

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

FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2007

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

TABLE OF CONTENTS
DECEMBER 31, 2007

<u>Exhibit</u>		<u>Page</u>
<u>I. FINANCIAL STATEMENTS</u>		
	Independent Auditor's Report	1
A	Statement of Assets, Liabilities, and Net Assets – Modified Cash Basis	2
A-1	Statement of Support, Revenue and Expenses – Modified Cash Basis	3
A-2	Statement of Change in Net Assets – Modified Cash Basis	4
	Notes to the Financial Statements	5-9
<u>II. SUPPLEMENTARY INFORMATION</u>		
	Independent Auditor's Report on the Supplementary Information	10
<u>Schedule</u>		
1	Schedule of Support, Revenue and Expenses and Changes in Net Assets – Modified Cash Basis	11-15
2	Schedule of Changes in Net Assets – Modified Cash Basis	16-18



J. Russell Lipford, Jr., C.P.A.
Mark O. Hardison, C.P.A.
Terry I. Parker, C.P.A.
Christopher S. Edwards, C.P.A.
Lynn S. Hudson, C.P.A.
Kevin E. Lipford, C.P.A.

Member of
American Institute of
Certified Public Accountants
Truman W. Clifton (1902-1989)

INDEPENDENT AUDITOR'S REPORT

South Georgia Conference of the United Methodist Church
Macon, GA

Ladies and Gentlemen:

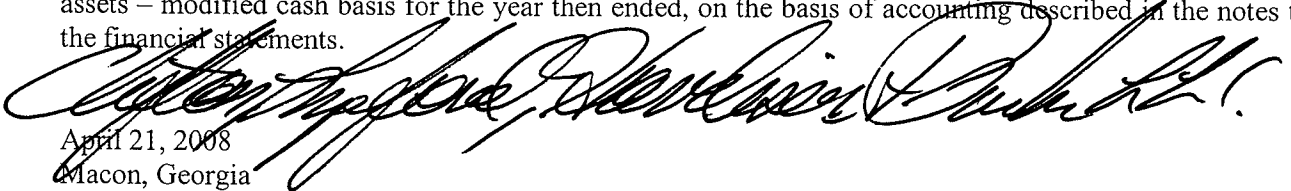
We have audited the accompanying statement of assets, liabilities and net assets – modified cash basis of the South Georgia Conference of the United Methodist Church (a non-profit religious organization) as of December 31, 2007, and the related statement of support and revenue, expenses and changes in 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, 2007 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, 2007, 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 21, 2008
Macon, Georgia

FINANCIAL STATEMENTS

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH
 STATEMENT OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS
 DECEMBER 31, 2007

ASSETS

Current Assets:

Cash and cash equivalents	\$ 1,756,761
Investments, at fair value	9,646,067
Apportionments and other receipts receivable	<u>3,565,143</u>
 Total Current Assets	 <u>14,967,971</u>
 Total Assets	 <u>\$ 14,967,971</u>

LIABILITIES AND NET ASSETS

Liabilities:

Current Liabilities:

Obligations payable on current year's budget	\$ <u>3,495,198</u>
 Total Liabilities	 <u>3,495,198</u>

Net Assets:

Temporarily restricted	7,390,776
Unrestricted	<u>4,081,997</u>
 Total Net Assets	 <u>11,472,773</u>
 Total Liabilities and Net Assets	 <u>\$ 14,967,971</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, 2007

Support and Revenue:

Budgeted Funds:

World Service and Conference Benevolence	\$ 2,994,135
Clergy Support	4,688,706
Administration	1,462,317
Other Apportioned Causes	<u>1,438,394</u>

Total Budgeted Funds	<u>10,583,552</u>
----------------------	-------------------

Nonbudgeted Funds	<u>18,837,902</u>
-------------------	-------------------

Total Support and Revenue	<u>29,421,454</u>
---------------------------	-------------------

Expenses:

Budgeted Funds:

World Service and Conference Benevolence	2,973,005
Clergy Support	4,928,509
Administration	1,435,919
Other Apportioned Causes	<u>1,438,394</u>

Total Budgeted Funds	<u>10,775,827</u>
----------------------	-------------------

