World Missionary Press, Inc.

Combining Financial Statements
September 30, 2016

Contents

RSM US LLP

Independent Auditor's Report

To the Board of Directors
World Missionary Press, Inc.
New Paris, Indiana

Report on the Financial Statements

We have audited the accompanying combining financial statements of World Missionary Press, Inc. which comprise the combining balance sheets as of September 30, 2016 and 2015, and the related combining statements of activities and cash flows for the years then ended and the related notes to the combining financial statements (collectively, the financial statements).

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Board of Directors
World Missionary Press, Inc.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of World Missionary Press, Inc. as of September 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

RSM US LLP

Elkhart, Indiana
November 8, 2016

World Missionary Press, Inc.

Combining Balance Sheets
September 30, 2016 and 2015

	2016				2015			
ASSETS	General	Stewardship	Annuity	**Total All Funds**	General	Stewardship	Annuity	Total All Funds
Current Assets								
Cash and cash equivalents	$ 324,988	$ 84,045	$ 2,184	**$ 411,217**	$ 489,304	$ 64,311	$ 2,251	$ 555,866
Certificates of deposit	200,000	-	-	**200,000**	-	-	-	-
Accounts receivable	4,842	20	264	**5,126**	3,497	76	-	3,573
Contributions receivable	-	-	-	**-**	3,524	-	-	3,524
Inventories	88,611	-	-	**88,611**	125,574	-	-	125,574
Prepaid expenses	129,890	1,903	-	**131,793**	141,320	1,636	-	142,956
Total current assets	748,331	85,968	2,448	**836,747**	763,219	66,023	2,251	831,493
Property and Equipment								
Land and land improvements	136,432	61,275	-	**197,707**	136,432	32,175	-	168,607
Buildings	1,097,790	684,572	-	**1,782,362**	1,067,454	617,517	-	1,684,971
Machinery and equipment	1,953,746	-	-	**1,953,746**	1,701,081	-	-	1,701,081
Furniture, fixtures and office equipment	210,682	1,337	-	**212,019**	201,195	1,337	-	202,532
	3,398,650	747,184	-	**4,145,834**	3,106,162	651,029	-	3,757,191
Less accumulated depreciation	(1,604,044)	(497,562)	-	**(2,101,606)**	(1,486,197)	(477,485)	-	(1,963,682)
Net property and equipment	1,794,606	249,622	-	**2,044,228**	1,619,965	173,544	-	1,793,509
Other Assets								
Long-term investments	30	-	-	**30**	30	-	-	30
Investment in annuities	-	-	94,574	**94,574**	-	-	99,081	99,081
Total other assets	30	-	94,574	**94,604**	30	-	99,081	99,111
Total assets	$ 2,542,967	$ 335,590	$ 97,022	**$ 2,975,579**	$ 2,383,214	$ 239,567	$ 101,332	$ 2,724,113
LIABILITIES AND NET ASSETS								
Current Liabilities								
Accounts payable	$ 93,007	$ 689	$ -	**$ 93,696**	$ 111,535	$ 544	$ -	$ 112,079
Accrued expenses	37,160	24,446	-	**61,606**	30,704	23,372	-	54,076
Notes payable	-	37,167	-	**37,167**	-	37,167	-	37,167
Current portion of annuity obligations	-	-	4,157	**4,157**	-	-	4,471	4,471
Total current liabilities	130,167	62,302	4,157	**196,626**	142,239	61,083	4,471	207,793
Long-Term Liabilities								
Annuity obligations	-	-	89,574	**89,574**	-	-	93,767	93,767
Total liabilities	130,167	62,302	93,731	**286,200**	142,239	61,083	98,238	301,560
Net Assets								
Unrestricted	2,274,597	273,288	3,291	**2,551,176**	2,137,678	178,484	3,094	2,319,256
Temporarily restricted	138,203	-	-	**138,203**	103,297	-	-	103,297
Total net assets	2,412,800	273,288	3,291	**2,689,379**	2,240,975	178,484	3,094	2,422,553
Total liabilities and net assets	$ 2,542,967	$ 335,590	$ 97,022	**$ 2,975,579**	$ 2,383,214	$ 239,567	$ 101,332	$ 2,724,113

See notes to financial statements.

