IPHC 28th GENERAL CONFERENCE

FINANCIAL REPORTS

2013-2016

JULY 26-28, 2017

ORLANDO, FLORIDA

Bishop Thomas H. McGhee
Discipleship Ministries, Executive Director
Corporate Treasurer of the IPHC

REPORT TO THE GENERAL CONFERENCE 2017

I am delighted to enclose the financial statements for the International Pentecostal Holiness Church covering the past four years from January 1, 2013 to December 31, 2016.

During the quadrennium, God has demonstrated His faithfulness to His Word and through the membership of our church. This continued support has produced stable finances to enable the church to develop its global ministries and influence, while at the same time maintain a strong support of its USA Institutions.

Overall income of the denomination for this quadrennium was $63,806,000. Overall income includes all sources of revenues such as World Missions, Church Institutions, Evangelism, Church and Ministers tithe etc. However, most of these funds are designated and cannot be used for general operation.

The IPHC operates strictly from the tithe received from Member and Affiliate Churches, clergy, General officials, General-level institution heads, General director-level employees of the Global Ministries Center, active-duty military chaplains, and Veterans Administration chaplains. Tithe receipts for this quadrennium totaled $23,265,000.

The enclosed financial statement is a Quadrennial Report. BKD, LLP completes an annual audit of the IPHC under the direction of the Finance Committee of the Council of Bishops and the Administrative Services Department at the GMC. The annual reports are sent to each member of the Council of Bishops and the Finance Committee of the Council of Bishops and are approved by the same. The audit reports of the International Pentecostal Holiness Church Extension Loan Fund, Inc. and the International Pentecostal Holiness Foundation are approved by each entity's respective Board of Directors.

International Pentecostal Holiness Church, Inc. and Affiliated Entities

Independent Auditor's Report and Consolidated Financial Statements

December 31, 2016, 2015, 2014 and 2013

BKD LLP
CPAs & Advisors

International Pentecostal Holiness Church, Inc. and Affiliated Entities

December 31, 2016, 2015, 2014 and 2013

Contents

BKD LLP
CPAs & Advisors
910 E. St. Louis Street, Suite 200 // P.O. Box 1190 // Springfield, MO 65801-1190
417.865.8701 // fax 417.865.0682 // bkd.com

Independent Auditor's Report

Council of Bishops
International Pentecostal Holiness Church, Inc.
and Affiliated Entities
Oklahoma City, Oklahoma

We have audited the accompanying consolidated financial statements of International Pentecostal Holiness Church, Inc. and Affiliated Entities (collectively, the "Organization"), which comprise the consolidated statements of financial position as of December 31, 2016, 2015, 2014 and 2013, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated 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 consolidated 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 my management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of International Pentecostal Holiness Church, Inc. and Affiliated Entities as of December 31, 2016, 2015, 2014 and 2013, 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.

Emphasis of Matter

As discussed in *Note 14* to the consolidated financial statements, the financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the consolidated financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

BKD, LLP

Springfield, Missouri
June 14, 2017

International Pentecostal Holiness Church, Inc.
and Affiliated Entities

Consolidated Statements of Financial Position

December 31, 2016, 2015, 2014 and 2013

Assets

	2016	2015	2014	2013
Cash	$ 5,681,300	$ 3,802,118	$ 3,152,963	$ 2,927,756
Notes and other receivables	901,352	1,052,647	914,720	1,017,687
Accrued interest receivable	134,166	169,120	185,980	205,917
Prepaid expenses and other	399,818	234,258	486,799	178,088
Investments	14,598,452	16,564,325	17,674,646	13,741,432
Loans, net of allowance for loan losses; 2016 - $866,444; 2015 - $831,399; 2014 - $861,665 and 2013 - $910,059	45,498,717	44,601,198	43,505,528	45,257,745
Foreclosed assets held for sale, net	1,863,232	1,932,483	3,320,177	4,755,786
Property and equipment, net	2,603,428	2,688,483	2,407,544	2,565,904
Total assets	$ 71,680,465	$ 71,044,632	$ 71,648,357	$ 70,650,315

Liabilities and Net Assets

	2016	2015	2014	2013
Liabilities				
Accounts payable	$ 234,436	$ 271,010	$ 348,221	$ 250,806
Accrued expenses and other	468,211	399,801	173,864	165,400
Certificates	45,338,721	46,332,951	47,331,796	48,147,185
Secured borrowings	4,346	212,663	402,900	583,085
Deferred revenue	514,150	514,192	534,367	-
Interest payable	47,541	54,837	63,016	86,287
Assets held for others	5,061,349	4,602,602	5,335,806	5,216,812
Accrued pension benefit	348,568	557,379	705,804	826,020
Total liabilities	52,017,322	52,945,435	54,895,774	55,275,595
Net Assets				
Unrestricted	12,995,621	11,346,234	10,290,679	8,867,843
Temporarily restricted	5,057,377	5,142,818	4,851,759	4,896,732
Permanently restricted	1,610,145	1,610,145	1,610,145	1,610,145
Total net assets	19,663,143	18,099,197	16,752,583	15,374,720
Total liabilities and net assets	$ 71,680,465	$ 71,044,632	$ 71,648,357	$ 70,650,315

