

**THE EPISCOPAL DIOCESE OF
CENTRAL PENNSYLVANIA**

FINANCIAL STATEMENTS

YEAR ENDED DECEMBER 31, 2012

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Greenawalt & Company, P.C.

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INDEPENDENT AUDITOR'S REPORT

The Episcopal Diocese of
Central Pennsylvania
Harrisburg, Pennsylvania

We have audited the accompanying combined financial statements of The Episcopal Diocese of Central Pennsylvania and the Incorporated Trustees of the Diocese of Central Pennsylvania (nonprofit organizations), which comprise the combined statement of assets, liabilities and fund balances-modified cash basis of as of December 31, 2012 and the related combined statement of revenues, expenses and changes in fund balances - modified cash basis for the year then ended, and the related notes to 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 the modified cash basis of accounting described in the notes to the financial statement; this includes determining that the modified cash basis of accounting is acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 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 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 organization'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 organization'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.

The Episcopal Diocese of
Central Pennsylvania

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

Basis for Qualified Opinion

As more fully described in the significant accounting policies and nature of activities footnote to the financial statements, The Episcopal Diocese of Central Pennsylvania and the Incorporated Trustees of the Diocese of Central Pennsylvania has not classified the difference between its assets and liabilities as unrestricted, temporarily restricted, and permanently restricted net assets based on the existence or absence of donor-imposed restrictions. In addition, The Episcopal Diocese of Central Pennsylvania has not reported the changes in each of those classes of net assets in the combined statement of revenues, expenses and changes in fund balances - modified cash basis and has not disclosed information about expenses reported by their functional classifications in the combined statement of revenues, expenses and changes in fund balances - modified cash basis or the notes to the financial statements. Presentation of such information is required by the modified cash basis of accounting. The effects on the financial statements of that departure from those accounting principles are not reasonably determinable.

Qualified Opinion

In our opinion, except for the effects of the matter discussed in the preceding paragraph, the combined financial statements referred to above present fairly, in all material respects, the combined assets, liabilities and fund balances-modified cash basis of The Episcopal Diocese of Central Pennsylvania and the Incorporated Trustees of the Diocese of Central Pennsylvania as of December 31, 2012, and its combined revenues, expenses and changes in fund balances - modified cash basis for the year then ended in accordance with modified cash basis of accounting as described in the notes to the financial statements.

Basis of Accounting

We draw attention to the significant accounting policies and nature of activities footnote to the financial statements, which describe the basis of accounting. The financial statements were prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.


GREENAWALT & COMPANY, P.C.

May 9, 2013

Mechanicsburg, Pennsylvania

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
COMBINED STATEMENT OF ASSETS, LIABILITIES
AND FUND BALANCES - MODIFIED CASH BASIS
DECEMBER 31, 2012

ASSETS

Cash and investments		
Diocese of Central Pennsylvania - checking account	\$	271,045
Diocese of Central Pennsylvania - certificates of deposit		51,617
Bishop Heistand Fund - money market		156,427
Episcopal Church Women - checking and money market accounts		19,277
Episcopal Church Women - certificate of deposit		2,051
St. Benedicts - checking account		9,682
Discretionary Funds - checking accounts		46,997
Petty cash		200
Investments - Incorporated Trustees		<u>17,740,140</u>
 Total assets	 \$	 <u><u>18,297,436</u></u>

LIABILITIES AND FUND BALANCES

Liabilities			
Payroll tax withholdings		\$	<u>2,960</u>
Fund balances			
Unrestricted			255,491
Restricted			
Diocese	\$	7,018,308	
Incorporated Trustees		<u>582,327</u>	7,600,635
Custodial accounts			<u>10,438,350</u>
 Total fund balances			 <u>18,294,476</u>
 Total liabilities and fund balances			 <u><u>\$ 18,297,436</u></u>

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

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
YEAR ENDED DECEMBER 31, 2012

	Unrestricted Funds	Restricted Funds	Custodial Accounts	Total
Revenues				
Fair share pledges	\$ 1,214,534	\$ -	\$ -	\$ 1,214,534
Investment income	3,999	136,707	196,418	337,124
Contributions	58,668	56,271	544,471	659,410
Program fees	10,079	2,500	-	12,579
Grant income	16,000	12,000	-	28,000
Principal repayments	-	78,654	-	78,654
Proceeds from outside trusts	-	264,394	-	264,394
Unrealized/realized gains	-	520,653	752,589	1,273,242
Conferences/seminars/camps	49,250	-	-	49,250
Miscellaneous income	-	5,913	-	5,913
	<u>1,352,530</u>	<u>1,077,092</u>	<u>1,493,478</u>	<u>3,923,100</u>
Expenses				
World Mission	296,746	-	-	296,746
Diocesan Mission	589,486	79,211	-	668,697
Office of the Bishop	755,717	13,196	-	768,913
Diocesan Programs	41,634	-	-	41,634
Parish trust distributions	-	-	700,816	700,816
Grant returned	-	-	-	-
Loans disbursed	-	12,500	-	12,500
Offerings	-	1,825	-	1,825
Accrued parish /Diocese distribution	-	1,830	1,982	3,812
Parish bequests	-	264,394	-	264,394
	<u>1,683,583</u>	<u>372,956</u>	<u>702,798</u>	<u>2,759,337</u>
Changes in fund balances	(331,053)	704,136	790,680	1,163,763
Other changes in fund balances				
Transfers between funds	21,761	(21,761)	-	-
Fund balance, beginning	<u>564,783</u>	<u>6,918,260</u>	<u>9,647,670</u>	<u>17,130,713</u>
Fund balance, ending	<u>\$ 255,491</u>	<u>\$ 7,600,635</u>	<u>\$ 10,438,350</u>	<u>\$ 18,294,476</u>

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

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012

SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF ACTIVITIES

Nature of activities

The Episcopal Diocese of Central Pennsylvania (Diocese) is a constituent of the Episcopal Church, known as the Protestant Episcopal Church in the United States of America. The Diocese is a nonprofit organization and is dedicated to establishing, developing and promoting all aspects of church ministry within the sixty-six parishes of Central Pennsylvania. The Diocese is supported primarily through fair share pledges from each of the parishes.

Basis of accounting

The accompanying combined financial statements have been prepared on the modified cash basis of accounting. This basis differs from generally accepted accounting principles primarily because revenues and expenses are recorded when received rather than when earned or incurred, with the exception of investments which are carried at fair market value and the related appreciation or depreciation is recognized in the current period and accounted for as a revenue or expense. In addition, investment income and fourth quarter distributions by the Trust are recognized when earned or incurred, respectively. Payroll tax withholdings are reported as a liability based on wages paid in the current year.

Principles of combining

The combined financial statements include the accounts of The Episcopal Diocese of Central Pennsylvania and the Incorporated Trustees of the Diocese of Central Pennsylvania (Incorporated Trustees). The Incorporated Trustees is a related entity which acts as a trustee for the Diocese and its parishes by investing funds on their behalf. These funds are pooled and managed by the trust department of BNY Mellon, which also maintains separate accounts for each depositor. All material interorganization transactions have been eliminated.

