

STATEMENT OF ASSETS AND LIABILITIES (Balance Sheet)	31-Dec 2010	31-Dec 2009	31-Dec 2008	31-Dec 2007	31-Dec 2006
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash	\$ 166,982	\$ 103,300	\$ 330,624	\$ 308,637	\$ 158,160
Income Earned, Not Collected	35,907	62,393	53,804	35,659	56,173
Prepaid Expense	1,798	2,956	6,006	66,072	-
Investments-Market Value	-	-	35,687	61,370	110,243
Total Current Assets	\$ 204,686	\$ 168,649	\$ 426,121	\$ 471,738	\$ 324,575
<b>Loans &amp; Advances</b>					
<b>Advances (Note 1)</b>					
All Saints, Victoria	\$ -	\$ 9,000	\$ -	\$ -	\$ -
St Basil, Wlmington	13,303	18,690	-	-	-
St Seraphim, Memphis	757	1,785	-	-	-
Subtotal	\$ 14,060	\$ 29,475	\$ -	\$ -	\$ -
<b>Primary Loans (Note 2)</b>					
St Jonah, Alpine	\$ 992	\$ -	\$ -	\$ -	\$ -
St Mary Magdalene, Rincon	137,910	-	-	-	-
St Maximus, Denton	91,627	99,833	111,634	123,803	-
St Paul, Denison	115,543	119,831	132,669	92,924	-
St Sava, Plano	36,883	56,124	12,808	183,065	-
St Seraphim, Dallas	324,318	428,900	-	-	-
Subtotal	\$ 707,274	\$ 704,687	\$ 257,110	\$ 399,793	\$ -
<b>Subordinated Loans (Note 3)</b>					
All Saints, Albuquerque	\$ 156,476	\$ 146,054	\$ -	\$ -	\$ -
Auxiliary Bishop	42,798	42,798	42,798	-	-
Holy Apostles, Bixby	48,479	54,623	59,025	64,000	-
Holy Ascension, Charleston	82,938	-	-	-	-
Holy Trinity, Safety Harbor	208,137	173,125	47,350	-	-
St Barbara, Ft Worth	129,754	115,773	120,439	92,447	107,187
St Cyprian, Richmond	60,639	72,265	37,762	-	-
St Gregory, Moundville	9,447	7,325	1,069	-	-
St Innocent, Macon	104,457	117,292	9,575	-	-
St John Damascus, Tyler	(6,050)	-	-	-	-
St Justin Martyr, Jacksonville	-	-	-	14,192	49,579
St Mark, Bradenton	14,329	-	-	-	-
St Mary Magdalene, Rincon	-	39,563	44,349	-	-
St Phiip, Tampa	8,748	5,380	-	-	-
St Raphael, Inverness	45,241	15,173	-	-	-
St Seraphim, Dallas	-	-	-	-	45,000
Subtotal	\$ 905,392	\$ 789,371	\$ 362,367	\$ 170,639	\$ 201,766
<b>Managed Loan Pool (Note 4)</b>					
Holy Apostles, Bixby	\$ 484,130	\$ 286,354	\$ 319,010	\$ -	\$ -
Holy Ascension, Charleston	679,200	-	-	-	-
Holy Trinity, Safety Harbor	284,119	302,582	-	-	-
St Barbara, Ft Worth	661,317	675,716	-	-	-
St Gregory, Moundville	265,374	275,854	293,383	-	-
St Jonah, Alpine	73,912	-	-	-	-
St Mary Magdalene, Rincon	-	114,944	139,408	-	-
St Phiip, Tampa	306,991	312,138	316,986	-	-
St Raphael, Inverness	36,016	79,464	-	-	-
Subtotal	\$2,791,060	\$2,047,053	\$1,068,787	\$ -	\$ -
Total Loans & Advances	\$4,417,786	\$3,570,587	\$1,688,264	\$ 570,432	\$ 201,766
<b>Real Estate</b>					
Chancery Office Property	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000
Alpine Church Property	137,500	-	-	-	-
Denton Church Property	275,000	-	-	-	-
Subtotal	\$ 622,500	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000
<b>Other Assets</b>					
Deferred Charge - Priest Service Book	\$ 4,276	\$ 4,722	\$ 5,005	\$ 6,180	\$ 8,099
Subtotal	\$ 4,276	\$ 4,722	\$ 5,005	\$ 6,180	\$ 8,099
<b>TOTAL ASSETS</b>	<b>\$5,249,248</b>	<b>\$3,953,958</b>	<b>\$2,329,391</b>	<b>\$1,258,350</b>	<b>\$ 744,441</b>

