PRESBYTERIAN CHURCH (U.S.A.),
A CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2016 and 2015

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Crowe Horwath LLP
Independent Member Crowe Horwath International

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Presbyterian Church (U.S.A.), A Corporation
Louisville, Kentucky

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of the Presbyterian Church (U.S.A.), A Corporation and its constituent corporations, which comprise the consolidated statements of financial position as of December 31, 2016 and 2015, and the related consolidated statements of activities and changes in net assets and cash flows for the years 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 consolidated 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

(Continued)

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Presbyterian Church (U.S.A.), A Corporation and its constituent corporations as of December 31, 2016 and 2015, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statement of financial position, and consolidating statement of activities and changes in net assets on pages 28 and 29 are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and changes in net assets of the individual organizations, 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Crowe Horwath LLP

Crowe Horwath LLP

Louisville, Kentucky
June 29, 2017

PRESBYTERIAN CHURCH (U.S.A.),
A CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
December 31, 2016 and 2015

	2016	2015
ASSETS		
Cash and cash equivalents	$ 9,951,993	$ 3,614,694
Investments (Notes 4 and 13)		
Beneficial interests in pooled investments and accrued income held by the Foundation	57,761,185	58,683,973
Other investments and accrued income	54,692,452	54,341,046
Receivables		
Contributions from congregations	3,668,129	3,872,761
Mortgages and loans on churches and manses, including accrued interest, net of allowance for doubtful receivables $965 and $965, respectively (Note 7)	601,555	915,716
Receivables from related entities, mortgages and loans, net of allowance for doubtful receivables of $1,922,699 and $1,968,590, respectively (Note 8)	3,715,158	3,949,550
Due from the Foundation	-	2,372,704
Other accounts receivable	54,582	148,086
Total receivables	8,039,424	11,258,817
Inventories, prepaid expenses and other assets	1,012,951	1,109,755
Property and equipment, net (Note 10)	11,467,284	17,540,679
Beneficial interest in pooled investments held by the Foundation – long-term (Notes 4 and 13)	308,053,754	309,811,267
Other investments held by the Foundation (Notes 4 and 13)	7,322,701	6,307,154
Beneficial interest in perpetual trusts (Note 5)	66,590,033	65,131,447
Total assets	$ 524,891,777	$ 527,798,832
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	$ 7,964,174	$ 5,813,382
Amounts received from congregations and designated for others	580,533	873,878
Amounts held for missionaries and related organizations	6,477,441	6,927,647
Amounts due to other agencies (Note 16)	3,758,596	3,864,545
Due to the Foundation – church loans	3,134,540	-
Deferred revenue	364,086	832,640
Other	1,961,249	996,159
Total liabilities	24,240,619	19,308,251
Net assets (Note 3)		
Unrestricted		
Undesignated – General Mission	(2,322,817)	1,408,219
Undesignated – OGA per capita	5,725,657	6,681,092
Designated	38,948,007	41,664,487
Total unrestricted	42,350,847	49,753,798
Temporarily restricted	182,723,821	185,910,231
Permanently restricted	275,576,490	272,826,552
Total net assets	500,651,158	508,490,581
Total liabilities and net assets	$ 524,891,777	$ 527,798,832

See accompanying notes to consolidated financial statements.

PRESBYTERIAN CHURCH (U.S.A.),
A CORPORATION
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
Year ended December 31, 2016
(With comparative 2015 totals)

	Unrestricted	Temporarily Restricted	Permanently Restricted	2016 Total	2015 Total
Revenue, gains, and other support					
Contributions					
Congregations	$ 17,836,080	$ 4,032,251	$ -	$ 21,868,331	$ 22,111,025
Presbyterian Women	-	-	-	-	880
Gifts, bequests, and grants	1,199,577	2,686,317	1,580,850	5,466,744	8,151,051
Special giving and special offering	-	23,155,990	-	23,155,990	24,882,266
Total contributions	19,035,657	29,874,558	1,580,850	50,491,065	55,145,222
Investment income					
Income from endowment funds	1,629,344	2,625,773	61,546	4,316,663	4,359,076
Income on investments	980,661	216,987	38,100	1,235,748	776,866
Realized gains on investments, net	4,156,076	5,031,813	43,903	9,231,792	9,012,595
Unrealized gains (losses) on investments, net	795,143	(2,826,789)	1,517,672	(513,974)	(31,557,407)
Change in value of beneficial interest in life income funds	1,125,707	(24,711)	172,507	1,273,503	1,111,182
Total investment return	8,686,931	5,023,073	1,833,728	15,543,732	(16,297,688)
Interest income from loans	1,497	30,646	48,128	80,271	99,850
The Hubbard Press	1,314,101	-	-	1,314,101	1,413,353
Sales of resources and services	3,463,861	4,458	-	3,468,319	3,350,311
Program services	15,259,217	-	-	15,259,217	12,799,605
Other	3,552,434	(18,381)	(180,118)	3,353,935	2,079,104
	51,313,698	34,914,354	3,282,588	89,510,640	58,589,757
Net assets released from restrictions	37,841,082	(37,841,082)	-	-	-
Total revenue, gains, and other support	89,154,780	(2,926,728)	3,282,588	89,510,640	58,589,757
Expenses					
Policy Administration and Board Support	2,087,786	-	-	2,087,786	2,212,979
Communications and Mission Engagement and Support	908,699	-	-	908,699	1,609,607
Theology, Formation and Evangelism	10,734,198	-	-	10,734,198	10,450,887
Compassion, Peace and Justice	13,905,932	-	-	13,905,932	14,840,571
World Mission	21,452,527	-	-	21,452,527	23,905,711
Racial Ethnic and Women's Ministries	7,823,295	-	-	7,823,295	7,485,040
Shared Services	1,862,213	-	-	1,862,213	1,957,875
Office of the General Assembly	10,837,259	-	-	10,837,259	6,502,212
Presbyterian Mission Agency	4,294,406	-	-	4,294,406	4,169,881
Presbyterian Historical Society, Inc.	722,840	-	-	722,840	889,937
Conference Center – Ghost Ranch	5,499,959	-	-	5,499,959	5,415,344
Conference Center – Stony Point	1,588,666	-	-	1,588,666	2,355,726
The Hubbard Press	1,006,043	-	-	1,006,043	1,052,111
Related Bodies and Other Programs	11,718	-	-	11,718	12,211
Shared	3,361,623	-	-	3,361,623	1,417,121
Depreciation	1,876,248	-	-	1,876,248	1,788,034
Other	293,863	-	-	293,863	2,006,686
Total expenses	88,267,275	-	-	88,267,275	88,071,933
Change in net assets prior to change in endowment funds with deficiencies and transfers	887,505	(2,926,728)	3,282,588	1,243,365	(29,482,176)
Change in endowment funds with deficiencies	(96,784)	96,784	-	-	-
Ghost Ranch Transfer of operations	(8,193,672)	(356,466)	(532,650)	(9,082,788)	-
Distribution to the Presbyterian Church (U.S.A) Foundation	-	-	-	-	(1,030,916)
Change in net assets	(7,402,951)	(3,186,410)	2,749,938	(7,839,423)	(30,513,092)
Net assets at beginning of year	49,753,798	185,910,231	272,826,552	508,490,581	539,003,673
Net assets at end of year	$ 42,350,847	$ 182,723,821	$ 275,576,490	$ 500,651,158	$ 508,490,581

See accompanying notes to consolidated financial statements.

PRESBYTERIAN CHURCH (U.S.A.),
A CORPORATION
CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
Year ended December 31, 2015

