

HUNZELMAN, PUTZIER & CO., PLC
CERTIFIED PUBLIC ACCOUNTANTS
1100 WEST MILWAUKEE
STORM LAKE, IOWA 50588

INDEPENDENT ACCOUNTANT'S COMPILATION REPORT

The Presbytery of Prospect Hill
110 East 3rd Street
PO Box 1405
Storm Lake, IA 50588

We have compiled the accompanying statements of financial position-cash basis of The Presbytery of Prospect Hill, as of December 31, 2011 and 2010 and the related statements of activities-cash basis for the one and four quarters then ended and the accompanying supplementary information contained herein which is presented only for supplementary analysis purposes. We have not audited or reviewed the accompanying financial statements and supplementary information and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and supplementary information are in accordance with the cash basis of accounting.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and supplementary information.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements and supplementary information without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements and supplementary information.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared on the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Presbytery's assets, liabilities, net assets, revenues, and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

January 25, 2012

Hunzelman, Putzier & Co.

**THE PRESBYTERY OF PROSPECT HILL
STATEMENTS OF FINANCIAL POSITION-CASH BASIS
DECEMBER 31, 2011 AND DECEMBER 31, 2010**

| | 2011 | 2010 |
|---|--------------------------|--------------------------|
| ASSETS | | |
| Current Assets | | |
| Checking Account | \$ 67,565.57 | \$ 40,806.39 |
| Petty Cash | 100.00 | 100.00 |
| Heritage Bank | 175,620.75 | 136,472.78 |
| Heritage Account | 14,940.08 | .00 |
| Accounts Receivable | 15,251.37 | 39,122.52 |
| Notes Receivable-So Sioux City | 9,460.03 | .00 |
| Notes Receivable-SEA Church | 13,637.62 | .00 |
| New Covenant Funds-General | 190,987.53 | 187,167.35 |
| Presbyterian Investment Loan P | 55,000.00 | 55,000.00 |
| Endowment Fund New Covenant | 86,169.55 | 87,767.96 |
| Total Current Assets | 628,732.50 | 546,437.00 |
| Total Assets | \$ 628,732.50 | \$ 546,437.00 |
| LIABILITIES AND NET ASSETS | | |
| Current Liabilities | | |
| Accounts Payable | \$ 8,143.07 | \$.00 |
| Accounts Payable-Computers | 2,894.00 | 2,894.00 |
| Total Current Liabilities | 11,037.07 | 2,894.00 |
| Net Assets | | |
| Unrestricted-Undesignated | 360,812.63 | 279,160.46 |
| -Designated by Presbytery Council | 94,932.70 | 94,940.70 |
| | 455,745.33 | 374,101.16 |
| Increase (Decrease) in Net Assets | 74,152.43 | 90,023.68 |
| Total Unrestricted | 529,897.76 | 464,124.84 |
| Temporarily restricted | 68,543.51 | 60,164.00 |
| Permanently restricted | 19,254.16 | 19,254.16 |
| | \$ 617,695.43 | \$ 543,543.00 |
| Total Liabilities And Net Assets | \$ 628,732.50 | \$ 546,437.00 |

See Accountant's Compilation Report

**THE PRESBYTERY OF PROSPECT HILL
STATEMENT OF ACTIVITIES-CASH BASIS
FOR THE ONE AND FOUR QUARTERS ENDED DECEMBER 31, 2011**

