

A WORD ABOUT FINANCIAL REPORTS

We desire to serve your church as quickly and effectively as possible. This requires adequate financial reports. For example, if you are sending us preliminary loan information or an application for General Advisory Service (for borrowing capacity evaluation) or an actual loan application, we request DETAILED annual financial reports for the last three years; and for that portion of your current fiscal year, which has already occurred. A copy of your current budget is also helpful.

All reports need to contain and clearly identify the following:

I. INCOME:

- A. General Income: (Which includes regular tithes, loose offerings, and Sunday School offerings.)
- B. Special or designated gifts: such as building or capital fund, missions, special speakers or services, special projects of any kind.
- C. Other income: including interest income, rental income, day care or nursery, reimbursements, etc.
- D. Budget assistance from state, national, or other local congregations.
- E. Transfer from savings accounts to income or checking account.

II. EXPENSES:

- A. Items of regular operation, administration, and salary expenses; including normal maintenance, utility and custodial care, and expenditures for missions, evangelism, etc.
- B. Rental expenses (including worship space or parsonage), taxes paid (including real estate and other.)
- C. Installment debt payments, loan payments, debt retirement or purchase of property or equipment, major expenses for repair, remodeling, or improvement to buildings, grounds or equipment – with each category listed separately.
- D. Amounts transferred – to savings
- E. School operation (for church operated weekday programs.)
- F. Other

III. BALANCE ON HAND AT BEGINNING AND END OF EACH REPORT PERIOD (annually, quarterly or monthly.) A statement of assets and liabilities should be included.