

ST. VLADIMIR'S ORTHODOX
THEOLOGICAL SEMINARY

FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION

For the Year Ended
June 30, 2007

ST. VLADIMIR'S ORTHODOX THEOLOGICAL SEMINARY

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT	1.
FINANCIAL STATEMENTS:	
Statement of Financial Position	2.
Statement of Activities	3.
Statement of Cash Flows	4.
Notes to the Financial Statements	5.
SUPPLEMENTAL INFORMATION:	
Schedule of Financial Position	11.
Schedule of Activities – Unrestricted Net Assets	12.

Board of Trustees
St. Vladimir's Orthodox Theological Seminary
Crestwood, New York

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying statement of financial position of St. Vladimir's Orthodox Theological Seminary as of June 30, 2007 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Seminary's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the organization's June 30, 2006 financial statements and, in our report dated August 17, 2006, we expressed an unqualified opinion on those financial statements.

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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. Vladimir's Orthodox Theological Seminary as of June 30, 2007 and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedule 1 and 2 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information 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.

Lambert, Lamos, Moulthrop, LLP

Montclair, NJ
October 18, 2007

Board of Trustees
St. Vladimir's Orthodox Theological Seminary
Crestwood, New York

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying statement of financial position of St. Vladimir's Orthodox Theological Seminary as of June 30, 2007 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Seminary's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the organization's June 30, 2006 financial statements and, in our report dated August 17, 2006, we expressed an unqualified opinion on those financial statements.

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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. Vladimir's Orthodox Theological Seminary as of June 30, 2007 and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedule 1 and 2 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information 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.

Lambrides, Lamos, Moulthrop, LLP

Montclair, NJ
October 18, 2007

ST. VLADIMIR'S ORTHODOX THEOLOGICAL SEMINARY

**STATEMENT OF FINANCIAL POSITION
JUNE 30, 2007
WITH SUMMARIZED FINANCIAL INFORMATION
AS OF JUNE 30, 2006**

	<u>2007</u>	<u>2006</u>
ASSETS		
Cash and cash equivalents	\$ 107,024	\$ 174,318
Accounts receivable (less allowance for doubtful accounts of \$97,399 in 2007; \$71,420 in 2006)	198,027	207,135
Pledges receivable	352,817	796,403
Prepaid expenses and security deposits	21,510	19,549
Inventory	752,830	768,466
Investments	15,345,356	12,951,251
Investment in property	122,122	122,122
Cash surrender value of life insurance	123,268	116,132
Land, building and equipment (at cost less accumulated depreciation of \$5,967,435 in 2007; \$5,425,442 in 2006)	<u>16,724,989</u>	<u>17,083,081</u>
Total assets	<u>\$ 33,747,943</u>	<u>\$ 32,238,457</u>
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$ 119,025	\$ 310,782
Deferred revenue	4,504	25,077
Mortgages payable	3,818,948	4,022,498
Annuity and life trust payable	<u>183,947</u>	<u>183,947</u>
Total liabilities	<u>4,126,424</u>	<u>4,542,304</u>
Net Assets:		
Unrestricted:		
Net investment in land, building and equipment	\$ 12,834,041	\$ 12,865,903
Board designated long-term investments	5,897,520	4,315,640
Undesignated	<u>489,781</u>	<u>1,144,034</u>
Total unrestricted net assets	19,221,342	18,325,577
Temporarily Restricted	2,766,975	2,056,614
Permanently restricted	<u>7,633,202</u>	<u>7,313,962</u>
Total net assets	<u>29,621,519</u>	<u>27,696,153</u>
Total liabilities and net assets	<u>\$ 33,747,943</u>	<u>\$ 32,238,457</u>

See notes to financial statements.

Exhibit A

ST. VLADIMIR'S ORTHODOX THEOLOGICAL SEMINARY

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2007
WITH SUMMARIZED FINANCIAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2006**