Fund balances

In order to ensure the observance of limitations and restrictions placed on the use of the resources available to the Diocese, the accounts of the Diocese are maintained in accordance with the principles of "fund accounting". That is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with the activities or objectives specified. Separate accounts are maintained for each fund. Accordingly, all financial transactions have been recorded and reported by fund group. Definition of the funds used by the Diocese are:

Unrestricted fund - amounts currently available for use in the Diocese ministries.

Restricted funds - amounts designated to be used for a specific purpose or donor restricted.

Custodial accounts - Diocese parish funds pooled for investment purposes. These are not assets of the Diocese.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS (Cont'd.)

DECEMBER 31, 2012

SIGNIFICANT ACCOUNTING POLICIES AND NATURE OF ACTIVITIES (Cont'd.)

Fund balances (Cont'd.)

The Organization has not implemented FASB ASC 958 which requires the Organization to classify the differences between its assets and liabilities and changes in net assets as unrestricted, temporarily restricted, and permanently restricted net assets based on existence or absence of donor-imposed restrictions. In addition, the Organization has not disclosed information about expenses reported by their functional classifications in the combined statement of revenues, expenses and changes in fund balances - modified cash basis.

Property and equipment

The cost or value of property and equipment are expensed in the year purchased. In addition, real estate used or located in certain parishes is generally titled in the name of the Diocese of Central Pennsylvania. These properties are maintained and used by the respective parishes.

Investments - Incorporated Trustees

Investments are reported at fair value. Trust accounts maintained by the Incorporated Trustees include investments of the Diocese, the Incorporated Trustees, and custodial funds for any of the sixty-six parishes. The funds are pooled to maximize earnings. Participation and income allocations are based on the market value of the investments held at the quarterly distribution dates. Income for each calendar quarter is allocated on the basis of percentages of participation as of the last day of the quarter. Trust participation terminations are made at market value. The investment balances include investment income earned but not received and includes reductions for fourth quarter distributions paid in the following year.

Income taxes

The Diocese is statutorily exempt from federal income taxes under the Internal Revenue Code.

Subsequent events

The Diocese has evaluated subsequent events through May 9, 2013, the date which the financial statements were available to be issued. It is management's opinion that there were no subsequent events which require additional disclosure in the notes to the financial statements.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS (Cont'd.)

DECEMBER 31, 2012

INVESTMENTS - INCORPORATED TRUSTEES

At December 31, 2012, the market value totaled \$ 17,740,140. The amount of unrealized/realized gains was \$ 1,273,242. Investment earnings totaling \$ 332,533 are shown net of bank fees totaling \$ 112,465. The composition of investments at year end is as follows:

	<u>Cost</u>	<u>Fair Value</u>
Cash and cash equivalents	\$ 355,732	\$ 355,732
Fixed income bond and security funds	6,699,914	7,204,806
Equities		
Energy	171,502	191,662
Materials	132,834	105,496
Industrials	239,610	259,178
Consumer discretionary	283,231	301,952
Consumer staples	308,123	344,702
Healthcare	176,179	194,115
Financials	180,833	203,778
Information technology	112,377	128,809
Telecommunications services	73,747	85,458
Utilities	232,038	235,771
Other	234,698	222,970
U.S. Large CAP	4,277,752	4,886,382
U.S. Mid CAP	524,097	671,671
U.S. Small CAP	377,614	405,615
Developed international	731,188	714,234
Emerging markets	798,237	732,752
Other equity	84,118	87,571
Managed futures	<u>500,000</u>	<u>407,486</u>
	<u>\$ 16,493,824</u>	<u>\$ 17,740,140</u>

The trust funds of the Incorporated Trustees are held by the Trust Department of BNY Mellon. The Trust Department handles the administration of the assets, including allocation of quarterly income to the fund participants.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS (Cont'd.)

DECEMBER 31, 2012

FAIR VALUE MEASUREMENTS

Fair value accounting standards provide the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation methods used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets or liabilities and have the highest priority; Level 2 inputs consist of observable inputs other than quoted prices for identical assets; and Level 3 inputs have the lowest priority to unobservable inputs.

The Diocese uses the following valuation techniques to measure fair value of assets on a recurring basis. There have been no changes in the methodologies used at December 31, 2012.

Cash and cash equivalents - The carrying amount approximates fair value because of the short-term nature of these investments.

Equities, fixed income bond and security funds and managed futures - Fair value was based on quoted market prices for the identical securities.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Diocese believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Diocese's assets at fair value on a recurring basis as of December 31, 2012.

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Cash and cash equivalents	\$ 355,732	\$ 355,732	\$ -	\$ -
Fixed income bond and security funds	7,204,806	7,204,806	-	-
Equities				
Energy	191,662	191,662	-	-
Materials	105,496	105,496	-	-
Industrials	259,178	259,178	-	-
Consumer discretionary	301,952	301,952	-	-
Consumer staples	344,702	344,702	-	-
Healthcare	194,115	194,115	-	-
Financials	203,778	203,778	-	-

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS (Cont'd.)

DECEMBER 31, 2012

FAIR VALUE MEASUREMENTS (Cont'd.)

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Equities (Cont'd.)				
Information technology	\$ 128,809	\$ 128,809	\$ -	\$ -
Telecommunications services	85,458	85,458	-	-
Utilities	235,771	235,771	-	-
Other	222,970	222,970	-	-
U.S. Large CAP	4,886,382	4,886,382	-	-
U.S. Mid CAP	671,671	671,671	-	-
U.S. Small CAP	405,615	405,615	-	-
Developed international	714,234	714,234	-	-
Emerging markets	732,752	732,752	-	-
Other equity	87,571	87,571	-	-
Managed futures	<u>407,486</u>	<u>407,486</u>	<u>-</u>	<u>-</u>
	<u>\$ 17,740,140</u>	<u>\$ 17,740,140</u>	<u>\$ -</u>	<u>\$ -</u>

Changes in fair value levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

We evaluated the significance of transfers (if any) between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets. For the year ended December 31, 2012, there were no significant transfers in or out of levels 1, 2 or 3.

CONTINGENCIES

Certain parishes of the Diocese have entered into loans which have been co-signed by the Bishop of the Diocese. In the event of default, the Diocese may be obligated to pay the unpaid portion of the defaulted obligations. The outstanding balance of such loans at December 31, 2012 was approximately \$ 1,193,928.

The Diocese has an unsecured line-of-credit with Metro Bank in the amount of \$150,000. Interest is payable monthly at the New York prime rate. Principal is due on demand. At year end there was no outstanding balance.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS (Cont'd.)

DECEMBER 31, 2012

CONTINGENCIES (Cont'd.)

The Diocese has a line-of-credit with Mid-Penn Bank in the amount of \$ 150,000. Interest is payable monthly based on the prime rate as quoted in the Wall Street Journal. Principal is due on demand. The line-of-credit is secured by inventory, chattel paper, accounts, equipment and general intangibles. At year-end there was no outstanding balance.