	Unrestricted	Temporarily Restricted	Permanently Restricted	2015 Total
Revenue, gains, and other support				
Contributions				
Congregations	$ 17,939,627	$ 4,171,398	$ -	$ 22,111,025
Presbyterian Women	-	880	-	880
Gifts, bequests, and grants	1,808,965	3,510,762	2,831,324	8,151,051
Special giving and special offering	-	24,882,266	-	24,882,266
Total contributions	19,748,592	32,565,306	2,831,324	55,145,222
Investment income				
Income from endowment funds	1,726,039	2,598,896	34,141	4,359,076
Income on investments	543,520	197,147	36,199	776,866
Realized gains on investments, net	3,940,080	4,761,531	310,984	9,012,595
Unrealized losses on investments, net	(607,082)	(26,831,788)	(4,118,537)	(31,557,407)
Change in value of beneficial interest in life income funds	1,685,006	(170,727)	(403,097)	1,111,182
Total investment return	7,287,563	(19,444,941)	(4,140,310)	(16,297,688)
Interest income from loans	2,083	32,817	64,950	99,850
The Hubbard Press	1,413,353	-	-	1,413,353
Sales of resources and services	3,322,830	27,481	-	3,350,311
Program services	12,799,605	-	-	12,799,605
Other	2,198,260	177	(119,333)	2,079,104
	46,772,286	13,180,840	(1,363,369)	58,589,757
Net assets released from restrictions	39,789,553	(39,789,553)	-	-
Total revenue, gains, and other support	86,561,839	(26,608,713)	(1,363,369)	58,589,757
Expenses				
Policy Administration and Board Support	2,212,979	-	-	2,212,979
Communications and Mission Engagement and Support	1,609,607	-	-	1,609,607
Theology, Formation and Evangelism	10,450,887	-	-	10,450,887
Compassion, Peace and Justice	14,840,571	-	-	14,840,571
World Mission	23,905,711	-	-	23,905,711
Racial Ethnic and Women’s Ministries	7,485,040	-	-	7,485,040
Shared Services	1,957,875	-	-	1,957,875
Office of the General Assembly	6,502,212	-	-	6,502,212
Presbyterian Mission Agency	4,169,881	-	-	4,169,881
Presbyterian Historical Society, Inc.	889,937	-	-	889,937
Conference Center – Ghost Ranch	5,415,344	-	-	5,415,344
Conference Center – Stony Point	2,355,726	-	-	2,355,726
The Hubbard Press	1,052,111	-	-	1,052,111
Related Bodies and Other Programs	12,211	-	-	12,211
Shared	1,417,121	-	-	1,417,121
Depreciation	1,788,034	-	-	1,788,034
Other	2,006,686	-	-	2,006,686
Total expenses	88,071,933	-	-	88,071,933
Change in net assets prior to change in endowment funds with deficiencies and transfers	(1,510,094)	(26,608,713)	(1,363,369)	(29,482,176)
Change in endowment funds with deficiencies	(3,582,174)	3,582,174	-	-
Distribution to the Presbyterian Church (U.S.A) Foundation	-	(1,030,916)	-	(1,030,916)
Change in net assets	(5,092,268)	(24,057,455)	(1,363,369)	(30,513,092)
Net assets at beginning of year	54,846,066	209,967,686	274,189,921	539,003,673
Net assets at end of year	$ 49,753,798	$ 185,910,231	$ 272,826,552	$ 508,490,581

See accompanying notes to consolidated financial statements.

PRESBYTERIAN CHURCH (U.S.A.),
A CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years ended December 31, 2016 and 2015

	2016	2015
Cash flows from operating activities		
Change in net assets	$ (7,839,423)	$ (30,513,092)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	1,876,248	1,788,034
Net recoveries for losses on church loans	(965)	(934)
Contributions and revolving loan fund investment earnings restricted for long-term investment	(1,548,506)	(2,847,281)
Realized and unrealized (gains) losses on investments, net	(8,717,818)	22,544,812
Change in beneficial interests in life income funds	(1,273,503)	(1,111,182)
Additions to beneficial interests in perpetual trusts	-	(266,677)
Loss on disposal of property and equipment	434,014	6,008
Loss on Ghost Ranch transfer	9,082,788	-
Changes in operating assets and liabilities:		
Receivables from congregations	204,632	(615,210)
Due to/from the Foundation	5,507,244	(2,748,748)
Other accounts receivable	93,504	(64,206)
Inventories, prepaid expenses and other assets	96,804	(97,110)
Accounts payable and accrued expenses	2,150,792	(2,217,154)
Amounts received from congregations and other liabilities	221,539	792,971
Amounts due to other agencies	(105,949)	(2,071,083)
Deferred revenue	(468,554)	245,512
Net cash used in operating activities	(287,153)	(17,175,340)
Cash flows from investing activities		
Purchases of investments	(44,557,962)	(4,007,319)
Sales of investments	53,967,119	19,081,812
Payments received on church loans	315,125	651,534
Net repayments of receivables from related entities, mortgages and loans	(2,934,075)	133,600
Acquisition of property and equipment, net	(2,151,187)	(3,058,745)
Maturities of beneficial interests in perpetual trusts	436,926	10,257
Net cash from investing activities	5,075,946	12,811,139
Cash flows from financing activities		
Contributions and revolving loan fund investment earnings restricted for long-term investment	1,548,506	2,847,281
Net cash from financing activities	1,548,506	2,847,281
Net increase (decrease) in cash and cash equivalents	6,337,299	(1,516,920)
Cash and cash equivalents at beginning of year	3,614,694	5,131,614
Cash and cash equivalents at end of year	$ 9,951,993	$ 3,614,694
Supplemental disclosure of cash flow information		
Donated stock	$ 127,656	$ 153,331

See accompanying notes to consolidated financial statements.

NOTE 1 – ORGANIZATION AND NATURE OF OPERATIONS

The Presbyterian Church (U.S.A.), ("PCUSA") is an unincorporated body of Reformed Christians, who have agreed to conduct worship and other religious activities in conformity with the then current version of the Presbyterian Church (U.S.A.) Constitution, which contains among other things, in its Book of Order, a Form of Government setting forth a detailed formal structure of the PCUSA. As an ecclesiastical organization, PCUSA does not exist under any federal law. Central to the structure of PCUSA is the concept of mid councils (formerly referred to as governing bodies). At the national level, the council is the General Assembly. The ecclesiastical work of the PCUSA at the General Assembly level is carried out by a number of ministry units and related agencies.

Presbyterian Church (U.S.A.), A Corporation ("PCUSA, A Corporation") is a corporate entity of the General Assembly of PCUSA, and is the principal corporation of the General Assembly. All voting members of the Presbyterian Mission Agency Board are members of the Board of Directors of PCUSA, A Corporation. PCUSA, A Corporation receives and holds title and/or maintains and manages property and income at the General Assembly level related to mission activities; generally maintains and manages all real and tangible property not held for investment, including the insuring of such property; effects short-term investment of funds prior to either their disbursement or transfer to the Presbyterian Church (U.S.A.) Foundation (the "Foundation") for longer-term investment; acts as the disbursing agent for all funds held for the General Assembly and for other governing bodies and entities upon their request; and provides accounting, reporting, and other financial and related services as the General Assembly or Presbyterian Mission Agency Board may direct or approve.

PCUSA, A Corporation is a tax-exempt religious corporation under Internal Revenue Code Section 501(c)(3).

NOTE 2 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation: The accompanying consolidated financial statements reflect the consolidated operations of PCUSA, A Corporation and its constituent corporations, which are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The constituent corporations of PCUSA, A Corporation are the following: General Assembly Mission Board of the Presbyterian Church (U.S.A.); The Historical Foundation of the Presbyterian and Reformed Churches, Inc.; The Hubbard Press; Pedco, Inc.; The Presbyterian Historical Society; Presbyterian Life, Inc.; Presbyterian Publishing House of the Presbyterian Church (U.S.A.), Inc.; Commission on Ecumenical Mission and Relations of the Presbyterian Church (U.S.A.); Board of Foreign Missions of the Presbyterian Church (U.S.A.); and The Woman's Board of Foreign Missions of the Presbyterian Church (U.S.A.). All intercompany transactions have been eliminated in consolidation.

NOTE 2 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For external reporting purposes, PCUSA, A Corporation's financial statements have been prepared to focus on the organization as a whole and to present balances and transactions classified in accordance with the existence or absence of donor-imposed restrictions. Net assets and related activity are classified as unrestricted, temporarily restricted, and permanently restricted as follows:

- Unrestricted-Undesignated - net assets that are not subject to donor-imposed restrictions. Unrestricted undesignated net assets consist of the accumulation of certain contributions, gifts, bequests, and related income thereon, which are available for general church purposes.

  A minimum reserve requirement for unrestricted undesignated net assets is monitored by the Board. If the reserve falls below the minimum reserve requirement, further action could be taken by the Board to undesignate unrestricted designated net assets.

- Unrestricted-Designated - net assets that are not subject to donor-imposed restrictions. Unrestricted designated net assets consist of the accumulation of certain contributions, gifts, bequests, and related income thereon that have been designated for specific purposes by the Presbyterian Mission Agency Board of the General Assembly.

- Temporarily Restricted - net assets that are subject to donor-imposed restrictions that may or will be met either by actions of PCUSA, A Corporation or the passage of time. Temporarily restricted net assets primarily consist of contributions and related investment income.

- Permanently Restricted - net assets that are subject to donor-imposed restrictions to be maintained permanently by PCUSA, A Corporation. Generally, the donors of these assets permit PCUSA, A Corporation to use all or part of the income earned on related investments for general or specific purposes. Permanently restricted net assets consist primarily of endowment funds and revolving loan funds.

Cash Equivalents: For purposes of reporting cash flows, PCUSA, A Corporation considers investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments: Investments are recorded at fair value. Investment transactions are recorded on a trade-date basis. Realized gains and losses are recorded using the specific identification of securities sold on funds held by the Foundation and using the historical cost of securities sold on funds held by other investment managers.

The Trustees ("Trustees") of the Presbyterian Church (U.S.A.) Foundation (the "Foundation") believe that the carrying amount of its alternative investments is a reasonable estimate of fair value as of December 31, 2016 and 2015. Since alternative investments are not readily marketable, the estimated value is subject to uncertainty and therefore may differ from the value that would have been used had a ready market for the investments existed, and such differences could be material.