World Missionary Press, Inc.

Combining Statements of Activities
Years Ended September 30, 2016 and 2015

	2016				2015			
CHANGES IN UNRESTRICTED NET ASSETS	General	Stewardship	Annuity	**Total All Funds**	General	Stewardship	Annuity	Total All Funds
Revenues:								
Unrestricted contributions	$ 3,238,476	$ 1,281	$ -	**$ 3,239,757**	$ 2,908,350	$ 3,150	$ -	$ 2,911,500
Rental income	-	56,323	-	**56,323**	-	50,786	-	50,786
Gain (loss) on disposal of assets	3,180	-	-	**3,180**	(8,494)	-	-	(8,494)
Interest and dividends	2,711	184	1	**2,896**	3,105	155	3	3,263
Miscellaneous income	35,896	-	196	**36,092**	39,009	-	196	39,205
Total unrestricted revenues	3,280,263	57,788	197	**3,338,248**	2,941,970	54,091	199	2,996,260
Net assets released from restrictions:								
Satisfaction of operating restrictions	1,262,201	-	-	**1,262,201**	1,224,408	-	-	1,224,408
Satisfaction of capital acquisition restrictions	285,518	95,050	-	**380,568**	143,790	-	-	143,790
Total net assets released from restrictions	1,547,719	95,050	-	**1,642,769**	1,368,198	-	-	1,368,198
Total unrestricted revenues and other support	4,827,982	152,838	197	**4,981,017**	4,310,168	54,091	199	4,364,458
Expenses:								
Program services:								
Production	2,944,604	-	-	**2,944,604**	2,775,234	-	-	2,775,234
Shipping	1,037,290	-	-	**1,037,290**	1,003,878	-	-	1,003,878
Total program services	3,981,894	-	-	**3,981,894**	3,779,112	-	-	3,779,112
Supporting activities:								
Development	312,087	-	-	**312,087**	290,640	-	-	290,640
General	397,082	58,034	-	**455,116**	436,064	58,245	59	494,368
Total supporting activities	709,169	58,034	-	**767,203**	726,704	58,245	59	785,008
Total expenses	4,691,063	58,034	-	**4,749,097**	4,505,816	58,245	59	4,564,120
Increase (decrease) in unrestricted net assets	136,919	94,804	197	**231,920**	(195,648)	(4,154)	140	(199,662)
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS								
Restricted contributions	1,582,625	95,050	-	**1,677,675**	1,400,623	-	-	1,400,623
Net assets released from restrictions	(1,547,719)	(95,050)	-	**(1,642,769)**	(1,368,198)	-	-	(1,368,198)
Increase in temporarily restricted net assets	34,906	-	-	**34,906**	32,425	-	-	32,425
Change in net assets	171,825	94,804	197	**266,826**	(163,223)	(4,154)	140	(167,237)
Net assets, beginning	2,240,975	178,484	3,094	**2,422,553**	2,404,198	182,638	2,954	2,589,790
Net assets, ending	$ 2,412,800	$ 273,288	$ 3,291	**$ 2,689,379**	$ 2,240,975	$ 178,484	$ 3,094	$ 2,422,553

See notes to financial statements.

World Missionary Press, Inc.