	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL 2007</u>	<u>TOTAL 2006</u>
Income and Releases:					
Tuition and fees	\$ 686,110			\$ 686,110	\$ 642,597
Less scholarship and financial aid	(272,164)			(272,164)	(364,461)
Net tuition and fees	413,946			413,946	278,136
Gifts and grants	1,653,925	\$ 128,611	\$ 319,240	2,101,776	1,336,749
Endowment income		1,541,776		1,541,776	647,312
Investment income	854,222			854,222	334,569
Subscriptions income	29,750			29,750	24,402
Summer institute income	25,685			25,685	32,980
Orthodox Education Day	28,011			28,011	62,169
Auxiliary enterprises	1,394,641			1,394,641	1,505,107
Other income	43,640			43,640	28,382
Total income before net assets released from restrictions	4,443,820	1,670,387	319,240	6,433,447	4,249,806
Net assets released from restrictions :					
Satisfactions of programs restrictions	960,026	(960,026)		-	-
Total income and releases	5,403,846	710,361	319,240	6,433,447	4,249,806
Expenses:					
Educational and general:					
Instruction	839,010			839,010	712,846
Public service	30,169			30,169	26,872
Library	152,199			152,199	144,159
Student services	135,729			135,729	133,939
Theological research publications	36,030			36,030	26,848
Operation and maintenance of plant	617,501			617,501	602,324
General institutional expense	773,862			773,862	935,718
Interest expense	297,834			297,834	157,440
Auxiliary enterprises	962,991			962,991	1,097,430
Total expenses	3,845,325	-	-	3,845,325	3,837,576
Change in Net Assets Before Depreciation	1,558,521	710,361	319,240	2,588,122	412,230
Depreciation	(662,756)			(662,756)	(590,757)
Change in Net Assets	895,765	710,361	319,240	1,925,366	(178,527)
Net Assets at Beginning of Year	18,325,577	2,056,614	7,313,962	27,696,153	27,874,680
Net Assets at End of Year	\$ 19,221,342	\$ 2,766,975	\$ 7,633,202	\$ 29,621,519	\$ 27,696,153

See notes to the financial statements

Exhibit B

ST. VLADIMIR'S ORTHODOX THEOLOGICAL SEMINARY

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2007
WITH SUMMARIZED FINANCIAL INFORMATION
FOR THE YEAR ENDED JUNE 30, 2006**

	<u>2007</u>	<u>2006</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ 1,925,366	\$ (178,527)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	662,756	590,757
Contributions restricted for long-term investment	(328,393)	(709,771)
Realized and unrealized (gains) loss on investments	(2,246,995)	(785,411)
(Increase) decrease in:		
Accounts receivable	9,108	33,874
Pledges receivable	443,586	162,654
Prepaid expenses and security deposits	(1,961)	4,831
Inventory	15,636	(12,029)
Investment in property		-
Cash surrender value of life insurance	(7,136)	(8,116)
Increase (decrease) in:		
Accounts payable	(191,757)	(246,725)
Deferred Revenue	(20,573)	7,828
Annuity and life trust payable	-	(35,456)
Net cash provided (used) by operating activities	<u>259,637</u>	<u>(1,176,091)</u>
Cash Flows from Investing Activities:		
Purchase of investments	(11,070,641)	(9,266,265)
Proceeds from sales of investments	10,923,531	10,727,916
Purchase of property, plant and equipment	<u>(304,664)</u>	<u>(2,265,055)</u>
Net cash used by investing activities	<u>(451,774)</u>	<u>(803,404)</u>
Cash Flows from Financing Activities:		
Proceeds from contributions restricted for:		
Investment in endowment	319,240	93,256
Property, plant and equipment	9,153	616,515
Proceeds from new debt	131,460	1,097,655
Repayment of principal on debt	<u>(335,010)</u>	<u>(21,758)</u>
Net cash provided by financing activities	<u>124,843</u>	<u>1,785,668</u>
Net Decrease in Cash and Cash Equivalents	(67,294)	(193,827)
Cash and Cash Equivalents at Beginning of Year	<u>174,318</u>	<u>368,145</u>
Cash and Cash Equivalents at End of Year	<u>\$ 107,024</u>	<u>\$ 174,318</u>
Supplemental Information:		
Interest paid - expensed	\$ 297,834	\$ 157,440
Interest paid - capitalized	-	74,757
Total interest paid	<u>\$ 297,834</u>	<u>\$ 232,197</u>

See notes to the financial statements

Exhibit C

ST. VLADIMIR'S ORTHODOX THEOLOGICAL SEMINARY

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2007

1. **Organization and Purpose:**

St. Vladimir's Orthodox Theological Seminary is a graduate professional school chartered and approved by the Board of Regents of the University of the State of New York and accredited nationally by the Association of Theological Schools. The Seminary's twofold mission is to prepare adequately educated clergy and leaders to serve the Orthodox faithful in this country and abroad, and to promote study and research in Orthodox theology, history and culture.

