

**THE EPISCOPAL DIOCESE OF
CENTRAL PENNSYLVANIA**

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2014

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Greenawalt & Company, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

The Episcopal Diocese of
Central Pennsylvania
Harrisburg, Pennsylvania

We have audited the accompanying combined financial statements of The Episcopal Diocese of Central Pennsylvania and the Incorporated Trustees of the Diocese of Central Pennsylvania (nonprofit organizations), which comprise the combined statement of assets, liabilities and fund balances-modified cash basis of as of December 31, 2014 and the related combined statement of revenues, expenses and changes in fund balances - modified cash basis for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting described in the notes to the financial statement; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 auditor considers internal control relevant to the organization'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 organization'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.

The Episcopal Diocese of
Central Pennsylvania

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

Basis for Qualified Opinion

As more fully described in the significant accounting policies and nature of activities footnote to the financial statements, The Episcopal Diocese of Central Pennsylvania and the Incorporated Trustees of the Diocese of Central Pennsylvania has not classified the difference between its assets and liabilities as unrestricted, temporarily restricted, and permanently restricted net assets based on the existence or absence of donor-imposed restrictions. Also, The Episcopal Diocese of Central Pennsylvania has not reported the changes in each of those classes of net assets in the combined statement of revenues, expenses and changes in fund balances - modified cash basis and has not disclosed information about expenses reported by their functional classifications in the combined statement of revenues, expenses and changes in fund balances - modified cash basis or the notes to the financial statements. Presentation of such information is required by the modified cash basis of accounting. The effects on the financial statements of that departure from those accounting principles are not reasonably determinable.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the combined financial statements referred to above present fairly, in all material respects, the combined assets, liabilities and fund balances of The Episcopal Diocese of Central Pennsylvania and the Incorporated Trustees of the Diocese of Central Pennsylvania as of December 31, 2014, and its combined revenues, expenses and changes in fund balances for the year then ended in accordance with modified cash basis of accounting as described in the notes to the financial statements.

Basis of Accounting

We draw attention to the significant accounting policies and nature of activities footnote to the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.


GREENAWALT & COMPANY, P.C.

July 2, 2015

Mechanicsburg, Pennsylvania

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
 COMBINED STATEMENT OF ASSETS, LIABILITIES
 AND FUND BALANCES - MODIFIED CASH BASIS
 DECEMBER 31, 2014

ASSETS

Cash and investments		
Cash	\$	707,736
Certificate of deposit		51,707
Investments - Incorporated Trustees		<u>18,965,366</u>
Total assets	\$	<u><u>19,724,809</u></u>

LIABILITIES AND FUND BALANCES

Liabilities		
Payroll tax withholdings	\$	<u>1,494</u>
Fund balances		
Unrestricted		372,162
Restricted		
Diocese	\$ 8,324,691	
Incorporated Trustees	<u>680,490</u>	9,005,181
Custodial accounts		<u>10,345,972</u>
Total fund balances		<u>19,723,315</u>
Total liabilities and fund balances	\$	<u><u>19,724,809</u></u>

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

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
 COMBINED STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
 YEAR ENDED DECEMBER 31, 2014

	Unrestricted Funds	Restricted Funds	Custodial Accounts	Total
Revenues				
Fair share pledges	\$ 1,350,539	\$ -	\$ -	\$ 1,350,539
Investment income	2,837	158,914	188,262	350,013
Contributions	689,822	45,381	502,282	1,237,485
Program fees	35,451	5,851	-	41,302
Grant income	-	13,800	-	13,800
Principal repayments	-	76,069	-	76,069
Unrealized/realized gains	-	387,834	463,358	851,192
Conferences/seminars/camps	62,526	-	-	62,526
Miscellaneous income	19,091	-	-	19,091
	<u>2,160,266</u>	<u>687,849</u>	<u>1,153,902</u>	<u>4,002,017</u>
Expenses				
World Mission	250,646	-	-	250,646
Diocesan Mission	901,345	99,579	-	1,000,924
Office of the Bishop	702,683	66,349	-	769,032
Diocesan Programs	17,500	-	-	17,500
Parish trust distributions	240,644	-	568,143	808,787
Loans disbursed	-	46,400	-	46,400
Offerings	14,293	-	-	14,293
Accrued parish/Diocese distribution	-	(5,531)	226	(5,305)
	<u>2,127,111</u>	<u>206,797</u>	<u>568,369</u>	<u>2,902,277</u>
Changes in fund balances	33,155	481,052	585,533	1,099,740
Other changes in fund balances				
Transfers between funds	30,250	386,531	(416,781)	-
Total changes in fund balances	63,405	867,583	168,752	1,099,740
Fund balance, beginning	<u>308,757</u>	<u>8,137,598</u>	<u>10,177,220</u>	<u>18,623,575</u>
Fund balance, ending	<u>\$ 372,162</u>	<u>\$ 9,005,181</u>	<u>\$ 10,345,972</u>	<u>\$ 19,723,315</u>

