

**SOUTH GEORGIA CONFERENCE OF
THE UNITED METHODIST CHURCH**

FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2006

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

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DECEMBER 31, 2006

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Member of
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INDEPENDENT AUDITOR'S REPORT

South Georgia Conference of the United Methodist Church
Macon, GA

Ladies and Gentlemen:

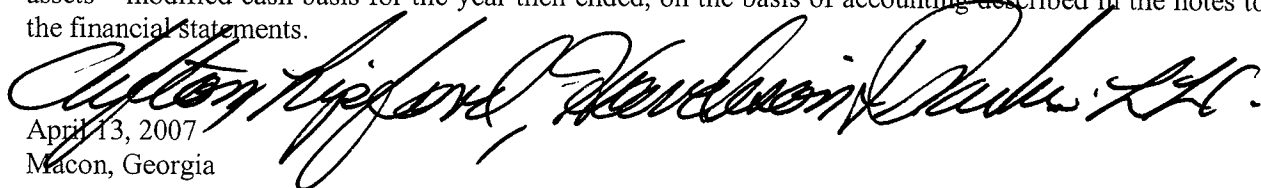
We have audited the accompanying statement of assets, liabilities and net assets – modified cash basis of the South Georgia Conference of the United Methodist Church (a non-profit religious organization) as of December 31, 2006, and the related statement of support and revenue, expenses and changes in net assets – modified cash basis for the year then ended. These financial statements are the responsibility of the Conference's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit 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 financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in the notes, these financial statements were prepared on the modified cash basis of accounting, in conformity with the accounting practices permitted by General Conferences of United Methodist Churches, which is a comprehensive basis of accounting other than generally accepted accounting principles. The effects on the financial statements of the variances between the statutory basis of accounting and generally accepted accounting principles, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Conference as of December 31, 2006 or the changes in its net assets for the year then ended.

However, in our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the assets, liabilities and net assets of the South Georgia Conference of the United Methodist Church as of December 31, 2006, and its support and revenue, expenses and changes in net assets – modified cash basis for the year then ended, on the basis of accounting described in the notes to the financial statements.


April 13, 2007
Macon, Georgia

FINANCIAL STATEMENTS

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS
DECEMBER 31, 2006

ASSETS

Current Assets:

Cash and cash equivalents	\$ 951,559
Investments, at fair value	8,978,823
Apportionments and other receipts receivable	<u>2,366,076</u>
Total Assets	<u>\$ 12,296,458</u>

LIABILITIES AND NET ASSETS

Liabilities:

Current Liabilities:

Obligations payable on current year's budget	\$ 2,199,418
Reserves held for Episcopal Area	
Office reserves	13,092
Residence reserves	<u>10,729</u>
Total Liabilities	<u>2,223,239</u>

Net Assets:

Temporarily restricted	6,286,540
Unrestricted	<u>3,786,679</u>
Total Net Assets	<u>10,073,219</u>
Total Liabilities and Net Assets	<u>\$ 12,296,458</u>

The accompanying notes are an integral part of the financial statements.

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

STATEMENT OF SUPPORT, REVENUE AND EXPENSES - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2006

Support and Revenue:

Budgeted Funds:

World Service and Conference Benevolence	\$ 2,772,555
Clergy Support	5,146,008
Administration	1,262,952
Other Apportioned Causes	1,410,659

Total Budgeted Funds	10,592,174
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Nonbudgeted Funds	15,304,723
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Total Support and Revenue	25,896,897
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Expenses:

Budgeted Funds:

World Service and Conference Benevolence	2,763,003
Clergy Support	5,254,281
Administration	1,295,713
Other Apportioned Causes	1,410,659

Total Budgeted Funds	10,723,656
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Nonbudgeted Funds	13,638,182
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Total Expenses	24,361,838
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Change in Net Assets	\$ 1,535,059
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The accompanying notes are an integral part of the financial statements.

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SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

STATEMENT OF CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2006

	2006		
	Temporarily Restricted	Unrestricted	Total
Balance - January 1, 2006	\$ 4,865,626	\$ 3,672,534	\$ 8,538,160
Change in Net Assets	1,420,914	114,145	1,535,059
Balance - December 31, 2006	\$ 6,286,540	\$ 3,786,679	\$ 10,073,219

The accompanying notes are an integral part of the financial statements.

