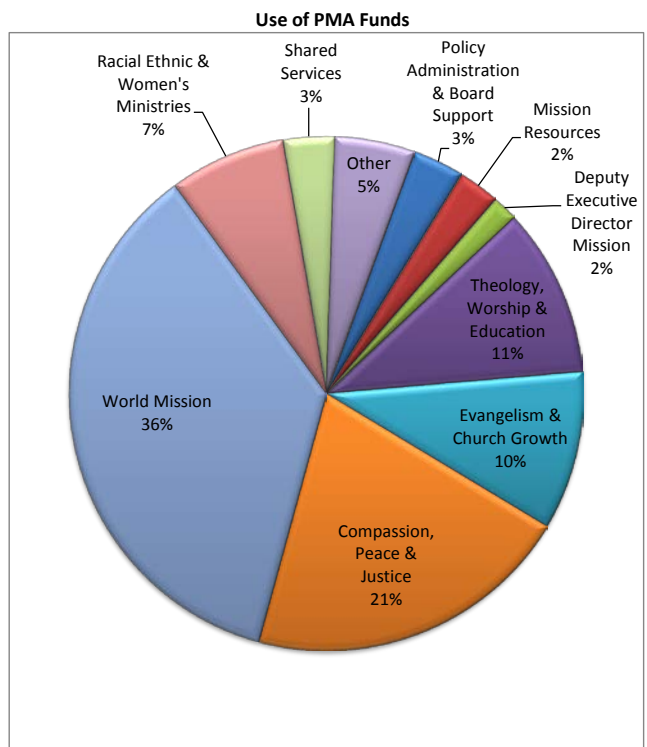
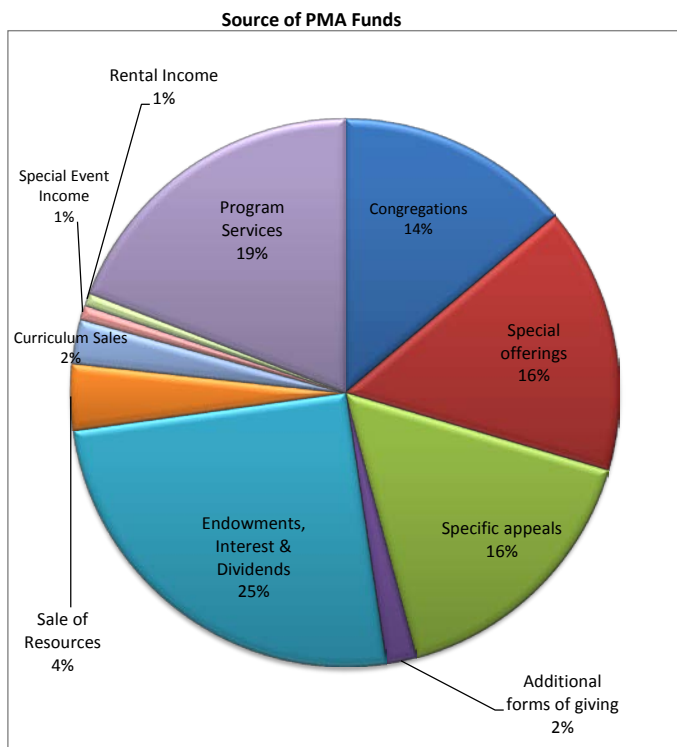
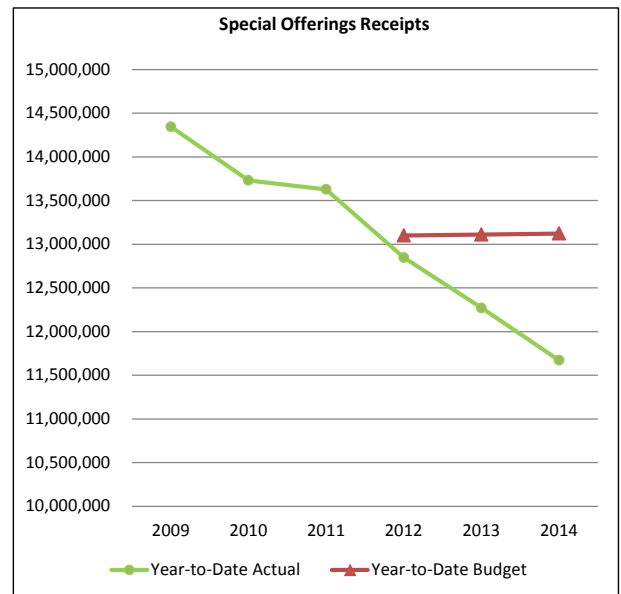