2. **Summary of Significant Accounting Policies:**

The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

a. *Accrual Basis Financial Statements*

The accompanying financial statements have been prepared on the accrual basis and conform to accounting principles generally accepted in the United States of America and in accordance with the principles of not-for-profit accounting.

b. *Net Assets*

The net assets of the Seminary and changes therein are classified and reported as follows:

- Unrestricted net assets include all resources which are not subject to donor-imposed restrictions of a more specific nature than those which only obligate the organization to utilize funds in furtherance of its mission.
- Temporarily restricted net assets carry specific, donor-imposed restrictions on the expenditure or other use of contributed funds. Temporary restrictions may expire either because certain actions are taken by the organization which fulfill the restrictions or because of the passage of time. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.
- Permanently restricted net assets are those that are subject to donor-imposed restrictions which will never lapse, thus requiring that the funds be permanently retained. Generally, the donors of these funds permit the organization to use all or part of the income earned on related investments, and the net capital appreciation thereon, for general or specific purposes.

c. *Prior Year Summarized Comparative Information*

The financial statements include certain prior-year summarized comparative information in total but not by net assets class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended June 30, 2006, from which the summarized information was derived.

Continued

ST. VLADIMIR'S ORTHODOX THEOLOGICAL SEMINARY

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2007

2. Accounting Policies: (Continued)

d. *Contributions*

Contributions are recorded as revenue upon receipt of cash or unconditional promises to give (pledges). Contributions are considered available for unrestricted use unless specifically restricted by the donor.

e. *Cash and Cash Equivalents*

The Seminary includes cash on deposit, cash on hand and certificates of deposits with original maturities less than three months (if any) to be cash equivalents.

f. *Investments*

Investments in equity securities with readily determinable fair market values and all investments in debt securities are reported at fair market value, with gains and losses included in the statement of activities. Donated investments are reflected as contributions at their market values at date of receipt.

g. *Inventories*

Inventories are stated at the lower of cost or market, determined by the first-in, first-out method.

h. *Firm Pledges*

Firm pledges are recognized as income in the year for which the pledge is made. Pledges that are expected to be received within one year are recorded at net realizable value. Pledges that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the pledges are received. Amortization of the discounts is included in contribution revenue.

i. *Land, Building and Equipment*

Land, building and equipment are carried at cost or, if donated, at the fair market value on the date of the gift.

Assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings and improvements	30 - 40 years
Library books and media	5 - 10 years
Furniture and equipment	5 - 10 years
Vehicles	5 years

Continued

ST. VLADIMIR'S ORTHODOX THEOLOGICAL SEMINARY

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2007**

2. **Accounting Policies:** (Continued)

j. *Annuity and Life Trust Payable*

The Seminary established a gift annuity and life trust payable plan whereby donors may contribute assets in exchange for the right to receive an annual return during their lifetime. This transaction provides for a portion of the transfer to be considered a charitable contribution for income tax purposes. The difference between the amount of the annuity and the liability for future payments, determined on an actuarial basis, is recognized as income at the date of gift. The actuarial liability for annuity and life trust payable is evaluated annually (giving effect to investment income and payments to annuitants) and any surplus or deficiency is recognized as investment income.

k. *Use of Estimates*

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from their estimates.

3. **Pledges Receivable:**

All pledged commitments have been made for the Capital Campaign.

Pledges are expected to be received as follows:

In less than one year	\$ 150,300
In one to five years	271,736
In over five years	<u>24,000</u>
Subtotal	446,036
Less: Allowance for uncollectable pledges	(44,604)
Less: unamortized discount	<u>(48,615)</u>
Net pledges receivable	<u>\$ 352,817</u>

4. **Investments:**

The cost and market values of securities as of June 30, 2007 are as follows:

	<u>Cost</u>	<u>Market Value</u>
Cash and cash equivalents	\$ 2,575,338	\$ 2,575,338
Mutual funds	79,834	123,871
Stocks	8,497,849	11,046,958
Bonds	<u>1,568,216</u>	<u>1,599,189</u>
Total	<u>\$12,721,237</u>	<u>\$15,345,356</u>

Continued

ST. VLADIMIR'S ORTHODOX THEOLOGICAL SEMINARY

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2007

4. Investments: (Continued)

Endowment and investment income are allocated based on pooling of investments and consist of the following:

Interest and dividend income	\$ 241,279
Investment fees	(92,276)
Realized gain on investments	806,187
Unrealized gain on investments	<u>1,440,808</u>
	<u>\$2,395,998</u>

5. Seminary Plant:

A summary of land, building and equipment as of June 30, 2007, is as follows:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net</u>
Land	\$ 740,744		\$ 740,744
Land improvements	649,602	\$ (134,795)	514,807
Buildings and improvements	19,139,166	(4,286,415)	14,852,751
Library books and media	1,011,071	(746,179)	264,892
Furniture and equipment	1,084,577	(732,782)	351,795
Vehicles	<u>67,264</u>	<u>(67,264)</u>	<u>-</u>
	<u>\$22,692,424</u>	<u>\$ (5,967,435)</u>	<u>\$ 16,724,989</u>