EXHIBIT A-2

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2006

Note 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The accompanying financial statements include the assets, liabilities, net assets and financial activities of the South Georgia Conference of The United Methodist Church (the "Conference"), an organization providing services at a level of administration beyond the individual local churches. The Conference is composed of approximately 660 United Methodist local churches, grouped into nine districts, located in the southern half of Georgia. Through Conference, the membership provides support for programs beyond the local church, such as for United Methodist colleges and universities in Georgia, and for ministerial salary supplements at smaller churches. Support also is provided to the Southeast Jurisdictional and General Conferences of The United Methodist Church, and programs organized and administered by those conferences, such as missionary programs worldwide.

Fund Accounting

To ensure observance of limitations and restrictions placed on the use of resources available to the Conference, the accounts of the Conference 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 equity accounts are maintained. In the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. Accordingly, all financial transactions have been recorded and reported by fund group. This fund basis of presentation is not in conformity with generally accepted accounting principles.

Each line item on the Conference's Statement of Support, Revenue and Expenses – Modified Cash Basis is an individual fund or is a summary of several individual funds. The individual funds are also classified into two types (four groups): (a) budgeted versus nonbudgeted, and (b) restricted versus unrestricted.

Budgeted funds are those for which the Conference adopts an annual formal financial plan (a budget) showing anticipated support and revenue and proposed expenditures for the individual funds, and apportions the estimated revenues to member churches by sending requests for support and contributions. Nonbudgeted funds are those for which no specific dollar amounts of annual revenue or expenditure are estimated, although the programs represented by funds in this group are included in the Conference's planning process. Funds in either group (budgeted or nonbudgeted) may be restricted or unrestricted.

Restricted funds are those for which unexpended monies at the end of each annual accounting period are carried forward in an individual fund balance account and in future periods may be expended only for the purposes for which the fund was established. Unrestricted funds are those for which unexpended monies at the end of each annual accounting period are transferred into a common, accumulated Fund Balance account representing claims on assets (monies) which in future periods may be expended for any organizational purpose properly approved by the Conference or its designated representatives. Funds in either group (restricted or unrestricted) may originate as budgeted or nonbudgeted.

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2006

Basis of Accounting

The Conference accounts are maintained on the modified cash basis of accounting; consequently, most apportionments, contributions and related assets are recognized when received rather than earned, and most expenses are recognized when paid rather than when the obligation is incurred. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

The Conference considers cash and cash equivalents to include time deposits, certificates of deposit, sweep accounts, money market funds, and highly liquid debt instruments with maturities of three months or less at the date of their acquisition.

Investments

The Conference has adopted SFAS No. 124 *Accounting for Certain Investments Held by Not-for-Profit Organizations*. Under SFAS No. 124, investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of support and revenue, expenses, and changes in fund balances. Unrealized gains and losses are included in the change in net assets. Realized gains and losses on investments are calculated on a moving cost average.

The Conference's policy is to carry its cash in interest-bearing accounts and to invest cash in excess of immediate operating requirements in income-producing investments. Cash and temporary cash investments of \$951,559 at December 31, 2006, were composed primarily of checking and sweep accounts, and are stated at cost.

Certificates of deposit and other investments are carried at fair value. Interest is accrued for amounts earned but not yet received. Unrealized gains and losses are included in the change in net assets. As of December 31, 2006, the fair value of investments was \$8,978,823.

Interest revenue and gains or losses on transactions in marketable securities, and interest from cash and cash equivalents, are included in support and revenue from nonbudgeted funds.

Apportionments Receivable

To reflect cash receipts and disbursements in the appropriate budget period, the financial statements include certain transactions, which occurred during the first two weeks subsequent to year-end and exclude such transactions for the similar period at the beginning of the year. Such receipts have been classified as Apportionments and Other Receipts Receivable, and the related disbursements have been classified as Obligations Payable on Current Year's Budget, on the Statement of Assets, Liabilities and Fund Balance – Modified Cash Basis.

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2006

Apportionments receivable represent amounts contributed for the period ending December 31, 2006. All apportionments receivable are considered contributed support and are expected to mature in the next fiscal year. Based upon prior experience, management does not consider it necessary to provide an allowance for doubtful accounts.