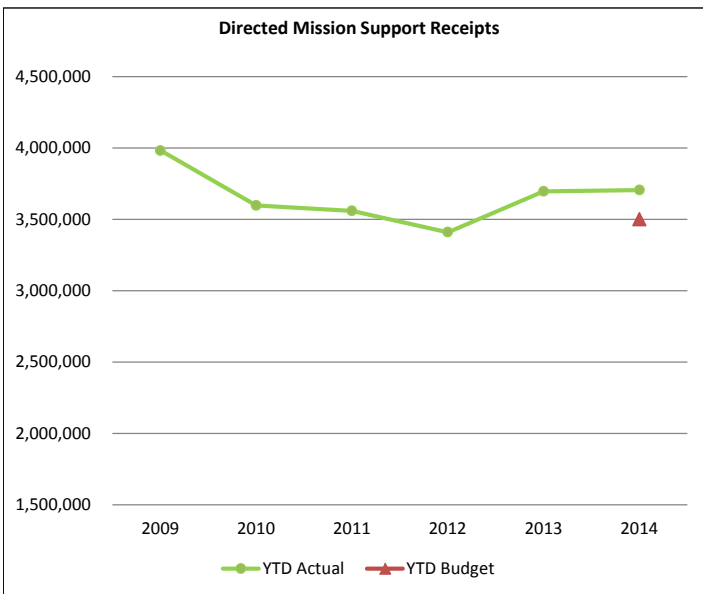
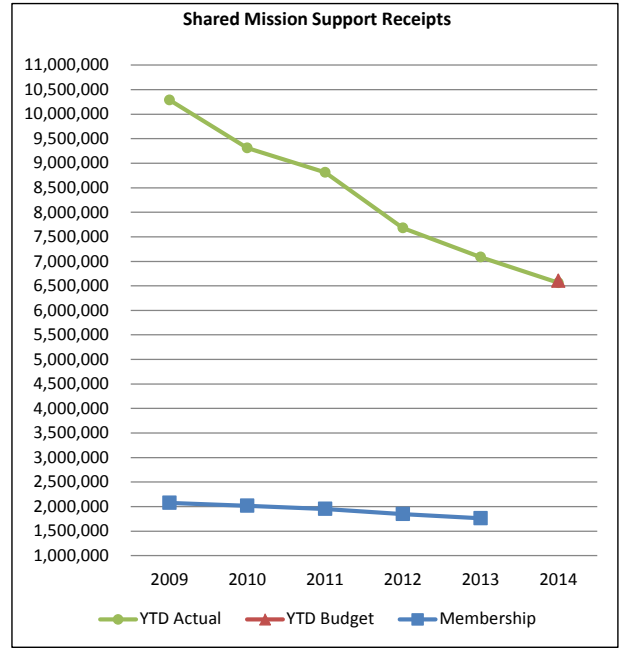
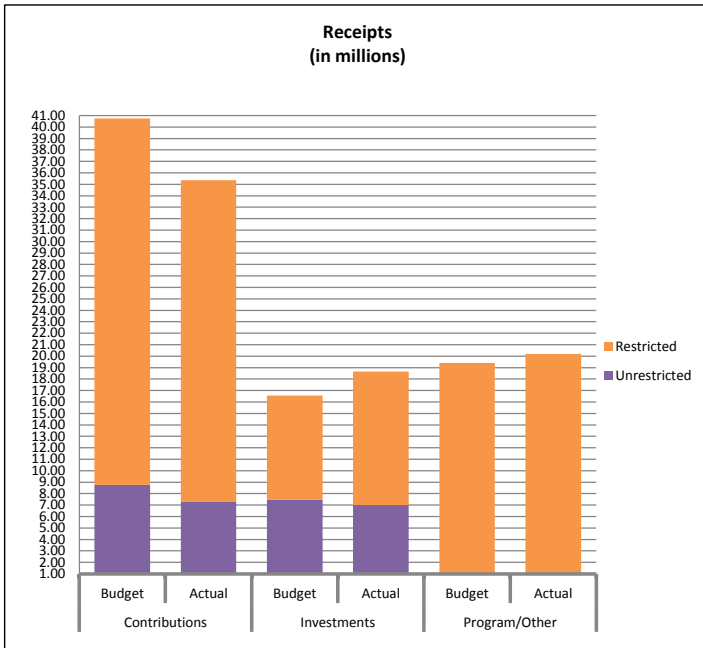
Source of Funds