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

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of activities

The Episcopal Diocese of Central Pennsylvania (Diocese) is a constituent of the Episcopal Church, known as the Protestant Episcopal Church in the United States of America. The Diocese is a nonprofit organization and is dedicated to establishing, developing and promoting all aspects of church ministry within the sixty-six parishes of Central Pennsylvania. The Diocese is supported primarily through fair share pledges from each of the parishes.

Basis of accounting

The accompanying combined financial statements have been prepared on the modified cash basis of accounting. This basis differs from generally accepted accounting principles primarily because revenues and expenses are recorded when received rather than when earned or incurred, with the exception of investments which are carried at fair market value and the related appreciation or depreciation is recognized in the current period and accounted for as a revenue or expense. In addition, investment income and fourth quarter distributions by the Trust are recognized when earned or incurred, respectively. Payroll tax withholdings are reported as a liability based on wages paid in the current year.

Principles of combining

The combined financial statements include the accounts of The Episcopal Diocese of Central Pennsylvania and the Incorporated Trustees of the Diocese of Central Pennsylvania (Incorporated Trustees). The Incorporated Trustees is a related entity which acts as a trustee for the Diocese and its parishes by investing funds on their behalf. These funds are pooled and managed by the trust department of BNY Mellon, which also maintains separate accounts for each depositor. All material inter-organization transactions have been eliminated.

Fund balances

In order to ensure the observance of limitations and restrictions placed on the use of the resources available to the Diocese, the accounts of the Diocese are maintained in accordance with the principles of "fund accounting". That is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with the activities or objectives specified. Separate accounts are maintained for each fund. Accordingly, all financial transactions have been recorded and reported by fund group. Definition of the funds used by the Diocese are:

Unrestricted fund - amounts currently available for use in the Diocese ministries.

Restricted funds - amounts designated by the Diocese to be used for a specific purpose or donor restricted.

Custodial accounts - Diocese parish funds pooled for investment purposes. These are not assets of the Diocese.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS (Cont'd.)

DECEMBER 31, 2014

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

Fund balances (Cont'd.)

The Diocese has not implemented FASB ASC 958 which requires the Diocese to classify the differences between its assets and liabilities and changes in net assets as unrestricted, temporarily restricted, and permanently restricted net assets based on existence or absence of donor-imposed restrictions. In addition, the Diocese has not disclosed information about expenses reported by their functional classifications in the combined statement of revenues, expenses and changes in fund balances - modified cash basis.

Investments - Incorporated Trustees

Investments are reported at fair value. Trust accounts maintained by the Incorporated Trustees include investments of the Diocese, the Incorporated Trustees, and custodial funds for any of the sixty-six parishes. The funds are pooled to maximize earnings. Participation and income allocations are based on the market value of the investments held at the quarterly distribution dates. Income for each calendar quarter is allocated on the basis of percentages of participation as of the last day of the quarter. Trust participation terminations are made at market value. The investment balances include investment income earned but not received and includes reductions for fourth quarter distributions paid in the following year.

The Diocese invests in a professionally-managed portfolio that contains various types of securities. Such investments are exposed to market and credit risk. Due to the level of risk associated with such investments, and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in the near term would materially affect investment balances and the amounts reported in the financial statements.

Property and equipment

The cost or value of property and equipment are expensed in the year purchased.