Prepaid expense

It is the policy of the Conference to pay certain salaries and other miscellaneous obligations on the first of the month. To accommodate mailing time, January checks are written in December. These disbursements are classified as Prepaid Expenses on the Statement of Certain Assets, Liabilities and Fund Balance – Modified Cash Basis.

Notes receivable

Consistent with the modified cash basis of accounting, losses on uncollectible loans made by the South Georgia Conference Investment Fund, Inc. are accounted for by the direct write-off method, rather than by the allowance method. Recoveries of loan losses are recognized as revenue in the year received.

Plant Assets and Related Liabilities

Under the modified cash basis of accounting, the costs of property and equipment acquisitions are recorded as operating expenditures at the time of purchase. Property and equipment acquisitions are recorded at cost, estimated cost, or if donated, at fair market value on the date of donation. It is the Conference's policy to capitalize assets costing \$500 or more.

Land, buildings and major items of equipment and furniture purchased by the Conference are not a responsibility of the Conference Council on Finance and Administration. Legal title to these assets is held by the Board of Trustees of the South Georgia Annual Conference of the United Methodist Church, Inc.

The Board of Trustees owns other residence buildings and land throughout the State of Georgia. The underlying mortgages and assets are the responsibility of the Board of Trustees and are not reflected in the accompanying financial statements.

Income Taxes

The Conference is exempt from federal and state income taxes as a religious organization.

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2006

Note 2 – CONCENTRATIONS OF CREDIT RISK

The Conference maintains its demand deposit accounts in two institutions in Georgia. The Federal Deposit Insurance Corporation (FDIC) insures demand deposits of each institution up to \$100,000. The bank balance in excess of the FDIC limit totaled \$97,559 as of December 31, 2006. It is the opinion of management that solvency of the referenced financial institution is not a particular concern at this time.

Note 3 – CAPITAL ASSETS

The following is a summary of certain capital assets that were purchased by the Conference and utilized in administration or program services. These assets are carried on the Board of Trustees' books as explained in Note 1. The Conference has compiled a capital asset listings as required by the General Council on Finance and Administration. These assets are stated at cost or management's estimate of cost as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Office of Connectional Ministries:				
Building	\$ 267,929	\$ -	\$ -	\$ 267,929
Furniture and equipment	128,386	22,980	(21,860)	129,506
Total	396,315	22,980	(21,860)	397,435
Episcopal Office:				
Furniture and equipment	52,865	-	(5,860)	47,005
Episcopal Residence:				
Residence	449,965	1,189	-	451,154
Land	63,500	-	-	63,500
Total	513,465	1,189	-	514,654
Administrative Services Office:				
Furniture and equipment	88,103	19,061	-	107,164
Arthur J. Moore Museum:				
Furniture and equipment	24,591	5,645	-	30,236
Total	\$ 1,075,339	\$ 48,875	\$ (27,720)	\$ 1,096,494

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2006

Note 4 – BENEFIT PLANS

For its ministerial and certain qualified lay personnel, the Conference participates in pension programs administered by the General Board of Pensions, and Health Benefits of The United Methodist Church. Accordingly, responsibility for full disclosures related to the program rests with the General Conference. Contributions are based on a formula related to salary levels.

Accumulated pension benefits for retired individuals are established under the Ministerial Pension Plan (MPP) adopted as of January 1, 1982. Benefits for services rendered on and after January 1, 1982, covered by this defined contribution plan, are fully funded as contributions are made. Benefits for services rendered prior to January 1, 1982, covered under the previous defined benefit plan, represent the actuarially determined amount required to fund future pension payments. The unfunded portion of those benefits is unfunded past service costs, which is being funded through apportionments. The South Georgia Conference is required to fund all past service costs over a 40-year period-which ends on December 31, 2021.

During the year ended December 31, 2006, the South Georgia Conference contributions to the pension benefit program amounted to \$1,300,000.

Note 5 – BENEFIT PLANS

The Conference sponsors a defined benefit supplemental death benefit plan, which covers substantially all of its active and retired clergy members. The Comprehensive Protection Plan is fully funded each year and is paid through apportionments by the Conference. The participants do not make contributions to the plan.

The Annual Conference sponsors a defined benefit post retirement medical plan that covers substantially all of its statutory and common-law employees. The plan is contributory; retiree contributions have been established as a percentage of premium expense, with the percentage being based on years of participation in the Conference health insurance program.