Long-term investments held by the Foundation represent General Assembly endowment funds, which are generally not available for immediate use.

NOTE 2 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions from Congregations: Contributions from congregations include amounts in-transit at year-end.

Allowance for Loan Losses: The allowance for loan losses is maintained at a level considered by management to be adequate to provide for loan losses inherent in the loan portfolio. Management determines the adequacy of the allowance based upon reviews of payment history, recent loss experience, current economic conditions, the risk characteristics of the various categories of loans, and such other factors, which in management's judgment deserve current recognition in estimating loan losses. The allowance for loan losses is increased by the provision for loan losses and reduced by net loan charge-offs.

Annuity and Life Income Funds: PCUSA, A Corporation is an income beneficiary of trust funds held by the Foundation. In accordance with current accounting standards, PCUSA, A Corporation has recorded, as an asset, the net present value of the future income to be received from the funds.

Inventories: Inventories represent books, periodicals, and curriculum produced by PCUSA, A Corporation for distribution. These items are stated at average cost.

Property and Equipment: Property and equipment consists principally of the PCUSA, A Corporation headquarters building and related land and equipment, domestic properties used for mission work, cemeteries, undeveloped land, and property held for disposition.

The PCUSA, A Corporation headquarters building and related land and equipment are stated at cost or fair value at the date of donation, if donated. The domestic properties used for mission work, cemeteries, undeveloped land, and other properties are recorded based on fair value at the date of donation, appraisal value, or replacement cost. Expenditures greater than $5,000 which increase values or extend the useful lives of the respective assets are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

PCUSA, A Corporation holds title to various other foreign properties. Such properties include properties used for mission work, cemeteries, undeveloped land, and property held for disposition. PCUSA, A Corporation has administrative responsibility for property taxes, insurance, maintenance, and improvements for these properties. Generally, it is PCUSA, A Corporation's policy to exclude the cost or donated value of foreign properties from its financial records.

PCUSA, A Corporation reviews for the impairment of long-lived assets subject to depreciation and amortization, including property and equipment, whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable. If this review were to result in the conclusion that the carrying value of long-lived assets would not be recoverable, then a write down of the assets would be recorded through a charge to net assets equal to the difference in the fair market value of the assets and their carrying value. No such impairment losses were recognized for the years ended December 31, 2016 and 2015.

Deferred Revenue: PCUSA, A Corporation holds special events each year. Monies received to support future special events are recorded as deferred revenue.

NOTE 2 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Collections: PCUSA, A Corporation's collections consist of works of art, ecclesiastical objects and papers, historical treasures, archeological specimens, and other assets. The collections, which were acquired through purchases and contributions since PCUSA, A Corporation's inception, are not recognized as assets on the consolidated statements of financial position. Purchases of collection items are recorded as decreases in unrestricted net assets in the year in which the items are acquired or as temporarily or permanently restricted net assets if the assets used to purchase the items are restricted by donors. Contributed collection items are not reflected on the consolidated financial statements. Proceeds from deaccessions or insurance recoveries are reflected as increases in the appropriate net asset classes.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period.

Income Taxes: PCUSA, A Corporation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. However, PCUSA, A Corporation is subject to federal income tax on any unrelated business taxable income.

Accounting principles generally accepted in the United States of America prescribe recognition thresholds and measurement attributes for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. Tax benefits or liabilities will be recognized only if the tax position would "more-likely-than-not" be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized will be the largest amount of tax benefit or liability that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more-likely-than-not" test, no tax benefit or liability will be recorded. Management has concluded that it is unaware of any tax benefits or liabilities to be recognized at December 31, 2016, and does not expect this to change in the next 12 months.

PCUSA, A Corporation would recognize interest and penalties related to uncertain tax positions in interest and income tax expense, respectively. PCUSA, A Corporation has no amounts accrued for interest or penalties as of December 31, 2016 and 2015. PCUSA, A Corporation is no longer subject to examination by taxing authorities for the years before December 31, 2013.

Subsequent Events: Management has performed an analysis of the activities and transactions subsequent to December 31, 2016 to determine the need for any adjustments to and/or disclosures within the audited financial statements for the year ended December 31, 2016. Management has performed their analysis through June 29, 2017, which is the date the financial statements were available to be issued.

Reclassification: Certain reclassifications have been made to the prior year consolidated financial statements to conform to the current year consolidated financial statement presentation. These reclassifications had no effect on the change in net assets.

(Continued)

NOTE 3 – NET ASSETS

Temporarily restricted net assets at December 31, 2016 and 2015 are available for the following purposes:

	2016	2015
Church and student loans	$ 2,665,937	$ 2,754,892
Jinishian Memorial Program	19,528,534	19,648,671
Educational seminars and publications	19,663,333	19,617,770
Mission work	18,071,290	18,958,771
Presbyterian Disaster Assistance	11,830,560	12,839,765
Evangelism and Church Growth	14,496,294	14,415,299
Health	15,104,387	14,989,257
Missionary support	37,860,499	38,015,960
Christian education	11,314,538	11,625,544
Peacemaking/Justice	1,953,062	1,631,981
Hunger	1,150,484	1,512,216
Beneficial interest in perpetual trusts	1,240,860	1,345,571
Racial Ethnic	243,970	229,855
Women	612,513	636,672
Historical Foundation/per capita	1,355,540	1,311,003
General endowments	24,031,052	25,124,180
Self-Development of People	706,907	355,271
Other	894,061	897,553
	$ 182,723,821	$ 185,910,231

Permanently restricted net assets at December 31, 2016 and 2015 are available for the following purposes:

	2016	2015
Church and student loans	$ 20,338,149	$ 20,199,708
Jinishian Memorial Program	10,157,795	10,114,335
Educational seminars and publications	22,817,873	22,447,876
Mission work	5,067,066	4,984,902
Evangelism and Church Growth	7,165,110	7,048,926
Health	13,909,283	13,683,741
Missionary support	16,440,392	16,173,865
Christian education	15,117,594	15,405,108
Peacemaking/Justice	92,414	90,916
Hunger	444,440	437,233
Beneficial interest in perpetual trusts	65,349,174	63,785,877
Racial Ethnic	241,378	237,464
Women	111,083	109,282
Historical Foundation/per capita	784,629	784,629
General endowments	96,473,707	96,273,579
Other	1,066,403	1,049,111
	$ 275,576,490	$ 272,826,552

(Continued)

NOTE 3 – NET ASSETS (Continued)

Net assets released from restrictions during the years ended December 31, 2016 and 2015 consisted of the following:

	2016	2015
Jinishian Memorial Program	$ 1,289,824	$ 1,290,216
Educational seminars and publications	2,886,295	3,038,523
Mission work	6,679,911	7,032,219
Presbyterian Disaster Assistance	5,985,462	5,679,233
Evangelism and Church Growth	6,437,281	6,776,791
Health	3,044,812	3,205,399
Missionary support	2,031,176	2,138,303
Christian education	4,839,608	5,094,856
Peacemaking/Justice	2,099,251	2,209,968
Hunger	1,421,348	2,084,503
Self-Development of People	1,126,114	1,239,542
	$ 37,841,082	$ 39,789,553

NOTE 4 – INVESTMENTS

Investments, including long-term investments, are primarily held in common funds managed by the Foundation on behalf of PCUSA, A Corporation. A summary of PCUSA, A Corporation's ownership of the investments held at December 31, 2016 and 2015 is as follows:

	2016	2015
Pooled investments held by the Foundation		
Beneficial interest in pooled investments		
Short-term	$ 57,761,185	$ 58,683,973
Long-term	308,053,754	309,811,267
Total beneficial interest in pooled investments	365,814,939	368,495,240
Other investments held by the Foundation		
Equities	2,522,400	2,072,222
Shares in New Covenant Mutual Fund	4,800,301	4,234,932
Total other investments held by the Foundation	7,322,701	6,307,154
Other investments		
Cash equivalents	1,287,081	783,783
U.S. treasury securities	15,327,693	17,745,064
U.S. agency securities	1,452,251	1,451,693
Corporate debt securities	24,879,456	23,861,860
Mortgage-backed securities	2,813,638	1,864,302
Equity securities	919,788	680,841
Presbyterian Investment and Loan denominational account receipts	8,012,545	7,953,503
Total other investments	54,692,452	54,341,046
Total investments	$ 427,830,092	$ 429,143,440

(Continued)

NOTE 4 – INVESTMENTS (Continued)

PCUSA, A Corporation invests a majority of its funds in the Foundation's common investment portfolio. Investment balances held by the Foundation are allocated monthly by the Foundation's management based on the portion of PCUSA, A Corporation's funding to the total funding of the portfolio. The Foundation's investment portfolio as of December 31 comprised the following types of investments:

	2016	2015
Preferred and common stock	47%	47%
Fixed income	21	17
Hedge funds	19	25
Real estate	10	8
Private equity	3	3
	100%	100%

Income received by PCUSA, A Corporation from the Foundation is net of administrative fees of outside managers.