Nonbudgeted Funds	<u>17,246,073</u>
-------------------	-------------------

Total Expenses	<u>28,021,900</u>
----------------	-------------------

Change in Net Assets	<u><u>\$ 1,399,554</u></u>
----------------------	----------------------------

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

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

STATEMENT OF CHANGES IN NET ASSETS - MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	2007		
	Temporarily Restricted	Unrestricted	Total
Balance - January 1, 2007	\$ 6,286,540	\$ 3,786,679	\$ 10,073,219
Change in Net Assets	1,104,236	295,318	1,399,554
Balance - December 31, 2007	\$ 7,390,776	\$ 4,081,997	\$ 11,472,773

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

NOTES TO THE FINANCIAL STATEMENTS

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007

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, 2007

(CONTINUED)

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 \$1,756,761 at December 31, 2007, 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, 2007, the fair value of investments was \$9,646,067.

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, 2007
(CONTINUED)

Apportionments receivable represent amounts contributed for the period ending December 31, 2007. 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.

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 \$4,863 as of December 31, 2007. It is the opinion of management that solvency of the referenced financial institution is not a particular concern at this time.

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2007

(CONTINUED)

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 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	129,506	27,552	-	157,058
Total	397,435	27,552	-	424,987
Episcopal Office:				
Furniture and equipment	47,005	-	-	47,005
Episcopal Residence:				
Residence	451,154	-	-	451,154
Land	63,500	-	-	63,500
Total	514,654	-	-	514,654
Administrative Services Office:				
Furniture and equipment	107,164	4,415	-	111,579
Arthur J. Moore Museum:				
Furniture and equipment	30,236	8,450	-	38,686
Total	\$ 1,096,494	\$ 40,417	\$ -	\$ 1,136,911

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.

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2007
(CONTINUED)

During the year ended December 31, 2007, 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, 2007 to December 31, 2007:

Comprehensive protection plan	\$ 653,941
Healthflex benefit plan	5,071,413

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 2007.

SUPPLEMENTARY INFORMATION

(THIS PAGE INTENTIONALLY LEFT BLANK)



J. Russell Lipford, Jr., C.P.A.
Mark O. Hardison, C.P.A.
Terry I. Parker, C.P.A.
Christopher S. Edwards, C.P.A.
Lynn S. Hudson, C.P.A.
Kevin E. Lipford, C.P.A.

Member of
American Institute of
Certified Public Accountants
Truman W. Clifton (1902-1989)

**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, 2007, 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, 2007 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 21, 2008
Macon, Georgia

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, 2007

	Budget	Actual		Change in Net Assets
		Support and Revenue	Expenses	
<u>BUDGETED FUNDS</u>				
<u>World Service and Conference Benevolence</u>				
World Service Apportionment	\$ 1,349,266	\$ 1,248,998	\$ 1,248,998	\$ -
Conference Benevolences				
Office of Connectional Ministries				
Council Staff and Office	821,570	548,152	596,674	(48,522)
Travel	-	4,161	241	3,920
Executive Committee	-	1,849	-	1,849
Mission and Ministry Programs	-	153,508	137,261	16,247
Mission Agency Support	-	57,728	57,983	(255)
Total Office of Connectional Ministries	821,570	765,398	792,159	(26,761)
New Congregational Development	470,339	451,099	451,099	-
Hispanic Ministries	475,780	439,974	385,663	54,311
Arthur J. Moore Museum	80,315	83,341	89,385	(6,044)
Board of Laity	5,000	5,325	5,701	(376)
Total Conference Benevolences	1,853,004	1,745,137	1,724,007	21,130
<u>Total World Service and Conference Benevolence</u>	3,202,270	2,994,135	2,973,005	21,130
<u>Clergy Support</u>				
Episcopal Area Funds				
Episcopal South Georgia Area Office	56,928	51,995	51,995	-
Area Residence	19,000	17,354	17,354	-
Special Episcopal Account	5,000	4,567	4,567	-
Total Episcopal Area Funds	80,928	73,916	73,916	-
Pensions, Benefits and Health Insurance				
Pre-1982 Pensions	1,343,500	1,245,209	1,331,365	(86,156)
Comprehensive Protection Plan	653,621	641,744	653,941	(12,197)
Healthflex Retiree	1,007,921	930,862	1,007,921	(77,059)
Healthflex Disability	115,740	109,655	98,354	11,301
Benefits Underpayment	125,000	115,608	125,000	(9,392)
Total Pension, Benefits and Insurance	3,245,782	3,043,078	3,216,581	(173,503)
District Superintendent	1,151,804	1,067,652	1,167,456	(99,804)
Equitable Compensation	385,600	352,188	338,247	13,941
Pastoral Counseling Services	83,245	78,943	83,476	(4,533)
Comprehensive School Clergy	3,914	3,575	3,575	-
Conf Board of Ordained Ministry	75,934	69,354	45,258	24,096
Total Clergy Support	\$ 5,027,207	\$ 4,688,706	\$ 4,928,509	\$ (239,803)

