

PRESBYTERY OF MISSOURI RIVER VALLEY

STATEMENT OF CASH RECEIPTS
AND DISBURSEMENTS

For the Year Ended December 31, 2021



CERTIFIED PUBLIC ACCOUNTANTS

4620 SOUTH 143RD STREET
OMAHA, NEBRASKA 68137
PHONE: 402-330-6880
FAX: 402-330-4902

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Stewardship of Resources Committee
Presbytery of Missouri River Valley
Omaha, NE

We have reviewed the accompanying statement of cash receipts and disbursements of Presbytery of Missouri River Valley (a nonprofit organization) as of December 31, 2021, and the related notes to the financial statement. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statement as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the cash basis of accounting; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statement for it to be in accordance with the cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statement in order for it to be in conformity with the cash basis of accounting.

Basis of Accounting

We draw attention to Note 2 of the financial statement, which describes the basis of accounting. The financial statement is prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

A handwritten signature in black ink that reads 'Schwarz & Associates, LLC'.

Schwarz and Associates, LLC
Omaha, NE
September 22, 2022

PRESBYTERY OF MISSOURI RIVER VALLEY
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For the Year Ended December 31, 2021

CASH RECEIPTS

Budgeted Receipts:	
Per Capita	\$ 234,809
Presbytery Mission Receipts	73,982
Synod of Lakes and Prairies	10,000
Investment Income	46,916
Interest Income	12,260
Total Budgeted Receipts	<u>377,967</u>
Mission and Ministries Giving	145,052
Continuing Accounts	41,759
Total Receipts	<u>564,778</u>

CASH DISBURSEMENTS

Budgeted Disbursements:	
General Assembly and Synod Per Capita	89,950
Staff Expenses and Benefits	88,914
Staff Mileage and Other Expenses	1,444
Mission and Ministries Disbursements	72,398
Presbytery Administration	5,302
Presbytery Building and Office	19,261
Communication	2,160
Total Budgeted Disbursements	<u>279,429</u>
Mission and Ministries Giving	125,702
Continuing Accounts	56,786
Total Disbursements	<u>461,917</u>

EXCESS OF CASH RECEIPTS OVER CASH DISBURSEMENTS	102,861
INCREASE IN MARKET VALUE OF INVESTMENTS	137,066
CASH, INVESTMENTS & OTHER ASSETS - December 31, 2020	<u>1,284,407</u>
CASH, INVESTMENTS & OTHER ASSETS - December 31, 2021	<u>\$ 1,524,334</u>

See Accountant's Review Report and Notes to Statement of Cash Receipts and Disbursements

PRESBYTERY OF MISSOURI RIVER VALLEY

NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

For The Year Ended December 31, 2021

1. Nature of Business

Presbytery of Missouri River Valley (the Presbytery) was formed to conduct ministry and mission works for the Synod of Lakes and Prairies of the Presbyterian Church (U.S.A.). It serves as an intermediary body between local churches and the Synod of Lakes and Prairies of the Presbyterian Church (U.S.A.).

The Presbytery is supported primarily through contributions from individual member churches. Approximately 80% of the Presbytery's budgeted cash receipts for the year ended December 31, 2021 came from these member churches.

2. Summary of Significant Accounting Policies

A. Basis of Accounting

The accompanying financial statement has been prepared on the cash receipts and disbursements basis of accounting. Under that basis, the only asset recognized is cash, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and noncash transactions are not recognized. Property improvements and equipment are expensed as costs are incurred and not capitalized and depreciated over their estimated useful lives. The statement of cash receipts and disbursements does not include certain transactions that would be included if Presbytery of Missouri River Valley prepared its financial statements on the accrual basis of accounting, in accordance with generally accepted accounting principles. Accordingly, the statements of cash receipts and disbursements are not intended to present financial position or results of operations in conformity with generally accepted accounting principles.

B. Income Tax Status

Presbytery of Missouri River Valley is exempt from income taxation pursuant to Section 501(a) of the Internal Revenue Code as an organization described in Section 501(c)(3) of the Internal Revenue Code. Accordingly, no income taxes are included in these financial statements.