In 1999, the Diocese purchased their office building. The Diocese borrowed \$ 200,000 from Citizens Bank to finance the purchase. The loan is secured by a mortgage on the Diocese office building and is payable in 173 installments of \$ 1,830 per month. Interest of 6.67% is included in the monthly payment. The loan balance at December 31, 2012 was \$ 32,858.

The Diocese provides the cost of a health insurance supplement policy to its retired clergy for life. For 2012, the monthly premium per clergy totaled approximately \$ 100 a month. The total paid for the year was \$ 38,129.

JOINT VENTURE

In accordance with an agreement entered into in May 1993 and amended in May 2004 between the Lower Susquehanna Synod of the Evangelical Lutheran Church in America and the Diocese of Central Pennsylvania, a joint venture was created to form the St. Barnabas Center for Ministry. The Diocese paid \$ 12,000 in 2012 to support the St. Barnabas Center.

PENSION PLAN

The Church Pension Fund (The Fund) is a corporate body chartered in 1914 by the Legislature of the State of New York. Its incorporators and their successors are broadly authorized, as Trustees of the Fund, to establish and administer the clergy pension system of the Episcopal Church, including pensions, insurance, annuities, accident, health and other programs. The clergy and lay staff of the Diocese of Central Pennsylvania participate in this Fund.

The Fund was established by the General Convention of the Episcopal Church; it and its affiliates are official agencies of The Episcopal Church for these purposes and operate under the Canons of The Episcopal Church. The Fund began its operations on March 1, 1917. All operations are governed by The Fund's Board of Trustees, who are elected by the General Convention, or by a subsidiary Board consisting predominantly of Fund Trustees or subsidiary boards. The Fund's Clergy Plan and the Lay Employees Plan are defined-benefit pension plans whose assets are pooled for the benefit of all participants. It and other plans sponsored by The Fund and its affiliates are recognized as exempt from Federal income and certain other taxes; as Church plans, they are also exempt from the Employee Retirement Income Security Act of 1974 and, therefore, not subject to Pension Benefit Guaranty Corporation requirements.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS (Cont'd.)

DECEMBER 31, 2012

PENSION PLAN (Cont'd.)

As of March 31, 2012, the actuarial present value of the accumulated plan benefits are:

Vested benefits for:	
Benefits for retired participants and their dependents	\$ 3,979,332
Benefits for participants not yet retired and their dependents	2,280,556
Nonvested benefits	<u>194,594</u>
Actuarial present value of accumulated plan benefits	<u>\$ 6,454,482</u>
Net assets available for pension benefits after amount designated for assessment deficiency	\$ 6,942,202
Actuarial present value of accumulated plan benefits	<u>6,454,482</u>
Surplus (deficit)	<u>\$ 487,720</u>

The Fund levies assessments at the rate of 18% of participants' compensation (which includes salaries, housing and utility allowances and other cash compensation). For 2012, the qualifying compensation was approximately \$ 376,500 and the current assessment paid was \$ 67,775.

The Diocese's lay staff are provided pension coverage through the Church Life Insurance Corporation. The Diocese contributes 9% of the employees' annual salary to annuities maintained by the Church Life Insurance Corporation. The employees may elect through salary reduction to defer additional amounts. For 2012, the qualifying compensation was approximately \$ 83,396 and the assessment paid was \$ 208.

OPERATING LEASES

The Diocese leased certain office equipment under leases with varying terms through 2012. In 2012, they obtained a copier lease and service agreement with a term through May 2017. At December 31, 2012, the minimum rental payments under noncancellable leases with a term in excess of one year were as follows:

2013	\$ 4,165
2014	4,165
2015	4,165
2016	4,165
2017	1,388

Total lease expense for the year ended December 31, 2012 totaled \$ 5,687.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
NOTES TO FINANCIAL STATEMENTS (Cont'd.)
DECEMBER 31, 2012

RELATED PARTIES

The Diocese loaned to the Bishop of the Diocese \$ 75,000 to purchase a personal residence. The loan is unsecured and interest free. The loan is payable upon the sale of the premises, or within six months of retirement or in relinquishment of his duties as Bishop.

CONCENTRATIONS

The Diocese revenues for the Missionary Budget Fund include amounts received from the sixty-six parishes within its Central Pennsylvania diocese. The Fair Share revenues represent 90% of the total revenues for the Missionary Budget Fund. The continuation of Diocese operations is usually assumed in financial accounting in the absence of evidence to the contrary. The Diocese is subject to the uncertainty as to the amounts of future support.

The Diocese maintains its cash balances in two financial institutions. Accounts are insured by the Federal Deposit Insurance Corporation up to \$ 250,000. At December 31, 2012, the Diocese's uninsured balances totaled approximately \$ 246,922.

SUPPLEMENTAL INFORMATION



Greenawalt & Company, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

Since 1955

James E. Lyons
Deborah J. Kelly
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Howard R. Greenawalt
Creedon R. Hoffman

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION

The Episcopal Diocese of
Central Pennsylvania
Harrisburg, Pennsylvania

We have audited the combined financial statements of The Episcopal Diocese of Central Pennsylvania and the Incorporated Trustees of the Diocese of Central Pennsylvania as of and for the year ended December 31, 2012, and have issued our report thereon dated May 9, 2013, which contained a qualified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the combined financial statements taken as a whole. The schedules of the Missionary Budget Fund - Budget Comparison - Modified Cash Basis; 2012 Fair Share Receipts; Additional Income - Parishes of the Diocese; Schedule of Revenues, Expenses and Changes in Fund Balances - Modified Cash Basis - By Fund and Trust Fund Participation are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Greenawalt & Company, P.C.
GREENAWALT & COMPANY, P.C.

May 9, 2013

Mechanicsburg, Pennsylvania

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
MISSIONARY BUDGET FUND - BUDGET COMPARISON -
MODIFIED CASH BASIS
DECEMBER 31, 2012

	Budget	Actual
Revenues		
From churches		
For unpaid 2011 pledges	\$ 50,000	\$ 43,707
For 2012 fair share payments	1,340,530	1,170,827
Interest on investments	8,000	3,999
Grant income	19,800	16,000
Operation Understanding		
Easter Ingathering	15,000	6,877
School of Christian Studies		
Books and tuition	8,000	8,884
Transfer in - Sharing the Vision	45,000	-
Transfer in - Endowment/Fieldwork Fund	25,000	14,141
Transfer in - Bishop Advance Work Fund	20,000	-
Transfer in-OU Bishop Stevenson Fund	16,000	7,993
Transfer in - York Springs	200	208
Transfer in - Kermit Lloyd for Seminarians	5,000	-
Transfer in - Bishop McNutt World Mission	10,000	-
Transfer in - Bishop Honoman New Work Grant	8,000	8,194
Transfer in - Building	35,000	-
Transfer in-Other funds	10,000	8,812
Diocesan Events	5,000	1,195
Called to Grow Communication	10,000	-
Called to Grow Youth	8,000	-
Clergy Conference	12,000	16,778
Conferences/Seminars/Camps	1,500	-
Children's Ministry	35,000	7,706
Diocesan Convention and Journal	32,000	24,766
Contributions	-	51,791
	1,719,030	1,391,878
Expenses		
World Mission		
National and World Mission	247,146	247,146
Reserve: General Convention	12,000	-
General Convention Expense	-	39,331
Reserve: Lambeth Conference	1,000	-
House of Bishops	4,000	1,774
Province of Washington	3,500	8,495
Companion Dioceses	2,000	-