| | Current Quarter | Current Year-To-Date | Annual Budget |
|--|----------------------|-------------------------|---------------------|
| Cash Receipts | | | |
| General Assembly-Per Capita | \$ 8,926.75 | \$ 38,265.66 | \$ 46,930.00 |
| General Assembly-Directed | 2,929.37 | 11,965.98 | 3,850.00 |
| Presbytery Operational Support | 29,024.28 | 97,453.47 | 106,134.00 |
| Presbytery-Shared Mission | 15,014.73 | 40,763.57 | 77,322.00 |
| Presbyterian Camp at Okoboji | 5,631.25 | 13,981.32 | .00 |
| Buena Vista University | 692.17 | 1,541.07 | .00 |
| Presbytery project-directed | 1,787.48 | 6,667.42 | 7,855.00 |
| CPM Scholarship Income | .00 | 1,289.00 | .00 |
| Synod Staff Support | 10,499.99 | 27,833.32 | 40,000.00 |
| GA Shared Mission Support | 4,090.77 | 12,447.69 | 26,277.00 |
| Peacemaking | 3,020.04 | 3,371.79 | .00 |
| Haiti | .00 | 527.89 | .00 |
| Synod Projects-Directed | 1,906.86 | 7,201.80 | .00 |
| Synod Shared Mission Support | 3,559.68 | 10,203.01 | 16,588.00 |
| Synod-Per Capita Support | 6,523.21 | 28,037.81 | 35,378.00 |
| OGHS | 2,696.75 | 17,923.06 | .00 |
| Pentecost Offering Income | 949.00 | 2,901.25 | .00 |
| Early Income | .00 | 2,500.00 | .00 |
| Christmas Joy | 7,139.96 | 12,735.73 | .00 |
| Theological Education Fund | 470.00 | 3,400.00 | 2,928.00 |
| Investment Income | 15,242.77 | 3,615.82 | 2,000.00 |
| SEA Property | 65,000.00 | 65,000.00 | .00 |
| Donations | 411.20 | 16,079.37 | 2,500.00 |
| Other | 3,666.57 | 8,388.72 | .00 |
| Total Cash Receipts | <u>189,182.83</u> | <u>434,094.75</u> | <u>367,762.00</u> |
| Cash Disbursements | | | |
| Connectional | .00 | .00 | 250.00 |
| Finanace Team | 1,460.90 | 10,088.30 | 10,850.00 |
| Staff | 26,472.09 | 75,096.92 | 83,000.00 |
| Records | 8,280.82 | 21,458.76 | 22,900.00 |
| Facilities and Operations | 1,623.67 | 6,740.72 | 16,850.00 |
| Meeting and Moderation Support | 445.30 | 2,822.78 | 4,500.00 |
| Communications | 1,132.37 | 3,579.42 | 4,300.00 |
| Leadership Development | 1,463.05 | 9,789.18 | 15,250.00 |
| Issues and Policy | .00 | 36.00 | 700.00 |
| Working Group Funding | 2,713.26 | 15,505.74 | 17,000.00 |
| SEA Sale Expenses | 3,141.34 | 3,141.34 | .00 |
| Mission | 34,978.10 | 211,683.16 | 180,401.00 |
| Total Cash Disbursements | <u>81,710.90</u> | <u>359,942.32</u> | <u>356,001.00</u> |
| Increase (decrease) in net assets | <u>\$ 107,471.93</u> | <u>\$ 74,152.43</u> | <u>\$ 11,761.00</u> |

See Accountant's Compilation Report

THE PRESBYTERY OF PROSPECT HILL
 SUPPLEMENTARY INFORMATION
 DECEMBER 31, 2011 AND DECEMBER 31, 2010

| | 2011 | 2010 |
|------------------------------------|----------------------|----------------------|
| Unrestricted | | |
| General Fund Balance | \$ 323,535.66 | \$ 241,883.49 |
| Lay Academy Program Fund | 332.00 | 332.00 |
| Congreg Development Fund Balan | 69,239.91 | 69,239.91 |
| CPM Scholarship Fund Balance | 24,199.47 | 24,207.47 |
| Visioning Scholarship Balance | 300.00 | 300.00 |
| Endowment Fund Balance | 37,276.97 | 37,276.97 |
| Scholarship Assistance Balance | 2,048.31 | 2,048.31 |
| Youth Triennium Balance | (1,186.99) | (1,186.99) |
| | <u>\$ 455,745.33</u> | <u>\$ 374,101.16</u> |
| Temporarily Restricted | | |
| GA Shared Mission Support | \$ 3,960.79 | \$ 2,382.70 |
| Haiti | 115.02 | 415.00 |
| Synod Projects-Directed | 2,900.06 | (631.78) |
| Synod Shared Mission Support | 3,644.67 | 2,000.21 |
| Synod-Per Capita Support | 6,523.21 | 9,976.85 |
| OGHS | 2,716.75 | 4,470.23 |
| Christmas Joy | 7,139.96 | 6,064.06 |
| Theological Education Fund | 470.00 | 487.50 |
| Peacemaking Fund Balance | 13,009.65 | 10,089.61 |
| Hunger Fund Balance | 1,764.42 | 1,764.42 |
| Pentecost Offering Fund Balanc | 2,094.14 | 1,440.36 |
| Fonda Fund Balance | 4,710.01 | 4,710.01 |
| LeMars Fund balance | 10,316.72 | 10,316.72 |
| Early Fund Balance | 2,500.00 | .00 |
| GA-Synod Mission Balance | 6,678.11 | 6,678.11 |
| | <u>\$ 68,543.51</u> | <u>\$ 60,164.00</u> |
| Permanenetly Restricted | | |
| Endowment Fund-Perm Restrict | \$ 16,826.16 | \$ 16,826.16 |
| John Coates Fund Balance | 2,428.00 | 2,428.00 |
| | <u>\$ 19,254.16</u> | <u>\$ 19,254.16</u> |

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