Mission and parish property

Active missions and parishes of the Diocese are not recorded in the combined financial statements because the Diocese has no control over the property and the congregations maintain beneficial use of the properties. In the event that a mission or parish is deconsecrated, beneficial ownership of the property held by the congregation reverts to the Diocese and is therefore recorded as an asset on the statement of assets, liabilities and fund balances-modified cash basis and deconsecrated (consecrated) congregations on the statement of revenues, expenses and changes in fund balances-modified cash basis.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS (Cont'd.)

DECEMBER 31, 2014

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

Income taxes

The Diocese is a non-profit organization which is statutorily exempt from federal income taxes under the Internal Revenue Code. The standards require an assessment of the Diocese's exposure to income taxes at the entity level as a result of uncertain tax positions taken in current and previous years. Examples of tax positions taken at the entity level include the continuing validity of its tax exempt status, potential unrelated business activities and other tax positions that could result in income taxes to the Diocese upon examinations by taxing authorities. The Diocese's management is not aware of any activities that would jeopardize its tax-exempt status or would be subject to unrelated business or excise tax.

As a religious organization, the Diocese is not subject to annual income tax filings. However, any activities that are unrelated to their exempt purpose could subject the Diocese to filing a Form 990T. No such filings were made in the prior three years.

Subsequent events

In preparing these financial statements, the Diocese has evaluated events and transactions for potential recognition through July 2, 2015, the date which the financial statements were available to be issued.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS (Cont'd.)

DECEMBER 31, 2014

INVESTMENTS - INCORPORATED TRUSTEES

At December 31, 2014, the market value totaled \$ 18,965,366. The amount of unrealized/realized gains (losses) was \$ 1,358,796. Investment earnings totaling \$ 346,254 are shown net of bank fees totaling \$ 119,386. The composition of investments at year end is as follows:

	Cost	Fair Value
Cash and cash equivalents	\$ 515,329	\$ 515,329
Fixed income bond and security funds	7,211,382	7,386,963
Equities		
Energy	226,857	243,624
Materials	115,201	146,220
Industrials	225,531	347,959
Consumer discretionary	233,730	297,609
Consumer staples	310,413	411,086
Healthcare	281,774	319,511
Financials	199,467	220,844
Information technology	179,118	226,347
Telecommunications services	78,358	85,458
Utilities	142,391	185,938
U.S. Large CAP	5,108,155	5,109,335
U.S. Mid CAP	534,343	885,775
U.S. Small CAP	460,943	538,674
Developed international	727,167	816,262
Emerging markets	537,059	672,193
Reits	165,256	159,486
Other equity	321,400	362,084
Alternative investment	32,695	34,669
	\$ 17,606,569	\$ 18,965,366

The trust funds of the Incorporated Trustees are held by the Trust Department of BNY Mellon. The Trust Department handles the administration of the assets, including allocation of quarterly income to the fund participants.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS (Cont'd.)

DECEMBER 31, 2014

FAIR VALUE MEASUREMENTS

Fair value accounting standards provide the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation methods used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets or liabilities and have the highest priority; Level 2 inputs consist of observable inputs other than quoted prices for identical assets; and Level 3 inputs have the lowest priority to unobservable inputs.

The Diocese uses the following valuation techniques to measure fair value of assets on a recurring basis. There have been no changes in the methodologies used at December 31, 2014.

Cash and cash equivalents - The carrying amount approximates fair value because of the short-term nature of these investments.

Equities and fixed income bond and security funds - Valued at the closing price reported on the active market on which the individual securities are traded.

Other equity - Primarily preferred debt securities are valued based on yield of comparable securities of issuers with similar credit ratings.

Alternative investment - Oil and gas limited partnership with the asset value of the company determined periodically based on earnings of the partnership.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Diocese believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS (Cont'd.)

DECEMBER 31, 2014

FAIR VALUE MEASUREMENTS (Cont'd.)

The following table sets forth by level, within the fair value hierarchy, the Diocese's assets at fair value on a recurring basis.