Use of Funds



December 2014



Statement of Functional Expenses (PMA Only)

Functional Expenses Allocation	2012 PC(USA)		2013 PC(USA)		Peer Median	Peer Average
Program Service Expenses	\$73,163,019	94.49%	\$71,765,187	93.80%	88.35%	87.18%
Management and General Expenses	\$1,098,366	1.42%	\$1,257,626	1.64%	5.67%	5.27%
Fundraising Expenses	\$3,166,495	4.09%	\$3,482,198	4.55%	5.98%	7.55%
Total	\$77,427,880	100.00%	\$76,505,011	100.00%	100.00%	100.00%

The functional expense ratio reflects the percentage of an organization's total expenses spent toward its program services, management and general and fundraising expenses. It allows stakeholders to identify whether the majority of an organization's annual expenses are program-related or whether expenses are more heavily weighted in overhead or fundraising activities. This benchmark is a comparison of the Presbyterian Church (U.S.A.) to six other not-for-profit organizations as follows: Church World Services, Inc. - 2011, Everywhere (Care USA), Inc. - 2011, World Vision, Inc. - 2011, Heifer Project International - 2012, Opportunity International U.S. - 2012, and Save the Children Federation, Inc. - 2012.

Presbyterian Church (U.S.A.), A Corporation
Consolidated Statements of Financial Position
December 31, 2014 and December 31, 2013

Assets	2014	2013
Cash and cash equivalents	\$ 5,131,614	\$ 3,983,386
Beneficial interest in pooled investments held by the Foundation - short-term	57,999,714	52,389,914
Other investments and accrued income	56,058,851	60,022,462
Contributions receivable from congregations	3,257,551	4,679,396
Mortgages and loans on churches and manses, including accrued interest, net	1,566,316	2,146,986
Receivables from related entities, net	4,083,150	4,301,022
Due from/(to) other funds	-	-
Due from the Foundation	1,844,846	1,100,864
Other accounts receivable	83,880	659,296
Inventories, prepaid expenses and other assets	1,012,645	1,118,109
Property and equipment, net of accumulated depreciation	16,275,976	17,000,051
Beneficial interest in pooled investments held by the Foundation - long-term	336,457,258	337,819,087
Other investments held by Foundation	6,209,789	6,242,362
Beneficial interest in perpetual trusts	69,670,791	68,575,320
Total assets	559,652,381	560,038,255
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	8,030,534	7,789,288
Amounts received from congregations and designated for others	487,446	520,594
Amounts held for missionaries and committed for projects	2,647,174	2,774,891
Amount due to other agencies	5,935,628	5,927,434
Due to the Foundation	2,220,891	-
Deferred revenue	587,128	983,741
Other	739,907	38,751
Total liabilities	20,648,708	18,034,699
Net assets:		
Unrestricted		
Undesignated	8,710,971	17,201,545
Designated	46,135,095	39,326,017
Total unrestricted	54,846,066	56,527,562
Temporarily restricted	209,967,686	214,190,120
Permanently restricted	274,189,921	271,285,874
Total net assets	539,003,673	542,003,556
Total liabilities and net assets	\$ 559,652,381	\$ 560,038,255