DIOCESE OF THE SOUTH <u>BALANCE SHEET(Continued)</u>	31-Dec <u>2010</u>	31-Dec <u>2009</u>	31-Dec <u>2008</u>	31-Dec <u>2007</u>	31-Dec <u>2006</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 4,867	\$ 2,243	\$ 24,638	\$ 5,141	\$ 4,363
Church Deposits					
All Saints, Albuquerque	\$ 174,704	\$ 150,985	\$ -	\$ -	\$ -
All Saints, Victoria	3,752	-	-	-	-
Carolinas Deanery Missions Fund	14,803	13,341	14,266	8,240	4,470
Dormition, Norfolk	43,833	20,046	-	-	-
Gainesville (GA) Mission Station	1,478	-	-	-	-
Holy Ascension, Mt Pleasant	58,615	-	-	-	-
Holy Cross, Greensboro	21,501	11,348	-	-	-
Holy Resurrection, Aiken	10,293	9,841	8,035	-	-
St Andrew, New Port Richey	794	-	-	-	-
St Anne, Oak Ridge	-	-	62,946	99,336	54,466
St Athanasius, Nicholasville	10,617	10,151	-	-	-
St Cyril of Jerusalem, The Woodlands	10,068	-	-	-	-
St George & Alexandra, Ft Smith	31,069	-	-	-	-
St Innocent, Macon	159,790	127,189	-	4,950	4,251
St John Damascus, Tyler	16,290	14,704	-	-	3,353
St John Ladder, Piedmont	20,608	(1,000)	4,000	7,000	6,500
St Jonah Mission Station, Alpine	-	1,082	1,034	-	-
St Mary Egypt, Norcross	50,063	-	-	-	-
St Matthew, Baton Rouge	1,964	-	-	-	-
St Maximus, Denton	49,234	47,071	45,500	-	-
St Philip, Tampa	31,044	15,662	5,094	-	-
St Raphael, Inverness	35,247	10,019	-	-	-
St Sava, Plano	15,744	25	-	-	-
St Seraphim, Dallas	6,946	(2,197)	44,306	16,439	10,820
St Seraphim, Memphis	4,311	4,122	-	-	-
St Tikhon, Chattanooga	1,366	-	-	-	-
St Timothy, Tocoa	41,909	44,975	43,000	-	-
Subtotal	<u>\$ 816,042</u>	<u>\$ 477,362</u>	<u>\$ 228,181</u>	<u>\$ 135,965</u>	<u>\$ 83,859</u>
Debt					
Church-Friendly Loans (Note 5)	\$1,003,294	\$ 922,254	\$ 400,594	\$ 336,365	\$ -
Managed Loan Pool Debt (Note 6)					
Bank of Tuscaloosa	\$ 265,374	\$ 275,854	\$ 293,383	\$ -	\$ -
FNB Fort Stockton	73,912	-	-	-	-
The Coastal Bank	-	57,694	61,629	-	-
Individuals	591,110	614,720	316,986	-	-
SpiritBank	-	286,354	319,010	-	-
SunTrust Bank	36,016	136,714	77,779	-	-
Point Bank	661,317	675,716	-	-	-
Red Crown Credit Union	484,130	-	-	-	-
National Bank of South Carolina	679,200	-	-	-	-
Subtotal	<u>\$3,794,354</u>	<u>\$2,969,308</u>	<u>\$1,469,381</u>	<u>\$ 336,365</u>	<u>\$ -</u>
Total Liabilities	<u>\$4,615,262</u>	<u>\$3,448,913</u>	<u>\$1,722,201</u>	<u>\$ 477,471</u>	<u>\$ 88,222</u>
<u>RESERVES &amp; EQUITY</u>					
Publications Fund Reserve (Note 7)	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Pastoral School Fund (Note 8)	251,529	251,529	239,549	263,268	237,774
General Fund Equity	377,456	248,515	362,641	512,610	413,445
TOTAL RESERVES & EQUITY	<u>\$ 633,985</u>	<u>\$ 505,045</u>	<u>\$ 607,190</u>	<u>\$ 780,879</u>	<u>\$ 656,219</u>
TOTAL LIABILITIES, EQUITY & RESERVES	<u><u>\$5,249,248</u></u>	<u><u>\$3,953,958</u></u>	<u><u>\$2,329,391</u></u>	<u><u>\$1,258,349</u></u>	<u><u>\$ 744,441</u></u>
<u>CONTINGENT LIABILITIES</u>					
Priest Seminary Debt(Note 9)	\$ 139,888	\$ 103,777	\$ 119,128	\$ -	\$ -
<u>MEMORANDUM ACCOUNTS</u>					
Missions Reserve (Note 10)	\$ (28,791)	21,269	\$ 95,022	\$ 163,329	\$ 105,840