	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 515,329	\$ -	\$ 515,329	\$ -
Fixed income bond and security funds	7,386,963	7,386,963	-	-
Equities				
Energy	243,624	243,624	-	-
Materials	146,220	146,220	-	-
Industrials	347,959	347,959	-	-
Consumer discretionary	297,609	297,609	-	-
Consumer staples	411,086	411,086	-	-
Healthcare	319,511	319,511	-	-
Financials	220,844	220,844	-	-
Information technology	226,347	226,347	-	-
Telecommunications services	85,458	85,458	-	-
Utilities	185,938	185,938	-	-
U.S. Large CAP	5,109,335	5,109,335	-	-
U.S. Mid CAP	885,775	885,775	-	-
U.S. Small CAP	538,674	538,674	-	-
Developed international	816,262	816,262	-	-
Emerging markets	672,193	672,193	-	-
Reits	159,486	159,486	-	-
Other equity	362,084	-	362,084	-
Alternative investment	34,669	-	-	34,669
	\$ 18,965,366	\$ 18,053,284	\$ 877,413	\$ 34,669

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS (Cont'd.)

DECEMBER 31, 2014

FAIR VALUE MEASUREMENTS (Cont'd.)

Level 3 gains and losses

The following table sets forth a summary of changes in the fair value of the Diocese's level 3 assets for the year ended December 31, 2014.

	<u>Alternatives</u>
Balance, beginning of year	\$ 55,949
Purchases	32,694
Realized gains/(losses)	11,926
Unrealized gains/(losses)	(7,414)
Sales	<u>(58,486)</u>
Balance, end of year	<u>\$ 34,669</u>

Changes in fair value levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

We evaluated the significance of transfers (if any) between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets. For the year ended December 31, 2014, there were no significant transfers in or out of levels 1, 2 or 3.

CONTINGENCIES

Certain parishes of the Diocese have entered into loans which have been co-signed by the Bishop of the Diocese. In the event of default, the Diocese may be obligated to pay the unpaid portion of the defaulted obligations. The outstanding balance of such loans at December 31, 2014 was approximately \$ 226,528.

In 1999, the Diocese purchased their office building. The Diocese borrowed \$ 200,000 from Citizens Bank to finance the purchase. The loan is secured by a mortgage on the Diocese office building and is payable in 173 installments of \$ 1,830 per month. Interest of 6.67% is included in the monthly payment. The loan was paid in full during 2014.

The Diocese provides the cost of a health insurance supplement policy to its retired clergy for life. For 2014, the monthly premium per clergy totaled approximately \$ 100 a month. The total paid for the year was \$ 41,587.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS (Cont'd.)

DECEMBER 31, 2014

PENSION PLAN

The Diocese participates in a defined benefit plan and a defined contribution plan. The defined benefit plan is a multi-employer plan maintained for the benefit of clergy and administered by the Church Pension Fund on behalf of the Episcopal Church. The Diocese's contributions to the plan were \$ 200,834. The Diocese's relative position in this plan is not readily determinable.

The defined contribution plan covers substantially all eligible lay employees. The provisions of the plan permit the employees to make tax-deferred contributions to the plan not to exceed IRS limitations. The Diocese's contributions were \$ 14,038.

OPERATING LEASES

The Diocese leased certain office equipment under leases with varying terms through 2017. At December 31, 2014, the minimum rental payments under noncancellable leases with a term in excess of one year were as follows:

2015	\$	4,350
2016		4,350
2017		1,292

Total lease expense for the year ended December 31, 2014 totaled \$ 6,853.

RELATED PARTIES

The Diocese loaned to the Bishop of the Diocese \$ 75,000 to purchase a personal residence. The loan is unsecured and interest free. The loan is payable upon the sale of the premises, or within six months of retirement or in relinquishment of his duties as Bishop. This loan was forgiven in 2014.

The Diocese provides grants to parishes within its region for the purpose of assisting congregations with major structural and renovation projects as well as assistance with certain qualified projects. During 2014, the Diocese provided \$ 185,027 in funding. By virtue of being member parishes, these transactions are considered related party in nature.

The Diocese is affiliated with the Protestant Episcopal Church in the United States of America. As part of that affiliation, the Diocese committed \$ 247,146 in support of the national church. In addition, the Diocese participates in various health and benefit plans as provide by the national church. Refer to the pension plan disclosure for further details.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (Cont'd.)
DECEMBER 31, 2014

CONCENTRATIONS

The Diocese revenues for the Missionary Budget Fund include amounts received from the sixty-six parishes within its Central Pennsylvania diocese. The Fair Share revenues represent 82% of the total revenues for the Missionary Budget Fund. The continuation of Diocese operations is usually assumed in financial accounting in the absence of evidence to the contrary. The Diocese is subject to the uncertainty as to the amounts of future support.