International Pentecostal Holiness Church, Inc.
and Affiliated Entities

Consolidated Statements of Activities

Years Ended December 31, 2016, 2015, 2014 and 2013

	2016	2015	2014	2013
Changes in Unrestricted Net Assets				
Revenues, gains and other support				
Contributions, gifts and donations	$ 8,293,154	$ 8,398,646	$ 8,166,242	$ 7,819,826
Investment return	367,533	87,609	195,386	(48,358)
Interest on mortgages and loans receivable	2,974,115	2,980,896	3,148,251	3,263,280
Investment administration fee	50,449	53,175	57,557	98,207
Other support	317,275	291,010	334,190	1,708,337
Registration and other fees	265,645	473,192	209,571	310,491
Gain from insurance proceeds	-	-	230,070	-
Net assets released from restrictions	7,868,062	6,895,414	7,340,731	7,251,027
Total unrestricted revenues, gains and other support	20,136,233	19,179,942	19,681,998	20,402,810
Expenses and losses				
Program services	15,497,237	14,805,067	15,188,803	15,584,733
Management and general	2,931,541	3,155,735	2,660,924	4,136,760
Foreclosed assets, net	174,644	249,712	474,013	121,550
Total expenses and losses	18,603,422	18,210,514	18,323,740	19,843,043
Defined benefit pension plan				
Net (gain) loss arising during the year	(39,222)	26,340	42,945	7,671
Amortization of net loss included in net periodic pension cost	(77,354)	(112,467)	(107,523)	(119,761)
	(116,576)	(86,127)	(64,578)	(112,090)
Change in Unrestricted Net Assets	1,649,387	1,055,555	1,422,836	671,857

International Pentecostal Holiness Church, Inc. and Affiliated Entities

Consolidated Statements of Activities

Years Ended December 31, 2016, 2015, 2014 and 2013

	2016	2015	2014	2013
Changes in Temporarily Restricted Net Assets				
Contributions, gifts and donations	$ 7,744,642	$ 7,177,653	$ 7,282,374	$ 7,886,089
Investment return	37,979	8,820	13,384	13,332
Net assets released from restrictions	(7,868,062)	(6,895,414)	(7,340,731)	(7,251,027)
Change in Temporarily Restricted Net Assets	(85,441)	291,059	(44,973)	648,394
Change in Permanently Restricted Net Assets	-	-	-	-
Change in Net Assets	1,563,946	1,346,614	1,377,863	1,320,251
Net Assets, Beginning of Year, as Previously Reported	18,099,197	16,752,583	15,374,720	13,673,675
Adjustments Applicable to Prior Years				
Restatement of unrestricted net assets	-	-	-	334,295
Restatement of temporarily restricted net assets	-	-	-	46,499
Net Assets, Beginning of Year, As Restated	18,099,197	16,752,583	15,374,720	14,054,469
Net Assets, End of Year	$ 19,663,143	$ 18,099,197	$ 16,752,583	$ 15,374,720

International Pentecostal Holiness Church, Inc.
and Affiliated Entities

Consolidated Statements of Cash Flows

Years Ended December 31, 2016, 2015, 2014 and 2013

	2016	2015	2014	2013
Operating Activities				
Change in net assets	$ 1,563,946	$ 1,346,614	$ 1,377,863	$ 1,320,251
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities				
Depreciation and amortization	229,411	218,699	223,267	203,556
(Gain) loss on disposal of property and equipment	20,161	(1,675)	9,198	15,836
Net realized and unrealized losses (gains) on investments	(120,429)	217,989	30,693	204,207
Provision (credit) for losses on loans	160,208	114,605	(82,357)	(6,596)
Interest refinanced by borrowers	(62,249)	(46,444)	(32,194)	(44,278)
Loss on disposal of foreclosed assets	123,140	171,843	374,166	44,044
Changes in				
Accrued interest, dividends and fees receivable	34,954	16,860	19,937	30,167
Accounts receivable	151,295	(137,927)	102,967	173,178
Prepaid expenses	(165,560)	252,541	(308,711)	(7,712)
Accounts payable and accrued expenses	24,540	140,547	82,608	(23,440)
Deferred revenue	(42)	(20,175)	534,367	-
Assets held for others	458,747	(733,204)	118,994	(563,755)
Accrued pension liability	(208,811)	(148,425)	(120,216)	(153,239)
Net cash provided by operating activities	2,209,311	1,391,848	2,330,582	1,192,219

International Pentecostal Holiness Church, Inc.
and Affiliated Entities

Consolidated Statements of Cash Flows

Years Ended December 31, 2016, 2015, 2014 and 2013

	2016	2015	2014	2013
Investing Activities				
Purchases of property and equipment	$ (164,567)	$ (505,463)	$ (74,105)	$ (200,231)
Proceeds from sale of property and equipment	50	7,500	-	-
Proceeds from sale of foreclosed assets held for sale	238,373	1,637,871	46,310	56,288
Purchases of investments	(1,259,460)	(3,920,661)	(8,532,829)	(11,017,646)
Proceeds from sales and maturities of investments	3,345,762	4,812,993	4,568,922	12,915,409
Originations of mortgages, loans and notes receivable	(3,201,676)	(4,490,840)	(4,367,535)	(7,107,275)
Principal collected on mortgages, loans and notes receivable	1,913,936	2,904,989	7,249,436	4,160,622
Net cash provided by (used in) investing activities	872,418	446,389	(1,109,801)	(1,192,833)
Financing Activities				
Net proceeds (payments) of secured borrowings	(208,317)	(190,237)	(180,185)	583,085
Net change in certificates	(994,230)	(998,845)	(815,389)	(987,778)
Net cash used in financing activities	(1,202,547)	(1,189,082)	(995,574)	(404,693)
Increase (Decrease) in Cash	1,879,182	649,155	225,207	(405,307)
Cash, Beginning of Year	3,802,118	3,152,963	2,927,756	3,333,063
Cash, End of Year	$ 5,681,300	$ 3,802,118	$ 3,152,963	$ 2,927,756
Supplemental Cash Flows Information				
Interest paid to certificate holders	$ 340,467	$ 392,186	$ 396,887	$ 335,064
Interest reinvested by certificate holders	$ 847,752	$ 923,076	$ 1,083,727	$ 1,308,282
Interest refinanced by borrowers	$ 62,249	$ 46,444	$ 32,194	$ 44,278
Real estate acquired in settlement of loans	$ 411,720	$ 524,290	$ -	$ 492,608
Sale and financing of foreclosed assets	$ 119,458	$ 102,270	$ 1,015,133	$ 232,950
Note receivable for LifeSprings Resources	$ -	$ -	$ -	$ 870,423

