

CAROLINE CHURCH OF BROOKHAVEN

FINANCIAL STATEMENTS

DECEMBER 31, 1992

CAROLINE CHURCH OF BROOKHAVEN
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Neesham, Sini & Reeves, P.C.

Certified Public Accountants
348 Main Street (Rte. 25A)
East Setonket, N.H. 17733

ROBERT F. NEESHAM, C.P.A.

JOHN R. SINI, C.P.A.

CHARLES R. REEVES, C.P.A.

DAVID F. HANCE, C.P.A.

STORIA A. MCGINN, C.P.A.

TELEPHONE
516 751-5225

FAX
516 751-5371

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, 1992 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, 1992 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 25, 1993

CAROLINE CHURCH OF BROOKHAVEN
 STATEMENT OF ASSETS & LIABILITIES - OPERATING FUND
 AS AT DECEMBER 31, 1992

<u>ASSETS</u>	<u>1992</u>
<u>CASH</u>	
Cash	\$ 13,584
CMA Money Market Fund	6
<u>INVESTMENTS (NOTE 2)</u>	
Securities - Held at Merrill Lynch	468,585
- Other	9,856
<u>PROPERTY EXCLUSIVE OF LAND (NOTE 3)</u>	
Building and Equipment	2,392,768
Fine Art and Contents	322,700
<u>OTHER ASSETS</u>	
Due From Other Funds (Net)	<u>297,376</u>
<u>TOTAL ASSETS</u>	<u>\$3,504,875</u>
<u>LIABILITIES AND FUND BALANCES</u>	
<u>LIABILITIES</u>	
Prepayments for Weddings	\$ 1,012
Other Prepayments	1,660
Prepaid Pledges	1,230
Miscellaneous Accounts Payable	720
Payroll Taxes Payable	<u>832</u>
<u>TOTAL LIABILITIES</u>	<u>\$ 5,454</u>
<u>FUND BALANCES</u>	
Unrestricted	
Operating and Investment Fund	783,953
Restricted	
Real Estate	<u>2,715,468</u>
<u>TOTAL FUND BALANCES</u>	<u>3,499,421</u>
<u>TOTAL LIABILITIES & FUND BALANCES</u>	<u>\$3,504,875</u>

See Accountant's Report and Accompanying Notes.

CAROLINE CHURCH OF BROOKHAVEN
 STATEMENT OF RECEIPTS & DISBURSEMENTS - OPERATING FUND
 FOR THE YEAR ENDED DECEMBER 31, 1992

	<u>BUDGET</u>	<u>ACTUAL</u>
<u>CASH RECEIPTS</u>		
Pledges	\$148,000	\$151,156
Plate Offering & Church School	6,000	5,991
Holidays & Initial Offering	8,300	9,045
Other Contributions & Theological Education	25,400	4,965
Funding from Investment Income	<u>59,282</u>	<u>30,869</u>
	<u>246,982</u>	<u>202,026</u>
<u>CASH DISBURSEMENTS</u>		
Salaries, Pensions, Benefits	130,282	132,429
Administration:		
Printing, Postage & Office Expense	7,700	7,820
Accounting and Audit	3,000	3,000
Utilities & Telephone	20,000	20,099
Grounds	1,500	3,415
Security	5,000	-0-
Insurance	10,000	7,170
Restoration & Renovation:		
Repairs, Maintenance & Supplies	28,000	23,024
Replacement - Furniture & Equipment	2,000	3,968
Stewardship:		
Diocesan Support	24,700	23,306
Discretionary Fund	2,000	2,000
Other	2,600	3,222
Music:		
Music Supplies	3,000	4,320
Maintenance of Organ & Piano	1,000	1,120
Theological Education	500	375
Christian Education	<u>5,700</u>	<u>3,933</u>
	<u>246,982</u>	<u>239,201</u>
<u>EXCESS OF DISBURSEMENTS OVER RECEIPTS</u>		<u>\$(37,175)</u>

See Accountant's Report and Accompanying Notes.

CAROLINE CHURCH OF BROOKHAVEN
 CHANGES IN FUND BALANCE - OPERATING FUND
AS AT DECEMBER 31, 1992

	<u>UNRESTRICTED</u> <u>Operating &</u> <u>Investment Fund</u>	<u>RESTRICTED</u> <u>Real Estate</u>
Fund Balance January 1, 1992	\$ 822,761	\$2,715,468
Add: Excess of Disbursements over Receipts	(37,175)	
Prior Year Adjustment (Note 4)	(1,633)	
Fund Balance December 31, 1992	\$ <u>783,953</u>	<u>\$2,715,468</u>

See Accountant's Report and Accompanying Notes.

