

**FIRST UNITED METHODIST CHURCH
OF FORT WORTH**

Fort Worth, Texas

Consolidated Financial Statements

Years Ended December 31, 2017 and 2016

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Consolidated Financial Statements
Years Ended December 31, 2017 and 2016

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INDEPENDENT AUDITORS' REPORT

To the Finance and Audit Committees
First United Methodist Church of Fort Worth

We have audited the accompanying consolidated financial statements of First United Methodist Church of Fort Worth (the "Church"), which comprise the consolidated statements of financial position as of December 31, 2017 and 2016, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated 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.

Auditors' 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 financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Church's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Church's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of First United Methodist Church of Fort Worth as of December 31, 2017 and 2016, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information on pages 14 – 17 is presented for purposes of additional analysis and is 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.

PSK LLP

Arlington, Texas
June 27, 2018

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Consolidated Statements of Financial Position

December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Cash	\$ 8,370,355	\$ 7,675,402
Accounts receivable	12,898	1,946
Prepaid expenses	39,208	44,077
Property and equipment, net	11,414,507	11,419,905
Investments	81,735	72,782
Beneficial interest in charitable trusts	<u>1,168,730</u>	<u>1,049,297</u>
Total assets	<u>\$ 21,087,433</u>	<u>\$ 20,263,409</u>
LIABILITIES AND NET ASSETS		
Accounts payable and accrued expenses	\$ 194,545	\$ 273,652
Funds held for others	68,581	71,531
Deferred income	<u>68,772</u>	<u>69,819</u>
Total liabilities	<u>331,898</u>	<u>415,002</u>
Net assets		
Unrestricted		
Undesignated	11,318,829	11,259,928
Designated	<u>6,436,686</u>	<u>5,888,712</u>
	17,755,515	17,148,640
Temporarily restricted	2,896,953	2,596,700
Permanently restricted	<u>103,067</u>	<u>103,067</u>
Total net assets	<u>20,755,535</u>	<u>19,848,407</u>
Total liabilities and net assets	<u>\$ 21,087,433</u>	<u>\$ 20,263,409</u>

The accompanying notes are an integral part of these consolidated financial statements.

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Consolidated Statement of Activities

Year Ended December 31, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Revenues and other support:				
Contributions	\$ 5,536,012	\$ 1,594,429	\$ -	\$ 7,130,441
Program fees	1,038,869	-	-	1,038,869
Net unrealized and realized gain	-	131,885	-	131,885
Other revenue	294,611	53,262	-	347,873
Net assets released from restrictions	<u>1,479,323</u>	<u>(1,479,323)</u>	<u>-</u>	<u>-</u>
Total revenues and other support	<u>8,348,815</u>	<u>300,253</u>	<u>-</u>	<u>8,649,068</u>
Expenses:				
Program services	6,273,984	-	-	6,273,984
General and administrative	988,098	-	-	988,098
Depreciation	<u>479,858</u>	<u>-</u>	<u>-</u>	<u>479,858</u>
Total expenses	<u>7,741,940</u>	<u>-</u>	<u>-</u>	<u>7,741,940</u>
Change in net assets	606,875	300,253	-	907,128
Net assets at beginning of year	<u>17,148,640</u>	<u>2,596,700</u>	<u>103,067</u>	<u>19,848,407</u>
Net assets at end of year	<u>\$ 17,755,515</u>	<u>\$ 2,896,953</u>	<u>\$ 103,067</u>	<u>\$ 20,755,535</u>

The accompanying notes are an integral part of these consolidated financial statements.