(Continued)

See independent auditor's report on supplemental information.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
MISSIONARY BUDGET FUND - BUDGET COMPARISON -
MODIFIED CASH BASIS (Cont'd.)
DECEMBER 31, 2012

	Budget	Actual
Expenses (Cont'd.)		
Diocesan Mission and Ministry		
Diocesan Mission and Ministry		
Southern York Mission	\$ -	\$ 38,262
St. Barnabas Center	12,000	12,000
York Springs	1,000	1,000
Congregational Development		
Grants: Operating	130,000	129,000
Grants: Project Grants	23,000	13,479
Grants: Capital Improvement Grants	10,000	10,000
Canon for Development-compensation	37,501	44,071
Canon for Development-benefits	4,850	3,892
Canon For Development-professional expenses	2,500	3,091
Deployment		
Transitional Deacons and Assistants	10,000	-
Deployment-moving/contingencies	2,000	700
Deployment-clergy transition	-	13,894
Deployment-program	7,000	11,642
Deployment-stipend	46,439	37,071
Deployment-benefits	10,929	471
Deployment-professional expenses	7,500	9,473
Clergy		
Clergy leadership development	-	7,000
Clergy wellness program	8,600	4,360
Clergy wellness consultants	11,200	11,414
Clergy conference	12,000	22,967
Formation and mission		
CSM: program general	400	-
Adult continuing education	-	1,500
Liturgy and Church Music Commission	1,000	185
Children and Youth		
Youth ministry program	58,325	22,396
Camp Mount Luther subsidy	12,000	12,000
Children's ministry program	21,000	3,773
Canon for Children and Youth-stipend and housing	37,501	44,072
Canon for Children and Youth-benefits	4,851	3,892
Canon for Children and Youth-ministry expense	2,500	1,966
Ecumenical Relations		
PA Council of Churches	5,000	1,375
Ecumenical Committee	600	265
Communications		
Communications-Webmaster	7,500	10,271
Communications program	26,000	13,312
Communications-dir. professional expense	-	1,638

(Continued)

See independent auditor's report on supplemental information.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
MISSIONARY BUDGET FUND - BUDGET COMPARISON -
MODIFIED CASH BASIS (Cont'd.)
DECEMBER 31, 2012

	Budget	Actual
Expenses (Cont'd.)		
Events		
Events coordinator-professional expense	\$ -	\$ 1,244
Conference/seminars	2,000	1,678
Convention journal	34,000	26,648
Diocesan events-general	5,000	6,466
Spouse of clergy conference	1,000	-
Ordination expenses	2,000	1,035
School of Christian Studies		
ConEd.-laity-general	1,500	34
SCS-administrative	14,000	24,346
SCS-curriculum	-	107
Convocations		
OU-grants-Bishop Stevenson Fund	16,000	4,635
OU-grants-Easter Ingathering	15,000	6,750
DMHE-PSU program-general	6,160	6,331
DMHE-PSU Chaplain stipend	23,653	15,498
DMHE-PSU benefits	9,000	4,280
Office of the Bishop		
Office of the Bishop		
Bishop election reserve	10,000	-
Episcopal assistance	3,000	278
Diocesan council and committees	2,000	3,583
Commission on Ministry	2,000	67
Candidates for Ministry	4,500	5,325
Aging-retired insurances	34,000	38,129
Bishop		
Stipend and housing	121,311	116,379
Benefits	41,058	38,198
Ministry expense	15,000	21,670
Diocesan vehicle	-	961
Canon to the Ordinary		
Stipend and housing	85,345	92,536
Benefits	33,313	32,469
Archdeacon for Deacons	2,500	1,391
Ministry expense	19,500	19,243
Finance and Administration		
Director of Finance professional expense	-	2,666
New building loan repayment	22,800	23,786
Diocesan insurances	16,000	13,458
Audit	17,000	19,938

(Continued)

See independent auditor's report on supplemental information.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
MISSIONARY BUDGET FUND - BUDGET COMPARISON -
MODIFIED CASH BASIS (Cont'd.)
DECEMBER 31, 2012

	Budget	Actual
Expenses (Cont'd.)		
Personnel		
Support staff salaries	\$ 132,888	\$ 143,160
Support staff pension	22,000	26,782
Support staff social security	-	10,653
Support staff insurance	48,000	39,171
Continuing education-staff development	5,000	2,303
Office		
Office expense	36,000	1,722
Office supplies	-	1,919
Equipment leases	-	6,390
Service contracts	-	20,203
Telecommunications	-	9,932
IT-support	-	9,381
Postage	-	2,114
Miscellaneous	-	1,096
Utilities	20,000	12,156
Office new equipment	5,000	4,972
New building	15,000	-
Building maintenance	20,000	9,992
Taxes-real estate	23,000	23,241
Legal		
Registrar expenses	1,700	205
Chancellor expenses	1,500	250
Diocesan Program		
General		
Contingencies	5,000	2,146
Miscellaneous	-	700
Aging		
Shippensburg Home-general	35,000	35,000
Pastoral care-general	6,200	3,788
Fund Transfers out	-	17,587
Total expenses	1,717,770	1,701,170
Excess of revenues over (under) expenses		(309,292)
Fund balance, beginning		564,783
Fund balance, ending		\$ 255,491

See independent auditor's report on supplemental information.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
2012 FAIR SHARE RECEIPTS
DECEMBER 31, 2012