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The International Pentecostal Holiness Church, Inc. (IPHC) is a not-for-profit organization, whose mission is to multiply believers and churches, disciple them in worship, fellowship and evangelism as they obey the Great Commission in cooperation with the whole body of Christ. IPHC's revenues and other support are derived principally from contributions. Activities include, but are not limited to, educational, benevolent and charitable work which includes establishing and financing churches and schools; publishing and printing religious literature; and providing retirement and personal contribution programs for ministers.

Basis of Presentation and Principles of Consolidation

The accompanying consolidated financial statements include the accounts of the IPHC, the Global Ministries Center; and two affiliated entities, International Pentecostal Holiness Extension Loan Fund (Fund) and International Pentecostal Holiness Foundation (Foundation) (collectively, the "Organization"). All significant interorganization balances and transactions have been eliminated in consolidation.

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 at the date of the financial statements and the reported amounts of revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Material estimates that are particularly susceptible to significant change relate to the determination of the allowance for loan losses and the valuation of real estate acquired in connection with foreclosures or in satisfaction of loans. In connection with the determination of the allowance for loan losses and the valuation of foreclosed assets held for sale, management obtains independent appraisals for significant properties.

Cash

Cash includes funds held in banks for operating purposes. Funds invested in temporary investments are not considered cash equivalents.

At December 31, 2016, the Organization's interest-bearing cash accounts exceeded federally insured limits by approximately $4,834,000.

Notes Receivable

Notes receivable are stated at their outstanding principal amount, net of allowance for uncollectible notes. Unless an individual loan or borrower relationship warrants separate analysis, the Organization provides an allowance for uncollectible notes, which allows for credit losses, if necessary, based upon a review of outstanding receivables, historical collection information and existing economic conditions. Outstanding notes accrue interest based on the terms of the respective note agreements. Delinquent notes are written off based on individual credit evaluations and specific circumstances of the borrower. At December 31, 2016, 2015, 2014 and 2013, there was no allowance recorded for credit losses on notes receivable and no notes were written off as uncollectible during 2016, 2015, 2014 and 2013.

Investments and Investment Return

Investments in equity securities having a readily determinable fair value and in all debt securities are carried at fair value. Fair values are determined using quoted market prices or dealer quotes. Other investments are valued at the lower of cost (or fair value at time of donation, if acquired by contribution) or fair value. Investment return includes dividend, interest and other investment income; realized and unrealized gains and losses on investments carried at fair value; and realized gains and losses on other investments.

Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in unrestricted net assets. Other investment return is reflected in the statements of activities as unrestricted, temporarily restricted or permanently restricted based upon the existence and nature of any donor or legally imposed restrictions.

Loans

Loans that management has the intent and ability to hold for the foreseeable future or until maturity or payoffs are reported at their outstanding principal balances adjusted for any charge-offs, the allowance for loan losses and any deferred fees or costs on originated loans. Generally, these loans are collateralized by first mortgages on the primary buildings and facilities owned by the borrowers.

Interest income is accrued based on the unpaid principal balance. Loan origination fees, net of certain direct origination costs, are deferred and amortized as a level yield adjustment over the respective term of the loan.

The accrual of interest on loans is generally discontinued at the time the loan is 90 days past due unless the credit is well-secured and in process of collection. Past due status is based on contractual terms of the loan. In all cases, loans are placed on nonaccrual or charged off at an earlier date if collection of principal or interest is considered doubtful. The interest on these loans is accounted for on the cash-basis or cost-recovery method, until qualifying for return to accrual. Loans are returned to accrual status when all the principal and interest amounts contractually due are brought current and future payments are reasonably assured.

Allowance for Loan Losses

The allowance for loan losses is established as losses are estimated to have occurred through a provision for loan losses charged to earnings. Loan losses are charged against the allowance when management believes the uncollectibility of a loan balance is confirmed. Subsequent recoveries, if any, are credited to the allowance.

The allowance for loan losses is evaluated on a regular basis by management and is based upon management's periodic review of the collectability of the loans in light of historical experience, the nature and volume of the loan portfolio, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral and prevailing economic conditions. This evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available.

The allowance consists of allocated and general components. The allocated component relates to loans that are classified as impaired. For those loans that are classified as impaired, an allowance is established when the discounted cash flows, collateral value or observable market price of the impaired loan is lower than the carrying value of that loan. The general component covers nonclassified loans and is based on historical charge-off experience and expected loss given default derived from the Fund's internal risk rating process. Other adjustments may be made to the allowance for pools of loans after an assessment of internal or external influences on credit quality that are not fully reflected in the historical loss or risk rating data.