Combining Statements of Cash Flows
Years Ended September 30, 2016 and 2015

	2016				2015			
	General	Stewardship	Annuity	**Total**	General	Stewardship	Annuity	Total
Cash Flows From Operating Activities:								
Change in net assets	$ 171,825	$ 94,804	$ 197	**$ 266,826**	$ (163,223)	$ (4,154)	$ 140	$ (167,237)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:								
Depreciation	133,304	20,077	-	**153,381**	128,604	19,601	-	148,205
(Gain) loss on disposal of assets	(3,180)	-	-	**(3,180)**	8,494	-	-	8,494
Change in present value of annuities	-	-	(197)	**(197)**	-	-	(139)	(139)
Contribution revenue restricted for long-term purposes	(252,358)	(95,050)	-	**(347,408)**	(172,634)	-	-	(172,634)
(Increase) decrease in:								
Accounts receivable	(1,345)	56	(264)	**(1,553)**	70,718	(76)	-	70,642
Contributions receivable	3,524	-	-	**3,524**	(3,524)	-	-	(3,524)
Inventories	36,963	-	-	**36,963**	17,545	-	-	17,545
Prepaid expenses	11,430	(267)	-	**11,163**	(32,734)	(66)	-	(32,800)
Increase (decrease) in:								
Accounts payable	(18,528)	2,185	-	**(16,343)**	17,496	(375)	-	17,121
Accrued expenses	6,456	(966)	-	**5,490**	2,164	10	-	2,174
Net cash provided by (used in) operating activities	88,091	20,839	(264)	**108,666**	(127,094)	14,940	1	(112,153)
Cash Flows From Investing Activities:								
Acquisitions of property and equipment	(308,265)	(96,155)	-	**(404,420)**	(126,133)	(2,849)	-	(128,982)
Proceeds from sale of property and equipment	3,500	-	-	**3,500**	5,662	-	-	5,662
Purchase of certificates of deposit	(600,000)	-	-	**(600,000)**	(250,000)	-	-	(250,000)
Proceeds from certificates of deposit	400,000	-	-	**400,000**	700,000	-	-	700,000
Net cash (used in) provided by investing activities	(504,765)	(96,155)	-	**(600,920)**	329,529	(2,849)	-	326,680
Cash Flows From Financing Activities:								
Reinsured annuity payments received	-	-	18,717	**18,717**	-	-	18,830	18,830
Annuity payments	-	-	(18,520)	**(18,520)**	-	-	(18,633)	(18,633)
Collections of contributions restricted for long-term purposes	252,358	95,050	-	**347,408**	172,634	-	-	172,634
Repayments of notes payable	-	-	-	**-**	-	(3,000)	-	(3,000)
Net cash provided by (used in) financing activities	252,358	95,050	197	**347,605**	172,634	(3,000)	197	169,831
(Decrease) increase in cash and cash equivalents	(164,316)	19,734	(67)	**(144,649)**	375,069	9,091	198	384,358
Cash and cash equivalents, beginning	489,304	64,311	2,251	**555,866**	114,235	55,220	2,053	171,508
Cash and cash equivalents, ending	$ 324,988	$ 84,045	$ 2,184	**$ 411,217**	$ 489,304	$ 64,311	$ 2,251	$ 555,866
Supplemental disclosures of cash flows information:								
Cash payments for interest	$ -	$ 833	$ -	**$ 833**	$ -	$ 918	$ -	$ 918

See notes to financial statements.

Note 1. Nature of the Organization and Significant Accounting Policies

Nature of the Organization: World Missionary Press, Inc. (the "Organization") was established in 1961 to publish and distribute Scripture booklets, Bible studies, and other gospel literature worldwide at no cost to the recipient, relying on contributions to support operations. The Organization is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and similar state statutes, and has been determined by the Internal Revenue Service not to be a private foundation. Contributions to the Organization are deductible to the donor.

Basis of accounting: The Organization's accounts are maintained in accordance with the principles of fund accounting. Resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes. Separate accounts are maintained for each fund; accordingly, all financial transactions have been recorded and reported by fund.

The assets, liabilities, and net assets of the Organization are reported in three self-balancing funds, as follows:

The General Fund includes restricted and unrestricted resources and presents the portion of expendable funds that is available for support of program services (production and shipping) and supporting activities (development and general).

The Stewardship Fund includes rental properties and revocable life loans, the proceeds from which are invested primarily in rental properties for Organization workers.