CAROLINE CHURCH OF BROOKHAVEN
FINANCIAL STATUS OF OTHER FUNDS
AS AT DECEMBER 31, 1992

	<u>BUILDING FUND</u>	<u>CHURCH YARD FUND</u>	<u>REMEMBRANCE FUND</u>
<u>ASSETS</u>			
<u>Current</u>			
CMA Cash Account	\$ 1	\$ 2	\$ 2
CMA Money Market Fund	13,946	19,275	70,992
Due from Operating Fund	335,225	708	175
Due from Building Fund			61,168
<u>Investments (Note 2)</u>			
Securities - held by Merrill Lynch	1,834	577,651	218,050
- Other		<u>1,205</u>	
<u>TOTAL ASSETS</u>	<u>351,006</u>	<u>598,841</u>	<u>350,387</u>
<u>LIABILITIES</u>			
<u>Current</u>			
Due to Other Funds	<u>694,653</u>		
<u>TOTAL LIABILITIES</u>	<u>694,653</u>		
<u>FUND BALANCE DECEMBER 31, 1992</u>	<u>(343,647)</u>	<u>598,841</u>	<u>350,387</u>
<u>Changes in Fund Balance</u>			
Balance, January 1, 1992	(359,292)	590,527	338,381
Add: Net Income from Investments	526	23,367	12,254
Gain/Loss on Sale of Securities	526	3,245	
Contributions and Fees	14,693	1,700	1,820
Prior Period Adjustment (Note 4)	<u>(343,547)</u>	<u>(1,959)</u>	<u>352,455</u>
<u>Less:</u> CMA Charge & Miscellaneous	100	100	100
Building Improvements			
Maintenance & Improvement of			
Grounds & Repairs		12,889	1,818
Memorials			150
Security	<u>100</u>	<u>5,050</u>	<u>150</u>
		<u>18,039</u>	<u>2,068</u>
<u>FUND BALANCE DECEMBER 31, 1992</u>	<u>\$(343,647)</u>	<u>\$598,841</u>	<u>\$350,387</u>

See Accountant's Report and Accompanying Notes.

CAROLINE CHURCH OF BROOKHAVEN
SECURITIES OWNED - ALL FUNDS
AS AT DECEMBER 31, 1992

	<u>COST</u>	<u>MARKET VALUE</u>
<u>OPERATING FUND</u>		
Investments held at Merrill Lynch		
Common Stocks & Funds	\$307,255	\$357,361
Bonds	95,430	147,439
GMA Participations	15,633	18,129
MLH Realty Partners	<u>22,588</u>	<u>17,975</u>
	<u>\$440,906</u>	<u>\$540,904</u>
Other Investments		
L.I. Diocese Inv. Inc. Fund	<u>\$ 9,856</u>	<u>\$ 11,583</u>
<u>CHURCH YARD FUND</u>		
Investments held at Merrill Lynch		
Common Stocks	295,592	306,773
Bonds	220,978	359,498
MLH Realty Partners	27,106	21,570
GMA Participations	<u>30,975</u>	<u>33,945</u>
	<u>\$574,651</u>	<u>\$721,786</u>
Other Securities		
Investment Income Fund	<u>\$ 1,204</u>	<u>\$ 1,000</u>
<u>REMEMBRANCE FUND</u>		
Investments held at Merrill Lynch		
Common Stocks	\$ 24,014	\$ 37,462
Certificate of Deposit	50,000	51,814
U.S. TSY STRP	<u>144,036</u>	<u>204,093</u>
	<u>\$218,050</u>	<u>\$293,369</u>
<u>BUILDING FUND</u>		
Investments held at Merrill Lynch		
American International	<u>\$ 1,834</u>	<u>\$ 4,292</u>

See Accountant's Report and Accompanying Notes.

CAROLINE CHURCH OF BROOKHAVEN
STATEMENT OF CHANGES IN FINANCIAL POSITION - OPERATING FUND
YEAR ENDED DECEMBER 31, 1992

Uses of Working Capital:	
Excess Expense over Revenue	<u>\$(37,175)</u>
Changes in Working Capital:	
Decrease in Cash	(15,199)
Decrease in Securities	(11,248)
Decrease in amount due from other funds	(14,932)
Decrease in Current Liabilities	<u>4,204</u>
Net Decrease in Working Capital	<u>\$(37,175)</u>

See Accountant's Report and Accompanying Notes.

CAROLINE CHURCH OF BROOKHAVEN
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 1992

ote 1 - Accounting Principles Employed

The Caroline Church of Brookhaven maintains its accounting records 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.

To ensure observance of limitations and restrictions placed on the use of resources available to the organization, the accounts of the organization are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes. Separate accounts are maintained for each fund.

The assets, liabilities, and fund balances of the organization are reported in four self-balancing fund groups as follows:

Operating funds, which include unrestricted resources, represent the portion of expendable funds that is available for support of operations.

Building fund represents resources restricted for building renovations and maintenance.

Churchyard fund represents funds that are subject to restrictions that the income be used for upkeep and maintenance of the churchyard.

Remembrance fund represents income restricted for use to commemorate the departed, an anniversary or other event of significance.

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.

Note 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.

Note 4 - Prior Period Adjustment

A prior period adjustment was made to the Operating Fund and the Churchyard Fund with regard to the Merrill Lynch Realty Partnership owned by each fund. The adjustment was made in order to bring the value carried on the books in agreement with the capital accounts as per statement issued by the broker.