The Diocese maintains its cash balances in two high-quality financial institutions. Accounts are insured by the Federal Deposit Insurance Corporation up to \$ 250,000. At December 31, 2014, the Diocese's uninsured balances totaled \$ 454,375.

The Diocese has a line-of-credit with Mid-Penn Bank in the amount of \$ 250,000. Interest is payable monthly based on the prime rate as quoted in the Wall Street Journal subject to a floor rate of 3.75%. Principal is due on demand. The line-of-credit is secured by inventory, chattel paper, accounts, equipment and general intangibles. At year-end there was not outstanding balance.

SUBSEQUENT EVENTS

The Diocese has operated a parish; St. Benedict's located in New Freedom, Pennsylvania. Effective May 2015, the Diocese closed the parish.

SUPPLEMENTARY INFORMATION



Greenawalt & Company, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

Since 1955

James E. Lyons
Deborah J. Kelly
Scott J. Christ
Ronald S. Morgan
Howard R. Greenawalt
Creedon R. Hoffman

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

The Episcopal Diocese of
Central Pennsylvania
Harrisburg, Pennsylvania

We have audited the combined financial statements of The Episcopal Diocese of Central Pennsylvania and the Incorporated Trustees of the Diocese of Central Pennsylvania as of and for the year ended December 31, 2014, and have issued our report thereon dated July 2, 2015 which contained a qualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the combined financial statements taken as a whole.

The Schedule of Revenues, Expenses and Changes in Fund Balances - Modified Cash Basis - By Fund is presented for purposes of additional analysis and is not a required part of the combined 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 combined financial statements as a whole.

Greenawalt & Company, P.C.
GREENAWALT & COMPANY, P.C.

July 2, 2015

Mechanicsburg, Pennsylvania

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES -
MODIFIED CASH BASIS - BY FUND
DECEMBER 31, 2014

	Unrestricted				
	Missionary Budget Fund	Discretionary Funds	Bishop and Mrs. Darlington Memorial Fund	Bishop Darlington Fund	Bishop Heistand Fund
Beginning balance					
DCPA 1/1/14	\$ 308,757	\$ 27,761	\$ -	\$ -	\$ 176,303
Incorporated Trustees 1/1/14	-	-	30,608	414,758	1,382,407
Total 1/1/14	308,757	27,761	30,608	414,758	1,558,710
Revenues					
Fair Share Pledges	1,350,539	-	-	-	-
Investment income	2,837	52	564	7,722	27,166
Contributions	689,822	7,233	-	-	-
Program fees	35,451	-	-	-	-
Grant income	-	-	-	-	-
Principal repayments	-	-	-	-	62,069
Unrealized/realized gains/(losses)	-	-	1,384	19,029	65,500
Conferences/seminars/camps	62,526	-	-	-	-
Miscellaneous income	19,091	-	-	-	-
Total revenues	2,160,266	7,285	1,948	26,751	154,735
Expenses					
World Mission	250,646	-	-	-	-
Diocesan Mission	901,345	34,478	2,900	23,884	-
Office of the Bishop	702,683	-	-	-	-
Diocesan programs	17,500	-	-	-	-
Parish trust distributions	240,644	-	-	-	-
Loans disbursed	-	-	-	-	46,400
Offerings	14,293	-	-	-	-
Accrued parish/Diocese distribution	-	-	-	-	-
Total expenses	2,127,111	34,478	2,900	23,884	46,400
Changes in fund balances	33,155	(27,193)	(952)	2,867	108,335
Other changes in fund balances					
Transfers between funds	30,250	(25)	-	-	-
Total changes in fund balances	63,405	(27,218)	(952)	2,867	108,335
Ending balance					
DCPA 12/31/14	372,162	543	-	(959)	239,194
Incorporated Trustees 12/31/14	-	-	29,656	418,584	1,427,851
Total 12/31/14	\$ 372,162	\$ 543	\$ 29,656	\$ 417,625	\$ 1,667,045

(Continued)

See independent auditor's report on supplementary information.