Presbyterian Church (U.S.A.), A Corporation
Consolidated Statement of Financial Position
December 31, 2014

	General Mission	Curriculum	Presbyterian Center Louisville/ Property and Equipment	Hubbard Press	Youth Triennium	Jinishian	Presbyterian Disaster Assistance	Self Development of People	Presbyterian Hunger Program	Ghost Ranch	Stony Point	Specific Property	Self Insurance	Student Loans	Church Loans	Per Capita	Historical Society	Reclass/ Elimination	Total
Assets																			
Cash and cash equivalents	4,323,743			1,536						275,689	349,877					164,207	16,562	-	5,131,614
Beneficial interest in pooled investments held by the Foundation - short-term	30,470,659		1,109,254			110,334				455,470		787,152	6,396,697	1,717,524	8,056,466	5,220,951	3,675,207		57,999,714
Other investments and accrued income	32,318,427			1,589,868		186,674	13,600,231	1,052,284	1,328,489						3,976,765	1,641,327	364,786		56,058,851
Contributions receivable from congregations	3,374,636															(117,085)			3,257,551
Mortgages and loans on churches and manses, including accrued interest, net								285							1,566,031				1,566,316
Receivables from related entities, net	1,194,322	21,809		114,971				2,083	338	49,134	172,025	28,334		1,511,396		1,405,452	165,000	(581,714)	4,083,150
Due from/(to) other funds	(34,180)	34,777	1,583,955	(18,140)	3,627	346,826	(222,701)	(232,618)	(257,487)	(2,881,146)	(1,995,736)	(21,172)	(177,114)	1,297,383	2,811,638	(225,013)	(12,899)		-
Due from the Foundation	1,844,846																		1,844,846
Other accounts receivable	64,096			413						15,272	4,099								83,880
Inventories, prepaid expenses and other assets	192,526	170,918		227,131			2,122	1,788	116,752	222,584	61,899					16,925			1,012,645
Property and equipment, net of accumulated depreciation			7,629,179	232,903						5,833,426	1,438,818					1,867	1,139,783		16,275,976
Beneficial interest in pooled investments held by the Foundation - long-term	300,946,775					31,701,798								3,298,559		355,989	154,137		336,457,258
Other investments held by Foundation	6,209,789																		6,209,789
Beneficial interest in perpetual trusts	69,670,791																		69,670,791
Total assets	450,576,430	227,504	10,322,388	2,148,682	3,627	32,345,632	13,379,652	823,822	1,188,092	3,970,429	30,982	794,314	6,219,583	7,824,862	16,410,900	8,464,620	5,502,576	(581,714)	559,652,381
Liabilities and Net Assets																			
Liabilities:																			
Accounts payable and accrued expenses	7,805,663	720,061		5,035			55			57,912	13,734					9,788		(581,714)	8,030,534
Amounts received from congregations and designated for others	487,446																		487,446
Amounts held for missionaries and committed for projects	2,095,971					77,308		395,837		12,215	65,843							-	2,647,174
Amount due to other agencies	5,935,628																		5,935,628
Due to the Foundation	2,220,891																		2,220,891
Deferred revenue	378,565									208,563									587,128
Other	735,696			241						1,451						2,519		-	739,907
Total liabilities	19,659,860	720,061	-	5,276	-	77,308	55	395,837	-	280,141	79,577	-	-	-	-	12,307	-	(581,714)	20,648,708
Net assets:																			
Unrestricted																			
Undesignated	2,823,603																		5,887,368
Designated	17,049,683	(492,557)	10,322,388	2,143,406	3,627					3,041,936	(155,430)	794,314	6,219,583		1,264,221	2,214,006	3,729,918	-	46,135,095
Total unrestricted	19,873,286	(492,557)	10,322,388	2,143,406	3,627	-	-	-	-	3,041,936	(155,430)	794,314	6,219,583	-	1,264,221	8,101,374	3,729,918	-	54,846,066
Temporarily restricted																			
Temporarily restricted	168,346,012					22,198,738	13,379,597	427,985	1,188,092	115,702	106,835			2,865,757		261,370	1,077,598		209,967,686
Permanently restricted																			
Permanently restricted	242,697,272					10,069,586				532,650				4,959,105	15,146,679	89,569	695,060		274,189,921
Total net assets	430,916,570	(492,557)	10,322,388	2,143,406	3,627	32,268,324	13,379,597	427,985	1,188,092	3,690,288	(48,595)	794,314	6,219,583	7,824,862	16,410,900	8,452,313	5,502,576	-	539,003,673
Total liabilities and net assets	450,576,430	227,504	10,322,388	2,148,682	3,627	32,345,632	13,379,652	823,822	1,188,092	3,970,429	30,982	794,314	6,219,583	7,824,862	16,410,900	8,464,620	5,502,576	(581,714)	559,652,381

