

CAROLINE CHURCH OF BROOKHAVEN

FINANCIAL STATEMENTS

DECEMBER 31, 1991

*Neesham, Sini & Reeves, P.C.*

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Rev. Canon Paul F. Wancura  
Wardens and Vestrymen of  
Caroline Church of Brookhaven

We have examined the Statement of Assets and Liabilities resulting from cash transactions of the Caroline Church of Brookhaven as of December 31, 1991 and the related Statements of Cash Receipts and Disbursements, and Changes in Operating Fund Balance for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records as we considered necessary in the circumstances.

As described in Note 1, the Church's policy is to prepare its financial statements on the basis of cash receipts and disbursements in accordance with principles authorized by the General Convention of the Episcopal Church. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

In our opinion, the financial statements present fairly the assets and liabilities of the Church at December 31, 1991 and the cash receipts and expenditures and changes in operating fund balance for the year then ended, arising from cash transactions, in accordance with the principles authorized by the General Convention of the Episcopal Church on a basis consistent with that of the preceding year.

*Neesham, Sini & Reeves, P.C.*

Dated: June 8, 1992

## EXHIBIT A

CAROLINE CHURCH OF BROOKHAVEN  
 COMPARATIVE STATEMENT OF ASSETS & LIABILITIES - OPERATING FUND  
 AS AT DECEMBER 31, 1991 AND 1990

<u>ASSETS</u>	<u>1991</u>	<u>1990</u>
<u>CASH</u>		
Cash	\$ 24,772	\$ 19,817
CMA Money Market Fund	4,017	13,544
<u>INVESTMENTS (NOTE 2)</u>		
Securities - Held at Merrill Lynch	481,466	492,596
- Other	9,856	9,856
<u>PROPERTY EXCLUSIVE OF LAND (NOTE 3)</u>		
Building and Equipment	2,392,768	2,392,768
Find Art and Contents	322,700	169,000
<u>OTHER ASSETS</u>		
Due From Other Funds (Net)	<u>312,308</u>	<u>327,155</u>
<u>TOTAL ASSETS</u>	<u>\$3,547,887</u>	<u>\$3,424,736</u>
<u>LIABILITIES AND FUND BALANCES</u>		
<u>LIABILITIES</u>		
Prepayments for Weddings	\$ 738	\$ 1,931
Other Prepayments and Restricted Funds	1,879	1,242
Prepaid Pledges	5,455	3,726
Miscellaneous Accounts Payable	768	410
Payroll Taxes Payable	<u>818</u>	<u>1,202</u>
<u>TOTAL LIABILITIES</u>	<u>\$ 9,658</u>	<u>\$ 8,511</u>
<u>FUND BALANCES</u>		
Unrestricted		
Operating and Investment Fund	822,761	854,457
Restricted		
Real Estate	<u>2,715,468</u>	<u>2,561,768</u>
<u>TOTAL FUND BALANCES</u>	<u>3,538,229</u>	<u>3,416,225</u>
<u>TOTAL LIABILITIES &amp; FUND BALANCES</u>	<u>\$3,547,887</u>	<u>\$3,424,736</u>

See Accountant's Report and Accompanying Notes.

## EXHIBIT B

CAROLINE CHURCH OF BROOKHAVEN  
 COMPARATIVE STATEMENT OF RECEIPTS & DISBURSEMENTS - OPERATING FUND  
 FOR THE YEARS ENDED DECEMBER 31, 1991 AND 1990