A loan is considered impaired when, based on current information and events, it is probable that the Fund will be unable to collect the scheduled payments of principal or interest when due according to the contractual terms of the loan agreement. Factors considered by management in determining impairment include payment status, collateral value and the probability of collecting scheduled principal and interest payments when due. Loans that experience insignificant payment delays and payment shortfalls generally are not classified as impaired. Management determines the significance of payment delays and payment shortfalls on a case-by-case basis, taking into consideration all of the circumstances surrounding the loan and the borrower, including the length of the delay, the reasons for the delay, the borrower's prior payment record and the amount of the shortfall in relation to the principal and interest owed. Impairment is measured on a loan-by-loan basis by either the present value of expected future cash flows discounted at the loan's effective interest rate or the fair value of the collateral if the loan is collateral dependent.

Foreclosed Assets Held for Sale

Assets acquired through, or in lieu of, loan foreclosure are held for sale and are initially recorded at fair value less cost to sell at the date of foreclosure, establishing a new cost basis. Subsequent to foreclosure, valuations are periodically performed by management and the assets are carried at the lower of carrying amount or fair value less cost to sell. Revenue and expenses from operations and changes in the valuation allowance are included in net income or expense from foreclosed assets.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is charged to expense over the estimated useful life of each asset using straight-line and accelerated methods. Assets under capital lease obligations and leasehold improvements are depreciated over the shorter of the lease term or their respective estimated useful lives ranging from 2-40 years.

Long-Lived Asset Impairment

The Organization evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the assets, the assets cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value. No asset impairment was recognized during the years ended December 31, 2016, 2015, 2014 and 2013.

Certificates

The certificates pay interest based on an established rate from the date of purchase through maturity. The payment of principal and interest on the certificates is a general obligation of the Fund. Fixed rate certificates accrue interest monthly and, if originated in 2001 and prior, pay interest semiannually based on the date of the certificate. Fixed rate certificates originated subsequent to 2001 pay interest monthly. Interest is calculated based on a 365-day year. The Fund does not possess any deposit insurance from a third-party insurer or state or federal deposit insurance agency. The payment of principal and interest on the certificates depends solely upon the financial condition and strength of the Fund.

Interest is accrued monthly based on an established rate and paid semiannually on June 30 and December 31 for savings certificates.

Secured Borrowings

The Fund on occasion enters into agreements with third parties to sell a portion of its loans. Transfers of financial assets are accounted for as sales, when control over the assets has been surrendered. When control is not surrendered, a secured borrowing is recorded and the loans are recorded at the gross value, with a corresponding offsetting liability. At December 31, 2016, 2015, 2014 and 2013, secured borrowings totaled $4,346, $212,663, $402,900 and $583,085, respectively, as a result of payments which are not applied on a pro rata basis.

Assets Held for Others

Assets held for others represent the amount of fund management agreements where the Organization has a fiduciary responsibility for the safekeeping and investment management of such funds.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by the Organization has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by the Organization in perpetuity.

Contributions

Gifts of cash and other assets received without donor stipulations are reported as unrestricted revenue and net assets. Gifts received with a donor stipulation that limits their use are reported as temporarily or permanently restricted revenue and net assets. When a donor stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Gifts having donor stipulations which are satisfied in the period the gift is received are reported as unrestricted revenue and net assets.

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimated future cash flows technique. The resulting discount is amortized using the level-yield method and is reported as contribution revenue.

Conditional gifts depend on the occurrence of a specified future and uncertain event to bind the potential donor and are recognized as assets and revenue when the conditions are substantially met and the gift becomes unconditional.

Deferred Revenue

Revenue from contributions is being deferred as it is held as collateral on a loan with The International Pentecostal Holiness Church Extension Loan Fund (ELF). This deferred balance as of December 31, 2016, 2015, 2014 and 2013, is $464,561, $479,825, $500,000 and $0, respectively. This balance is being recognized in the period that the collateral is released. This occurs as the loan with ELF is paid down.

The remaining deferred revenue balance relates to ELF loans to facilitate for the sale of foreclosed assets.

Functional Allocation of Expenses

The costs of supporting the various programs and other activities have been summarized on a functional basis in the statements of activities.

Sale of LifeSprings Resources

On May 10, 2013, a portion of assets and liabilities for LifeSprings Resources, a subsidiary of the Organization, were sold to an unrelated third party with no gain or loss recorded. Global Ministries Center recorded a note receivable of $870,423 for this sale. The remaining net assets were transferred to Global Ministries Center.

Exemption From Income Taxes

The Organization is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code as provided by a group letter ruling issued to the Organization from the Internal Revenue Service and a similar provision of state law. However, the Organization is subject to federal income tax on any unrelated business taxable income.

Note 2: Investments

Investments at December 31 consisted of the following:

	2016	2015	2014	2013
Money market accounts	$ 327,379	$ 404,465	$ 925,698	$ 4,831,544
Interest-bearing investments	1,157,860	1,137,631	1,614,891	397,261
U.S. government debt securities	-	418,418	1,057,397	961,945
Corporate debt securities	-	213,086	223,610	156,446
Equity securities	69,639	126,756	-	-
Mutual funds	11,614,046	12,357,161	11,970,197	6,198,442
Exchange-traded funds	398,390	828,385	792,942	204,036
Other	1,031,138	1,078,423	1,089,911	991,758
	$14,598,452	$16,564,325	$17,674,646	$13,741,432

Total investment return is comprised of the following:

	2016	2015	2014	2013
Interest and dividend income	$ 285,083	$ 314,418	$ 239,463	$ 169,181
Net realized and unrealized gains (losses) on investments reported at fair value	120,429	(217,989)	(30,693)	(204,207)
	$ 405,512	$ 96,429	$ 208,770	$ (35,026)

Total investment return is reflected in the statements of activities as follows:

	2016	2015	2014	2013
Unrestricted income	$ 367,533	$ 87,609	$ 195,386	$ (48,358)
Temporarily restricted income	37,979	8,820	13,384	13,332
Permanently restricted income	-	-	-	-
	$ 405,512	$ 96,429	$ 208,770	$ (35,026)

Note 3: Loans Receivable and Allowance for Loan Losses

Classes of loans at December 31 include:

	2016	2015	2014	2013
Loans secured by real estate	$ 38,243,058	$ 40,051,533	$ 41,583,676	$ 44,844,237
Other loans	8,420,851	5,699,503	3,170,335	1,903,105
	46,663,909	45,751,036	44,754,011	46,747,342
Deferred loan fees	(298,748)	(318,439)	(386,818)	(579,538)
Allowance for loan losses	(866,444)	(831,399)	(861,665)	(910,059)
	$ 45,498,717	$ 44,601,198	$ 43,505,528	$ 45,257,745

The following tables present the loan portfolio aging analysis of the investment in loans as of December 31, 2016, 2015, 2014 and 2013:

2016

	30-59 Days Past Due	60-89 Days Past Due	Greater Than 90 Days	Total Past Due	Current	Total Loans Receivable	Total Loans > 90 Days & Accruing
Loans secured by real estate	$ 1,527,538	$ 1,472,681	$ 1,737,770	$ 4,737,989	$ 33,505,069	$ 38,243,058	$ -
Other loans	-	-	500,863	500,863	7,919,988	8,420,851	-
Total	$ 1,527,538	$ 1,472,681	$ 2,238,633	$ 5,238,852	$ 41,425,057	$ 46,663,909	$ -

2015

	30-59 Days Past Due	60-89 Days Past Due	Greater Than 90 Days	Total Past Due	Current	Total Loans Receivable	Total Loans > 90 Days & Accruing
Loans secured by real estate	$ 2,601,255	$ 2,821,043	$ 2,037,947	$ 7,460,245	$ 32,591,288	$ 40,051,533	$ -
Other loans	-	500,863	310,000	810,863	4,888,640	5,699,503	-
Total	$ 2,601,255	$ 3,321,906	$ 2,347,947	$ 8,271,108	$ 37,479,928	$ 45,751,036	$ -

2014

	30-59 Days Past Due	60-89 Days Past Due	Greater Than 90 Days	Total Past Due	Current	Total Loans Receivable	Total Loans > 90 Days & Accruing
Loans secured by real estate	$ 1,665,671	$ 2,088,745	$ 3,809,628	$ 7,564,044	$ 34,019,632	$ 41,583,676	$ -
Other loans	-	-	310,000	310,000	2,860,335	3,170,335	-
Total	$ 1,665,671	$ 2,088,745	$ 4,119,628	$ 7,874,044	$ 36,879,967	$ 44,754,011	$ -

2013

	30-59 Days Past Due	60-89 Days Past Due	Greater Than 90 Days	Total Past Due	Current	Total Loans Receivable	Total Loans > 90 Days & Accruing
Loans secured by real estate	$ 1,864,797	$ 1,989,791	$ 2,249,116	$ 6,103,704	$ 38,740,533	$ 44,844,237	$ -
Other loans	-	-	-	-	1,903,105	1,903,105	-
Total	$ 1,864,797	$ 1,989,791	$ 2,249,116	$ 6,103,704	$ 40,643,638	$ 46,747,342	$ -

The following table presents the nonaccrual loans (excluding performing troubled debt restructuring) at December 31:

	2016	2015	2014	2013
Loans secured by real estate	$ 1,737,770	$ 2,037,947	$ 3,809,628	$ 2,249,116
Other loans	500,863	310,000	310,000	-
Total	$ 2,238,633	$ 2,347,947	$ 4,119,628	$ 2,249,116

The following tables present the balance in the allowance for loan losses and the recorded investment in loans based on portfolio segment and impairment method as of and for the years ended December 31, 2016, 2015, 2014 and 2013:

	2016		
	Loans Secured by Real Estate	Other Loans	Total
Allowance for Loan Losses			
Balance, beginning of year	$ 774,404	$ 56,995	$ 831,399
Provision for loan losses	140,939	19,269	160,208
Charge-offs, net	(189,641)	-	(189,641)
Recoveries	64,478	-	64,478
Balance, end of year	$ 790,180	$ 76,264	$ 866,444
Ending balance Individually evaluated for impairment	$ 415,713	$ -	$ 415,713
Ending balance Collectively evaluated for impairment	$ 374,467	$ 76,264	$ 450,731
Loans			
Ending balance	$ 38,243,058	$ 8,420,851	$ 46,663,909
Ending balance Individually evaluated for impairment	$ 3,873,826	$ 794,469	$ 4,668,295
Ending balance Collectively evaluated for impairment	$ 34,369,232	$ 7,626,382	$ 41,995,614

	2015		
	Loans Secured by Real Estate	Other Loans	Total
Allowance for Loan Losses			
Balance, beginning of year	$ 838,070	$ 23,595	$ 861,665
Provision for loan losses	81,205	33,400	114,605
Charge-offs, net	(144,871)	-	(144,871)
Recoveries	-	-	-
Balance, end of year	$ 774,404	$ 56,995	$ 831,399
Ending balance Individually evaluated for impairment	$ 386,926	$ -	$ 386,926
Ending balance Collectively evaluated for impairment	$ 387,478	$ 56,995	$ 444,473
Loans			
Ending balance	$ 40,051,533	$ 5,699,503	$ 45,751,036
Ending balance Individually evaluated for impairment	$ 3,173,442	$ 810,863	$ 3,984,305
Ending balance Collectively evaluated for impairment	$ 36,878,091	$ 4,888,640	$ 41,766,731