C. Use of Estimates

The preparation of financial statements in conformity with the cash receipts and disbursements basis of accounting requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

PRESBYTERY OF MISSOURI RIVER VALLEY
 NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
 For The Year Ended December 31, 2021

2. Summary of Significant Accounting Policies (continued)

D. Concentrations of Credit Risk Arising From Cash Deposits in Excess of Insured Limits

The Presbytery maintains cash balances at several financial institutions in the Omaha area. Accounts at each of these institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2021, the Presbytery had no uninsured cash balances.

3. Cash and Cash Equivalents

The Presbytery considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents. Cash and cash equivalents at December 31, 2021, consist of checking and money market accounts:

Checking	\$	8,940
Money Market		<u>92,880</u>
Total Cash and Cash Equivalents	\$	<u><u>101,820</u></u>

All cash is currently available for operating purposes under the direction of the board or designated by the board for specific use.

4. Liquidity and Availability of Financial Assets

The following table reflects the Presbytery's financial assets as of December 31, 2021, reduced by amounts not available for general expenditure within one year of the balance sheet date because of donor or board-imposed restrictions. Amounts available include:

Financial Assets:		
Cash and Cash Equivalents	\$	101,820
Certificates of Deposits		195,537
Investments		<u>1,226,977</u>
Financial Assets at Year End:		<u>1,524,334</u>
Less those unavailable for general expenditure		
Within one year due to:		
Board Designated		(438,936)
Donor Restricted		<u>(39,126)</u>
Financial Assets Available to Meet Cash Needs		
For General Expenditures Within One Year:	\$	<u><u>1,046,272</u></u>

PRESBYTERY OF MISSOURI RIVER VALLEY
NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
For The Year Ended December 31, 2021

5. Investments

Investments at December 31, 2021 consist of the following:

Certificates of Deposit	\$ 195,537
New Covenant Mutual Funds	<u>1,226,977</u>
Total Investments	\$ <u>1,422,514</u>

The certificates of deposit are 7 to 13-month fixed rate certificates bearing interest from .499% to .500%.

The New Covenant Mutual Funds are held for an indefinite period and are classified as for sale. The aggregate cost and approximate fair value at December 31, 2021 is as follows:

Aggregate Cost	\$ 1,089,911
Gross Unrealized Gains	<u>137,066</u>
Fair Value	\$ <u>1,226,977</u>

The fair value of all available-for-sale marketable securities has been measured using Level 1 inputs, quoted market prices in active markets for identical assets.

Investment income was as follows for the year ended December 31, 2021:

Interest and Dividends	\$ 12,260
Realized Gain, Net of Investment Fees	46,916
Unrealized Gain	<u>137,066</u>
	\$ <u>196,242</u>

6. Pension Plan

The Presbytery is a participating employer in the pension plan administered through the Board of Pensions of the Presbyterian Church (U.S.A.). The Presbytery contributes a fixed percentage of compensation to this plan for qualifying individuals. For non-clerical employees the Presbytery contributes to a 403(b) tax deferred annuity. For the twelve months ended December 31, 2021, employee benefit expense was \$6,630. This amount includes pension and annuity expense, medical, life and disability insurance premiums.

PRESBYTERY OF MISSOURI RIVER VALLEY

NOTES TO STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

For The Year Ended December 31, 2021

7. Contingencies

The Presbyterian Church Investment and Loan Program granted funds to Missouri River Valley churches between the years 1914 and 1933. These old mortgage grants include language stating that no payment of principal or interest is due so long as the congregation remains a part of the PC (USA). If a congregation sells their building, ceases to exist or leave the denomination, the principal with interest is due prior to being dismissed. Currently there are 8 of these grants totaling \$51,413. These congregations remain in PC (USA) and Missouri Valley. Thus, no repayments of the mortgage grant, or any other action is required by Missouri River Valley Presbytery.

8. Subsequent Events

Subsequent events have been evaluated through September 22, 2022, the date that the financial statements were available for issue.