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Consolidated Statement of Activities

Year Ended December 31, 2016

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues and other support:				
Contributions	\$ 7,075,818	\$ 1,319,988	\$ -	\$ 8,395,806
Program fees	1,065,912	-	-	1,065,912
Net unrealized and realized gain	-	15,730	-	15,730
Other revenue	256,319	8,066	-	264,385
Net assets released from restrictions	<u>1,180,068</u>	<u>(1,180,068)</u>	<u>-</u>	<u>-</u>
Total revenues and other support	<u>9,578,117</u>	<u>163,716</u>	<u>-</u>	<u>9,741,833</u>
Expenses:				
Program services	5,668,096	-	-	5,668,096
General and administrative	1,006,442	-	-	1,006,442
Depreciation	<u>528,690</u>	<u>-</u>	<u>-</u>	<u>528,690</u>
Total expenses	<u>7,203,228</u>	<u>-</u>	<u>-</u>	<u>7,203,228</u>
Change in net assets	2,374,889	163,716	-	2,538,605
Net assets at beginning of year	<u>14,773,751</u>	<u>2,432,984</u>	<u>103,067</u>	<u>17,309,802</u>
Net assets at end of year	<u>\$ 17,148,640</u>	<u>\$ 2,596,700</u>	<u>\$ 103,067</u>	<u>\$ 19,848,407</u>

The accompanying notes are an integral part of these consolidated financial statements.

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Consolidated Statements of Cash Flows
 Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Change in net assets	\$ 907,128	\$ 2,538,605
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	479,858	528,690
Net unrealized and realized gain	(131,885)	(15,730)
Contributions restricted for building and improvements	(400)	(3,000)
(Increase) decrease in assets:		
Accounts receivable	(10,952)	(706)
Prepaid expenses	4,869	(11,456)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(79,107)	26,546
Funds held for others	(2,950)	9,026
Deferred income	<u>(1,047)</u>	<u>13,760</u>
Net cash provided by operating activities	<u>1,165,514</u>	<u>3,085,735</u>
Cash flows from investing activities:		
Purchases of property and equipment	(474,460)	(971,653)
Proceeds received on sale of investments	<u>3,499</u>	<u>2,800</u>
Net cash used in investing activities	<u>(470,961)</u>	<u>(968,853)</u>
Cash flows from financing activities:		
Contributions restricted for building and improvements	<u>400</u>	<u>3,000</u>
Change in cash	694,953	2,119,882
Cash at beginning of year	<u>7,675,402</u>	<u>5,555,520</u>
Cash at end of year	<u>\$ 8,370,355</u>	<u>\$ 7,675,402</u>

The accompanying notes are an integral part of these consolidated financial statements.

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Notes to Consolidated Financial Statements

1 - Organization and Nature of Activities

First United Methodist Church of Fort Worth (the “Church”), a Texas nonprofit corporation, serves various charitable, educational, religious and/or missionary undertakings. The majority of the Church's revenues and support are contributed by its members who reside in the greater Fort Worth area.

The Church extends its ministry through another nonprofit entity, the First Street Methodist Mission, (the “Mission”). The Mission is affiliated with the Church as a result of management and financial control. The financial statements of this entity are consolidated with the financial statements of the Church. All inter-company transactions have been eliminated. The Church and Mission are exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code as other than a private foundation.

2 - Significant Accounting Policies

Basis of Accounting - The consolidated financial statements of the Church have been prepared on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when the obligation is incurred. The consolidated financial statements of the Church have been prepared using accounting principles generally accepted in the United States of America.

Basis of Presentation - As required by the Not-for-Profit Entities Classification of Net Assets topic of the Financial Accounting Standards Board *Accounting Standards Codification* (“FASB ASC”), the Church reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

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

All donor-restricted contributions are reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Cash Equivalents - The Church considers all short-term investments with an original maturity of three months or less to be cash equivalents.

Property and Equipment - It is the Church’s policy to capitalize purchases of property and equipment over \$10,000. Property and equipment are recorded at cost, if purchased, and fair market value at date of donation, if contributed. Land, buildings, improvements and equipment on hand prior to March 31, 1986 are stated at estimated value based upon insurance values and appraisal district valuations as of that date. Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets as follows:

Building and improvements	7 to 40	years
Furniture, fixtures and equipment	3 to 10	years
Vehicles	5	years

Donated Assets - Donated marketable securities and other noncash donations are recorded as contributions at their estimated fair values at the date of donation.

Compensated Absences - Employees of the Church, administrative and ministerial, are entitled to paid vacation depending upon length of service and other factors. Any unused vacation benefits expire at the end of each calendar year. Accordingly, no liability has been recorded in the accompanying consolidated financial statements. The Church’s policy is to recognize the cost of compensated absences when paid to employees.