NOTE 5 – BENEFICIAL INTEREST IN PERPETUAL TRUSTS

Funds held in trust by others represent resources neither in the possession nor under the control of PCUSA, A Corporation, but held and administered by outside trustees, with PCUSA, A Corporation deriving only income from such funds. Such investments are recorded in the consolidated statement of financial position at the fair value of the principal amounts, which represents the estimated present value of the expected future cash flows, and the income, including fair value adjustments, is recorded in the consolidated statement of activities and changes in net assets.

NOTE 6 – ENDOWMENT COMPOSITION

In accordance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA), the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund.
(2) The purposes of the donor-restricted endowment fund.
(3) General economic conditions.
(4) The possible effect of inflation and deflation.
(5) The expected total return from income and the appreciation of investments.
(6) Other resources of the Organization.
(7) The investment policies of the Organization.

<u>Appropriation of Endowment Assets</u>: PCUSA, A Corporation has a spending formula agreement with the Foundation whereby PCUSA, A Corporation receives investment income from unrestricted and restricted endowments. The endowments are owned by PCUSA, A Corporation and are held and invested by the Foundation for the General Assembly's mission use.

(Continued)

NOTE 6 – ENDOWMENT COMPOSITION (Continued)

The current policy calls for a 4.25% annual total return payout rate of the average market value based on the 20-quarter rolling average with an eighteen-month lag. Pursuant to this policy, the Foundation paid the beneficiaries of certain endowments 4.4% (based on the December 31, 2015 market value) and 4.1% (based on the December 31, 2014 market value) in 2016 and 2015, respectively. The spending formula will be monitored to determine the effects of changing return and inflation expectations on the preservation of purchasing power and the generation of appropriate levels of spendable income.

Investment Policies: The Trustees of the Presbyterian Church (U.S.A.) Foundation are charged with the responsibility of managing the endowment assets that benefit PCUSA, A Corporation. The overall goal in management of these funds is to generate a long-term total rate of return that provides sustainable distributions to support the mission within reasonable levels of risk.

The Trustees adhere to modern portfolio theory, which has as its basis risk reduction through diversification. Diversification is obtained through the use of multiple asset classes as well as multiple investments within these asset classes. Asset classes that may be used include (but are not limited to) domestic and international stocks and bonds, hedge funds, private equity (venture capital and corporate finance), and real property (real estate, minerals, and timber). The investment strategy is implemented through the selection of external advisors and managers with expertise and successful histories in the management of specific asset classes.

The Trustees' role is one of setting and reviewing policy; and retaining, monitoring, and evaluating advisors and investment managers. It is the Trustees' desire to find ways to invest these funds in accordance with the social witness principles of the PCUSA. The Trustees will review the investment policy statement at least annually.

The primary financial objectives of the permanent endowment funds (the "Fund") are to (1) provide a stream of relatively stable and constant earnings in support of annual budgetary needs and (2) to preserve and enhance the real (inflation-adjusted) purchasing power of the Fund.

The long-term investment objective of the Fund is to attain a real total annualized return of at least 5%. The calculation of real total return includes all realized and unrealized capital changes plus all interest, rent, dividend, and other income earned by the portfolio, adjusted for inflation, during a year, net of investment expenses, on average, over a five-to-seven year period. Secondary objectives are to (1) outperform the Fund's custom benchmark, a weighted average return based on the target asset allocation and index returns and (2) to outperform the median return of a pool of endowment funds with broadly similar investment objectives and policies. The Fund's objective is to attain estimated real compound return of 5.6% with a standard deviation of 12.2% of the current portfolio.

(Continued)

NOTE 6 – ENDOWMENT COMPOSITION (Continued)

Endowment net asset composition as of December 31:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
2016				
Donor-restricted endowment funds	$ (8,020,422)	$ 149,824,145	$ 194,135,580	$ 335,939,303
Board-designated funds	38,948,007	-	-	38,948,007
Total endowment net assets	30,927,585	149,824,145	194,135,580	374,887,310
Net assets other than endowment	11,423,262	32,899,676	81,440,910	125,763,848
Total net assets	$ 42,350,847	$ 182,723,821	$ 275,576,490	$ 500,651,158
2015				
Donor-restricted endowment funds	$ (7,923,638)	$ 144,534,632	$ 193,677,629	$ 330,288,623
Board-designated funds	41,664,487	-	-	41,664,487
Total endowment net assets	33,740,849	144,534,632	193,677,629	371,953,110
Net assets other than endowment	16,012,949	41,375,599	79,148,923	136,537,471
Total net assets	$ 49,753,798	$ 185,910,231	$ 272,826,552	$ 508,490,581

(Continued)

NOTE 6 – ENDOWMENT COMPOSITION (Continued)

Changes in endowment net assets for the years ended December 31, 2016 and 2015:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Beginning balance, January 1, 2016	$ 33,740,849	$ 144,534,632	$ 193,677,629	$ 371,953,110
Investment return				
Investment income	1,629,344	2,625,773	61,546	4,316,663
Net appreciation (depreciation)	(425,204)	5,096,848	(162,067)	4,509,577
Total investment return	1,204,140	7,722,621	(100,521)	8,826,240
Contributions	200,128	3,865,545	558,472	4,624,145
Appropriation of endowment assets for expenditure and other changes	(4,217,532)	(6,298,653)	-	(10,516,185)
Ending balance, December 31, 2016	$ 30,927,585	$ 149,824,145	$ 194,135,580	$ 374,887,310
Beginning balance, January 1, 2015	$ 41,793,631	$ 159,400,834	$ 188,172,850	$ 389,367,315
Investment return				
Investment income	1,726,039	2,598,896	34,141	4,359,076
Net appreciation (depreciation)	(5,838,232)	(15,666,590)	3,498,579	(18,006,243)
Total investment return	(4,112,193)	(13,067,694)	3,532,720	(13,647,167)
Contributions	34,185	4,116,275	1,972,059	6,122,519
Appropriation of endowment assets for expenditure and other changes	(3,974,774)	(5,914,783)	-	(9,889,557)
Ending balance, December 31, 2015	$ 33,740,849	$ 144,534,632	$ 193,677,629	$ 371,953,110

Funds with Deficiencies: From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level of the donor's requirement to retain as a permanent endowment fund. Deficiencies of this nature that are reported in unrestricted and undesignated net assets were $8,020,422 and $7,923,638 as of December 31, 2016 and 2015.

NOTE 7 – MORTGAGES AND LOANS ON CHURCHES AND MANSES

A summary of the activity relating to mortgages and loans on churches and manses during the years ended December 31, 2016 and 2015 is as follows:

	2016	2015
Receivables at January 1	$ 913,783	$ 1,565,846
Repayments	(315,125)	(652,063)
Receivables at December 31	598,658	913,783
Add accrued interest receivable	3,862	2,898
	602,520	916,681
Less allowance for loan loss	(965)	(965)
Net receivables at December 31	$ 601,555	$ 915,716

The ability of each borrower congregation to pay PCUSA, A Corporation for the loan(s) made to the congregation may depend on the contributions the congregation receives from its members. Therefore, payments to PCUSA, A Corporation may depend on the level of membership of the borrower congregations, and on the maintenance of adequate contributions by individual members to their congregations, as well as on prudent management by those congregations of their finances. The following is a summary of the gross loan balances for each Synod at December 31, 2016 and 2015:

	2016	2015
Covenant	$ -	$ 187,362
Lincoln Trails	135,572	145,419
Mid-Atlantic	30,278	39,266
South Atlantic	209,491	303,153
Southern California/Hawaii	223,317	238,583
Gross mortgages and loans receivable	598,658	913,783
Accrued interest receivable	3,862	2,898
Less allowance for loan losses	(965)	(965)
Mortgages and loans receivable, net	$ 601,555	$ 915,716

(Continued)

NOTE 8 – RECEIVABLES FROM RELATED ENTITIES, MORTGAGES AND LOANS

A summary of the activity relating to receivables from related entities, which includes unsecured student loans of approximately $957,000 and $1,200,000 during the years ended December 31, 2016 and 2015, respectively, is as follows:

	2016	2015
Receivables at January 1	$ 5,918,140	$ 5,993,202
Assessments and other	39,500,940	27,179,067
Collections of assessments and other	(35,330,364)	(25,622,003)
New loans	108,000	159,458
Loan repayments	(3,767,715)	(581,712)
Charge-offs	(791,144)	(1,209,872)
Receivables at December 31	5,637,857	5,918,140
Less allowance for loan loss	(1,922,699)	(1,968,590)
Net receivables at December 31	$ 3,715,158	$ 3,949,550

NOTE 9 – ALLOWANCES FOR LOAN LOSSES AND IMPAIRMENT OF LOANS

The outstanding principal balances of loans to churches, students, and Presbyterian schools and colleges for which an impairment has been recognized at December 31, 2016 and 2015 were $89,774 and $83,791, respectively, and the related allocated allowances for loan losses at December 31, 2016 and 2015 were $0, resulting in no additional provision for loans for December 31, 2016 or 2015. There was no interest received by PCUSA, A Corporation, on the impaired loans during 2016. The total average impaired loan balances were approximately $2,693 and $2,472 at December 31, 2016 and 2015, respectively.