	Restricted					
Bishop Honoman En- dowment Fund	Bishop Wyatt-Brown Fund	Bishop Stevenson Fund	Doris Stephenson Fund	Oscar Heinz Endowment	Widows Corp Wellness Fund	Episcopal Ministry at PSU
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,600	\$ -
459,025	94,187	480,842	24,725	548,527	-	34,725
459,025	94,187	480,842	24,725	548,527	30,600	34,725
-	-	-	-	-	-	-
8,764	1,833	9,292	481	10,600	-	675
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
21,674	4,481	22,767	1,176	25,972	-	1,652
-	-	-	-	-	-	-
-	-	-	-	-	-	-
30,438	6,314	32,059	1,657	36,572	-	2,327
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(1,113)	-	(1,099)	-	(1,254)	-	-
(1,113)	-	(1,099)	-	(1,254)	-	-
31,551	6,314	33,158	1,657	37,826	-	2,327
(19,877)	-	(10,391)	-	(11,854)	-	-
11,674	6,314	22,767	1,657	25,972	-	2,327
-	-	-	-	-	30,600	-
470,699	100,501	503,609	26,382	574,499	-	37,052
\$ 470,699	\$ 100,501	\$ 503,609	\$ 26,382	\$ 574,499	\$ 30,600	\$ 37,052

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES -
MODIFIED CASH BASIS - BY FUND (Cont'd.)
DECEMBER 31, 2014

	Reserve - General Convention Fund	Reserve - Lambeth Conference Fund	Emergency Needs Fund	Disaster Response	Medical Insurance Reimburse- ment
Beginning balance					
DCPA 1/1/14	\$ -	\$ -	\$ 1,585	\$ 5,025	\$ 30,607
Incorporated Trustees 1/1/14	28,808	25,411	-	-	-
Total 1/1/14	28,808	25,411	1,585	5,025	30,607
Revenues					
Fair Share Pledges	-	-	-	-	-
Investment income	686	506	-	-	-
Contributions	-	-	-	-	-
Program fees	-	-	-	-	-
Grant income	-	-	-	-	-
Principal repayments	-	-	-	-	-
Unrealized/realized gains/(losses)	1,613	1,229	-	-	-
Conferences/seminars/camps	-	-	-	-	-
Miscellaneous income	-	-	-	-	-
Total revenues	2,299	1,735	-	-	-
Expenses					
World Mission	-	-	-	-	-
Diocesan Mission	-	-	-	(1,576)	5,000
Office of the Bishop	-	-	-	-	-
Diocesan Programs	-	-	-	-	-
Parish trust distributions	-	-	-	-	-
Loan disbursed	-	-	-	-	-
Offerings	-	-	-	-	-
Accrued parish/Diocese distribution	-	-	-	-	-
Total expenses	-	-	-	(1,576)	5,000
Changes in fund balances	2,299	1,735	-	1,576	(5,000)
Other changes in fund balances					
Transfers between funds	12,000	1,000	-	-	-
Total changes in fund balances	14,299	2,735	-	1,576	(5,000)
Ending balance					
DCPA 12/31/14	-	-	1,585	6,601	25,607
Incorporated Trustees 12/31/14	43,107	28,146	-	-	-
Total 12/31/14	\$ 43,107	\$ 28,146	\$ 1,585	\$ 6,601	\$ 25,607

(Continued)

See independent auditor's report on supplementary information.

Restricted

Diocesan Medical/Life Insurance	Bishop Search	Sharing the Vision Inc. Trustees	Designated Offering Transmittal	Episcopal Church Women	ECW Book of Remem- brance	Bishop Advance Work Fund
\$ -	\$ -	\$ -	\$ 1,340	\$ 7,290	\$ -	\$ -
62,541	23,376	1,232,781	-	22,859	31,826	114,759
62,541	23,376	1,232,781	1,340	30,149	31,826	114,759
-	-	-	-	-	-	-
13	385	23,987	-	469	615	2,233
-	-	-	-	12,920	-	-
-	-	-	-	4,947	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
20	886	58,654	-	1,014	1,507	5,460
-	-	-	-	-	-	-
-	-	-	-	-	-	-
33	1,271	82,641	-	19,350	2,122	7,693
-	-	-	-	-	-	-
-	-	-	-	15,265	-	-
-	62,935	-	-	3,414	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	50	(73)	-
-	62,935	-	-	18,729	(73)	-
33	(61,664)	82,641	-	621	2,195	7,693
(61,000)	71,000	-	-	688	(688)	-
(60,967)	9,336	82,641	-	1,309	1,507	7,693
-	7,065	-	1,340	7,585	-	-
1,574	25,647	1,315,422	-	23,873	33,333	122,452
\$ 1,574	\$ 32,712	\$ 1,315,422	\$ 1,340	\$ 31,458	\$ 33,333	\$ 122,452