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Notes to Consolidated Financial Statements

2 - Significant Accounting Policies (continued)

Investment Policy - Certain investments are held by a trustee, who is responsible for all investment decisions, managing the trust and determining the strategy to achieve objectives per the provisions of the trust document. The Church has a beneficial interest in the assets held by the trustee.

The Board of Trustees of the Church has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. The State and the Church have both adopted UPMIFA. As a result of this interpretation, the Church classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Church in a manner consistent with the standard of prudence prescribed by UPMIFA.

Funds with Deficiencies - From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or UPMIFA requires the Church to retain as a fund of perpetual duration. In accordance with Generally Accepted Accounting Principles (“GAAP”), deficiencies of this nature are reported in unrestricted net assets. The Church’s endowment did not have a deficiency as of December 31, 2017 and 2016.

Use of Estimates - Management used estimates and assumptions in preparing these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

Concentrations of Credit Risk - The Church maintains deposits with highly reputable financial institutions, which at times are in excess of the federally insured limit. It is the opinion of management that the solvency of the financial institutions is sufficient to cover any related exposure.

Income Taxes - The Church follows the Income Taxes topic of the FASB ASC, which prescribes a comprehensive model for the financial statement recognition, measurement, presentation and disclosure of uncertain tax positions taken or expected to be taken in income tax returns. The Church is not aware of any activities that would jeopardize its tax-exempt status and is not aware of any activities that are subject to tax on unrelated business income, other than those reported on Form 990T. As of December 31, 2017, the Church has no uncertain tax positions that qualify for either recognition or disclosure in the consolidated financial statements and does not expect this to change in the next twelve months. The 2013 through 2017 tax years remain subject to examination by the Internal Revenue Service.

Subsequent Events - Subsequent events have been evaluated through June 27, 2018, which is the date the consolidated financial statements were available to be issued.

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Notes to Consolidated Financial Statements

3 - Property and Equipment

The following is a summary of property and equipment in service as of December 31:

	<u>2017</u>	<u>2016</u>
Land	\$ 4,090,066	\$ 4,090,066
Buildings and improvements	22,291,651	21,642,317
Furniture, fixtures and equipment	3,479,247	3,459,161
Vehicles	92,544	92,544
Construction in progress	<u>207,844</u>	<u>402,803</u>
	30,161,352	29,686,891
Less accumulated depreciation	<u>(18,746,845)</u>	<u>(18,266,986)</u>
Net property and equipment	<u>\$ 11,414,507</u>	<u>\$ 11,419,905</u>

Depreciation expense for the years ended December 31, 2017 and 2016 amounted to \$479,858 and \$528,690, respectively.

4 - Beneficial Interest in Charitable Trusts

The Church received a 10% split interest in a perpetual trust established from the bequest of Sheila E. Allen (the "Allen Trust") and is entitled to receive, into perpetuity, its proportionate share of the annual net investment income earned from trust assets. The assets are held in trust by a bank who is the trustee of the Allen Trust. Because the present value of the future cash flows from the trust cannot be reasonably determined, the reported value of the Church's beneficial interest is measured by its share of the fair value of the trust's assets, which amounted to \$201,854 and \$178,845 at December 31, 2017 and 2016, respectively.

The income distributed from the Allen Trust is to be used to maintain and preserve Church buildings; and in accordance with the enactment of UPMIFA and the trust document, it is included in temporarily restricted net assets until appropriated for expenditure. The Church's share of trust distributions amounted to approximately \$9,000 and \$9,000 for 2017 and 2016, respectively.

The Church received a beneficial interest in a testamentary trust established from the bequest of Saul B. Sells known as the Helen F. Sells Charitable Trust (the "Sells Trust") and is entitled to receive its proportionate share of the annual net investment income earned from trust assets until such time that the trust terminates. The assets are held in trust by a bank who is the trustee of the Sells Trust. Because the present value of the future cash flows from the trust cannot be reasonably determined, the reported value of the Church's beneficial interest is measured by its share of the fair value of the trust's assets, which amounted to \$966,876 and \$870,452 at December 31, 2017 and 2016, respectively.