As of January 1, 1993, the provisions of Statement of Financial Accounting Standards (SFAS) No. 106, *Employer's Accounting for Post Retirement Benefits Other Than Pensions*, were adopted. Legal opinion has been obtained that the plans described above are multi-employer plans as that term is defined in Paragraph 79 of SFAS No. 106. Accordingly, the post retirement benefit costs are recognized on a current period basis and were as follows for the period January 1, 2006 to December 31, 2006:

Comprehensive protection plan	\$ 898,999
Healthflex benefit plan	5,186,380

Note 6 – LEASING ARRANGEMENTS

The Conference maintains offices in Macon, Georgia, in a building owned by Middle Georgia Properties. The offices are leased under a four-year operating lease expiring in July 2009. The Conference does have the option for two additional three-year terms. Rental expense under this lease amounted to \$31,650 in 2006.

SUPPLEMENTARY INFORMATON

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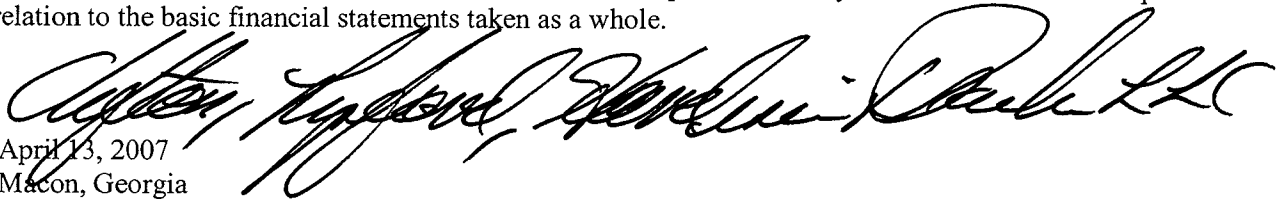
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INDEPENDENT AUDITOR'S REPORT
ON THE SUPPLEMENTARY INFORMATION

South Georgia Conference of the United Methodist Church
Macon, Georgia

Our audit was made for the purpose of forming an opinion on the basic financial statements for the year ended December 31, 2006, taken as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information for the year ended December 31, 2006 has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



April 13, 2007
Macon, Georgia

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SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF SUPPORT, REVENUE AND EXPENSES
AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2006

	Budget	Actual		Change in Net Assets
		Support and Revenue	Expenses	
<u>BUDGETED FUNDS</u>				
<u>World Service and Conference Benevolence</u>				
World Service Apportionment	\$ 1,303,912	\$ 1,200,393	\$ 1,200,393	\$ -
Conference Benevolences				
Office of Connectional Ministries				
Council Staff and Office	558,737	515,459	520,109	(4,650)
Travel	4,000	3,653	1,279	2,374
Executive Committee	2,500	1,827	-	1,827
Mission and Ministry Programs	135,000	120,555	116,164	4,391
Mission Agency Support	61,433	55,245	55,586	(341)
Total Office of Connectional Ministries	761,670	696,739	693,138	3,601
New Congregational Development	430,925	420,429	409,348	11,081
Hispanic Ministries	397,421	379,791	379,791	-
Arthur J. Moore Museum	76,464	71,559	77,239	(5,680)
Board of Laity	3,990	3,644	3,094	550
Total Conference Benevolences	1,670,470	1,572,162	1,562,610	9,552
<u>Total World Service and Conference Benevolence</u>	<u>2,974,382</u>	<u>2,772,555</u>	<u>2,763,003</u>	<u>9,552</u>
<u>Clergy Support</u>				
Episcopal Area Funds				
Episcopal South Georgia Area Office	52,792	48,666	48,666	-
Area Residence	19,000	17,515	17,515	-
Special Episcopal Account	4,893	4,511	4,511	-
Total Episcopal Area Funds	76,685	70,692	70,692	-
Pensions, Benefits and Health Insurance				
Pre-1982 Pensions	1,342,500	1,245,722	1,337,667	(91,945)
Comprehensive Protection Plan	900,000	920,855	898,999	21,856
Healthflex Retiree	1,138,000	1,058,065	1,058,065	-
Healthflex Disability	105,950	100,252	100,078	174
Healthflex Transitional Grant	-	192,445	192,445	-
Healthflex Underpayment	75,000	69,732	75,000	(5,268)
MPP Arrearage Contingency	47,500	44,689	30,735	13,954
Total Pension, Benefits and Insurance	3,608,950	3,631,760	3,692,989	(61,229)
District Superintendent	1,066,120	982,796	1,048,184	(65,388)
Equitable Compensation	374,300	345,046	335,861	9,185
Pastoral Counseling Services	51,873	47,819	51,873	(4,054)
Comprehensive School Clergy	3,914	3,608	3,601	7
Conf Board of Ordained Ministry	69,737	64,287	51,081	13,206
Total Clergy Support	\$ 5,251,579	\$ 5,146,008	\$ 5,254,281	\$ (108,273)