NOTE 10 – PROPERTY AND EQUIPMENT, NET

The components of property and equipment, net at December 31, 2016 and 2015 are as follows:

	2016	2015
Land	$ 2,542,447	$ 3,745,576
Buildings and building improvements	37,222,159	46,079,058
Equipment	13,040,875	13,740,862
Furniture and fixtures	470,340	552,583
Less accumulated depreciation	(41,808,537)	(46,577,400)
	$ 11,467,284	$ 17,540,679

Property and equipment decreased 34.6% due to the transfer of the Ghost Ranch Education and Retreat Center operations to the National Ghost Ranch Foundation (NGRF) effective December 31, 2016, with the Foundation's constituent corporation, the Board of Christian Education of the Presbyterian Church (U.S.A.) ("BCE") resuming control of the real property and improvements. PCUSA, A Corporation previously operated Ghost Ranch Education and Retreat Center under a limited power of attorney from the Foundation. The property is now held by BCE as investment property.

(Continued)

NOTE 11 – BENEFITS DATA

As explained below in the following paragraphs, PCUSA, A Corporation through the Board of Pensions of the Presbyterian Church (USA) offers a defined benefit pension plan, long-term disability plan, death benefit plan, a major medical plan, and a 403(b) retirement savings plan to eligible employees.

Substantially all employees of PCUSA, A Corporation participate in the Benefits Plan of the Presbyterian Church (U.S.A.) (the "Benefits Plan") which is administered by the Board of Pensions of the Presbyterian Church (U.S.A.) (the "Board of Pensions"). The Benefits Plan is a comprehensive benefits program, which provides a defined benefit pension plan, a long-term disability plan, a death benefit plan, and a major medical plan. The assets of the Benefits Plan are commingled for investment purposes; however, accounting for each plan is separately maintained.

The defined benefit pension plan's total net assets available for benefits, as reported by the Board of Pensions, were $7,734,336,000 and $7,395,416,000 at December 31, 2016 and 2015, respectively. The defined benefit pension plan's total Accumulated Plan Benefit Obligations, as reported by the Board of Pensions, were $6,228,650,000 and $5,967,523,000 at December 31, 2016 and 2015, respectively. Since the Benefits Plan is a Church Plan under the Internal Revenue Code, PCUSA, A Corporation has no financial interest in the Benefits Plan assets nor does it have any liability for benefits payable, contingent or otherwise, under the Benefits Plan or its components.

PCUSA, A Corporation pays the entire premium cost associated with single coverage for the employee and a portion of the family coverage in the major medical plan. Employees have the option to purchase additional coverage such as dental, long-term care, and life insurance.

In addition, PCUSA, A Corporation sponsors a retirement savings plan. The employer contribution is designed to provide equalization of the impact of tax differences between clergy and lay personnel. All regular, benefits eligible, exempt lay employees are eligible to participate in the employer portion of the plan. PCUSA, A Corporation pays an amount based upon a calculation of tax differences. Contributions to the Plan were $610,379 and $719,548 for 2016 and 2015, respectively.

PCUSA, A Corporation's expenses for the plans for the years ended December 31, 2016 and 2015 were as follows:

	2016	2015
Administered by Board of Pensions		
Pension plan	$ 3,100,447	$ 3,469,019
Death and disability	285,880	318,990
Major medical plan	7,203,742	8,096,711
	10,590,069	11,884,720
Administered by others - retirement savings plan	610,379	719,548
	$ 11,200,448	$ 12,604,268

(Continued)

NOTE 12 – CONCENTRATION OF RISKS

Revenue Risk: PCUSA, A Corporation's primary source of revenue is contributions from Congregations, Presbyteries, Synods and individuals. The majority of these contributions are transmitted via the Presbyteries that are grouped into 16 Synods comprised of a total of 171 Presbyteries. The following is a summary of the contributions by each of the Synods during the years ended December 31, 2016 and 2015:

	2016	2015
Alaska-Northwest	$ 598,700	$ 791,572
Covenant	2,381,150	2,427,846
Lakes and Prairies	1,737,349	2,243,094
Lincoln Trails	1,558,884	1,795,602
Living Waters	1,298,611	1,270,713
Mid-America	973,681	1,058,053
Mid-Atlantic	3,586,248	3,947,576
Northeast	2,326,841	2,697,347
Pacific	1,768,630	1,954,934
Puerto Rico	23,755	28,549
South Atlantic	2,427,963	2,626,200
Southern California/Hawaii	1,052,252	1,100,021
Southwest	470,152	481,457
The Rocky Mountains	666,016	578,774
The Sun	1,928,008	1,830,318
Trinity	3,646,577	3,149,190
	26,444,817	27,981,246
Individuals and Other Church-Related	10,255,485	10,587,957
	$ 36,700,302	$ 38,569,203

Credit Risk: PCUSA, A Corporation maintains cash and cash equivalents with various financial institutions. At times, such cash and cash equivalents may be in excess of the FDIC insurance level. PCUSA, A Corporation has not experienced any losses in such accounts and management believes PCUSA, A Corporation is not exposed to any significant credit risks on cash and cash equivalents.

NOTE 13 – FAIR VALUE

United States generally accepted accounting principles (GAAP) define and establish a framework for measuring fair value and expand disclosures about fair value measurements. GAAP emphasizes fair value is a market-based measurement and enables the reader of the financial statements to assess the inputs used to develop those measurements by establishing a fair value hierarchy for ranking the quality and reliability of the information used to determine fair values. The assets and liabilities carried at fair value are classified and disclosed in one of the following three categories:

> Level 1: Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Valuations are obtained as of the measurement date from readily available pricing sources for market transactions involving identical assets or liabilities (market approach).

NOTE 13 – FAIR VALUE (Continued)

Level 2: Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from quoted prices by third party pricing sources for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated. The valuation methodology for Level 2 investments consists of both income and market approaches, as appropriate for the specific investment.

Level 3: Valuations for assets and liabilities are unobservable and significant. Valuations reflect management's best estimate of what market participants would use in pricing an asset or liability at the measurement date.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the categorization of the entire fair value measurement in the hierarchy.

Treasury bonds, equities and mutual funds are valued at the closing price reported in the active market in which the bonds are traded (Level 1 inputs). Corporate bonds and agency bonds are valued at quoted prices for identical or similar assets in non-active markets since these bonds trade infrequently (Level 2 inputs - market). Mortgage backed securities are valued using matrix pricing, which is a mathematical technique widely used to value debt securities without relying exclusively on quoted prices for the specific securities, but rather by relying on the securities' relationship to other benchmark quoted securities (Level 2 inputs - market).

The fair value of the certificates of deposit and equity investment and Presbyterian Investment and Loan denominational account receipts were recalculated by applying the interest rate to the initial investments, and no discounts for credit quality or liquidity were determined to be applicable (Level 2 inputs).

The investment in the unitized pool is managed by the Presbyterian Church (U.S.A.) Foundation. The investment objectives of the fund are to (1) provide a stream of relatively stable and constant earnings in support of annual budgetary needs and (2) preserve and enhance the real (inflation-adjusted) purchasing power of the fund. The Foundation's investment policy is documented in the Statement of Investment Policies and Objectives for the Endowment Fund amended November 14, 2013.

The underlying investments in the unitized pool are held in accordance with specific guidelines set forth by the Foundation and various targets have been established with regard to allowable investments purchased by the unitized pool. At December 31, 2016, the underlying investments of the unitized pool consist of the following asset classes:

	2016	2015
Stock	47%	47%
Fixed Income	21	17
Hedge Funds	19	25
Real Estate	10	8
Private Equity	3	3
	100%	100%

NOTE 13 – FAIR VALUE (Continued)

Withdrawals from the unitized pool are available within 90 days with prior written notice. Pursuant to U.S. GAAP, management has considered redemption restrictions to assess classification of the fair value inputs. As a result, unitized pool assets with redemption periods of 90 days or less are considered Level 2 fair value measurements.

The fair value of the beneficial interests in the perpetual trust assets (life income funds and funds held in trust by others) is based on a valuation model that calculates the present value of estimated distributed income. The valuation model incorporates the fair value of investment holdings, which are readily marketable securities valued at quoted prices and incorporates assumptions that market participants would use in estimating future distributed income. PCUSA, A Corporation is able to compare the valuation model inputs and results to widely available published industry data for reasonableness. PCUSA does not have the ability to redeem the investment within 90 days (Level 3 inputs - market).

