

Asset and Liability Highlights

(This document has four pages. Boxes will expand downward to accommodate as much text as you enter.)

Congregation _____ City _____

Current Year-to-Date

ASSETS	LIABILITIES
Total in checking account(s)	Loans
Total in savings accounts (s)	Bonds
Total All other account(s) (e.g. CDs, Dio Invest Fund)	Other financial liabilities (e.g. municipal LID assessments)
Pledges receivable remainder of year	

FUND AMOUNTS (should approximate first three lines above) List below all funds, including operating fund. Indicate at right any conditions that apply.	Balance	Type (see definitions page)	Annual Income or withdrawal amount	Conditions of Use, if any

OUTSTANDING LOANS OR BONDS					
AMOUNT BORROWED	DATE	RATE	PURPOSE	REMAINING BALANCE	MATURITY DATE

Prior Year

ASSETS	LIABILITIES
Total in checking account(s)	Loans
Total in savings accounts (s)	Bonds
Total All other account(s) (e.g. CDs, Dio Invest Fund)	Other financial liabilities (e.g. municipal LID assessments)

FUND AMOUNTS (should approximate first three lines above) <u>List below</u> all funds, including operating fund. Indicate at right any conditions that apply.	Balance	Type (see definitions page)	Annual Income or withdrawal amount	Conditions of Use, if any

OUTSTANDING LOANS OR BONDS					
AMOUNT BORROWED	DATE	RATE	PURPOSE	REMAINING BALANCE	MATURITY DATE

Two Years Prior

ASSETS	LIABILITIES
Total in checking account(s)	Loans
Total in savings accounts (s)	Bonds
Total All other account(s) (e.g. CDs, Dio Invest Fund)	Other financial liabilities (e.g. municipal LID assessments)

FUND LISTING (total amount should approximate first three lines above) <u>List below</u> all funds, including operating fund. Indicate at right any conditions that apply.	Balance	Type (see definitions page)	Annual Income or withdrawal amount	Conditions of Use, if any

OUTSTANDING LOANS OR BONDS					
AMOUNT BORROWED	DATE	RATE	PURPOSE	REMAINING BALANCE	MATURITY DATE

Fund “Type” Definitions

Please list on the pages above all separate funds that are over \$1000. It is not necessary to list every fund, because the forms are not true balance sheets, but rather balance sheet highlights.

Properly classifying funds by type is important in considering your loan application.

1. **Operating fund** –the fund that holds all monies used for current church operations, such as salaries, utilities, music, altar supplies. Some of these monies may be in a checking account, some in a savings account. For the purpose of this listing only the purpose is important.
2. **Restricted Fund** -- In the church today, the word “restricted” is used to identify monies which the **donor** has identified to be used for a specific purpose, and which may not be used for a similar or different purpose without consultation with and consent of the donor. An example of a restricted fund would be proceeds of a capital campaign for a new parish hall, or funds collected or designated for music programs or choir robes. While most donor restrictions concern purpose or use, some include time, such as pledges received in Nov or Dec of the current year which may only be used in the following year.
3. **Designated Fund** – In the church today, the word “designated” is used to identify monies which the **vestry or bishop’s committee** (or trustees or advisory committee) have set aside for a specific purpose. The vestry/BC can change its mind about the use as it sees fit or necessary. Therefore, designated funds set aside for outreach could be diverted to music or roof repair if the vestry/BC decided to do so. Memorial funds are usually designated funds – funds given to the general benefit of the church in memory of a person or event. Previously, designated funds were often called “reserve accounts”
4. **Endowment Fund** – An endowment is a very specific type of fund, established by a trust document of some sort. Only the income of an endowment may be used each year¹, the principal must be maintained in perpetuity for the benefit of the church or purpose for which it was established. If the trust provides that the income may be used for general church purposes, then annual income is “unrestricted” income and may be spent on any project, purpose or expenses of the church. If the trust provides that the income must be used for some specific purpose (for example property repair and maintenance, clergy salary support, music education) then the annual income is “restricted” and only that part of the budget may be supported with the funds each year with unexpended funds being returned to the endowment “corpus”. If you have endowments, you will show restrictions on use of the income, if any, in the “conditions of use” column of the Highlights pages.

¹ Actually, the withdrawal of money from an endowment can be more complicated than simply taking the prior year’s income each year. Vestries and BCs should definitely review endowment withdrawal policies and practices with a lawyer or accountant.