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF SUPPORT, REVENUE AND EXPENSES
AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2006

BUDGETED FUNDS	Budget	Actual		Change in Net Assets
		Support and Revenue	Expenses	
<u>Administration</u>				
Annual Conference				
Annual Conference Session Expense	\$ 59,000	\$ 78,349	\$ 54,717	\$ 23,632
Annual Conference Business Expense	21,000	19,309	14,481	4,828
Annual Conference Expenses for Retired Ministers	21,500	19,768	17,900	1,868
At Large Lay Annual Conference	17,000	15,631	16,750	(1,119)
Total Annual Conference	118,500	133,057	103,848	29,209
Council on Finance and Administration	9,000	8,275	6,395	1,880
Conference Treasurer/Administrator	493,443	459,403	492,663	(33,260)
Conference Secretary Expense	2,000	1,839	1,225	614
Conference Journal	13,000	11,953	12,340	(387)
Committee on Memoirs	600	552	-	552
Conference Trustee	18,400	16,918	21,756	(4,838)
Worker's Compensation Insurance	8,500	7,815	5,965	1,850
Leadership Forum	5,150	4,735	4,088	647
Local Church Treasurer's Bond	4,000	3,678	3,670	8
Nominations Committee	500	460	484	(24)
Episcopal Committee	1,200	1,103	1,325	(222)
SEJ Mission and Ministry	112,388	104,744	104,744	-
Administrative General Church	114,533	106,340	106,340	-
Episcopal General Church	332,377	304,346	304,346	-
Contingency	100,000	97,734	126,524	(28,790)
Total Administration	1,333,591	1,262,952	1,295,713	(32,761)
<u>Other Apportioned Causes</u>				
State Cooperative Funds				
Christian Higher Education	724,584	665,281	665,281	-
Georgia Christian Council	15,975	14,914	14,914	-
Georgia Council on Moral and Civic Concerns	18,592	17,357	17,357	-
Georgia's Pastors' School	2,987	2,789	2,789	-
Wesleyan Christian Advocate	33,250	31,041	31,041	-
Total State Cooperative Funds	795,388	731,382	731,382	-
Black College Fund	187,959	173,858	173,858	-
Africa University	42,074	39,548	39,548	-
Ministerial Education Fund	471,229	432,004	432,004	-
Interdenominational Cooperation Fund	36,625	33,867	33,867	-
Total Other Apportioned	1,533,275	1,410,659	1,410,659	-
Total Budgeted Funds	\$ 11,092,827	\$ 10,592,174	\$ 10,723,656	\$ (131,482)

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF SUPPORT, REVENUE AND EXPENSES
AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2006