Presbyterian Church (U.S.A.), A Corporation
Consolidated Statements of Activities and Changes in Net Assets
For the Year Ended December 31, 2014 and 2013

Preliminary - Subject to Audit

	2014	2013
Revenues, Gains, and Other Support		
Contributions		
Congregations	\$ 23,010,497	\$ 23,981,715
Presbyterian Women	0	11,815
Gifts, bequests and grants	11,604,257	6,928,637
Special giving and special offering	22,836,897	28,963,878
Total contributions	57,451,651	59,886,045
Investment return		
Income from endowments held by Foundation	4,688,902	4,542,592
Income on investments	990,519	1,368,066
Realized and unrealized net gain/loss	3,838,009	36,173,861
Changes in value of beneficial interest	303,425	1,878,919
Total investment return	9,820,855	43,963,438
Interest income from loans	158,058	198,941
Hubbard Press	1,432,051	1,527,413
Sales of resources and services	19,122,995	17,547,874
Other	1,279,754	845,424
Cost Recovery	0	0
Total revenues, gains and other support	89,265,364	123,969,135
Expenses:		
Cost of Sales	1,752,382	1,670,656
Salaries and Benefits	48,223,760	47,154,037
Travel	4,147,334	2,198,323
Meetings	1,331,341	1,286,528
Administration	14,024,171	11,310,605
Program	9,260,337	13,210,020
Resource Development	232,984	324,023
Grants	13,292,938	19,961,940
Total Expenses	92,265,247	97,116,132
Change in net assets before transfers	(2,999,883)	26,853,003
Transfers	0	0
Change in net assets after transfers	(2,999,883)	26,853,003
Beginning Net Assets	542,003,556	515,150,553
Net Surplus/(Deficit)	(2,999,883)	26,853,003
Ending Net Assets	\$ 539,003,673	\$ 542,003,556

Presbyterian Church (U.S.A.), A Corporation
Consolidated Statements of Activities and Changes in Net Assets
For the Year Ended December 31, 2014
Preliminary - Subject to Audit

PRESBYTERIAN MISSION AGENCY BOARD
April 15-16, 2015
Finance and Accounting
Item A.211