	2014		
	Loans Secured by Real Estate	Other Loans	Total
Allowance for Loan Losses			
Balance, beginning of year	$ 891,028	$ 19,031	$ 910,059
Provision (credit) for loan losses	(86,921)	4,564	(82,357)
Charge-offs	(10,552)	-	(10,552)
Recoveries	44,515	-	44,515
Balance, end of year	$ 838,070	$ 23,595	$ 861,665
Ending balance: Individually evaluated for impairment	$ 455,738	$ -	$ 455,738
Ending balance: Collectively evaluated for impairment	$ 382,332	$ 23,595	$ 405,927
Loans			
Ending balance	$ 41,583,676	$ 3,170,335	$ 44,754,011
Ending balance: Individually evaluated for impairment	$ 5,498,705	$ 810,863	$ 6,309,568
Ending balance: Collectively evaluated for impairment	$ 36,084,971	$ 2,359,472	$ 38,444,443

International Pentecostal Holiness Church, Inc.
and Affiliated Entities

Notes to Consolidated Financial Statements

December 31, 2016, 2015, 2014 and 2013

	2013		
	Loans Secured by Real Estate	Other Loans	Total
Allowance for Loan Losses			
Balance, beginning of year	$ 883,336	$ 19,822	$ 903,158
Credit for loan losses	(5,805)	(791)	(6,596)
Charge-offs	(31,070)	-	(31,070)
Recoveries	44,567	-	44,567
Balance, end of year	$ 891,028	$ 19,031	$ 910,059
Ending balance: Individually evaluated for impairment	$ 478,138	$ -	$ 478,138
Ending balance: Collectively evaluated for impairment	$ 412,890	$ 19,031	$ 431,921
Loans			
Ending balance	$ 44,844,237	$ 1,903,105	$ 46,747,342
Ending balance: Individually evaluated for impairment	$ 6,457,416	$ -	$ 6,457,416
Ending balance: Collectively evaluated for impairment	$ 38,386,821	$ 1,903,105	$ 40,289,926

Impaired loans include nonperforming loans but also include loans modified in troubled debt restructurings where concessions have been granted to borrowers experiencing financial difficulties. These concessions could include a reduction in the interest rate on the loans, payment extensions, forgiveness of principal, forbearance or other actions intended to maximize collection.

The following summarized impaired loans at December 31, 2016, 2015, 2014 and 2013:

2016

	Recorded Balance	Unpaid Principal Balance	Specific Allowance	Average Investment in Impaired Loans	Interest Income Recognized
Loans without a specific valuation allowance					
Loans secured by real estate	$ 586,906	$ 586,906	$ -	$ 873,566	$ 35,859
Other loans	794,469	794,469	-	802,666	50,741
Loans with a specific valuation allowance					
Loans secured by real estate	3,286,920	3,286,920	415,713	2,650,068	141,064
Other loans	-	-	-	-	-
Total impaired loans	$4,668,295	$ 4,668,295	$ 415,713	$ 4,326,300	$ 227,664

2015

	Recorded Balance	Unpaid Principal Balance	Specific Allowance	Average Investment in Impaired Loans	Interest Income Recognized
Loans without a specific valuation allowance					
Loans secured by real estate	$1,160,226	$ 1,160,226	$ -	$ 2,026,490	$ 126,957
Other loans	810,863	810,863	-	810,863	26,523
Loans with a specific valuation allowance					
Loans secured by real estate	2,013,216	2,013,216	386,926	2,309,584	57,713
Other loans	-	-	-	-	-
Total impaired loans	$3,984,305	$ 3,984,305	$ 386,926	$ 5,146,937	$ 211,193

2014

	Recorded Balance	Unpaid Principal Balance	Specific Allowance	Average Investment in Impaired Loans	Interest Income Recognized
Loans without a specific valuation allowance					
Loans secured by real estate	$2,892,753	$ 2,892,753	$ -	$ 3,331,446	$ 199,140
Other loans	810,863	810,863	-	405,432	18,101
Loans with a specific valuation allowance					
Loans secured by real estate	2,605,952	2,605,952	455,738	2,646,615	59,279
Other loans	-	-	-	-	-
Total impaired loans	$6,309,568	$ 6,309,568	$ 455,738	$ 6,383,493	$ 276,520

2013

	Recorded Balance	Unpaid Principal Balance	Specific Allowance	Average Investment in Impaired Loans	Interest Income Recognized
Loans without a specific valuation allowance					
Loans secured by real estate	$3,770,139	$ 3,770,139	$ -	$ 3,089,178	$ 203,888
Other loans	-	-	-	-	-
Loans with a specific valuation allowance					
Loans secured by real estate	2,687,277	2,687,277	478,138	3,146,673	108,480
Other loans	-	-	-	-	-
Total impaired loans	$6,457,416	$ 6,457,416	$ 478,138	$ 6,235,851	$ 312,368

As part of the ongoing monitoring of the credit quality of the Fund's loan portfolio, management tracks loans by determining if the loan is impaired or deemed unimpaired. Impaired loans by category are shown above; all other loans are considered by management to be unimpaired.

The Fund evaluates the loan risk grading system definitions and allowance for loan loss methodology on an ongoing basis. No significant changes were made to either during the past year.