	Actual		
	Support and Revenue	Expenses	Change in Net Assets
<u>NONBUDGET FUNDS</u>			
<u>World Service and Conference Benevolence</u>			
Ethnic Local Church Concerns	\$ 3,378	\$ 12,850	\$ (9,472)
Communications Council	1,402	5,931	(4,529)
Arthur J. Moore Museum	3,149	5,651	(2,502)
Office of Connectional Ministries			
Bishop's Initiative on Child Poverty	1,239	-	1,239
Confirmation Retreat Join Journey	18,544	19,363	(819)
VIM South Georgia	3,424	7,583	(4,159)
Committee on Missions	942	425	517
Partners/Ministry Leadership Training	-	5,660	(5,660)
Online Registrations	139,721	139,721	-
CCOM Office Administration	221	(760)	981
Leadership/Program Resources	6,485	-	6,485
Winter Camp Meeting	12,555	12,123	432
Global Ministries Secretary	(82)	872	(954)
Media Center	2,973	6,330	(3,357)
Schools for Christian Mission	150	24	126
Pathways to a Health Church	11,806	10,595	1,211
Conference Youth Ministries	(7,858)	10,371	(18,229)
Junior High Camp	49,183	49,183	-
Junior High Camp II	38,453	38,453	-
Leadership Team	61,848	61,848	-
Youth Celebration	60,654	60,654	-
Mission Macon	328	328	-
Youth Service Fund	300	-	300
Tom Curtis	14,765	14,765	-
Safe Sanctuaries	2,431	2,431	-
In-Focus Retreat	3,341	2,542	799
Young Adults	6,360	6,360	-
Laos	2,973	130	2,843
Conference Children's Ministries	9,893	10,361	(468)
Elementary Camp I	34,992	34,992	-
Elementary Camp II	29,053	29,053	-
Elementary Camp III	20,033	19,818	215
Older Adult Ministries	5,702	3,759	1,943
SEJAC Leadership Development	-	825	(825)
CCOM Housing/Maintenance	482	16,836	(16,354)
Hope for the Children of Africa	1,652	-	1,652
SG Partnership / East Africa	6,494	-	6,494
Humble Place Capital	3,510	-	3,510
Humble Place Program	29,317	-	29,317
Health & Welfare Ministries	5,539	-	5,539
Faith & Health Conference	80	980	(900)
Missions Celebration Event	2,564	2,564	-
Black Church Summit	26,771	22,282	4,489
Kidz Quest	50,042	50,042	-
South Georgia Storm Recovery	2,022	-	2,022
Russian UMC Theological Seminary	50	75	(25)
Total Office of Connectional Ministries	658,952	640,588	18,364
Total World Service and Conference Benevolence	\$ 666,881	\$ 665,020	\$ 1,861

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF SUPPORT, REVENUE AND EXPENSES
AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2006

	Actual		Change in Net Assets
	Support and Revenue	Expenses	
<u>NONBUDGET FUNDS</u>			
<u>Clergy Support</u>			
Episcopal Funds			
Episcopal Office Reserve	\$ -	\$ 10,420	\$ (10,420)
Episcopal Residence Reserve	-	1,678	(1,678)
Episcopal Special Reserve	-	1,039	(1,039)
Total Episcopal Funds	-	13,137	(13,137)
Pensions, Benefits and Health Insurance			
Pre-1982 Pension	13,752	-	13,752
WIH Pitts Memorial	611,739	-	611,739
Comprehensive Protection Plan	764	11,495	(10,731)
HF Transition Grants Reserve	16,732	-	16,732
Ministerial Pension Plan	2,105,609	2,137,083	(31,474)
Pensions	772	-	772
Healthflex	5,220,521	5,186,380	34,141
Total Pensions, Benefits and Health Insurance	7,969,889	7,334,958	634,931
Comprehensive School Clergy	4,274	2,553	1,721
Local Pastor's License School	2,250	-	2,250
Total Clergy Support	7,976,413	7,350,648	625,765
<u>Administration</u>			
Conference Journal	31,648	29,557	2,091
Miscellaneous Activity	49,283	49,748	(465)
Administrative Services Office Reserves	10,000	5,701	4,299
Discretionary Funds	2,307	2,123	184
Total Administration	93,238	87,129	6,109
<u>New Congregational Development</u>			
Church Extension	12,284	6,425	5,859
SGA Investment Fund	15,090	-	15,090
Kingdom Builders Club	286,239	-	286,239
New Congregational Supporters	7,380	1,300	6,080
Vision Promoters	6,490	2,250	4,240
New Congregation Planters	34,453	14,625	19,828
New Church Builders Fund	22,156	83,549	(61,393)
IOH - New Church Savannah	10,000	10,000	-
Land Sale	565,047	-	565,047
IOH - Savannah District Minister	7,000	-	7,000
Saint Mary's Grant	1,918	66,928	(65,010)
St. Mary's Spring 2005 Challenge	100,209	100,209	-
Bishop's New Congregational Initiative	3,848	-	3,848
Hispanic Ministries	998	16,827	(15,829)
Total New Congregational Development	\$ 1,073,112	\$ 302,113	\$ 770,999