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES -
MODIFIED CASH BASIS - BY FUND (Cont'd.)
DECEMBER 31, 2014

	Special Housing	Endowment/ Fieldwork Funds	York Springs Church Fund	Sarah Baker Trust Fund	Incorporated General
Beginning balance					
DCPA 1/1/14	\$ -	\$ -	\$ -	\$ -	\$ -
Incorporated Trustees 1/1/14	14,350	880,261	12,977	47,935	637,738
Total 1/1/14	14,350	880,261	12,977	47,935	637,738
Revenues					
Fair Share Pledges	-	-	-	-	-
Investment income	279	17,010	251	932	12,409
Contributions	-	-	-	-	-
Program fees	-	-	-	-	-
Grant income	-	-	-	-	-
Principal repayments	-	14,000	-	-	-
Unrealized/realized gains	683	41,680	614	2,281	30,342
Conferences/seminars/camps	-	-	-	-	-
Miscellaneous income	-	-	-	-	-
Total revenues	962	72,690	865	3,213	42,751
Expenses					
World Mission	-	-	-	-	-
Diocesan Mission	-	-	-	-	-
Office of the Bishop	-	-	-	-	-
Diocesan Programs	-	-	-	-	-
Parish trust distributions	-	-	-	-	-
Loans disbursed	-	-	-	-	-
Offerings	-	-	-	-	-
Accrued parish/Diocese distribution	-	(2,013)	(29)	-	-
Total expenses	-	(2,013)	(29)	-	-
Changes in fund balances	962	74,703	894	3,213	42,751
Other changes in fund balances					
Transfers between funds	-	(19,023)	(280)	-	-
Total changes in fund balances	962	55,680	614	3,213	42,751
Ending balance					
DCPA 12/31/14	-	14,000	-	-	-
Incorporated Trustees 12/31/14	15,312	921,941	13,591	51,148	680,489
Total 12/31/14	\$ 15,312	\$ 935,941	\$ 13,591	\$ 51,148	\$ 680,489

(Continued)

See independent auditor's report on supplementary information.

Restricted

Leadership Endowment	Kermit L. Lloyd Memorial	Bishop Charlie McNutt Endowment	John Baldwin James Fund for Seminarians	G4 Celebration	Called to Grow Communi-cation	101 Pine St. Endowment
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
51,907	240,584	250,519	14,472	25,481	34,218	262,055
51,907	240,584	250,519	14,472	25,481	34,218	262,055
-	-	-	-	-	-	-
1,009	4,647	4,875	282	496	666	5,099
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,470	11,361	11,919	688	1,212	1,628	12,468
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,479	16,008	16,794	970	1,708	2,294	17,567
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,479	16,008	16,794	970	1,708	2,294	17,567
-	(1,800)	-	-	-	-	-
3,479	14,208	16,794	970	1,708	2,294	17,567
-	-	-	-	-	-	-
55,386	254,792	267,313	15,442	27,189	36,512	279,622
\$ 55,386	\$ 254,792	\$ 267,313	\$ 15,442	\$ 27,189	\$ 36,512	\$ 279,622

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES -
MODIFIED CASH BASIS - BY FUND (Cont'd.)
DECEMBER 31, 2014