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, 2007

<u>BUDGETED FUNDS</u>	<u>Budget</u>	<u>Actual</u>		<u>Change in Net Assets</u>
		<u>Support and Revenue</u>	<u>Expenses</u>	
<u>Administration</u>				
Annual Conference				
Annual Conference Session Expense	\$ 66,000	\$ 67,993	\$ 63,405	\$ 4,588
Annual Conference Business Expense	26,000	47,248	38,237	9,011
Annual Conference Expenses for Retired Ministers	30,000	26,900	22,800	4,100
At Large Lay Annual Conference	26,250	27,749	30,461	(2,712)
Total Annual Conference	148,250	169,890	154,903	14,987
Council on Finance and Administration	9,500	8,518	7,461	1,057
Conference Treasurer/Administrator	553,196	509,506	548,112	(38,606)
Conference Secretary Expense	2,000	1,793	1,400	393
Conference Journal	13,000	11,657	7,281	4,376
Committee on Memoirs	600	538	228	310
Conference Trustee	25,000	22,417	22,037	380
Worker's Compensation Insurance	8,500	7,622	5,972	1,650
Leadership Forum	5,300	4,752	5,007	(255)
Local Church Treasurer's Bond	4,000	7,453	7,866	(413)
Nominations Committee	500	493	545	(52)
Episcopal Committee	1,200	1,076	1,162	(86)
SEJ Mission and Ministry	112,388	102,978	102,978	-
Administrative General Church	116,690	105,893	105,893	-
Episcopal General Church	346,923	311,758	311,758	-
General and SEJ Delegate	3,000	3,756	3,867	(111)
Legal Fees	12,000	32,187	33,427	(1,240)
Contingency	100,000	160,030	116,022	44,008
Total Administration	1,462,047	1,462,317	1,435,919	26,398
<u>Other Apportioned Causes</u>				
State Cooperative Funds				
Christian Higher Education	750,000	674,425	674,425	-
Georgia Christian Council	16,775	15,269	15,269	-
Georgia Council on Moral and Civic Concerns	19,000	17,295	17,295	-
Georgia's Pastors' School	3,082	2,805	2,805	-
Wesleyan Christian Advocate	34,314	31,234	31,234	-
Total State Cooperative Funds	823,171	741,028	741,028	-
Black College Fund	184,880	167,210	167,210	-
Africa University	40,827	37,587	37,587	-
Ministerial Education Fund	464,295	460,213	460,213	-
Interdenominational Cooperation Fund	35,948	32,356	32,356	-
Total Other Apportioned	1,549,121	1,438,394	1,438,394	-
Total Budgeted Funds	\$ 11,240,645	\$ 10,583,552	\$ 10,775,827	\$ (192,275)