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF SUPPORT, REVENUE AND EXPENSES
AND CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2006

	Actual		
	Support and Revenue	Expenses	Change in Net Assets
<u>NONBUDGET FUNDS</u>			
<u>Other Causes</u>			
Ministerial Education	\$ 40,675	\$ 63,153	\$ (22,478)
South Georgia Conference Offices	649	-	649
Christian Education Sunday	1,644	-	1,644
Peace with Justice on Sunday	2,488	990	1,498
Golden Cross	5,353	2,000	3,353
Conference Advance Special	4,512,963	4,584,145	(71,182)
General Advance Special	369,365	273,663	95,702
Human Relations	2,798	2,798	-
Methodist Student Day	3,549	3,549	-
One Great Hour of Sharing	23,807	23,807	-
Native American Awareness	3,065	1,533	1,532
Relief Association	39,855	31,444	8,411
South Georgia Special Relief	6,174	2,400	3,774
AC 70 Club	1,000	-	1,000
Youth Services Fund	300	390	(90)
World Communion Offering	7,328	7,328	-
Appointment Transition Event	-	7,633	(7,633)
Interest Income	474,066	228,439	245,627
	5,495,079	5,233,272	261,807
Total Other Causes			
Total Nonbudget Funds	15,304,723	13,638,182	1,666,541
Total All Funds	\$ 25,896,897	\$ 24,361,838	\$ 1,535,059

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF CHANGES IN NET ASSETS
MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2006

	Net Assets Jan. 1, 2006	Change in Net Assets		Net Assets Dec. 31, 2006
		Budget Funds	Nonbudget Funds	
<u>TEMPORARILY RESTRICTED NET ASSETS</u>				
<u>World Service and Conference Benevolence</u>				
Ethnic Local Church Concerns	\$ 36,028	\$ -	\$ (9,472)	\$ 26,556
Communications Office	40,312	-	(4,529)	35,783
Arthur J. Moore Museum	22,418	-	(2,502)	19,916
Office of Connectional Ministries:				
Bishop's Initiative on Child Poverty	239	-	1,239	1,478
Confirmation Retreat Join Journey	819	-	(819)	-
VIM South Georgia	11,740	-	(4,159)	7,581
Special New Missions	1,418	-	-	1,418
Mission Admin Global Gathering	2,702	-	-	2,702
Committee on Missions	5,194	-	517	5,711
Partner's in Ministry Leadership	5,661	-	(5,661)	-
CCOM Office Administration	1,637	-	981	2,618
Leadership/Program Resources	1,288	-	6,485	7,773
Winter Camp Meeting	(432)	-	432	-
Global Ministries Secretary	1,736	-	(954)	782
Media Center	6,514	-	(3,357)	3,157
Russia Mission Work Team	514	-	-	514
Schools for Christian Mission	979	-	126	1,105
Pathways to a Health Church	1,250	-	1,211	2,461
Conference Youth Ministries	36,811	-	(18,229)	18,582
Youth Service Fund	1,678	-	300	1,978
In-Focus Retreat	-	-	799	799
Laos	-	-	2,843	2,843
Conference Children's Ministries	47,432	-	(468)	46,964
Elementary Camp III	-	-	215	215
Labor Day Laity Retreat	828	-	-	828
Adult Leadership Development	825	-	(825)	-
Older Adult Ministries	(1,943)	-	1,943	-
CCOM Housing/Maintenance	16,354	-	(16,354)	-
Hope for the Children of Africa	28,646	-	1,652	30,298
SG Partnership / East Africa	12,737	-	6,494	19,231
Humble Place Capital	30,782	-	3,510	34,292
Humble Place Program	14,767	-	29,317	44,084
Health & Welfare Ministries	(5,965)	-	5,539	(426)
Faith & Health Conference	-	-	(900)	(900)
Black Church Summit	2,776	-	4,489	7,265
Dave Hanson Scholarship Fund	422	-	-	422
South GA Storm Recovery	50,039	-	2,022	52,061
Russian UMC Theological Seminary	26	-	(26)	-
Igniting Ministries	435	-	-	435
Total Office of Connectional Ministries	277,909	-	18,362	296,271
Total World Service and Conference Benevolence	\$ 376,667	\$ -	\$ 1,859	\$ 378,526