6. Mortgage Loans Payable:

Mortgage loan payable with variable interest at prime. Monthly payments of \$2,089 (interest and principal) are due through March 2017. \$ 167,762

Mortgage loan payable with variable interest at prime. Monthly payments of \$2,275 (interest and principal) are due through March 2017. 182,674

Mortgage loan payable with variable interest at LIBOR +1.9%. Monthly payments of \$27,926 (interest and principal) with final balloon payment due October 2013. 3,445,791

Note payable for purchase of equipment with interest at 9.25%. Monthly payment of \$874 (interest and principal) and due August 2009. 22,721

Continued

ST. VLADIMIR'S ORTHODOX THEOLOGICAL SEMINARY

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2007

6. Mortgage Loans Payable: (Continued)

Open line of credit for \$500,000 with a bank with an available balance of \$500,000 as of June 30, 2007. Interest rate is prime plus 1%.

-
\$3,818,948

Principal payments on mortgages for the succeeding five years and thereafter are as follows:

Year ending June 30,	
2008	117,294
2009	127,145
2010	127,551
2011	135,644
2012	146,258
After 2012	<u>3,165,056</u>
	<u>\$3,818,948</u>

7. Temporarily Restricted Net Assets:

Temporarily restricted net assets are available for the following purposes:

Time restricted	\$ 352,817
Scholarships	2,279,810
Student loans and assistance	10,571
Global ministry grants	8,359
Press grant	47,130
Library	50,725
Other	<u>17,563</u>
	<u>\$2,766,975</u>

Continued

ST. VLADIMIR'S ORTHODOX THEOLOGICAL SEMINARY

NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2007

8. Functional Classification of Expenses:

Expenses are charged to program and supporting services on the basis of periodic time and expense studies. Allocation of total unrestricted expenses (with the inclusion of depreciation) for the year are as follows:

Program services:	
Instruction	\$ 1,223,036
Public service	96,056
Library	529,488
Student services	206,666
Theological research publications	41,080
Auxiliary enterprises	<u>1,420,033</u>
Total program services	<u>3,516,359</u>
Supporting services:	
General institutional	794,860
Development and communications	<u>196,862</u>
Total supporting services	<u>991,722</u>
Total expenses	<u>\$ 4,508,081</u>

9. Retirement Plan:

The Seminary participates in the Orthodox Church in America pension plan which is a multi-employer plan. The plan provides defined benefits with participation available to all full time employees. The Seminary contributes 6% of each employee's salary, and the employee contributes 6%. The retirement benefit costs charged to expense amounted to \$66,401 in 2007.

10. Internal Revenue Code Status:

The Seminary has been granted tax exempt status as a non-profit organization under Section 501(c)(3) of the Internal Revenue Code.

11. Concentration of Risk:

Significant concentration of credit risk arise from cash deposits in excess of federally insured amounts of \$100,000. Cash and cash equivalents held in one bank by the Seminary amounted to \$189,085 at June 30, 2007.