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, 2007

	Actual		
	Support and Revenue	Expenses	Change in Net Assets
<u>NONBUDGET FUNDS</u>			
<u>World Service and Conference Benevolence</u>			
Ethnic Local Church Concerns	\$ 4,096	\$ -	\$ 4,096
Communications Council	1,290	5,259	(3,969)
Arthur J. Moore Museum	9,636	28,459	(18,823)
Office of Connectional Ministries			
Bishop's Initiative on Child Poverty	385	-	385
Confirmation Retreat Join Journey	26,348	26,348	-
VIM South Georgia	8,687	3,056	5,631
Committee on Missions	1,097	-	1,097
Online Registrations	154,101	154,101	-
CCOM Office Administration	1,140	-	1,140
Winter Camp Meeting	10,213	11,620	(1,407)
Global Ministries Secretary	-	621	(621)
Media Center	2,137	5,294	(3,157)
Schools for Christian Mission	150	-	150
Pathways to a Health Church	13,191	11,279	1,912
Conference Youth Ministries	14,883	15,682	(799)
Junior High Camp	28,236	28,236	-
Junior High Camp II	31,438	31,438	-
Leadership Team	73,483	73,483	-
Youth Celebration	78,770	78,985	(215)
Safe Sanctuaries	11,272	10,575	697
Laos	-	13	(13)
Conference Children's Ministries	21,761	28,585	(6,824)
Elementary Camp I	35,590	35,590	-
Elementary Camp II	38,828	38,895	(67)
Elementary Camp III	27,101	27,316	(215)
Older Adult Ministries	4,320	4,245	75
Hope for the Children of Africa	1,003	6,762	(5,759)
Open Hands Partnership With East Africa	96,350	70,140	26,210
Humble Place Capital	3,275	36,363	(33,088)
Humble Place Program	56,284	82,755	(26,471)
Health & Welfare Ministries	6,617	6,191	426
Dave Hanson Scholarship Fund	495	-	495
Kidz Quest	71,865	71,865	-
South Georgia Storm Recovery	89,811	23,056	66,755
Annual Conference Video Project	15,000	-	15,000
Uganda Ministry Choir	500	-	500
Africa Hope for Children's Choir	85,000	-	85,000
Healthy Church Development	18,619	24,421	(5,802)
Russian UMC Theological Seminary	461	-	461
Total Office of Connectional Ministries	1,028,411	906,915	121,496
Total World Service and Conference Benevolence	\$ 1,043,433	\$ 940,633	\$ 102,800

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, 2007

	Actual		
	Support and Revenue	Expenses	Change in Net Assets
<u>NONBUDGET FUNDS</u>			
<u>Clergy Support</u>			
Episcopal Funds			
Episcopal Special Reserve	\$ -	\$ 472	\$ (472)
Total Episcopal Funds	-	472	(472)
Pensions, Benefits and Health Insurance			
Pre-1982 Pension	14,856	-	14,856
WIH Pitts Memorial	643,566	-	643,566
Comprehensive Protection Plan	296	11,896	(11,600)
HF Transition Grants Reserve	-	104,828	(104,828)
Clergy Retirement Security Plan	2,964,556	2,838,152	126,404
Pensions	1,079	-	1,079
Healthflex	5,952,511	5,864,367	88,144
Total Pensions, Benefits and Health Insurance	9,576,864	8,819,243	757,621
Comprehensive School Clergy	2,455	1,992	463
Local Pastor's License School	4,700	3,240	1,460
Total Clergy Support	9,584,019	8,824,947	759,072
<u>Administration</u>			
Conference Journal	18,990	23,139	(4,149)
Miscellaneous Activity	787,717	787,160	557
Administrative Services Office Reserves	5,833	10,968	(5,135)
Legal Fees Reserves	4,036	-	4,036
Discretionary Funds	2,017	1,776	241
Total Administration	818,593	823,043	(4,450)
<u>New Congregational Development</u>			
Church Extension	26,284	245	26,039
SGA Investment Fund	12,539	7	12,532
Kingdom Builders Club	53,222	101,167	(47,945)
New Congregational Supporters	4,798	1,407	3,391
Vision Promoters	4,118	10	4,108
New Congregation Planters	14,807	30,367	(15,560)
New Church Builders Fund	28,262	70,271	(42,009)
IOH - New Church Savannah	10,000	8,000	2,000
Land Sale	68,668	421	68,247
IOH - Savannah District Minister	7,112	-	7,112
St. Mary's Spring 2005 Challenge	100,000	100,000	-
Bishop's New Congregational Initiative	9,199	16,379	(7,180)
Conference Trustee's Gift	200,000	-	200,000
Hispanic Ministries	592	10	582
Total New Congregational Development	\$ 539,601	\$ 328,284	\$ 211,317