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF CHANGES IN NET ASSETS
MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2006

	Net Assets Jan. 1, 2006	Change in Net Assets		Net Assets Dec. 31, 2006
		Budget Funds	Nonbudget Funds	
<u>TEMPORARILY RESTRICTED NET ASSETS</u>				
<u>Clergy Support</u>				
Episcopal Funds				
Episcopal Office Reserve	\$ 10,418	\$ -	\$ (10,418)	\$ -
Special Episcopal Reserve Account	4,657	-	(1,039)	3,618
Episcopal Residence Reserve	1,678	-	(1,678)	-
Total Episcopal Funds	16,753	-	(13,135)	3,618
Pensions, Benefits and Health Insurance				
Pre-1982 Pension	187,379	-	13,752	201,131
WIH Pitts Memorial	2,064,399	-	611,739	2,676,138
Comprehensive Protection Plan	22,331	-	(10,731)	11,600
HF Transition Grants Reserve	88,096	-	16,732	104,828
Ministerial Pension Plan	(36,067)	-	(31,474)	(67,541)
Pensions	-	-	772	772
Healthflex	215,262	-	34,141	249,403
Total Pensions, Benefits and Health Insurance	2,541,400	-	634,931	3,176,331
Comprehensive School Clergy	10,472	-	1,721	12,193
Local Pastor's License School	-	-	2,250	2,250
Total Clergy Support	2,568,625	-	625,767	3,194,392
<u>Administration</u>				
Conference Journal	5,432	-	2,091	7,523
Miscellaneous Activity	-	-	(465)	(465)
Administrative Services Office Reserves	836	-	4,299	5,135
Discretionary Funds	500	-	184	684
Total Administration	6,768	-	6,109	12,877
<u>New Congregational Development</u>				
Church Extension	320,035	-	5,859	325,894
SGA Investment Fund	388,062	-	15,090	403,152
Kingdom Builders Club	88,884	-	286,239	375,123
New Congregational Supporters	3,333	-	6,080	9,413
Vision Promoters	8,534	-	4,240	12,774
New Congregation Planters	67,312	-	19,828	87,140
New Church Builders Fund	593,793	-	(61,393)	532,400
Land Sale	-	-	565,047	565,047
IOH - Savannah District Minister	-	-	7,000	7,000
Saint Mary's Grant	65,010	-	(65,010)	-
Hispanic Ministries	29,610	-	(15,829)	13,781
Bishop's New Congregational Initiative	98,969	-	3,848	102,817
Total New Congregational Development	\$ 1,663,542	\$ -	\$ 770,999	\$ 2,434,541

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF CHANGES IN NET ASSETS
 MODIFIED CASH BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2006

	Net Assets Jan. 1, 2006	Change in Net Assets		Net Assets Dec. 31, 2006
		Budget Funds	Nonbudget Funds	
<u>TEMPORARILY RESTRICTED NET ASSETS</u>				
<u>Other Causes</u>				
Ministerial Education	\$ (9,251)	\$ -	\$ (22,478)	\$ (31,729)
South Georgia Conference Offices	16,683	-	649	17,332
Christian Education Sunday	9,964	-	1,644	11,608
Peace with Justice on Sunday	12,770	-	1,498	14,268
Golden Cross	78,581	-	3,353	81,934
Conference Advance Special	(84,317)	-	(71,182)	(155,499)
General Advance Special	36,101	-	95,702	131,803
Native American Awareness	3,118	-	1,532	4,650
Strategic Ministry Fund	9,118	-	-	9,118
Faith Sharing	5,304	-	-	5,304
Relief Association	134,389	-	8,411	142,800
South Georgia Special Relief	22,191	-	3,774	25,965
AC 70 Club	6,000	-	1,000	7,000
Youth Services Fund	90	-	(90)	-
Appointment Transition Event	9,283	-	(7,633)	1,650
Total Other Causes	1,913,566	-	787,179	2,700,745
Total Temporarily Restricted Net Assets	4,865,626	-	1,420,914	6,286,540
<u>UNRESTRICTED NET ASSETS</u>	3,672,534	(131,482)	245,627	3,786,679
TOTAL NET ASSETS	\$ 8,538,160	\$ (131,482)	\$ 1,666,541	\$ 10,073,219

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