	<u>BUDGET</u>	<u>ACTUAL</u>	1990 <u>ACTUAL</u>
<b><u>CASH RECEIPTS</u></b>			
Pledges	\$150,000	\$151,276	\$151,549
Plate Offering & Church School	7,009	6,354	6,993
Holidays & Initial Offering	8,950	9,176	8,808
Other Contributions & Theological Education	5,500	4,386	4,080
Funding from Investment Income	<u>79,000</u>	<u>33,587</u>	<u>46,004</u>
	<u>250,459</u>	<u>204,779</u>	<u>217,434</u>
<b><u>CASH DISBURSEMENTS</u></b>			
Salaries, Pensions, Benefits	146,559	139,627	141,308
Administration:			
Printing, Postage & Office Expense	8,200	7,298	7,972
Accounting and Audit	2,500	3,000	2,500
Utilities & Telephone	22,000	18,593	20,649
Grounds	3,000	2,281	3,560
Security	-0-	4,915	-0-
Insurance	10,000	7,239	11,198
Restoration & Renovation:			
Repairs, Maintenance & Supplies	24,800	20,598	14,203
Replacement - Furniture & Equipment	1,500	4,618	2,144
Stewardship:			
Diocesan Support	17,000	12,750	24,860
Discretionary Fund	2,000	2,000	2,000
Other	2,200	3,046	1,657
Music:			
Music Supplies	3,500	3,087	4,185
Maintenance of Organ & Piano	1,200	1,450	1,567
Theological Education	1,000	712	-0-
Christian Education	<u>5,000</u>	<u>5,028</u>	<u>5,225</u>
	<u>250,459</u>	<u>236,242</u>	<u>243,028</u>
<b><u>EXCESS OF DISBURSEMENTS OVER RECEIPTS</u></b>		<b><u>\$(31,463)</u></b>	<b><u>\$(25,594)</u></b>

See Accountant's Report and Accompanying Notes.

## EXHIBIT C

CAROLINE CHURCH OF BROOKHAVEN  
 CHANGES IN FUND BALANCE - OPERATING FUND  
AS AT DECEMBER 31, 1991

	<u>UNRESTRICTED</u> <u>Operating &amp;</u> <u>Investment Fund</u>	<u>RESTRICTED</u> <u>Real Estate</u>
Fund Balance January 1, 1991	\$ 854,457	\$2,561,768
Add: Excess of Disbursements over		
Receipts from Exhibit B	(31,463)	
Security Losses for 1991	(246)	
Prior Year Adjustment	13	
Value Adjustment Based on Appraisal	<u>                    </u>	<u>153,700</u>
Fund Balance December 31, 1991	\$ <u>822,761</u>	\$ <u>2,715,468</u>

ee Accountant's Report and Accompanying Notes.

## EXHIBIT D

CAROLINE CHURCH OF BROOKHAVEN  
FINANCIAL STATUS OF OTHER FUNDS  
AS AT DECEMBER 31, 1991

	<u>BUILDING FUND</u>	<u>CHURCH YARD FUND</u>	<u>REMEMBRANC FUND</u>
<b><u>ASSETS</u></b>			
<b>Current</b>			
CMA Cash Account	\$ 2	\$	\$ 2
CMA Money Market Fund	13,561	94,720	58,986
Due from Operating Fund	328,034	1,037	175
Due from Building Fund			61,168
<b>Investments (Note 2)</b>			
Securities - held by Merrill Lynch	1,833	493,565	218,050
- Other		<u>1,205</u>	
<b><u>TOTAL ASSETS</u></b>	<u>343,430</u>	<u>590,527</u>	<u>338,381</u>
<b><u>LIABILITIES</u></b>			
<b>Current</b>			
Due to Other Funds	<u>702,722</u>		
<b><u>TOTAL LIABILITIES</u></b>	<u>702,722</u>		
<b><u>FUND BALANCE DECEMBER 31, 1991</u></b>	<u>(359,292)</u>	<u>590,527</u>	<u>338,381</u>
<b>Changes in Fund Balance</b>			
Balance, January 1, 1991	(373,878)	573,584	328,110
Add: Net Income from Investments	773	30,156	11,466
Gain/Loss on Sale of Securities	(159)	7	100
Contributions and Fees	16,880	1,225	3,685
Prior Period Adjustment	(40)		
	<u>(356,424)</u>	<u>604,972</u>	<u>343,361</u>
<b>Less: CMA Charge &amp; Miscellaneous</b>	80	100	100
Building Improvements	2,788	1,525	
Maintenance & Improvement of Grounds		12,820	
Memorials			4,880
	<u>2,868</u>	<u>14,445</u>	<u>4,980</u>
<b><u>FUND BALANCE DECEMBER 31, 1991</u></b>	<u>\$(359,292)</u>	<u>\$590,527</u>	<u>\$338,381</u>