<u>Community, Parish</u>	<u>2012 Fair Share Acceptances</u>	<u>Revenue Received 1/1/12 - 12/31/12</u>	<u>Revenue Received 1/1/12 - 1/31/13</u>
Altoona, St. Luke's	\$ 5,700	\$ -	\$ -
Beartown, Calvary Chapel	2,249	1,687	2,249
Bedford, St. James'	9,200	9,200	9,200
Bellefonte, St. John's	29,146	26,717	29,146
Benton, St. Gabriel	1,000	916	1,000
Berwick, Christ Church	13,638	13,638	13,638
Bloomsburg, St. Paul's	9,000	9,000	9,000
Blue Ridge Summit, Transfiguration	10,110	9,210	10,110
Brookland, All Saints	4,189	4,189	4,189
Camp Hill, Mount Calvary	62,166	56,980	62,160
Carlisle, St. John's	69,410	60,155	60,155
Chambersburg, Trinity	10,000	9,167	10,000
Churchtown, Bangor	10,740	9,845	10,740
Columbia, St. Paul's	28,192	7,600	9,100
Coudersport, Christ Church	8,183	8,183	8,183
Danville, Christ Church	19,474	19,474	19,474
Eagles Mere, St. John's in the Wilderness	1,000	1,000	1,000
Exchange, St. James'	1,200	1,200	1,200
Gettysburg, Prince of Peace	39,404	39,408	39,408
Hanover, All Saints'	14,400	14,400	14,400
Harrisburg, St. Andrews'	31,025	25,854	28,440
Harrisburg, St. Paul's	21,828	20,009	21,828
Harrisburg, St. Stephen's	77,691	71,217	77,691
Hawk Run, Good Shepherd	3,756	3,443	3,756
Hershey, All Saints'	37,827	37,827	37,827
Hollidaysburg, Holy Trinity	8,460	7,755	7,755
Huntingdon, St. John's	10,800	-	-
Jersey Shore, Trinity	9,292	9,292	9,292
Lancaster, St. James'	143,700	131,764	143,742
Lancaster, St. John's	50,000	18,667	18,667
Lancaster, St. Thomas'	28,800	27,500	30,000
Lancaster, St. Edward's	30,000	27,500	30,000
Lewisburg, St. Andrew's	20,142	20,142	20,142
Lewistown, St. Mark's	13,156	13,033	15,639
Lock Haven, St. Paul's	4,500	7,936	7,936
Manheim, St. Paul's	5,000	5,000	5,000
Mansfield, St. James'	10,890	10,890	10,890
Marietta, St. John's	7,222	6,610	6,610

(Continued)

See independent auditor's report on supplemental information.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA

2012 FAIR SHARE RECEIPTS (Cont'd.)

DECEMBER 31, 2012

<u>Community, Parish (Cont'd.)</u>	<u>2012 Fair Share Acceptances</u>	<u>Revenue Received 1/1/12 - 12/31/12</u>	<u>Revenue Received 1/1/12 - 1/31/13</u>
Mechanicsburg, St. Luke's	\$ 21,500	\$ 19,708	\$ 21,500
Milton, Christ Church	2,733	3,333	3,333
Montoursville, Our Savior	4,892	4,896	4,896
Mount Carmel, St. Stephen's	3,409	3,420	3,420
Mount Hope, Hope Church	8,204	6,153	6,153
Mount Joy, St. Luke's	13,978	13,978	13,978
Muncy, St. James'	6,000	6,000	6,000
Newport, Nativity/Thompsontown, St. Stephen's	35,829	35,829	35,829
New Freedom, St. Benedicts	35,829	-	-
Northumberland, St. Mark's	9,503	4,752	4,752
Philipsburg, St. Paul's	14,040	14,040	14,040
Renovo, Trinity	4,858	4,858	4,858
Selinsgrove, All Saints'	8,000	4,000	4,000
Shamokin, Holy Trinity	4,200	-	-
Shippensburg, St. Andrew's	35,000	35,000	35,000
State College, St. Andrew's	64,000	58,674	64,000
Sunbury, St. Matthew's	16,920	12,690	12,690
Tioga, St. Andrew's	1,100	1,100	1,100
Tyrone, Trinity	2,941	2,942	2,942
Upper Fairfield, Good Shepard	2,148	2,099	2,099
Waynesboro, St. Mary's	19,853	19,853	19,853
Wellsboro, St. Paul's'	20,400	18,700	18,700
Westfield, St. John's	1,644	1,507	1,644
Williamsport, All Saints'	7,343	4,955	6,179
Williamsport, Christ Church	25,000	30,000	30,000
Williamsport, Trinity	26,000	23,837	26,004
York, St. Andrew's	38,500	20,000	27,000
York, St. John the Baptist	78,650	72,095	78,650
Total	<u>\$ 1,374,964</u>	<u>\$ 1,170,827</u>	<u>\$ 1,238,187</u>

See independent auditor's report on supplemental information.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
ADDITIONAL INCOME - PARISHES OF THE DIOCESE
DECEMBER 31, 2012

Emergency Relief - general	\$ 9,316
Episcopal Home - Shippensburg	210
Good Friday	400
Miscellaneous	508
United Thank Offering	<u>2,235</u>
	<u><u>\$ 12,669</u></u>

See independent auditor's report on supplemental information.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES -
MODIFIED CASH BASIS - BY FUND
DECEMBER 31, 2012

	Unrestricted				
	Missionary Budget Fund	Discretionary Funds	Bishop and Mrs. Darlington Memorial Fund	Bishop Darlington Fund	Bishop Heistand Fund
Beginning balance					
DCPA 1/1/12	\$ 564,783	\$ 45,091	\$ -	\$ (8,406)	\$ 89,845
Incorporated Trustees 1/1/12	-	-	24,511	376,040	1,107,026
Total 1/1/12	564,783	45,091	24,511	367,634	1,196,871
Revenues					
Fair Share Pledges	1,214,534	-	-	-	-
Investment income	3,999	158	500	7,672	23,015
Contributions	58,668	8,098	-	-	-
Program fees	10,079	-	-	-	-
Grant income	16,000	-	-	-	-
Principal repayments	-	-	-	-	78,654
Proceeds from outside trusts	-	-	-	-	-
Unrealized/realized gains/(losses)	-	-	1,907	29,264	86,151
Conferences/seminars/camps	49,250	-	-	-	-
Miscellaneous income	-	-	-	-	-
Total revenues	1,352,530	8,256	2,407	36,936	187,820
Expenses					
World Mission	296,746	-	-	-	-
Diocesan Mission	589,486	6,350	-	25,862	-
Office of the Bishop	755,717	-	-	-	-
Diocesan programs	41,634	-	-	-	-
Parish trust distributions	-	-	-	-	-
Grant returned	-	-	-	-	-
Loans disbursed	-	-	-	-	12,500
Offerings	-	-	-	-	-
Accrued parish/Diocese distribution	-	-	-	-	-
Parish bequests	-	-	-	-	-
Total expenses	1,683,583	6,350	-	25,862	12,500
Changes in fund balances	(331,053)	1,906	2,407	11,074	175,320
Other changes in fund balances					
Transfers between funds	21,761	-	-	-	-
Ending balance					
DCPA 12/31/12	255,491	46,997	-	(34,268)	156,427
Incorporated Trustees 12/31/12	-	-	26,918	412,976	1,215,764
Total 12/31/12	\$ 255,491	\$ 46,997	\$ 26,918	\$ 378,708	\$ 1,372,191

(Continued)

See independent auditor's report on supplemental information.