Included in the impaired loans are troubled debt restructurings that were classified as impaired. At December 31, 2016, 2015, 2014 and 2013, the Fund had approximately $2,251,000, $2,734,000, $3,000,000 and $4,575,000, respectively, of real estate loans that were modified in troubled debt restructurings and impaired. The Fund uses forbearance agreements with some borrowers, allowing for reduced payments, which are included in this troubled debt restructuring total. Of the total troubled debt restructurings at December 31, 2016, three were accruing interest for a total of approximately $1,256,000. Of the total troubled debt restructurings at December 31, 2015, eight were accruing interest for a total of $1,340,000. Of the total troubled debt restructurings at December 31, 2014, seven were accruing interest for a total of $2,615,000. Of the total troubled debt restructurings at December 31, 2013, ten were accruing interest for a total of $4,321,000. When loans modified as troubled debt restructuring have subsequent payment defaults, the defaults are factored in to the determination of the allowance for loan losses to ensure specific valuation allowances reflect amounts considered uncollectible.

Note 4: Property and Equipment

Property and equipment at December 31 consists of:

	2016	2015	2014	2013
Land	$ 643,293	$ 643,293	$ 643,293	$ 643,293
Buildings and leasehold improvements	3,737,402	3,699,185	3,313,839	3,297,679
Machinery and equipment	1,268,744	1,552,672	1,458,186	1,723,699
Furniture and fixtures	212,506	212,506	211,000	185,123
	5,861,945	6,107,656	5,626,318	5,849,794
Less accumulated depreciation and amortization	3,258,517	3,419,173	3,218,774	3,283,890
	$2,603,428	$2,688,483	$2,407,544	$2,565,904

Note 5: Certificates

At December 31, 2016, the scheduled maturities of certificates are as follows:

2017	$ 18,541,041
2018	9,292,123
2019	6,132,632
2020	5,876,988
2021	2,421,945
	42,264,729
Certificates with no stated maturity	3,073,992
	$ 45,338,721

Note 6: Net Assets

Temporarily restricted net assets are restricted to be expended generally for student scholarships and missions to various institutions.

Permanently restricted net assets are restricted for investment in perpetuity, the income from which is generally expendable for missions and student scholarships. Certain donors have stipulated that the income accumulate with the corpus of the endowment until a certain total amount is reached, at which time income from that point forward is expendable.

Note 7: Endowment

The Organization's endowment consists of approximately 13 individual funds established for a variety of purposes. The endowment includes donor-restricted endowment funds. As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Organization's governing body has interpreted the State of Oklahoma Prudent Management of Institutional Funds Act (SPMIFA) as requiring preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of donor-restricted endowment funds is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. Duration and preservation of the fund
2. Purposes of the Organization and the fund
3. General economic conditions
4. Possible effect of inflation and deflation
5. Expected total return from investment income and appreciation or depreciation of investments
6. Other resources of the Organization
7. Investment policies of the Organization

The composition of net assets by type of endowment fund at December 31 was:

	2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ (9,982)	$ 186,142	$ 1,560,145	$ 1,736,305

	2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ (12,390)	$ 148,916	$ 1,560,145	$ 1,696,671

	2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ (9,836)	$ 145,561	$ 1,560,145	$ 1,695,870

	2013			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	$ (11,490)	$ 244,406	$ 1,560,145	$ 1,793,061

Changes in endowment net assets for the years ended December 31 were:

	2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ (12,390)	$ 148,916	$ 1,560,145	$ 1,696,671
Investment return				
Investment income	2,408	40,971	-	43,379
Net appreciation	-	-	-	-
Total investment return	2,408	40,971	-	43,379
Contributions	-	-	-	-
Appropriation of endowment assets for expenditure	-	(3,745)	-	(3,745)
Endowment net assets, end of year	$ (9,982)	$ 186,142	$ 1,560,145	$ 1,736,305

	2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ (9,836)	$ 145,561	$ 1,560,145	$ 1,695,870
Investment return				
Investment income	(2,554)	37,965	-	35,411
Net appreciation	-	-	-	-
Total investment return	(2,554)	37,965	-	35,411
Contributions	-	10,000	-	10,000
Appropriation of endowment assets for expenditure	-	(44,610)	-	(44,610)
Endowment net assets, end of year	$ (12,390)	$ 148,916	$ 1,560,145	$ 1,696,671

International Pentecostal Holiness Church, Inc.
and Affiliated Entities
Notes to Consolidated Financial Statements
December 31, 2016, 2015, 2014 and 2013

	2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ (11,490)	$ 244,406	$ 1,560,145	$ 1,793,061
Investment return				
Investment income	1,654	41,755	-	43,409
Net appreciation	-	-	-	-
Total investment return	1,654	41,755	-	43,409
Contributions	-	-	-	-
Appropriation of endowment assets for expenditure	-	(140,600)	-	(140,600)
Endowment net assets, end of year	$ (9,836)	$ 145,561	$ 1,560,145	$ 1,695,870

	2013			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, beginning of year	$ (16,726)	$ 217,942	$ 1,560,145	$ 1,761,361
Investment return				
Investment income	5,236	32,733	-	37,969
Net depreciation	-	-	-	-
Total investment return	5,236	32,733	-	37,969
Contributions	-	-	-	-
Appropriation of endowment assets for expenditure	-	(6,269)	-	(6,269)
Endowment net assets, end of year	$ (11,490)	$ 244,406	$ 1,560,145	$ 1,793,061

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level the Organization is required to retain as a fund of perpetual duration pursuant to donor stipulation or SPMIFA. In accordance with GAAP, deficiencies of this nature are reported in unrestricted net assets and aggregated $9,982, $12,390, $9,836 and $11,490 at December 31, 2016, 2015, 2014 and 2013, respectively. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after investment of new permanently restricted contributions and continued appropriation for certain purposes that was deemed prudent by the governing body.