The income distributed from the Sells Trust is to be used for the care, feeding and clothing of needy individuals in Tarrant County and is included in temporarily restricted net assets until appropriated for expenditure. Distributions received by the Church for 2017 and 2016 amounted to approximately \$45,000 and \$36,000, respectively.

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Notes to Consolidated Financial Statements

5 - Fair Value Measurements

The Church follows the Fair Value Measurements topic of the FASB ASC for all financial assets and liabilities measured at fair value on a recurring basis. The topic establishes a framework for measuring fair value and enhances disclosure requirements for fair value measurements. The topic defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The topic establishes market or observable inputs as the preferred sources of values, followed by assumptions based on hypothetical transactions in the absence of market inputs. The topic establishes a hierarchy for grouping these assets and liabilities, based on the significance level of the following inputs:

Level I – Quoted prices in active markets for identical assets or liabilities.

Level II – Quoted prices in active markets for similar assets and liabilities, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations whose inputs are observable or whose significant drivers are observable.

Level III – Significant inputs to the valuation model are unobservable.

The table below summarizes the investments and beneficial interest in charitable trusts by level as of December 31, 2017 and 2016:

	Assets at Fair Value as of December 31, 2017			
	Level I	Level II	Level III	Total
Investments - equity mutual funds	\$ 81,735	\$ -	\$ -	\$ 81,735
Beneficial interest in charitable trusts				
Sheila E. Allen Trust	187,121	14,733	-	201,854
Saul B. Sells Trust	<u>863,614</u>	<u>103,262</u>	<u>-</u>	<u>966,876</u>
Total assets at fair value	<u>\$ 1,132,470</u>	<u>\$ 117,995</u>	<u>\$ -</u>	<u>\$ 1,250,465</u>
	Assets at Fair Value as of December 31, 2016			
	Level I	Level II	Level III	Total
Investments - equity mutual funds	\$ 72,782	\$ -	\$ -	\$ 72,782
Beneficial interest in charitable trusts				
Sheila E. Allen Trust	168,246	10,599	-	178,845
Saul B. Sells Trust	<u>732,840</u>	<u>137,612</u>	<u>-</u>	<u>870,452</u>
Total assets at fair value	<u>\$ 973,868</u>	<u>\$ 148,211</u>	<u>\$ -</u>	<u>\$ 1,122,079</u>

The beneficial interest in charitable trusts and are carried at fair value based on information obtained from the trustees regarding the trust holdings, the value of these holdings and other pertinent information. The trusts have invested in a diversified portfolio with an emphasis on domestic common stocks and mutual funds. In addition, investments have been made in international common stocks and mutual funds, domestic and international fixed income securities and structured alternative investments. Level I investments include cash, equities, fixed income and other tangible assets. Level II investments include hedge funds, real estate, and alternative investments.

Investments are also recorded at fair value and include money market funds and mutual funds that are valued using quoted prices on nationally recognized securities exchanges.

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Notes to Consolidated Financial Statements

6 - Related Parties

The Methodist Justice Ministry (“MJM”) is organized to provide free legal advice and representation to people in the community whose incomes are at 125% or less of federal poverty guidelines. MJM is self funded although funds have been contributed to MJM by members of the Church.

The First Methodist Church of Fort Worth Foundation, Inc. (the “Foundation”) is organized to receive and preserve gifts and bequests which are intended to benefit the Church and to support and assist in carrying out the purposes and programs of the Church.

The Church has determined not to include the net assets and operating results of MJM or the Foundation in these consolidated financial statements as control of these organizations does not exist through a majority voting interest or board representation.