	Restricted					
Bishop Honoman Endowment Fund	Bishop Wyatt-Brown Fund	Bishop Stevenson Fund	Doris Stephenson Fund	Oscar Heinz Endowment	Widows Corp Wellness Fund	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,925	
424,994	83,805	404,241	19,799	457,075	-	
424,994	83,805	404,241	19,799	457,075	28,925	
-	-	-	-	-	-	-
8,611	1,710	8,190	404	9,261	-	-
-	-	-	-	-	-	1,675
-	-	-	-	-	-	-
-	-	-	-	-	-	-
32,987	6,522	31,376	1,541	35,476	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
41,598	8,232	39,566	1,945	44,737	1,675	
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
417	-	197	-	448	-	-
-	-	-	-	-	-	-
417	-	197	-	448	-	-
41,181	8,232	39,369	1,945	44,289	1,675	
(8,194)	-	(7,993)	-	(8,812)	-	
-	-	-	-	-	-	30,600
457,981	92,037	435,617	21,744	492,552	-	
\$ 457,981	\$ 92,037	\$ 435,617	\$ 21,744	\$ 492,552	\$ 30,600	

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES -
MODIFIED CASH BASIS - BY FUND (Cont'd.)
DECEMBER 31, 2012

	Reserve - General Convention Fund	Reserve - Lambeth Conference Fund	Emergency Needs Fund	Disaster Response	Diocesan Medical/Life Insurance
Beginning balance					
DCPA 1/1/12	\$ -	\$ -	\$ 1,601	\$ 3,545	\$ -
Incorporated Trustees 1/1/12	40,085	19,560	-	-	50,083
Total 1/1/12	40,085	19,560	1,601	3,545	50,083
Revenues					
Fair Share Pledges	-	-	-	-	-
Investment income	923	399	-	-	1,022
Contributions	-	-	-	2,500	220
Program fees	-	-	-	-	-
Grant income	-	-	-	-	-
Principal repayments	-	-	-	-	-
Proceeds from outside trusts	-	-	-	-	-
Unrealized/realized gains/(losses)	4,315	1,522	-	-	3,897
Conferences/seminars/camps	-	-	-	-	-
Miscellaneous income	-	-	-	-	-
Sale and liquidation proceeds	-	-	-	-	-
Total revenues	5,238	1,921	-	2,500	5,139
Expenses					
World Mission	-	-	-	-	-
Diocesan Mission	-	-	-	-	-
Office of the Bishop	-	-	-	-	-
Diocesan Programs	-	-	-	-	-
Parish trust distributions	-	-	-	-	-
Grant returned	-	-	-	-	-
Loan disbursed	-	-	-	-	-
Offerings	-	-	-	-	-
Accrued parish/Diocese distribution	-	-	-	-	-
Parish bequests	-	-	-	-	-
Total expenses	-	-	-	-	-
Changes in fund balances	5,238	1,921	-	2,500	5,139
Other changes in fund balances					
Transfers between funds	7,000	-	-	-	-
Ending balance					
DCPA 12/31/12	-	-	1,601	6,045	220
Incorporated Trustees 12/31/12	52,323	21,481	-	-	55,002
Total 12/31/12	\$ 45,323	\$ 21,481	\$ 1,601	\$ 6,045	\$ 55,222

(Continued)

See independent auditor's report on supplemental information.

Restricted

Bishop Search	Deckard/ Bechtel Trust Fund	Grubb/ Thompson Trust	Sharing the Vision Inc. Trustees	Designated Offering Transmittal	Episcopal Church Women	ECW Book of Remem- brance
\$ -	\$ -	\$ -	\$ -	\$ 816	\$ 13,719	\$ 347
10,097	-	-	1,118,609	-	9,369	28,259
10,097	-	-	1,118,609	816	23,088	28,606
-	-	-	-	-	-	-
206	-	-	22,824	-	196	573
-	-	-	-	12,669	11,101	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	261,910	2,484	-	-	-	-
786	-	-	87,052	-	727	2,193
-	-	-	-	-	-	-
-	-	-	-	-	5,913	-
-	-	-	-	-	-	-
992	261,910	2,484	109,876	12,669	17,937	2,766
-	-	-	-	-	-	-
-	-	-	-	12,161	-	-
-	-	-	-	-	8,196	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1,825	-
-	-	-	-	-	9	28
-	261,910	2,484	-	-	-	-
-	261,910	2,484	-	12,161	10,030	28
992	-	-	109,876	508	7,907	2,738
-	-	-	-	-	544	(544)
-	-	-	-	1,324	21,443	347
11,089	-	-	1,228,485	-	10,096	30,453
<u>\$ 11,089</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,228,485</u>	<u>\$ 1,324</u>	<u>\$ 31,539</u>	<u>\$ 30,800</u>

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES -
MODIFIED CASH BASIS - BY FUND (Cont'd.)
DECEMBER 31, 2012

	Mission Fund	Bishop Advance Work Fund	Special Housing	Endowment/ Fieldwork Funds	York Springs Church Fund
Beginning balance					
DCPA 1/1/12	\$ -	\$ -	\$ -	\$ -	\$ -
Incorporated Trustees 1/1/12	224,265	104,613	11,492	733,501	10,813
Total 1/1/12	224,265	104,613	11,492	733,501	10,813
Revenues					
Fair Share Pledges	-	-	-	-	-
Investment income	4,576	2,135	234	14,861	219
Contributions	-	-	-	-	-
Program fees	-	-	-	-	-
Grant income	-	-	-	-	-
Principal repayments	-	-	-	-	-
Proceeds from outside trusts	-	-	-	-	-
Unrealized/realized gains	17,453	8,141	894	56,932	839
Conferences/seminars/camps	-	-	-	-	-
Miscellaneous income	-	-	-	-	-
Total revenues	22,029	10,276	1,128	71,793	1,058
Expenses					
World Mission	-	-	-	-	-
Diocesan Mission	-	-	-	-	-
Office of the Bishop	-	-	-	-	-
Diocesan Programs	-	-	-	-	-
Parish trust distributions	-	-	-	-	-
Grant returned	-	-	-	-	-
Loans disbursed	-	-	-	-	-
Offerings	-	-	-	-	-
Accrued parish/Diocese distribution	-	-	-	720	11
Parish bequests	-	-	-	-	-
Total expenses	-	-	-	720	11
Changes in fund balances	22,029	10,276	1,128	71,073	1,047
Other changes in fund balances					
Transfers between funds	-	-	-	(14,141)	(208)
Ending balance					
DCPA 12/31/12	-	-	-	-	-
Incorporated Trustees 12/31/12	246,294	114,889	12,620	790,433	11,652
Total 12/31/12	\$ 246,294	\$ 114,889	\$ 12,620	\$ 790,433	\$ 11,652

(Continued)

See independent auditor's report on supplemental information.