Concluded

ST. VLADIMIR'S ORTHODOX THEOLOGICAL SEMINARY

**SCHEDULE OF FINANCIAL POSITION
JUNE 30, 2007
WITH SUMMARIZED FINANCIAL INFORMATION
AS OF JUNE 30, 2006**

	<u>OPERATING</u>	<u>RESTRICTED</u>	<u>PLANT</u>	<u>LIFE INCOME TRUSTS</u>	<u>ENDOWMENTS</u>	<u>TOTAL</u>	
						<u>2007</u>	<u>2006</u>
ASSETS:							
Cash and cash equivalents	\$ 107,024					\$ 107,024	\$ 174,318
Accounts receivable (less allowance for doubtful accounts of \$97,399 in 2007 and \$71,420 in 2006)	198,027		\$ 352,817			198,027	207,135
Pledges receivable						352,817	796,403
Prepaid expenses and security deposits	21,510					21,510	19,549
Inventory	752,830					752,830	768,466
Investments				\$ 186,516	\$ 15,158,840	15,345,356	12,951,251
Investments in property			33,333		88,789	122,122	122,122
Cash surrender value of life insurance	123,268					123,268	116,132
Land, building and equipment (at cost less accumulated depreciation of \$5,967,435 in 2007 and \$5,425,442 in 2006)	(796,325)	\$ 179,333	16,724,989		566,719	16,724,989	17,083,081
Interfund receivable (payable)	\$ 406,334	\$ 179,333	\$ 17,111,139	\$ 236,789	\$ 15,814,348	\$ 33,747,943	\$ 32,238,457
Total assets							
LIABILITIES AND NET ASSES:							
Liabilities:							
Accounts payable and accrued expenses	\$ 47,025		\$ 72,000			\$ 119,025	\$ 310,782
Deferred revenue	4,504					4,504	25,077
Mortgages payable			3,818,948			3,818,948	4,022,498
Annuity and life trust payable				\$ 183,947		183,947	183,947
Total liabilities	\$ 51,529		\$ 3,890,948	\$ 183,947		\$ 4,126,424	\$ 4,542,304
Net Assets:							
Unrestricted:							
Net investment in land, building and equipment			12,834,041			12,834,041	12,865,903
Board designated long-term investments					\$ 5,897,520	5,897,520	4,315,640
Undesignated	354,805		33,333	24,338	77,305	489,781	1,144,034
Total unrestricted net assets	354,805		12,867,374	24,338	5,974,825	19,221,342	18,325,577
Temporarily restricted		\$ 179,333	352,817		2,234,825	2,766,975	2,056,614
Permanently restricted				28,504	7,604,698	7,633,202	7,313,962
Total net assets	354,805	179,333	13,220,191	52,842	15,814,348	29,621,519	27,696,153
Total liabilities and net assets	\$ 406,334	\$ 179,333	\$ 17,111,139	\$ 236,789	\$ 15,814,348	\$ 33,747,943	\$ 32,238,457

ST. VLADIMIR'S ORTHODOX THEOLOGICAL SEMINARY

**SCHEDULE OF ACTIVITIES – UNRESTRICTED NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2007**

	<u>OPERATING</u>	<u>RESTRICTED</u>	<u>PLANT</u>	<u>LIFE INCOME TRUSTS</u>	<u>ENDOWMENT</u>	<u>TOTAL UNRESTRICTED</u>
Income and Releases:						
Tuition and fees	\$ 686,110					\$ 686,110
Less scholarship and financial aid	<u>(30,376)</u>	\$ (8,188)			\$ (233,600)	<u>(272,164)</u>
Net tuition and fees	655,734	(8,188)			(233,600)	413,946
Gifts and grants	649,285				1,004,640	1,653,925
Investment income	(6,393)			\$22,200	838,415	854,222
Subscriptions income	29,750					29,750
Summer institute income	25,685					25,685
Orthodox Education Day	28,011					28,011
Auxiliary enterprises	1,394,641					1,394,641
Other income	<u>43,640</u>					<u>43,640</u>
Total income before net assets released from restrictions	2,820,353	(8,188)		22,200	1,609,455	4,443,820
Net assets released from restrictions :						
Satisfactions of program restrictions		15,187	\$ 452,739		492,100	960,026
Total income and releases	<u>2,820,353</u>	<u>6,999</u>	<u>452,739</u>	<u>22,200</u>	<u>2,101,555</u>	<u>5,403,846</u>
Expenses:						
Educational and general:						
Instruction	839,010					839,010
Public service	30,169					30,169
Library	152,199					152,199
Student services	132,988	2,741				135,729
Theological research publications	36,030					36,030
Operation and maintenance of plant	617,501					617,501
General institutional expense	749,947	4,258	19,657			773,862
Interest expense	297,834					297,834
Auxiliary enterprises	<u>962,991</u>					<u>962,991</u>
Total expenses	<u>3,818,669</u>	<u>6,999</u>	<u>19,657</u>	<u>-</u>	<u>-</u>	<u>3,845,325</u>
Change in Net Assets Before Transfers and Depreciation:	(998,316)		433,082	22,200	2,101,555	1,558,521
Transfer for fixed asset additions	5,739		(5,739)			-
Transfer for principal proceeds on loans	31,460		(31,460)			-
Transfer for principal payment on loans	(235,011)		235,011			-
Transfer from endowments	492,800				(492,800)	-
Depreciation			<u>(662,756)</u>			<u>(662,756)</u>
Change in Net Assets	(703,328)	-	(31,862)	22,200	1,608,755	895,765
Net Assets at Beginning of Year	<u>1,058,133</u>		<u>12,899,236</u>	<u>2,138</u>	<u>4,366,070</u>	<u>18,325,577</u>
Net Assets at End of Year	<u>\$ 354,805</u>	<u>\$ -</u>	<u>\$12,867,374</u>	<u>\$24,338</u>	<u>\$ 5,974,825</u>	<u>\$ 19,221,342</u>