	Called to Grow Youth	Closed Parish Funds	SCS Dean Endowment	Training Program	Restricted Risk Management Program
Beginning balance					
DCPA 1/1/14	\$ -	\$ 176	\$ -	\$ 39	\$ 14
Incorporated Trustees 1/1/14	24,478	15,024	54,692	-	-
Total 1/1/14	24,478	15,200	54,692	39	14
Revenues					
Fair Share Pledges	-	-	-	-	-
Investment income	476	292	1,064	-	-
Contributions	-	-	-	-	-
Program fees	-	-	-	-	-
Grant income	-	-	-	-	-
Principal repayments	-	-	-	-	-
Unrealized/realized gains	1,165	715	2,602	-	-
Conferences/seminars/camps	-	-	-	-	-
Miscellaneous income	-	-	-	-	-
Total revenues	1,641	1,007	3,666	-	-
Expenses					
World Mission	-	-	-	-	-
Diocesan Mission	-	-	-	-	-
Office of the Bishop	-	-	-	-	-
Diocesan Programs	-	-	-	-	-
Parish trust distributions	-	-	-	-	-
Loans disbursed	-	-	-	-	-
Offerings	-	-	-	-	-
Accrued parish/Diocese distribution	-	-	-	-	-
Total expenses and transfers	-	-	-	-	-
Changes in fund balances	1,641	1,007	3,666	-	-
Other changes in fund balances					
Transfers between funds	-	-	-	-	-
Total changes in fund balances	1,641	1,007	3,666	-	-
Ending balance					
DCPA 12/31/14	-	176	-	39	14
Incorporated Trustees 12/31/14	26,119	16,031	58,358	-	-
Total 12/31/14	\$ 26,119	\$ 16,207	\$ 58,358	\$ 39	\$ 14

(Continued)

See independent auditor's report on supplementary information.

St. Mary's Property Fd For SCS Scholarships	Southern York	Mission Fund	St. Mary's Bastian Fd For Mission & Ministry	St. Mary's Heether for C, Y & YA
\$ 12,537	\$ 12,463	\$ -	\$ -	\$ -
207,031	-	45,971	-	-
219,568	12,463	45,971	-	-
-	-	-	-	-
4,029	-	945	6,225	1,885
-	22,321	2,907	-	-
-	904	-	-	-
-	13,800	-	-	-
-	-	-	-	-
9,850	-	2,308	15,221	4,609
-	-	-	-	-
-	-	-	-	-
13,879	37,025	6,160	21,446	6,494
-	-	-	-	-
-	19,628	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	19,628	-	-	-
13,879	17,397	6,160	21,446	6,494
-	10,000	-	319,915	96,866
13,879	27,397	6,160	341,361	103,360
12,537	39,860	-	-	-
220,910	-	52,131	341,361	103,360
\$ 233,447	\$ 39,860	\$ 52,131	\$ 341,361	\$ 103,360

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES -
MODIFIED CASH BASIS - BY FUND (Cont'd.)
DECEMBER 31, 2014

	Total Restricted Funds	Custodial Accounts	Total All Funds
Beginning balance			
DCPA 1/1/14	\$ 305,740	\$ -	\$ 614,497
Incorporated Trustees 1/1/14	7,831,858	10,177,220	18,009,078
Total 1/1/14	<u>8,137,598</u>	<u>10,177,220</u>	<u>18,623,575</u>
Revenues			
Fair Share Pledges	-	-	1,350,539
Investment income	158,914	188,262	350,013
Contributions	45,381	502,282	1,237,485
Program fees	5,851	-	41,302
Grant income	13,800	-	13,800
Principal repayments	76,069	-	76,069
Unrealized/realized gains	387,834	463,358	851,192
Conferences/seminars/camps	-	-	62,526
Miscellaneous income	-	-	19,091
Total revenues	<u>687,849</u>	<u>1,153,902</u>	<u>4,002,017</u>
Expenses			
World Mission	-	-	250,646
Diocesan Mission	99,579	-	1,000,924
Office of the Bishop	66,349	-	769,032
Diocesan Programs	-	-	17,500
Parish trust distributions	-	568,143	808,787
Loans disbursed	46,400	-	46,400
Offerings	-	-	14,293
Accrued parish/Diocese distribution	(5,531)	226	(5,305)
Total expenses and transfers	<u>206,797</u>	<u>568,369</u>	<u>2,902,277</u>
Changes in fund balances	481,052	585,533	1,099,740
Other changes in fund balances			
Transfers between funds	386,531	(416,781)	-
Total changes in fund balances	<u>867,583</u>	<u>168,752</u>	<u>1,099,740</u>
Ending balance			
DCPA 12/31/14	385,787	-	757,949
Incorporated Trustees 12/31/14	8,619,394	10,345,972	18,965,366
Total 12/31/14	<u>\$ 9,005,181</u>	<u>\$ 10,345,972</u>	<u>\$ 19,723,315</u>

See independent auditor's report on supplementary information.