See Accountant's Report and Accompanying Notes.

CAROLINE CHURCH OF BROOKHAVEN  
SECURITIES OWNED - ALL FUNDS  
AS AT DECEMBER 31, 1991

	<u>COST</u>	<u>MARKET VALUE</u>
<u>OPERATING FUND</u>		
<b>Investments held at Merrill Lynch</b>		
Certificate of Deposit	\$ 50,000	\$ 50,587
Common Stocks & Funds	280,767	338,523
Bonds	103,290	150,786
<b>MA Participations</b>	22,752	25,987
MLH Realty Partners	<u>24,657</u>	<u>19,675</u>
	<u>\$481,466</u>	<u>\$585,558</u>
<b>Other Investments</b>		
L.I. Diocese Inv. Inc. Fund	<u>\$ 9,856</u>	<u>\$ 11,583</u>
<u>CHURCH YARD FUND</u>		
<b>Investments held at Merrill Lynch</b>		
Common Stocks	\$193,433	\$220,374
Bonds	227,446	348,086
MLH Realty Partners	29,589	23,610
GMA Participations	<u>43,097</u>	<u>47,024</u>
	<u>\$493,565</u>	<u>\$639,094</u>
<b>Other Securities</b>		
Investment Income Fund	<u>\$ 1,204</u>	<u>\$ 1,000</u>
<u>REMEMBRANCE FUND</u>		
<b>Investments held at Merrill Lynch</b>		
Common Stocks	\$ 24,014	\$ 33,525
Certificate of Deposit	50,000	49,612
U.S. TSY STRP	<u>144,036</u>	<u>193,412</u>
	<u>\$218,050</u>	<u>\$276,549</u>
<u>BUILDING FUND</u>		
<b>Investments held at Merrill Lynch</b>		
American International	<u>\$ 1,834</u>	<u>\$ 3,639</u>

See Accountant's Report and Accompanying Notes.

CAROLINE CHURCH OF BROOKHAVEN  
STATEMENT OF CHANGES IN FINANCIAL POSITION - OPERATING FUND  
YEAR ENDED DECEMBER 31, 1991

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Uses of Working Capital:	
Excess Expense over Revenue	<u>\$(31,696)</u>
Changes in Working Capital:	
Decrease in Cash	(4,572)
Decrease in Securities	(11,130)
Decrease in amount due from other funds	(14,847)
Increase in Current Liabilities	<u>(1,147)</u>
Net Decrease in Working Capital	<u>\$(31,696)</u>

See Accountant's Report and Accompanying Notes.



CAROLINE CHURCH OF BROOKHAVEN  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 1991

**ote 1 - Accounting Principles Employed**

The financial statements are prepared on the cash basis in accordance with principles adopted by the Episcopal Church and approved by its General Convention. The statements do not reflect either as unpaid liabilities or as current year expenditures bills payable for utilities, etc. which are received too late to be paid before December 31.

**ote 2 - Investments**

Investments are stated at cost or at market value on the date donated to the church. Marketable common stocks are, in accordance with Statements of Financial Accounting Standards No. 12, carried at the lower of aggregate cost or market. Net gains on securities sold are recorded as an increase in Fund Balance rather than as current receipts.

**ote 3 - Real Estate**

The policy of the Episcopal Church is to carry real estate at cost or, where cost records are not available, at appraised value.