Assets and Liabilities Measured on a Recurring Basis

Assets and liabilities measured at fair value on a recurring basis are summarized below for 2016 and 2015:

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2016				
Assets:				
Pooled investments held by the Foundation				
Beneficial interest in pooled investments	$ 365,814,939	$ -	$ 365,814,939	$ -
Other investments held by the Foundation				
Equities	2,522,400	2,522,400	-	-
Shares in New Covenant Mutual fund	4,800,301	4,800,301	-	-
Other investments				
Cash equivalents	1,287,081	1,287,081	-	-
U.S. treasury securities	15,327,693	15,327,693	-	-
U.S. agency securities	1,452,251	-	1,452,251	-
Corporate debt securities	24,879,456	-	24,879,456	-
Mortgage-backed securities	2,813,638	-	2,813,638	-
Equity securities	919,788	-	919,788	-
Presbyterian Investment and Loan denominational account receipts	8,012,545	-	8,012,545	-
Total investments	427,830,092	23,937,475	403,892,617	-
Beneficial interest in perpetual trusts	66,590,033	-	-	66,590,033
	$ 494,420,125	$ 23,937,475	$ 403,892,617	$ 66,590,033

(Continued)

NOTE 13 – FAIR VALUE (Continued)

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
2015				
Assets:				
Pooled investments held by the Foundation				
Beneficial interest in pooled investments	$ 368,495,240	$ -	$ 368,495,240	$ -
Other investments held by the Foundation				
Equities	2,072,222	2,072,222	-	-
Shares in New Covenant Mutual fund	4,234,932	4,234,932	-	-
Other investments				
Cash equivalents	783,783	783,783	-	-
U.S. treasury securities	17,745,064	17,745,064	-	-
U.S. agency securities	1,451,693	-	1,451,693	-
Corporate debt securities	23,861,860	-	23,861,860	
Mortgage-backed securities	1,864,302	-	1,864,302	-
Equity securities	680,841	-	680,841	-
Presbyterian Investment and Loan denominational account receipts	7,953,503	-	7,953,503	-
Total investments	429,143,440	24,836,001	404,307,439	-
Beneficial interest in perpetual trusts	65,131,447	-	-	65,131,447
	$ 494,274,887	$ 24,836,001	$ 404,307,439	$ 65,131,447

The table below presents a reconciliation of gains and losses for all assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the years ended December 31, 2016 and 2015:

	Beneficial Interest in Perpetual Trusts
Balance, January 1, 2015	$ 69,670,791
Total realized and unrealized gains and losses	(4,278,359)
Settlements	(260,985)
Balance, December 31, 2015	65,131,447
Total realized and unrealized gains and losses	1,895,512
Settlements	(436,926)
Balance, December 31, 2016	$ 66,590,033

There were no transfers during 2015 or 2016.

(Continued)

NOTE 14 – FUNCTIONAL CLASSIFICATION

A summary of PCUSA, A Corporation's operating expenses by functional classification for the years ended December 31, 2016 and 2015 is as follows:

	2016		2015	
	Amount	Percentage	Amount	Percentage
Program expenses	$ 74,086,763	84%	$ 76,277,966	87%
Management and general expenses	9,432,889	11	6,438,410	7
Fundraising expenses	4,747,623	5	5,355,557	6
	$ 88,267,275	100%	$ 88,071,933	100%

The amount of fundraising expenses as a percentage of funds raised was 13% and 14% for the years ended December 31, 2016 and 2015, respectively.

NOTE 15 – COMMITMENTS AND CONTINGENCIES

PCUSA, A Corporation holds and participates in a self-insurance fund that exists to provide a source of funds for that portion of certain losses not covered by commercial insurance to cover deductibles on commercial insurance and for certain classes of uninsured losses. Various General Assembly-level agencies and corporations are included in the Fund. The largest possible loss to be assumed in any one event or occurrence is $250,000, with $1,000,000 as the largest potential aggregate of all claims in a single calendar year.

The minimum balance of the self-insurance fund shall not fall below $5,000,000 as a result of claims paid. In the event this happens, an assessment will be made to the insured entities to return the fund to the $5,000,000 minimum balance. The assessment will be based on each insured entity's 5-year loss ratio. A 1% minimum assessment will be made by the entities that have not experienced any losses in the 5-year period. The balance of the Fund reflected as designated net assets by PCUSA, A Corporation was $6,102,565 and $5,816,027 at December 31, 2016 and 2015, respectively.

During the ordinary course of business, PCUSA, A Corporation is subject to pending and threatened legal actions. Management of PCUSA, A Corporation does not believe that any of these actions will have a material adverse effect on PCUSA, A Corporation's consolidated financial position or change in net assets.

NOTE 16 – RELATED PARTY TRANSACTIONS

Foundation

The Foundation provides certain investment, custodial, and deferred giving services to PCUSA, A Corporation. The Foundation recoups the cost of those services not covered from the income of its own endowment funds by quarterly charges against the investment pools in which the funds administered by the Foundation are invested. These charges were recovered from the principal and income of these pools. Such costs consist of salary and benefits; outside investment services; and other operating expenses.

(Continued)

NOTE 16 – RELATED PARTY TRANSACTIONS (Continued)

The income received by PCUSA, A Corporation from the Foundation is net of administrative fees of outside managers as described previously. PCUSA, A Corporation's investments and unrestricted and restricted endowment funds held by the Foundation on behalf of the General Assembly at December 31, 2016 and 2015, totaled approximately $373,000,000 and $375,000,000, respectively.

The Foundation's custodial cost recovery and investment management fees are assessed daily based on the prior day's market value against the total fund.

On June 21, 2014, an action was taken at the 221st General Assembly to transfer the Theological Education Fund (the "Fund") from the Presbyterian Mission Agency ("PMA") to the Presbyterian Church (U.S.A.) Foundation ("Foundation"). The Fund is to be managed, administered, and distributed by the Foundation for the benefit of seminaries related to the Presbyterian Church (U.S.A.) pursuant to a fund advisory agreement between the Foundation and the Presbyterian Church (U.S.A.), A Corporation, on behalf of the PMA and on behalf of the Committee on Theological Education ("COTE"). The fund agreement provides that future contributions to the Fund will be irrevocable contributions to the Foundation and distributed only as directed by COTE, effective January 1, 2015.

The Presbyterian Church (U.S.A.), A Corporation approved to transfer the operations of Ghost Ranch Education and Retreat Center to the National Ghost Ranch Foundation (NGRF), with responsibility being transferred to the Foundation's constituent corporation, the Board of Christian Education of the Presbyterian Church (U.S.A.) ("BCE"), effective December 31, 2016.

The programmatic work carried out on the site of the Ghost Ranch Education & Retreat Center is no longer within the purview of the Presbyterian Mission Agency. Net Assets of $1,543,154 were transferred to the Foundation. A loss of $9,082,788 was recognized with this transfer.

Board of National Missions

There are certain church loan funds whereby the fiduciary ownership belongs to the Board of National Missions, a constituent corporation of the Foundation. PCUSA, A Corporation is the disbursing agent for those funds under a limited power of attorney from the Foundation. Presbyterian Church (U.S.A) Investment and Loan Program, Inc. ("PILP") administers the Loan Program under an operating agreement with PCUSA, A Corporation. Accordingly, these funds are not reflected in the consolidated financial statements but are administered by PCUSA, A Corporation. These loan funds were approximately $247,000,000 and $241,000,000 at December 31, 2016 and 2015, respectively.

Board of Pensions

PCUSA, A Corporation served as a receiving agent for funds designated for the Board of Pensions. PCUSA, A Corporation received $1,149,266 and $1,221,638 from congregations for the years ended December 31, 2016 and 2015, of which $325,385 and $377,959 was yet to be remitted to the Board of Pensions.

NOTE 16 – RELATED PARTY TRANSACTIONS (Continued)

Presbyterian Church (U.S.A.) Investment and Loan Program, Inc.

PCUSA, A Corporation leases office space and provides administrative support to Presbyterian Church (U.S.A.) Investment and Loan Program, Inc. ("PILP") by contract. For the years ended December 31, 2016 and 2015, administrative support charged to PILP was $153,788 and $149,309, respectively. Office space charged to PILP was $61,599 and $59,805 for 2016 and 2015, respectively.

On June 29, 2000, PCUSA, A Corporation entered into an operating agreement with PILP under which PILP will provide administrative services (e.g., origination and loan servicing) for PCUSA, A Corporation's church loan program at cost in an effort to streamline the coordination process between PCUSA, A Corporation's church loan program and PILP's loan program. PCUSA, A Corporation reimbursed PILP $775,171 and $750,563 for the actual costs of such services during 2016 and 2015, respectively.

PCUSA, A Corporation and PILP have issued joint loans through participation agreements. For the years ended December 31, 2016 and 2015, total loans outstanding were $30,228,014 and $32,097,305, respectively, under these participation agreements.