	General Mission	Curriculum	Presbyterian Center Louisville/Property and Equipment	Hubbard Press	Youth Triennium	Jinishian	Presbyterian Disaster Assistance	Self Development of People	Presbyterian Hunger Program	Ghost Ranch	Stony Point	Specific Property	Self Insurance	Student Loans	Church Loans	Per Capita	Historical Society	Reclass/ Elimination	Total	
Revenues, Gains, and Other Support																				
Contributions																				
Congregations	10,269,112															12,741,385		-	23,010,497	
Presbyterian Women																			0	
Gifts, bequests and grants	10,107,012					28,945				811,306	363,120					16,539	352,335	(75,000)	11,604,257	
Special giving and special offering	14,690,523						4,329,337	1,529,882	2,287,155										-	22,836,897
Total contributions	35,066,647	0	0	0	0	28,945	4,329,337	1,529,882	2,287,155	811,306	363,120	0	0	0	0	12,757,924	352,335	(75,000)	57,451,651	
Investment return																				
Income from endowments held by Foundation	3,859,457		10,485			326,068				18,862	1,665	9,620	58,666	15,719	25,743	134,388	228,229	-	4,688,902	
Income on investments	732,896			8,032		1,956	144,335	12,339	16,152		112				40,639	27,296	6,762	-	990,519	
Realized and unrealized net gain/loss	3,150,438		54,150			178,407	(56,113)	(2,869)	(6,021)	(30,708)		25,034	328,959	95,464	165,460	92,330	(156,522)	-	3,838,009	
Changes in value of beneficial interest	303,425																		-	303,425
Total investment return	8,046,216	0	64,635	8,032	0	506,431	88,222	9,470	10,131	(11,846)	1,777	34,654	387,625	111,183	231,842	254,014	78,469	0	9,820,855	
Interest income from loans																				
Hubbard Press				1,432,051									1,417	71,394	85,247				-	1,432,051
Sales of resources and services	12,151,711	1,654,217	9,621				2,914		10,034	4,341,575	1,559,702					236,885	82,351	(926,015)	19,122,995	
Other	712,542	289,995	1,969,722	(3,266)	558,224	(109,076)	(594,372)	(44,524)	(73,500)	75	161,227	(23,050)	(80,536)	(314,367)	(157,681)	847,662	140,679	(2,000,000)	1,279,754	
Cost Recovery																			-	0
Total revenues, gains and other support	55,977,116	1,944,212	2,043,978	1,436,817	558,224	426,300	3,826,101	1,494,828	2,233,820	5,141,110	2,085,826	13,021	307,089	(131,790)	159,408	14,096,485	653,834	(3,001,015)	89,265,364	
Expenses:																				
Cost of Sales	774,669	500,764		239,671					3,704	233,178						396			1,752,382	
Salaries and Benefits	33,645,047	1,147,366		695,996		149,239	1,159,836	588,389	734,676	2,820,769	1,144,448					5,526,531	611,463		48,223,760	
Travel	1,672,196	58,815		298		19,823	241,333	51,091	73,618	16,119	12,298					1,997,520	4,223		4,147,334	
Meetings	441,652	9,784				10,217	19,409	174,856	19,128	6,928	805					648,562			1,331,341	
Administration	7,459,747	228,694	1,147,934	372,587		20,073	104,710	18,457	27,199	1,310,851	837,716	8,537	97,530			2,013,599	376,537		14,024,171	
Program	6,145,667	131,628		14,711	(3,627)	2,147	654,515	11,144	19,624	1,089,520	219,037					3,886,596	90,390	(3,001,015)	9,260,337	
Resource Development	144,547					2,188	69,394		16,855										232,984	
Grants	8,038,494					1,022,000	1,765,721	918,697	1,546,140							1,886		0	13,292,938	
Total Expenses	58,322,019	2,077,051	1,147,934	1,323,263	(3,627)	1,225,687	4,014,918	1,762,634	2,440,944	5,477,365	2,214,304	8,537	97,530	0	0	14,075,090	1,082,613	(3,001,015)	92,265,247	
Change in net assets before transfers	(2,344,903)	(132,839)	896,044	113,554	561,851	(799,387)	(188,817)	(267,806)	(207,124)	(336,255)	(128,478)	4,484	209,559	(131,790)	159,408	21,395	(428,779)	0	(2,999,883)	
Transfers																				
Change in net assets after transfers	(2,344,903)	(132,839)	896,044	113,554	561,851	(799,387)	(188,817)	(267,806)	(207,124)	(336,255)	(128,478)	4,484	209,559	(131,790)	159,408	21,395	(428,779)	0	(2,999,883)	
Beginning Net Assets	433,261,473	(359,718)	9,426,344	2,029,852	(558,224)	33,067,711	13,568,414	695,791	1,395,216	4,026,543	79,883	789,830	6,010,024	7,956,652	16,251,492	8,430,918	5,931,355		542,003,556	
Net Surplus/(Deficit)	(2,344,903)	(132,839)	896,044	113,554	561,851	(799,387)	(188,817)	(267,806)	(207,124)	(336,255)	(128,478)	4,484	209,559	(131,790)	159,408	21,395	(428,779)	0	(2,999,883)	
Ending Net Assets	430,916,570	(492,557)	10,322,388	2,143,406	3,627	32,268,324	13,379,597	427,985	1,188,092	3,690,288	(48,595)	794,314	6,219,583	7,824,862	16,410,900	8,452,313	5,502,576	0	539,003,673	