The Annuity Fund includes gift annuity agreements whereby the Organization accepted a principal sum from an individual and, in return, pays the individual a fixed sum for life, or for two lives in the case of joint gift annuities, at rates consistent with Revenue Rule 72-438 of the Internal Revenue Service. The liability for annuities payable is the present value of all future annuity payments based upon the life expectancy of the annuitant and the anticipated rate of return of funds invested. The difference between the total payments and the reduction in the computed liability each year is netted to unrestricted income for the Annuity Fund.

Basis of reporting: The Organization prepares its financial statements on the accrual basis of accounting wherein revenue and expenses are recognized in the period earned or incurred.

Classification and reporting of net assets: The Organization reports information regarding its financial position and activities in the following three classes of net assets:

* Unrestricted net assets represent the portion of net assets of the Organization that is neither permanently restricted nor temporarily restricted by donor-imposed stipulations. Unrestricted net assets include expendable funds available for the support of the Organization.
* Temporarily restricted net assets represent contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.
* Permanently restricted net assets represent contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise met by the Organization. At September 30, 2016 and 2015, the Organization had no permanently restricted net assets.

Revenue and support: Contributions received by the Organization are recorded as either unrestricted or temporarily restricted, depending on the existence and/or nature of any donor restrictions. Contributions are included in income in the period the gifts are pledged or received.

All donor-restricted support is reported as an increase in temporarily restricted net assets. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities as net assets released from restrictions.

Cash and cash equivalents: For the purposes of this report, all funds in bank accounts and money market accounts are considered to be cash and cash equivalents. Cash held in certificates of deposit with original maturities of three months or greater are separately recorded on the combining balance sheets.

Contributions receivable: Unconditional promises expected to be collected within one year are reported at net realizable value. Those expected in more than one year, if material to the financial statements, are reported at the present value of their estimated future cash flows using a discount rate commensurate with the risk involved. Amortization of the discounts, if any, is included in contribution revenue. Promises to give are expected to be collected within one year.

Inventories: Inventories of raw materials and printing supplies are stated at the lower of cost (first-in, first-out) or market. The cost of materials used is charged to expense when the materials enter production since the finished product is distributed at no charge to the recipient.

Property and equipment: Property and equipment are stated at cost, or for donated property and equipment, at fair value as of the date of donation and include expenditures for new additions and repairs that substantially increase the useful lives of existing property and equipment. Normal repairs and maintenance are recorded as operating expenditures. When properties are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the respective accounts and any gain or loss on disposition is credited to or charged against operations for the period.

Donations of property and equipment are reported as increases in unrestricted net assets unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Depreciation is computed on the straight-line method over the estimated useful lives of the assets as follows:

	Years
Buildings	10-40
Machinery and equipment	5-20
Furniture, fixtures and office equipment	3-10

Investments: Investments in bonds with readily determinable fair values are stated at fair value based on quoted market prices. Donated securities are recorded at fair value on the date of donation. Donated securities are immediately liquidated upon receipt from donor. Investment income dividends and interest are reported under revenue in the statement of activities. Certificates of deposit are recorded at cost. Reinsured charitable gift annuities are valued at their present value based on actuarial assumptions.

Charitable gift annuities: The Organization has in the past received assets from various individuals under agreements which require the Organization to pay the donors varying amounts during their lifetimes. These assets were recognized at their fair market value at the time of their receipt. An actuarial present value of the assets based on the donor’s present age is used to determine the obligation. The value of the gifts received was based on the value of the assets less the obligation at the time the gifts were received.

Donated materials and services: Donated materials are recorded as contributions in the accompanying statements at fair value at date of receipt. No amounts have been reflected in the financial statements for donated services. The Organization pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Organization with specific programs and supporting activities.

Functional allocation of expenses: The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited, which include development (fundraising) and general.

Concentration of credit risk: The Organization maintains deposits in insured financial institutions. At various times throughout the year, these deposits may exceed insured limits, which at September 30, 2016 were $250,000 per account held; however, management monitors the soundness of these financial institutions and feels the Organization's risk is negligible.