PILP issued a secured loan to PCUSA, A Corporation for the benefit of the Presbyterian Historical Society during 2015. The balance was $306,940 and $306,954 as of December 31, 2016 and 2015, respectively. The terms of the agreement call for 120 payments, with an interest rate of 4.25% and a maturity date of February 1, 2027.

PCUSA, A Corporation has a current commitment, effective May 1, 2014, to PILP for five years to invest up to $5,000,000 in short and intermediate term accounts called denominational account receipts (DAR). As of December 31, 2016 and 2015, investments with PILP were $8,012,432 and $7,950,344, respectively. At December 31, 2016 and 2015, fixed interest rates ranged from 0.30% to 1.49% and 0.45% to 1.74%, respectively, and the adjustable rate ranged from 0.25% to 1.19% and 0.40% to 1.14%, respectively. For the year ended December 31, 2016, the Foundation did not invest with PILP from PCUSA, A Corporation's unrestricted endowment funds.

Presbyterian Publishing Corporation

PCUSA, A Corporation leases office space to Presbyterian Publishing Corporation ("PPC") under an operating lease. For the years ended December 31, 2016 and 2015, rental income was $161,278 and $156,676. PPC's lease expired at the end of 2014 and a new lease addendum was signed for 2015-2018.

Other related expenses charged to PPC for telephone, postage, and copy services were $49,849 and $50,554 in 2016 and 2015, respectively.

PPC pays PCUSA for supplemental warehousing and distribution services. Fees paid by PPC under this agreement in 2016 and 2015 were $27,549 and $25,756 for fulfillment fees and $102,928 and $130,776 for freight, respectively.

PPC publishes various pamphlets, magazines, and books for PCUSA, A Corporation during the year on a project-by-project basis. Expenses related to this type of work in 2016 and 2015 were $171,826 and $167,786, respectively. PPC also pays PCUSA, A Corporation for advertising space in various church publications. Advertising expense under such arrangements was $1,725 and $4,500 in 2016 and 2015, respectively

(Continued)

NOTE 16 – RELATED PARTY TRANSACTIONS (Continued)

Presbyterian Women

PCUSA, A Corporation provides office space and administrative services to the Presbyterian Women in the Presbyterian Church (U.S.A.), Inc. under an administrative services agreement. The services provided include, finance and accounting, distribution, legal and risk management, human resources, and information technology services.

For the years ended December 31, 2016 and 2015, the total amount received for rental income and administrative services were $345,190 and $360,720, respectively.

Insurance

PCUSA, A Corporation participates in commercial insurance programs, whereby premiums are negotiated and paid by PCUSA, A Corporation on behalf of all General Assembly entities. The Board of Pensions, Foundation, PILP, and PPC reimburse PCUSA, A Corporation for expenses paid on their behalf. Expenses incurred for commercial insurance paid by PCUSA, A Corporation and for which we have been reimbursed for December 31, 2016 and 2015:

	2016	2015
Foundation	$ 121,832	$ 118,463
Board of Pensions	458,110	505,679
PILP	90,600	89,150
PPC	88,102	87,466
	$ 758,644	$ 800,758

SUPPLEMENTAL INFORMATION

PRESBYTERIAN CHURCH (U.S.A.), A CORPORATION
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
December 31, 2016

	General Mission	Curriculum	Presbyterian Center Louisville/ Property and Equipment	Hubbard Press	Youth Triennium	Jinishian	Presbyterian Disaster Assistance	Self Development of People	Presbyterian Hunger Program
Assets									
Cash and cash equivalents	$ 9,435,171	$ -	$ -	$ 1,326	$ -	$ -	$ -	$ -	$ -
Beneficial interest in pooled investments held									
by the Foundation - short-term	30,068,606	-	1,134,456	-	-	102,376	-	-	-
Other investments and accrued income	35,038,684	-	-	1,439,898	-	189,669	10,960,106	920,711	1,283,664
Contributions receivable from congregations	3,761,319	-	-	-	-	-	-	-	-
Mortgages and loans on churches and manses,									
including accrued interest, net	-	-	-	-	-	-	-	2,697	-
Receivables from related entities, net	1,475,253	136,630	-	139,472	-	-	-	1,536	-
Due from/(to) other funds	(7,351,344)	360,360	1,902,552	183,692	3,628	330,848	878,451	8,663	(875,795)
Due from the Foundation	-	-	-	-	-	-	-	-	-
Other accounts receivable	24,980	-	-	13,257	-	-	-	-	-
Inventories, prepaid expenses and other assets	500,387	38,362	-	248,114	-	-	1,201	-	68,414
Property and equipment, net of accumulated depreciation	-	-	7,602,077	337,651	-	-	-	-	-
Beneficial interest in pooled investments held									
by the Foundation - long-term	275,285,456	-	-	-	-	29,140,744	-	-	-
Other investments held by Foundation	7,322,701	-	-	-	-	-	-	-	-
Beneficial interest in perpetual trusts	66,590,033	-	-	-	-	-	-	-	-
Total assets	$ 422,151,246	$ 535,352	$ 10,639,085	$ 2,363,410	$ 3,628	$ 29,763,637	$ 11,839,758	$ 933,607	$ 476,283
Liabilities and Net Assets									
Liabilities:									
Accounts payable and accrued expenses	$ 7,836,788	$ 587,130	$ -	$ 20,912	$ -	$ -	$ 9,198	$ -	$ -
Amounts received from congregations and designated									
for others	580,533	-	-	-	-	-	-	-	-
Amounts held for missionaries and committed for projects	6,038,036	-	-	-	-	77,308	-	226,700	-
Amount due to other agencies	3,758,596	-	-	-	-	-	-	-	-
Due to the Foundation	2,249,852	-	-	-	-	-	-	-	-
Deferred revenue	363,961	-	-	-	-	-	-	-	-
Other	1,946,831	-	-	115	-	-	-	-	-
Total liabilities	22,774,597	587,130	-	21,027	-	77,308	9,198	226,700	-
Net assets:									
Unrestricted									
Undesignated	(2,322,817)	-	-	-	-	-	-	-	-
Designated	11,267,218	(51,778)	10,639,085	2,342,383	3,628	-	-	-	-
Total unrestricted	8,944,401	(51,778)	10,639,085	2,342,383	3,628	-	-	-	-
Temporarily restricted	146,136,331	-	-	-	-	19,528,534	11,830,560	706,907	476,283
Permanently restricted	244,295,917	-	-	-	-	10,157,795	-	-	-
Total net assets	399,376,649	(51,778)	10,639,085	2,342,383	3,628	29,686,329	11,830,560	706,907	476,283
Total liabilities and net assets	$ 422,151,246	$ 535,352	$ 10,639,085	$ 2,363,410	$ 3,628	$ 29,763,637	$ 11,839,758	$ 933,607	$ 476,283

	Ghost Ranch	Santa Fe/Plaza Resolana	Stony Point	Specific Property	Self Insurance	Student Loans	Church Loans	Per Capita	Historical Society	Reclass/ Elimination	Total
Assets											
Cash and cash equivalents	$ -	$ -	$ 136,185	$ -	$ -	$ -	$ -	$ 322,023	$ 57,288	$ -	$ 9,951,993
Beneficial interest in pooled investments held											
by the Foundation - short-term	-	-	-	799,929	6,548,858	1,830,572	8,397,847	5,334,040	3,544,501	-	57,761,185
Other investments and accrued income	-	-	-	-	-	-	4,038,105	785,098	36,517	-	54,692,452
Contributions receivable from congregations	-	-	-	-	-	-	-	(93,190)	-	-	3,668,129
Mortgages and loans on churches and manses,											
including accrued interest, net	-	-	-	-	-	-	598,858	-	-	-	601,555
Receivables from related entities, net	-	-	223,460	-	-	1,199,402	-	1,101,132	160,000	(721,727)	3,715,158
Due from/(to) other funds	-	-	29,061	(46,598)	(446,292)	1,263,501	3,834,436	(815,118)	(277,096)	1,017,051	-
Due from the Foundation	-	-	-	-	-	-	-	-	-	-	-
Other accounts receivable	-	-	14,302	-	-	-	-	2,043	-	-	54,582
Inventories, prepaid expenses and other assets	-	-	73,994	-	-	-	-	82,479	-	-	1,012,951
Property and equipment, net of accumulated depreciation	-	387,471	1,952,986	-	-	-	-	179,649	1,007,450	-	11,467,284
Beneficial interest in pooled investments held											
by the Foundation - long-term	-	-	-	-	-	3,158,596	-	320,767	148,191	-	308,053,754
Other investments held by Foundation	-	-	-	-	-	-	-	-	-	-	7,322,701
Beneficial interest in perpetual trusts	-	-	-	-	-	-	-	-	-	-	66,590,033
Total assets	$ -	$ 387,471	$ 2,429,988	$ 753,331	$ 6,102,566	$ 7,452,071	$ 16,869,246	$ 7,218,923	$ 4,676,851	$ 295,324	$ 524,891,777
Liabilities and Net Assets											
Liabilities:											
Accounts payable and accrued expenses	$ -	$ -	$ 94,294	$ -	$ -	$ -	$ -	$ (2,434)	$ -	$ (581,714)	$ 7,964,174
Amounts received from congregations and designated											
for others	-	-	-	-	-	-	-	-	-	-	580,533
Amounts held for missionaries and committed for projects	-	-	135,397	-	-	-	-	-	-	-	6,477,441
Amount due to other agencies	-	-	-	-	-	-	-	-	-	-	3,758,596
Due to the Foundation	-	-	-	-	-	7,650	-	-	-	877,038	3,134,540
Deferred revenue	-	-	-	-	-	-	-	125	-	-	364,086
Other	-	-	-	-	-	-	-	14,303	-	-	1,961,249
Total liabilities	-	-	229,691	-	-	7,650	-	11,994	-	295,324	24,240,619
Net assets:											
Unrestricted											
Undesignated	-	-	-	-	-	-	-	5,725,657	-	-	3,402,840
Designated	-	387,471	2,176,569	753,331	6,102,566	-	1,309,581	1,130,332	2,887,621	-	38,948,007
Total unrestricted	-	387,471	2,176,569	753,331	6,102,566	-	1,309,581	6,855,989	2,887,621	-	42,350,847
Temporarily restricted	-	-	23,728	-	-	2,665,937	-	261,371	1,094,170	-	182,723,821
Permanently restricted	-	-	-	-	-	4,778,484	15,559,665	89,569	695,060	-	275,576,490
Total net assets	-	387,471	2,200,297	753,331	6,102,566	7,444,421	16,869,246	7,206,929	4,676,851	-	500,651,158
Total liabilities and net assets	$ -	$ 387,471	$ 2,429,988	$ 753,331	$ 6,102,566	$ 7,452,071	$ 16,869,246	$ 7,218,923	$ 4,676,851	$ 295,324	$ 524,891,777