Restricted

Sarah Baker Trust Fund	Incorporated General	Leadership Endowment	Kermit L. Lloyd Memorial	Bishop Charlie McNutt Endowment	John Baldwin James Fund for Seminarians	G4 Celebration
\$ -	\$ -	\$ -	\$ 222	\$ -	\$ -	\$ -
38,386	530,243	41,567	204,397	200,615	11,589	20,405
38,386	530,243	41,567	204,619	200,615	11,589	20,405
-	-	-	-	-	-	-
783	10,819	848	4,170	4,093	237	416
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,987	41,265	3,235	15,907	15,612	902	1,588
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,770	52,084	4,083	20,077	19,705	1,139	2,004
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,770	52,084	4,083	20,077	19,705	1,139	2,004
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	222	-	-	-
42,156	582,327	45,650	224,474	220,320	12,728	22,409
\$ 42,156	\$ 582,327	\$ 45,650	\$ 224,696	\$ 220,320	\$ 12,728	\$ 22,409

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES -
MODIFIED CASH BASIS - BY FUND (Cont'd.)
DECEMBER 31, 2012

	Diocesan Vehicle	Called to Grow Communi- cation	101 Pine St. Endowment	Called to Grow Youth	Closed Parish Funds
Beginning balance					
DCPA 1/1/12	\$ -	\$ -	\$ -	\$ -	\$ 55,751
Incorporated Trustees 1/1/12	21,257	28,844	253,087	20,634	3,152
Total 1/1/12	21,257	28,844	253,087	20,634	58,903
Revenues					
Fair Share Pledges	-	-	-	-	-
Investment income	434	588	5,164	421	65
Contributions	-	-	-	-	-
Program fees	-	-	-	-	-
Grant income	-	-	-	-	-
Principal repayments	-	-	-	-	-
Proceeds from outside trusts	-	-	-	-	-
Unrealized/realized gains	1,654	2,245	19,696	1,606	245
Conferences/seminars/camps	-	-	-	-	-
Miscellaneous income	-	-	-	-	-
Total revenues	2,088	2,833	24,860	2,027	310
Expenses					
World Mission	-	-	-	-	-
Diocesan Mission	-	-	-	-	10,587
Office of the Bishop	-	-	-	-	-
Diocesan Programs	-	-	-	-	-
Parish trust distributions	-	-	-	-	-
Grant returned	-	-	-	-	-
Loans disbursed	-	-	-	-	-
Offerings	-	-	-	-	-
Accrued parish/Diocese distribution	-	-	-	-	-
Parish bequests	-	-	-	-	-
Total expenses and transfers	-	-	-	-	10,587
Changes in fund balances	2,088	2,833	24,860	2,027	(10,277)
Other changes in fund balances					
Transfers between funds	-	-	-	-	10,587
Ending balance					
DCPA 12/31/12	-	-	-	-	55,751
Incorporated Trustees 12/31/12	23,345	31,677	277,947	22,661	3,462
Total 12/31/12	\$ 23,345	\$ 31,677	\$ 277,947	\$ 22,661	\$ 59,213

(Continued)

See independent auditor's report on supplemental information.

Restricted							
SCS Dean Endowment	Diocesan Gardens	Training Program	Risk Management Program	St. Mary's Williamsport	Southern York	Total Restricted Funds	
\$ -	\$ 611	\$ 39	\$ 1,264	\$ 2,537	\$ 1,926	\$ 237,833	
48,014	-	-	-	-	-	6,680,427	
48,014	611	39	1,264	2,537	1,926	6,918,260	
-	-	-	-	-	-	-	
980	-	-	-	-	-	136,707	
-	-	-	-	-	20,008	56,271	
-	-	-	2,500	-	-	2,500	
-	-	-	-	-	12,000	12,000	
-	-	-	-	-	-	78,654	
-	-	-	-	-	-	264,394	
3,736	-	-	-	-	-	520,653	
-	-	-	-	-	-	-	
-	-	-	-	-	-	5,913	
4,716	-	-	2,500	-	32,008	1,077,092	
-	-	-	-	-	-	-	
-	-	-	-	-	24,251	79,211	
-	-	-	5,000	-	-	13,196	
-	-	-	-	-	-	-	
-	-	-	-	-	-	-	
-	-	-	-	-	-	12,500	
-	-	-	-	-	-	1,825	
-	-	-	-	-	-	1,830	
-	-	-	-	-	-	264,394	
-	-	-	5,000	-	24,251	372,956	
4,716	-	-	(2,500)	-	7,757	704,136	
-	-	-	-	-	-	(21,761)	
-	611	39	(1,236)	2,537	9,683	298,343	
52,730	-	-	-	-	-	7,302,292	
<u>\$ 52,730</u>	<u>\$ 611</u>	<u>\$ 39</u>	<u>\$ (1,236)</u>	<u>\$ 2,537</u>	<u>\$ 9,683</u>	<u>\$ 7,600,635</u>	

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCES -
MODIFIED CASH BASIS - BY FUND (Cont'd.)
DECEMBER 31, 2012

	Custodial Accounts	Total All Funds
Beginning balance		
DCPA 1/1/12	\$ 502	\$ 803,118
Incorporated Trustees 1/1/12	9,647,168	16,327,595
	9,647,670	17,130,713
Revenues		
Fair Share Pledges	-	1,214,534
Investment income	196,418	337,124
Contributions	544,471	659,410
Program fees	-	12,579
Grant income	-	28,000
Principal repayments	-	78,654
Proceeds from outside trusts	-	264,394
Unrealized/realized gains	752,589	1,273,242
Conferences/seminars/camps	-	49,250
Miscellaneous income	-	5,913
	1,493,478	3,923,100
Expenses		
World Mission	-	296,746
Diocesan Mission	-	668,697
Office of the Bishop	-	768,913
Diocesan Programs	-	41,634
Parish trust distributions	700,816	700,816
Grant returned	-	-
Loans disbursed	-	12,500
Offerings	-	1,825
Accrued parish distribution	1,982	3,812
Parish bequests	-	264,394
	702,798	2,759,337
Changes in fund balances	790,680	1,163,763
Other changes in fund balances		
Transfers between funds	-	-
Ending balance		
DCPA 12/31/11	502	554,336
Incorporated Trustees 12/31/11	10,437,848	17,740,140
	\$ 10,438,350	\$ 18,294,476

See independent auditor's report on supplemental information.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
 INCORPORATED TRUSTEES TRUST FUND PARTICIPATION
 DECEMBER 31, 2012

	Market Value 12/31/12	Undistributed Income 12/31/12	Total Distributable Income 2012
Bedford, St. James'	\$ 102,445	\$ 337	\$ 1,874
Bloomsburg, St. Paul's	6,034	40	113
Blue Ridge Summit, Church of the Transfiguration			
Investment Fund	321,765	-	6,020
Alter Guild	11,133	-	177
Fleck Memorial	45,119	-	841
Memorial Gifts	4,320	-	104
ECW Investment Fund	8,029	-	26
Brookland, All Saints'	65,593	434	1,233
Columbia, St. Paul's	155,081	1,025	2,916
Coudersport, Christ Church	98,783	653	1,857
Rev. Leslie K. Doyle Endowment Fund	8,850	-	164
Danville, Christ Church			
General Trust	44,677	295	840
Ackerman - Driscoll Fund	26,848	-	499
Marie Kisner Fund	970	6	18
Richard Wesner Memorial Fund	18,897	-	351
Conrad Estate	184,750	1,221	3,455
Eagles Mere, St. John's in the Wilderness	233,113	-	4,403
Episcopal Home at Shippensburg			
General	1,115,771	-	21,604
Resident Assistance Fund	109,755	-	2,039
Episcopal Square/Episcopal Gardens	73,492	-	1,365
Mr. & Mrs. George Hosfeld Fund - 50%	30,815	204	580
Episcopal Ministry - P.S.U.	35,308	-	656
Exchange, St James'			
General Trust	69,727	461	1,311
Paul Evalyn/George Vandine Memorial Fund	152,165	1,006	2,861
Gettysburg, Prince of Peace			
Operating	117,173	774	2,203
Investment	135,385	-	2,515
Buehler Foundation	9,377	62	176
Wetzer Fund	287,455	-	5,390
Rector's Housing Fund	35,124	-	643
Endowment Fund	1,848,755	-	32,086
John M and Mary Stevenson Endow Fund	31,719	-	589
Hanover, All Saints			
Endowment Fund	43,419	287	816