PRESBYTERIAN MISSION AGENCY BOARD

April 15-16, 2015

Finance and Accounting

Item A.211

Presbyterian Church (U.S.A.), A Corporation

Consolidated Statement of Cash Flows

Month Ended December 31, 2014 and Year Ended December 31, 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities		
Change in net assets	\$ (2,999,883)	\$ 26,853,003
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	1,737,973	2,011,824
Net recoveries of losses on church loans	-	(600)
Contributions and revolving loan fund investment earnings restricted for long-term investment	(1,645,803)	(2,753,734)
Realized and unrealized gains on investments, net	(3,838,009)	(36,173,862)
Change in fair value of annuity and life income funds	(303,425)	(1,878,919)
Change in fair value of beneficial interest in perpetual trusts	(3,566,599)	(4,256,305)
Changes in operating assets and liabilities:		
Receivables from congregations	1,421,845	644,262
Due to/from Foundation	1,476,909	(6,299,093)
Other accounts receivable	575,416	(437,482)
Inventories, prepaid expenses and other assets	105,464	198,691
Accounts payable and accrued expenses	241,246	(1,626,196)
Amounts received from congregations and other liabilities	540,291	(432,633)
Amounts due to other agencies	8,194	(631,558)
Deferred revenue	(396,613)	239,848
Net cash used in operating activities	<u>(6,642,994)</u>	<u>(24,542,754)</u>
Cash flows from investing activities		
Purchases of investments	(41,760,776)	(88,730,352)
Sales of investments	46,349,874	103,384,387
Payments received on church loans	580,670	687,069
Change in accrued interest receivable on church loans	(911)	(2,934)
Net change in receivables from related entities, mortgages and loans	217,872	931,338
Acquisition of property and equipment	724,075	(555,129)
Maturities of annuity and life income funds	34,615	514,369
Net cash from investing activities	<u>6,145,419</u>	<u>16,228,748</u>
Cash flows from financing activities		
Contributions and revolving loan fund investment earnings restricted for long-term investment	<u>1,645,803</u>	<u>2,753,734</u>
Net cash from financing activities	<u>1,645,803</u>	<u>2,753,734</u>
Net increase/(decrease) in cash and cash equivalents	1,148,228	(5,560,272)
Cash and cash equivalents at beginning of year	<u>3,983,386</u>	<u>9,543,658</u>
Cash and cash equivalents at end of period	<u>\$ 5,131,614</u>	<u>\$ 3,983,386</u>