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Recently issued accounting standards: In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. Key elements of the ASU include a reduction in the number of net asset categories from three to two, conforming requirements on releases of capital restrictions, several new requirements related to expense presentation and disclosure (including investment expenses), and new required disclosures communicating information useful in assessing liquidity. The new standard is effective for the Organization in the fiscal year ending September 30, 2019, early adoption is allowed. The Organization is currently evaluating the impact of the adoption of the standard on its financial statements.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, requiring an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard will replace most existing revenue recognition guidance in U.S. GAAP when it becomes effective and permits the use of either a full retrospective or retrospective with cumulative effect transition method. In August 2015, the FASB issued ASU 2015-14 which defers the effective date of ASU 2014-09 one year making it effective for the Organization's September 30, 2020 financial statements. Earlier application is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that period. The Organization has not yet selected a transition method and is currently evaluating the effect that the pending adoption of the updated standard will have on the financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, which supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The new standard is effective for the Organization's September 30, 2021 financial statements. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Organization is currently evaluating the effect of the pending adoption of the new standard on the financial statements.

Subsequent events: The Organization has evaluated subsequent events for potential recognition and/or disclosure through November 8, 2016, the date the financial statements were available to be issued.

Income taxes: The Organization is incorporated as a not-for-profit under the laws of the State of Indiana and is exempt from federal and state income taxes under the provision of Section 501(c)(3) of the Internal Revenue Code, except for taxes pertaining to unrelated business income, if any, and is not considered a private foundation. Contributions by the public are deductible for income tax purposes.

The Organization follows the accounting guidance for uncertainty in income taxes. The standard clarifies the accounting for uncertainty in income taxes by prescribing the recognition threshold a tax position is required to meet before being recognized in the financial statements. The guidance also addressed de-recognition, classification, interest and penalties on income taxes, and accounting in interim periods. Management believes the Organization has no material uncertainties in income taxes.

The Organization files Form 990 in the U.S. federal jurisdiction and related forms in the state of Indiana. With few exceptions, the Organization is no longer subject to examination by the Internal Revenue Service for years before 2012.

Note 2. Inventories

Inventories at September 30, 2016 and 2015 are composed of the following:

	2016	2015
Paper, ink, and printing supplies	$ 88,611	$ 125,574

Note 3. Investments

Investments as of September 30, 2016 and 2015 consisted of the following:

	2016	2015
Bonds held at fair value	$ 30	$ 30
Reinsured charitable gift annuities	94,574	99,081
	$ 94,604	$ 99,111

Note 4. Fair Value Measurement

The Organization follows the FASB guidance for its financial assets and liabilities that are being measured and reported at fair value for each reporting period. This guidance defines fair value, establishes a framework for measuring fair value in accordance with GAAP, and expands disclosure about fair value measurements. Under GAAP, fair value refers to the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the market in which the reporting entity transacts. It clarifies the principle that fair value should be based on the assumptions market participants would use when pricing the asset or liability. In support of this principle, GAAP establishes a fair value hierarchy that prioritizes the information used to develop those assumptions and fair value measurements are separately disclosed by level within the fair value hierarchy.

Investments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 Quoted prices are available in active markets for identical investments as of the reporting date. The type of investments included in Level 1 includes listed equities and listed derivatives.

Level 2 Pricing inputs are other than quoted prices in active markets of comparable instruments, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Investments which are generally included in this category include corporate bonds and loans, less liquid and restricted equity securities and certain over-the-counter derivatives.

Level 3 Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation. Investments that are included in this category generally include equity and debt positions in private companies.

The following table summarizes the valuation of the Organization's financial instruments which are carried at fair value by the above fair value hierarchy levels as of September 30, 2016 and 2015:

	2016			
	Assets Measured at Fair Value on a Recurring Basis			
	Quoted Prices Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3	Total September 30, 2016
Bonds	$ -	$ 30	$ -	$ 30
Reinsured charitable gift annuities	-	-	94,574	94,574
	$ -	$ 30	$ 94,574	$ 94,604

	2015			
	Assets Measured at Fair Value on a Recurring Basis			
	Quoted Prices Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3	Total September 30, 2015
Bonds	$ -	$ 30	$ -	$ 30
Reinsured charitable gift annuities	-	-	99,081	99,081
	$ -	$ 30	$ 99,081	$ 99,111