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, 2007

	Actual		
	Support and Revenue	Expenses	Change in Net Assets
<u>NONBUDGET FUNDS</u>			
<u>Other Causes</u>			
Ministerial Education	\$ 45,154	\$ 9,103	\$ 36,051
South Georgia Conference Offices	607	-	607
Christian Education Sunday	1,659	-	1,659
Peace with Justice on Sunday	2,971	2,950	21
Golden Cross	6,347	3,000	3,347
Conference Advance Special	5,687,759	5,594,999	92,760
General Advance Special	301,643	397,302	(95,659)
Human Relations	3,369	3,369	-
Methodist Student Day	4,295	4,295	-
One Great Hour of Sharing	18,847	18,847	-
Native American Awareness	3,209	1,605	1,604
Relief Association	23,232	23,503	(271)
South Georgia Special Relief	7,478	10,450	(2,972)
World Communion Offering	6,525	6,525	-
Appointment Transition Event	4,414	6,064	(1,650)
Interest Income	734,747	247,154	487,593
Total Other Causes	6,852,256	6,329,166	523,090
Total Nonbudget Funds	18,837,902	17,246,073	1,591,829
Total All Funds	\$ 29,421,454	\$ 28,021,900	\$ 1,399,554

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF CHANGES IN NET ASSETS
MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	Net Assets Jan. 1, 2007	Change in Net Assets		Net Assets Dec. 31, 2007
		Budget Funds	Nonbudget Funds	
<u>TEMPORARILY RESTRICTED NET ASSETS</u>				
<u>World Service and Conference Benevolence</u>				
Ethnic Local Church Concerns	\$ 26,556	\$ -	\$ 4,096	\$ 30,652
Communications Office	35,783	-	(3,969)	31,814
Arthur J. Moore Museum	19,916	-	(18,823)	1,093
Office of Connectional Ministries:				
Bishop's Initiative on Child Poverty	1,478	-	385	1,863
VIM South Georgia	7,581	-	5,631	13,212
Special New Missions	1,418	-	-	1,418
Mission Admin Global Gathering	2,702	-	-	2,702
Committee on Missions	5,711	-	1,097	6,808
CCOM Office Administration	2,618	-	1,140	3,758
Leadership/Program Resources	7,773	-	-	7,773
Winter Camp Meeting	-	-	(1,407)	(1,407)
Global Ministries Secretary	782	-	(621)	161
Media Center	3,157	-	(3,157)	-
Russia Mission Work Team	514	-	-	514
Schools for Christian Mission	1,105	-	150	1,255
Pathways to a Health Church	2,461	-	1,912	4,373
Conference Youth Ministries	18,582	-	(799)	17,783
Youth Celebration	-	-	(215)	(215)
Youth Service Fund	1,978	-	-	1,978
Safe Sanctuaries	799	-	697	1,496
Laos	2,843	-	(13)	2,830
Conference Children's Ministries	46,964	-	(6,824)	40,140
Elementary Camp II	-	-	(67)	(67)
Elementary Camp III	215	-	(215)	-
Labor Day Laity Retreat	828	-	-	828
Older Adult Ministries	-	-	75	75
Hope for the Children of Africa	30,298	-	(5,759)	24,539
Open Hands Partnership With East Africa	19,231	-	26,210	45,441
Humble Place Capital	34,292	-	(33,088)	1,204
Humble Place Program	44,084	-	(26,471)	17,613
Health & Welfare Ministries	(426)	-	426	-
Faith & Health Conference	(900)	-	-	(900)
Black Church Summit	7,265	-	-	7,265
Dave Hanson Scholarship Fund	422	-	495	917
South GA Storm Recovery	52,061	-	66,755	118,816
Annual Conference Video Project	-	-	15,000	15,000
Uganda Ministry Choir	-	-	500	500
Africa Hope for Children's Choir	-	-	85,000	85,000
Healthy Church Development	-	-	(5,802)	(5,802)
Russian UMC Theological Seminary	-	-	461	461
Igniting Ministries	435	-	-	435
Total Office of Connectional Ministries	296,271	-	121,496	417,767
Total World Service and Conference Benevolence	\$ 378,526	\$ -	\$ 102,800	\$ 481,326

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF CHANGES IN NET ASSETS
MODIFIED CASH BASIS
FOR THE YEAR ENDED DECEMBER 31, 2007