A summary of financial data of the Foundation at December 31, 2017 and 2016 follows:

	<u>2017</u>	<u>2016</u>
Total assets	\$ 66,367,353	\$ 59,742,036
Total liabilities	<u>208,742</u>	<u>185,330</u>
Net assets	<u>\$ 66,158,611</u>	<u>\$ 59,556,706</u>

The Church received contributions from the Foundation as follows:

	<u>2017</u>	<u>2016</u>
Unrestricted cash contributions	\$ 400,000	\$ 400,000
Restricted/designated cash contributions	<u>1,764,434</u>	<u>1,614,604</u>
	<u>\$ 2,164,434</u>	<u>\$ 2,014,604</u>

7 - Restrictions on Net Assets

Temporarily restricted net assets relate to funds contributed to the Church for future program expense and property acquisitions:

	<u>2017</u>	<u>2016</u>
Property acquisitions	\$ 3,400	\$ 62,756
Program expenses	1,213,486	1,298,699
Advance pledges	532,669	216,233
Investments	81,735	72,782
Beneficial interest in testamentary trust	966,876	870,452
Beneficial interest in perpetual trust	<u>98,787</u>	<u>75,778</u>
	<u>\$ 2,896,953</u>	<u>\$ 2,596,700</u>

FIRST UNITED METHODIST CHURCH OF FORT WORTH
Notes to Consolidated Financial Statements

7 - Restrictions on Net Assets (continued)

Permanently restricted net assets consist of the following:

	2017	2016
Beneficial interest in perpetual trust	\$ 103,067	\$ 103,067

The income from the permanently restricted net assets may be used to support specific program services. The income is recorded as temporarily restricted until distributed by the Trustee and used by the Church.

8 - Endowment Funds

Changes in endowment net assets for the years ended December 31, 2017 and 2016 are as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, December 31, 2016	\$ -	\$ 75,778	\$ 103,067	\$ 178,845
Net appreciation (realized and unrealized)	-	23,009	-	23,009
Endowment net assets, December 31, 2017	\$ -	\$ 98,787	\$ 103,067	\$ 201,854
Endowment net assets, December 31, 2015	\$ -	\$ 76,148	\$ 103,067	\$ 179,215
Net depreciation (realized and unrealized)	-	(370)	-	(370)
Endowment net assets, December 31, 2016	\$ -	\$ 75,778	\$ 103,067	\$ 178,845

9 - Retirement Plan

The Church participates in two retirement plans of the General Board of Pensions of the United Methodist Church. A defined benefit plan is available only to clergy, and the Church contributes toward this plan amounts determined by the Central Texas Conference of the United Methodist Church. A defined contribution plan is available to both clergy and lay employees. For lay employees, the Church contributed 3% of participating employees' compensation annually. For clergy, the Church also contributed 3% of participating clergy persons' compensation annually. For the years ended December 31, 2017 and 2016, pension expense was \$146,895 and \$151,486, respectively.

FIRST UNITED METHODIST CHURCH OF FORT WORTH
Notes to Consolidated Financial Statements

10 - Commitments and Contingencies

The Church has entered into various operating lease agreements for office equipment. Total operating lease expense for the years ended December 31, 2017 and 2016 was \$39,384 and \$34,667, respectively.

On October 6, 2004, the Church leased 170 striped parking spaces, owned by the Church, to a third party. The lease was renewed on November 30, 2014, for an additional 36 months. As of December 31, 2017, the lease exists on a month-to-month basis.

Future minimum lease payments on operating leases are as follows:

	Rental Payments
2018	\$ 39,384
2019	14,736

SUPPLEMENTARY INFORMATION

FIRST UNITED METHODIST CHURCH OF FORT WORTH
 Consolidating Statement of Financial Position - By Fund
 December 31, 2017