The changes in financial instruments measured at fair value for which the Organization has used Level 3 inputs to determine fair value are as follows:

	Reinsured Charitable Gift Annuities	
	2016	2015
Balance, beginning of year	$ 99,081	$ 103,981
Change in actuarial present value	(4,507)	(4,900)
Balance, end of year	$ 94,574	$ 99,081

The change in actuarial present value of the investment in annuities is netted against the change in annuity obligation with the net change shown in general expenses on the combining statement of activities.

Note 5. Property and Equipment

Property and equipment assets for the years ended September 30, 2016 and 2015 are as follows:

	2016				
	Balance September 30, 2015	Additions and (Disposals)	Balance September 30, 2016	Accumulated Depreciation	Net Book Value
General Fund:					
Land and land improvements	$ 136,432	$ -	$ 136,432	$ -	$ 136,432
Buildings	1,067,454	30,336	1,097,790	532,678	565,112
Machinery and equipment	1,701,081	252,665	1,953,746	889,715	1,064,031
Furniture, fixtures, and office equipment	201,195	9,487	210,682	181,651	29,031
	$ 3,106,162	$ 292,488	$ 3,398,650	$ 1,604,044	$ 1,794,606
Stewardship Fund:					
Land and land improvements	$ 32,175	$ 29,100	$ 61,275	$ -	$ 61,275
Buildings	617,517	67,055	684,572	496,225	188,347
Furniture and fixtures	1,337	-	1,337	1,337	-
	$ 651,029	$ 96,155	$ 747,184	$ 497,562	$ 249,622

	2015				
	Balance September 30, 2014	Additions and (Disposals)	Balance September 30, 2015	Accumulated Depreciation	Net Book Value
General Fund:					
Land and land improvements	$ 136,432	$ -	$ 136,432	$ -	$ 136,432
Buildings	1,030,557	36,897	1,067,454	498,169	569,285
Machinery and equipment	1,701,628	(547)	1,701,081	815,477	885,604
Furniture, fixtures, and office equipment	195,965	5,230	201,195	172,551	28,644
	$ 3,064,582	$ 41,580	$ 3,106,162	$ 1,486,197	$ 1,619,965
Stewardship Fund:					
Land and land improvements	$ 32,175	$ -	$ 32,175	$ -	$ 32,175
Buildings	616,067	1,450	617,517	476,148	141,369
Furniture and fixtures	1,337	-	1,337	1,337	-
	$ 649,579	$ 1,450	$ 651,029	$ 477,485	$ 173,544

Note 6. Notes Payable

At September 30, 2016 and 2015, the Organization has unsecured notes payable to various individuals as follows:

	2016	2015
Stewardship Fund:		
*Payable within 30 days of demand, non-interest bearing	$ 15,500	$ 15,500
*Payable within 30 days of demand, 5.0%	21,667	21,667
	$ 37,167	$ 37,167

∗ Includes revocable life loans, 0% to 5.0%, unsecured; the notes are canceled if not called by the lender during their lifetime. Revocable life loans at both September 30, 2016 and 2015 were $32,667 in the Stewardship Fund.

Interest expense for the years ended September 30, 2016 and 2015, was $833 and $918 respectively in the Stewardship Fund.

Note 7. Restrictions on Net Assets

Temporarily restricted net assets are available for the following purposes at September 30, 2016 and 2015:

	2016	2015
Specified booklets/shipments	$ 73,211	$ 11,600
Specific operations projects	15,036	8,580
Land/building improvements	8,705	12,497
Other capital needs	41,251	70,620
	$ 138,203	$ 103,297

Note 8. Description of Leasing Arrangements

The Organization owns several properties it leases as low rental housing to its workers or others in Christian ministry on a month-to-month basis. The Organization is responsible for all property taxes and maintenance on these units. A schedule of the properties held for lease is shown as property and equipment in the Stewardship Fund in Note 5.