PRESBYTERIAN CHURCH (U.S.A.), A CORPORATION
CONSOLIDATED OF ACTIVITIES AND CHANGES IN NET ASSETS
Year ended December 31, 2016

	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	Santa Fe/Plaza Resolana	Stony Point	Specific Property	Self Insurance	Student Loans	Church Loans	Per Capita	Historical Society	Reclass/ Elimination	Total
Revenues, Gains, and Other Support																				
Contributions																				
Congregations	$ 10,160,633	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$11,707,698	$ -	$ -	$ 21,868,331
Gifts, bequests and grants	4,207,991	-	-	-	-	43,460	-	-	-	589,862	-	293,528	-	-	-	-	25	406,878	(75,000)	5,466,744
Special giving and special offering	13,872,806	-	-	-	-	-	5,947,107	1,471,643	1,864,434	-	-	-	-	-	-	-	-	-	-	23,155,990
Total contributions	28,241,430	-	-	-	-	43,460	5,947,107	1,471,643	1,864,434	589,862	-	293,528	-	-	-	-	11,707,723	406,878	(75,000)	50,491,065
Investment return																				
Income from endowments held by Foundation	3,605,720	-	12,392	-	-	282,131	-	-	-	18,389	-	-	11,039	72,996	16,597	60,447	20,655	216,297	-	4,316,663
Income on investments	961,803	-	-	14,471	-	2,631	152,610	23,506	12,807	-	-	596	-	-	-	38,101	28,820	403	-	1,235,748
Realized net gain/loss	8,142,929	-	-	-	-	1,011,326	-	-	-	-	-	-	-	-	63,535	-	-	14,002	-	9,231,792
Unrealized net gain/loss	(847,880)		36,250			(90,376)	(25,450)	(5,601)	(7,712)	(19,509)	-	-	12,871	208,864	56,559	86,295	177,328	(95,613)	-	(513,974)
Changes in value of beneficial interest	1,273,503	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,273,503
Total investment return	13,136,075	-	48,642	14,471	-	1,205,712	127,160	17,905	5,095	(1,120)	-	596	23,910	281,860	136,691	184,843	226,803	135,089	-	15,543,732
Interest income from loans	-	-	-	-	-	-	-	-	-	-	-	-	283	-	46,489	33,499	-	-	-	80,271
Hubbard Press	-	-	-	1,314,101	-	-	-	-	-	-	-		-			-		-	-	1,314,101
Sales of resources and services	1,296,075	1,332,427	-	-	-	-	1,286	-	3,172	503,356	-	60,226	-	-	-	-	239,725	32,052	-	3,468,319
Program services	7,621,252	-	10,700	-	2,053,968	-	-	-	-	4,165,483	-	1,926,392	-	-	-	-	12,294	54,364	(585,236)	15,259,217
Other	1,427,388	254,133	915,727	15,735	(290,006)	(36,027)	(1,099,293)	(11,799)	(359,559)	2,450,955	387,471	(22,424)	(15,002)	(76,332)	(299,050)	7,452	1,004,566	-	(900,000)	3,353,935
Total revenues, gains and other support	51,722,220	1,586,560	975,069	1,344,307	1,763,962	1,213,145	4,976,260	1,477,749	1,513,142	7,708,536	387,471	2,258,318	9,191	205,528	(115,870)	225,794	13,191,111	628,383	(1,560,236)	89,510,640
Expenses:																				
Cost of sales	328,793	403,752	-	197,383	-	-	-	-	6,247	231,982	-	-	-	-	-	-	605	-	-	1,168,762
Salaries and benefits	29,613,179	943,709	-	645,539	35,155	169,029	971,417	650,672	607,035	2,981,264	-	1,253,781	-	-	-	-	5,447,713	511,153	-	43,829,646
Travel	1,113,844	33,823	-	410	-	14,003	173,097	12,627	36,299	8,113	-	12,085	-	-	-	-	1,926,595	1,724	-	3,332,620
Meetings	570,012	4,669	-	-	-	3,219	17,374	70,225	12,482	9,696	-	1,585	-	-	-	-	723,057	-	-	1,412,319
Administration	5,596,446	150,362	86	305,358	-	14,401	57,541	14,198	22,114	952,133	-	(1,925,573)	15,095	(81,010)	-	-	2,360,716	155,824	2,004,569	9,642,260
Depreciation	-	-	1,199,962	72,869		-	-	-	-	298,721	-	88,787	-		-	-	35,930	179,979	-	1,876,248
Program	4,381,540	94,024	-	384	1,728,807	7,795	686,947	1,772	20,509	1,316,774	-	333,344	-	-	-	-	4,786,597	54,142	(1,560,236)	11,852,399
Resource development	171,446	-	-	-	-	5,378	84,023	-	7,472	-	-	-	-	-	-	-	-	-	-	268,319
Grants	8,277,830	-	-	-	-	1,076,000	3,995,063	376,619	1,159,190	-	-	-	-	-	-	-	-	-	-	14,884,702
Total expenses	50,053,090	1,630,339	1,200,048	1,221,943	1,763,962	1,289,825	5,985,462	1,126,113	1,871,348	5,798,683	-	(235,991)	15,095	(81,010)	-	-	15,281,213	902,822	444,333	88,267,275
Change in net assets before transfers	1,669,130	(43,779)	(224,979)	122,364	-	(76,680)	(1,009,202)	351,636	(358,206)	1,909,853	387,471	2,494,309	(5,904)	286,538	(115,870)	225,794	(2,090,102)	(274,439)	(2,004,569)	1,243,365
Ghost Ranch transfer of operations	(3,228,922)	-	-	-	-	-	-	-	-	(5,853,866)	-	-	-	-	-	-	-	-	-	(9,082,788)
Change in net assets after transfers	(1,559,792)	(43,779)	(224,979)	122,364	-	(76,680)	(1,009,202)	351,636	(358,206)	(3,944,013)	387,471	2,494,309	(5,904)	286,538	(115,870)	225,794	(2,090,102)	(274,439)	(2,004,569)	(7,839,423)
Beginning net assets	400,936,441	(7,999)	10,864,064	2,220,019	3,628	29,763,009	12,839,762	355,271	834,489	3,944,013	-	(294,012)	759,235	5,816,028	7,560,291	16,643,452	9,297,031	4,951,290	2,004,569	508,490,581
Net surplus/(deficit)	(1,559,792)	(43,779)	(224,979)	122,364	-	(76,680)	(1,009,202)	351,636	(358,206)	(3,944,013)	387,471	2,494,309	(5,904)	286,538	(115,870)	225,794	(2,090,102)	(274,439)	(2,004,569)	(7,839,423)
Ending net assets	$ 399,376,649	$ (51,778)	$10,639,085	$2,342,383	$ 3,628	$29,686,329	$11,830,560	$ 706,907	$ 476,283	$ -	$ 387,471	$2,200,297	$753,331	$6,102,566	$7,444,421	$16,869,246	$ 7,206,929	$4,676,851	$ -	$ 500,651,158