	Budget	Designated	Temporarily Restricted	Permanently Restricted	Weekday	Mission	Total
ASSETS							
Cash	\$ 8,060	\$ 6,436,686	\$ 1,443,506	\$ -	\$ 184,545	\$ 297,558	\$ 8,370,355
Accounts receivable	12,898	-	-	-	-	-	12,898
Prepaid expenses	39,208	-	-	-	-	-	39,208
Property and equipment, net	11,414,507	-	-	-	-	-	11,414,507
Investments	-	-	81,735	-	-	-	81,735
Beneficial interest in charitable trusts	-	-	966,876	201,854	-	-	1,168,730
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$ 11,474,673</u>	<u>\$ 6,436,686</u>	<u>\$ 2,492,117</u>	<u>\$ 201,854</u>	<u>\$ 184,545</u>	<u>\$ 297,558</u>	<u>\$ 21,087,433</u>
LIABILITIES AND NET ASSETS							
Accounts payable and accrued expenses	\$ 161,600	\$ -	\$ 30,985	\$ -	\$ -	\$ 1,960	\$ 194,545
Funds held for others	-	-	68,581	-	-	-	68,581
Deferred income	15,653	-	-	-	53,119	-	68,772
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>177,253</u>	<u>-</u>	<u>99,566</u>	<u>-</u>	<u>53,119</u>	<u>1,960</u>	<u>331,898</u>
Net assets							
Unrestricted							
Undesignated	11,297,420	-	-	-	21,409	-	11,318,829
Designated	-	6,436,686	-	-	-	-	6,436,686
	<u>11,297,420</u>	<u>6,436,686</u>	<u>-</u>	<u>-</u>	<u>21,409</u>	<u>-</u>	<u>17,755,515</u>
Temporarily restricted	-	-	2,392,551	98,787	110,017	295,598	2,896,953
Permanently restricted	-	-	-	103,067	-	-	103,067
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total net assets	<u>11,297,420</u>	<u>6,436,686</u>	<u>2,392,551</u>	<u>201,854</u>	<u>131,426</u>	<u>295,598</u>	<u>20,755,535</u>
Total liabilities and net assets	<u>\$ 11,474,673</u>	<u>\$ 6,436,686</u>	<u>\$ 2,492,117</u>	<u>\$ 201,854</u>	<u>\$ 184,545</u>	<u>\$ 297,558</u>	<u>\$ 21,087,433</u>

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Consolidating Statement of Activities - By Fund

Year Ended December 31, 2017

	<u>Budget</u>	<u>Designated</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Weekday</u>	<u>Mission</u>	<u>Total</u>
Revenues and other support:							
Contributions	\$ 3,511,832	\$ 2,024,180	\$ 1,032,677	\$ -	\$ -	\$ 561,752	\$ 7,130,441
Program fees	-	-	-	-	1,038,869	-	1,038,869
Net unrealized and realized gain	-	-	108,876	23,009	-	-	131,885
Other revenue	294,611	-	53,262	-	-	-	347,873
Interfund transfers	<u>1,997,818</u>	<u>(1,473,402)</u>	<u>(539,310)</u>	<u>-</u>	<u>-</u>	<u>14,894</u>	<u>-</u>
Total revenues and other support	<u>5,804,261</u>	<u>550,778</u>	<u>655,505</u>	<u>23,009</u>	<u>1,038,869</u>	<u>576,646</u>	<u>8,649,068</u>
Expenses:							
Program services	4,231,151	2,804	370,754	-	1,085,122	584,153	6,273,984
General and administrative	988,098	-	-	-	-	-	988,098
Depreciation	<u>479,858</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>479,858</u>
Total expenses	<u>5,699,107</u>	<u>2,804</u>	<u>370,754</u>	<u>-</u>	<u>1,085,122</u>	<u>584,153</u>	<u>7,741,940</u>
Change in net assets	105,154	547,974	284,751	23,009	(46,253)	(7,507)	907,128
Net assets at beginning of year	<u>11,192,266</u>	<u>5,888,712</u>	<u>2,107,800</u>	<u>178,845</u>	<u>177,679</u>	<u>303,105</u>	<u>19,848,407</u>
Net assets at end of year	<u>\$ 11,297,420</u>	<u>\$ 6,436,686</u>	<u>\$ 2,392,551</u>	<u>\$ 201,854</u>	<u>\$ 131,426</u>	<u>\$ 295,598</u>	<u>\$ 20,755,535</u>

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Consolidating Statement of Financial Position - By Fund