	Net Assets Jan. 1, 2007	Change in Net Assets		Net Assets Dec. 31, 2007
		Budget Funds	Nonbudget Funds	
<u>TEMPORARILY RESTRICTED NET ASSETS</u>				
<u>Clergy Support</u>				
Episcopal Funds				
Special Episcopal Reserve Account	\$ 3,618	\$ -	\$ (472)	\$ 3,146
Total Episcopal Funds	3,618	-	(472)	3,146
Pensions, Benefits and Health Insurance				
Pre-1982 Pension	201,131	-	14,856	215,987
WIH Pitts Memorial	2,676,138	-	643,566	3,319,704
Comprehensive Protection Plan	11,600	-	(11,600)	-
HF Transition Grants Reserve	104,828	-	(104,828)	-
Clergy Retirement Security Plan	(67,541)	-	126,404	58,863
Pensions	772	-	1,079	1,851
Healthflex	249,403	-	88,144	337,547
Total Pensions, Benefits and Health Insurance	3,176,331	-	757,621	3,933,952
Comprehensive School Clergy	12,193	-	463	12,656
Local Pastor's License School	2,250	-	1,460	3,710
Total Clergy Support	3,194,392	-	759,072	3,953,464
<u>Administration</u>				
Conference Journal	7,523	-	(4,149)	3,374
Miscellaneous Activity	(465)	-	557	92
Administrative Services Office Reserves	5,135	-	(5,135)	-
Legal Fees Reserves	-	-	4,036	4,036
Discretionary Funds	684	-	241	925
Total Administration	12,877	-	(4,450)	8,427
<u>New Congregational Development</u>				
Church Extension	325,894	-	26,039	351,933
SGA Investment Fund	403,152	-	12,532	415,684
Kingdom Builders Club	375,123	-	(47,945)	327,178
New Congregational Supporters	9,413	-	3,391	12,804
Vision Promoters	12,774	-	4,108	16,882
New Congregation Planters	87,140	-	(15,560)	71,580
New Church Builders Fund	532,400	-	(42,009)	490,391
IOH - New Church Savannah	-	-	2,000	2,000
Land Sale	565,047	-	68,247	633,294
IOH - Savannah District Minister	7,000	-	7,112	14,112
Conference Trustee's Gift	-	-	200,000	200,000
Hispanic Ministries	13,781	-	582	14,363
Bishop's New Congregational Initiative	102,817	-	(7,180)	95,637
Total New Congregational Development	\$ 2,434,541	\$ -	\$ 211,317	\$ 2,645,858

SOUTH GEORGIA CONFERENCE OF THE UNITED METHODIST CHURCH

SCHEDULE OF CHANGES IN NET ASSETS
 MODIFIED CASH BASIS
 FOR THE YEAR ENDED DECEMBER 31, 2007

	Net Assets Jan. 1, 2007	Change in Net Assets		Net Assets Dec. 31, 2007
		Budget Funds	Nonbudget Funds	
<u>TEMPORARILY RESTRICTED NET ASSETS</u>				
<u>Other Causes</u>				
Ministerial Education	\$ (31,729)	\$ -	\$ 36,051	\$ 4,322
South Georgia Conference Offices	17,332	-	607	17,939
Christian Education Sunday	11,608	-	1,659	13,267
Peace with Justice on Sunday	14,268	-	21	14,289
Golden Cross	81,934	-	3,347	85,281
Conference Advance Special	(155,499)	-	92,760	(62,739)
General Advance Special	131,803	-	(95,659)	36,144
Native American Awareness	4,650	-	1,604	6,254
Strategic Ministry Fund	9,118	-	-	9,118
Faith Sharing	5,304	-	-	5,304
Relief Association	142,800	-	(271)	142,529
South Georgia Special Relief	25,965	-	(2,972)	22,993
AC 70 Club	7,000	-	-	7,000
Appointment Transition Event	1,650	-	(1,650)	-
Total Other Causes	2,700,745	-	246,814	2,947,559
Total Temporarily Restricted Net Assets	6,286,540	-	1,104,236	7,390,776
<u>UNRESTRICTED NET ASSETS</u>	3,786,679	(192,275)	487,593	4,081,997
TOTAL NET ASSETS	\$ 10,073,219	\$ (192,275)	\$ 1,591,829	\$ 11,472,773