(Continued)

See independent auditor's report on supplemental information.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
INCORPORATED TRUSTEES TRUST FUND PARTICIPATION (Cont'd.)
DECEMBER 31, 2012

	Market Value 12/31/12	Undistributed Income 12/31/12	Total Distributable Income 2012
Harrisburg, St. Paul's	\$ 117,795	\$ -	\$ 2,188
Harrisburg, St. Stephen's			
General Trust	310,664	2,053	5,936
Patricia Cameron Fund	47,430	314	892
Malcolm McDowell Fund	9,301	-	9,300
Hawk Run, Good Shepherd	5,215	34	98
Hershey, All Saints'	113,229	748	2,297
Hungtindon, St. John's	92,711	613	1,820
Jersey Shore, Trinity	17,390	115	327
Lawrenceville, St. John's	14,212	-	269
Lewisburg, St. Andrew's			
Living Endowment	108,508	717	2,039
Property Endowment	42,883	283	806
Outreach Endowment	50,934	337	958
Lewistown, St. Mark's	417,417	2,759	7,848
Ulrich Outreach	30,094	199	566
Lock Haven, St. Paul's	3,750	-	70
Manheim, St. Paul's	131,159	867	2,466
Mansfield, St. James'			
General Trust	1,743	12	224
Vicar's Discretionary Fund	2,570	17	330
Ladies Auxiliary	603	4	78
Elizabeth Over Trust	7,290	48	937
St. Luke's Bloss	532	4	68
Marietta, St. John's	219,022	-	4,097
Mechanicsburg, St. Luke's	268,625	-	4,991
Mount Hope, Hope Church	108,959	-	1,717
Muncy, St. James'	11,141	74	209
Narvon, Bangor Church	52,438	-	974
Newport, Nativity/St. Stephen's Thompsontown	69,704	-	1,295
Kyle Weller Scholarship Fund	23,849	-	438
Parkinson	16,645	-	309
Episcopal Commons, Inc.	43,931	-	816
Webster Greenleaf Van Ormer			
Brubaker Memorial Trust	19,022	-	353
Northumberland, St. Mark's	64,629	427	1,215
Philipsburg, St. Paul's	35,297	-	656
Housing Fund	161,088	-	3,038

(Continued)

See independent auditor's report on supplemental information.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
INCORPORATED TRUSTEES TRUST FUND PARTICIPATION (Cont'd.)
DECEMBER 31, 2012

	Market Value 12/31/12	Undistributed Income 12/31/12	Total Distributable Income 2012
Renovo, Trinity			
General Trust	\$ 60,681	\$ 401	\$ 1,141
Lam Account	17,449	112	312
Selinsgrove, All Saints	16,150	107	2,130
Shippensburg, St. Andrew's			
Phillips Fund	195,039	-	3,688
Future maintenance	1,629	-	30
Continuing maintenance	124,345	-	2,310
Mr. & Mrs. George Hosfeld Fund - 50%	30,814	203	579
State College, St. Andrew's			
General	159,526	-	2,615
Helen Chelius Altar Guild	53,950	-	1,017
Rectory Fund	87,757	-	1,630
Carter Fund	142,081	-	3,018
Behr Fund	10,720	-	203
K. Palmer Outreach	63,071	-	957
Breneman Fund	192,034	-	3,425
Tioga, St. Andrew's	32,653	-	631
Tyrone, Trinity			
General	26,501	175	498
Organist	19,940	132	375
Upper Fairfield, Good Shepard	26,457	175	497
Waynesboro, St. Mary's Endowment Fund	145,651	963	2,738
Westfield, St. John's			
General Fund	7,914	52	149
Holcomb Trust	20,098	133	378
Williamsport, All Saints'	152,185	1,006	152,178
Williamsport, Christ Church			
Munson Fund	59,954	-	1,125
Endowment Fund	355,934	-	6,684
Altar Guild	17,148	113	322
Williamsport, St. Mary's			
Bastian Memorial Fund	281,351	-	5,227
James Heether Memorial Fund	85,189	-	1,583
Total - Churches, Home, Etc.	10,437,848	20,002	354,790

(Continued)

See independent auditor's report on supplemental information.

THE EPISCOPAL DIOCESE OF CENTRAL PENNSYLVANIA
 INCORPORATED TRUSTEES TRUST FUND PARTICIPATION (Cont'd.)
 DECEMBER 31, 2012

	Market Value 12/31/12	Undistributed Income 12/31/12	Total Distributable Income 2012
Diocese			
Special Housing	\$ 12,620	\$ -	\$ 234
Endowment Field Work Fund	790,433	5,225	5,225
Bishop Darlington Fund	412,977	-	7,672
Bp. & Mrs. Darlington Fund	26,918	-	500
Bishop Wyatt - Brown Fund	92,037	-	1,710
Episcopal Church Women	10,096	67	190
ECW-Book of Remembrance	30,453	201	30,453
York Springs Church Fund	11,652	77	219
Bp. Dean T. Stevenson Fund	435,617	2,879	8,190
Doris Q. Stevenson Fund	21,744	-	404
Sharing the Vision Fund	1,228,485	-	22,823
Sarah Baker Trust Fund	42,157	-	783
Bishop Heistand Fund	1,215,764	-	22,587
Bishop Honoman Fund	457,981	3,027	8,611
Kermit L. Lloyd Memorial	224,474	-	4,170
Bishop Charlie McNutt Endowment	220,320	-	4,093
Leadership Endowment Fund	45,650	-	848
G4 Celebration	22,409	-	416
John Baldwin Vocational Fund	12,728	-	236
School of Christian Studies Dean Endowment	52,730	-	980
General Convention Reserve	52,323	-	923
Lambeth Conference Reserve	21,481	-	399
Diocesan Vehicle	23,345	-	434
New Mission Fund	246,294	-	4,576
New Building Fund	277,947	-	5,164
Called to Grow Youth	22,660	-	421
Called to Grow Communication	31,677	-	589
Bishop Advance Work Fund	114,889	-	2,134
Oscar Heinz Endowment Fund	492,551	3,256	9,261
Medical Insurance Fund	55,002	-	1,022
Closed Parishes Fund	3,462	-	64
Bishop Search	11,089	-	206
Total - Other than Incorporated Trustees	6,719,965	14,732	145,537
Incorporated Trustees			
General Account	582,327	-	10,819
	\$ 17,740,140	\$ 34,734	\$ 511,146

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