December 31, 2016

	Budget	First 7th	Designated	Temporarily Restricted	Permanently Restricted	Weekday	Mission	Total
ASSETS								
Cash	\$ -	\$ -	\$ 5,888,712	\$ 1,249,448	\$ -	\$ 230,307	\$ 306,935	\$ 7,675,402
Accounts receivable	1,946	-	-	-	-	-	-	1,946
Prepaid expenses	44,077	-	-	-	-	-	-	44,077
Property and equipment, net	11,419,905	-	-	-	-	-	-	11,419,905
Investments	-	-	-	72,782	-	-	-	72,782
Beneficial interest in charitable trusts	-	-	-	870,452	178,845	-	-	1,049,297
Total assets	\$ 11,465,928	\$ -	\$ 5,888,712	\$ 2,192,682	\$ 178,845	\$ 230,307	\$ 306,935	\$ 20,263,409
LIABILITIES AND NET ASSETS								
Accounts payable and accrued expenses	\$ 254,297	\$ -	\$ -	\$ 13,351	\$ -	\$ 2,174	\$ 3,830	\$ 273,652
Funds held for others	-	-	-	71,531	-	-	-	71,531
Deferred income	19,365	-	-	-	-	50,454	-	69,819
Total liabilities	273,662	-	-	84,882	-	52,628	3,830	415,002
Net assets								
Unrestricted								
Undesignated	11,192,266	-	-	-	-	67,662	-	11,259,928
Designated	-	-	5,888,712	-	-	-	-	5,888,712
	11,192,266	-	5,888,712	-	-	67,662	-	17,148,640
Temporarily restricted	-	-	-	2,107,800	75,778	110,017	303,105	2,596,700
Permanently restricted	-	-	-	-	103,067	-	-	103,067
Total net assets	11,192,266	-	5,888,712	2,107,800	178,845	177,679	303,105	19,848,407
Total liabilities and net assets	\$ 11,465,928	\$ -	\$ 5,888,712	\$ 2,192,682	\$ 178,845	\$ 230,307	\$ 306,935	\$ 20,263,409

FIRST UNITED METHODIST CHURCH OF FORT WORTH

Consolidating Statement of Activities - By Fund

Year Ended December 31, 2016

	Budget	First 7th	Designated	Temporarily Restricted	Permanently Restricted	Weekday	Mission	Total
Revenues and other support:								
Contributions	\$ 4,224,357	\$ 4,717	\$ 2,846,744	\$ 936,339	\$ -	\$ -	\$ 383,649	\$ 8,395,806
Program fees	-	-	-	-	-	1,065,912	-	1,065,912
Net unrealized and realized gain (loss)	-	-	-	16,100	(370)	-	-	15,730
Other revenue	305,158	(48,839)	-	8,066	-	-	-	264,385
Interfund transfers	<u>1,528,662</u>	<u>-</u>	<u>(1,040,026)</u>	<u>(393,593)</u>	<u>-</u>	<u>-</u>	<u>(95,043)</u>	<u>-</u>
 Total revenues and other support	 <u>6,058,177</u>	 <u>(44,122)</u>	 <u>1,806,718</u>	 <u>566,912</u>	 <u>(370)</u>	 <u>1,065,912</u>	 <u>288,606</u>	 <u>9,741,833</u>
Expenses:								
Program services	4,123,424	6,563	(209,178)	174,933	-	1,022,097	550,257	5,668,096
General and administrative	1,006,442	-	-	-	-	-	-	1,006,442
Depreciation	<u>528,690</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>528,690</u>
 Total expenses	 <u>5,658,556</u>	 <u>6,563</u>	 <u>(209,178)</u>	 <u>174,933</u>	 <u>-</u>	 <u>1,022,097</u>	 <u>550,257</u>	 <u>7,203,228</u>
 Change in net assets	 399,621	 (50,685)	 2,015,896	 391,979	 (370)	 43,815	 (261,651)	 2,538,605
 Net assets at beginning of year	 <u>10,792,645</u>	 <u>50,685</u>	 <u>3,872,816</u>	 <u>1,715,821</u>	 <u>179,215</u>	 <u>133,864</u>	 <u>564,756</u>	 <u>17,309,802</u>
 Net assets at end of year	 <u>\$ 11,192,266</u>	 <u>\$ -</u>	 <u>\$ 5,888,712</u>	 <u>\$ 2,107,800</u>	 <u>\$ 178,845</u>	 <u>\$ 177,679</u>	 <u>\$ 303,105</u>	 <u>\$ 19,848,407</u>