Note 1. Advances represent cash payments for purposes that can broadly be described as "Budget Support". They are noninterest bearing and tithes received from Advancees are credited to the account balance. No other payment is usually required.

Note 2. The Primary Loan designation applies when the Diocese is the principal debtholder of the church. They are noninterest bearing and repayment terms vary with the circumstances of each church. Monthly Tithe payments are credited to the loan balance.

Note 3. Subordinated Loans are those where the church has other mortgage debt. No repayment is required until the primary debt has been retired. They are noninterest bearing and tithe payments are credited to the loan balance.

Note 4. The Managed Loan Pool consists of mortgage debt owed by the listed churches to a primary creditor, usually a bank. The Diocese makes the monthly payments to the primary creditor on behalf of the church, and the church monthly payment to the Diocese is calculated as a percentage of church income (usually 25%) in the preceding month. A church's underlying obligation to their primary creditor is not changed nor does the Diocese incur a legal obligation for payment of the debt by virtue of this arrangement. The Diocese payment to the primary creditor is added to the church's Subordinated Loan balance and the church payment to the Diocese is credited thereto, as is their monthly tithe payment.

Note 5. Church Friendly Borrowings consist of loans from six church-related individuals, the proceeds of which were used to refinance church debt or pay down the primary creditor of churches in the Managed Loan Pool. No formal repayment programs have been established but paydowns are being made to accommodate the needs of the individual lenders. The loans are unsecured and bear an interest rate of 4.25%, except for one loan of \$100,000 which is at 6%.

Note 6. This is the offsetting credit to the Managed Loan Pool asset category. The debt of Holy Apostles and St Gregory is guaranteed by the Diocese.

Note 7. The Publications Reserve represents "seed money" donations for the printing of Archbishop Dmitri's "Priest Service Book". When publishing costs are fully covered sales proceeds are to be utilized for other Diocesan publications. The unrecovered costs are shown as "Deferred Charge-Priest Service Book" on the Balance Sheet.

Note 8. The Pastoral School Fund was established in the early 1990's from a \$100,000 donation for the purpose of establishing a formal pastoral schooling program for the Diocese. About \$2,000 in other donations were subsequently received, and the remaining increase came from loan and investment earnings. At one time Seminarian Assistance was being rendered from the Fund, but the Fund has since been reimbursed by the General Fund for all such outlays.

Note 9. The Diocese makes the monthly payment on the seminary debt of priests coming to the Diocese to serve as Priest-in-Charge of a church until such time as the debt is paid in full, provided that the person continues to serve in said capacity. Seven priests are currently receiving this benefit.

Note 10. Beginning on January 1, 1996, the Missions Reserve has been credited in each calendar quarter where the Missions and Parish Development expense category total is less than 25% of Tithing Income received during that quarter, and charged in each quarter that the 25% Benchmark is exceeded. The negative balance shown at December 31, 2010 is the amount by which expenditures have exceeded the 25% Benchmark over the past fifteen years.