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs and other items supported by its endowment while seeking to maintain the purchasing power of the endowment. Endowment assets include those assets of donor-restricted endowment funds the Organization must hold in perpetuity or for donor-specified periods. Under the Organization's policies, the primary investment goal is long-term asset growth with the generation of investment income a secondary goal. The Organization expects its endowment funds to provide an average rate of return of approximately 7% annually over time. Actual returns in any given year may vary from this amount.

To satisfy its long-term rate of return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both current yield (investment income such as dividends and interest) and capital appreciation (both realized and unrealized). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The Organization has an informal policy (the spending policy) of appropriating for expenditure each year 5% of its endowment fund's average fair value over the prior four quarters through the year end preceding the year in which expenditure is planned. However, to the extent the Organization does not spend the appropriated amount, the unspent appropriation is retained in the endowment fund and is included in the above table as temporarily restricted net assets. In establishing this policy, the Organization considered the long-term expected return on its endowment. Accordingly, over the long-term, the Organization expects the current spending policy to allow its endowment to grow, which is consistent with the Organization's objective to maintain the purchasing power of endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

Note 8: Pension Plans

The Organization has a defined contribution pension plan covering substantially all employees. The Organization contributes 7% of wages for eligible Global Ministries Center employees and $1,500 per year for missionaries to the plan. Pension expense was $309,367, $171,714, $164,974 and $167,507 for 2016, 2015, 2014 and 2013, respectively.

The Global Ministries Center has a noncontributory defined benefit pension plan covering certain individuals who meet the eligibility requirements and were hired prior to 1982. The Organization's funding policy is to make the minimum annual contribution that is required by applicable regulations, plus such amounts as the Organization may determine to be appropriate from time to time. The Organization expects to contribute $116,582 to the plan in 2017.

The Organization uses a December 31 measurement date for the plan. Information about the plan's funded status follows:

	2016	2015	2014	2013
Benefit obligation	$ 815,483	$ 934,753	$ 1,002,888	$ 1,060,538
Fair value of plan assets	466,915	377,374	297,084	234,518
Funded status	$ (348,568)	$ (557,379)	$ (705,804)	$ (826,020)

Liabilities recognized in the statements of financial position:

	2016	2015	2014	2013
Accrued pension liability	$ 348,568	$ 557,379	$ 705,804	$ 826,020

Amounts recognized in change in net assets not yet recognized as components of net periodic benefit cost consist of:

	2016	2015	2014	2013
Net loss	$ 585,386	$ 679,046	$ 752,600	$ 804,956

The accumulated benefit obligation for the defined benefit pension plan was $815,483, $934,753, $1,002,888 and $1,060,538 at December 31, 2016, 2015, 2014 and 2013, respectively.

Information for pension plans with an accumulated benefit obligation in excess of plan assets:

	2016	2015	2014	2013
Projected benefit obligation	$ 815,483	$ 934,753	$ 1,002,888	$ 1,060,538
Accumulated benefit obligation	$ 815,483	$ 934,753	$ 1,002,888	$ 1,060,538
Fair value of plan assets	$ 466,915	$ 377,374	$ 297,084	$ 234,518

Other significant balances and costs are:

	2016	2015	2014	2013
Employer contributions	$ 206,278	$ 206,278	$ 206,278	$ 206,278
Benefits paid	$ 110,825	$ 126,886	$ 142,152	$ 153,600
Benefit costs	$ 91,127	$ 131,407	$ 138,418	$ 154,805

No plan assets are expected to be returned to the Organization during fiscal year 2016.

The estimated net loss for the defined benefit pension plan that will be amortized from unrestricted net assets into net periodic benefit cost over the next fiscal year is $54,438.

Significant assumptions include:

Weighted average assumptions used to determine benefit obligation:

	2016	2015	2014	2013
Discount rate	3.50%	3.50%	3.45%	4.20%
Rate of compensation increase	0%	0%	0%	0%

Weighted average assumptions used to determine benefit costs:

	2016	2015	2014	2013
Discount rate	3.50%	3.50%	3.45%	4.20%
Expected return on plan assets	4%	4%	4%	4%
Rate of compensation increase	0%	0%	0%	0%

The Organization has estimated the long-term rate of return on plan assets based primarily on historical returns on plan assets, adjusted for changes in target portfolio allocations and recent changes in long-term interest rates based on publicly available information.

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid as of December 31, 2016:

2017	$ 116,582
2018	107,472
2019	98,382
2020	89,533
2021	81,074
2022-2026	296,108

Plan assets are invested in Extension Loan Fund certificates.

Plan assets are rebalanced when necessary. At December 31, plan assets by category are as follows:

	2016	2015	2014	2013
Cash	70.0%	63.7%	54.8%	43.7%
Extension loan fund certificates	30.0%	36.3%	45.2%	56.3%
	100.0%	100.0%	100.0%	100.0%

Pension Plan Assets

Following is a description of the valuation methodologies used for pension plan assets measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of pension plan assets pursuant to the valuation hierarchy.

Where quoted market prices are available in an active market, plan assets are classified within Level 1 of the valuation hierarchy. There are no Level 1 plan assets. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of plan assets with similar characteristics or discounted cash flows. Level 2 plan assets include Loan Fund certificates. The inputs used to value the certificates include interest rates for similar certificates with similar maturities. In certain cases where Level 1 or Level 2 inputs are not available, plan assets are classified within Level 3 of the hierarchy. There are no Level 3 plan assets.

The fair values of the Organization's pension plan assets at December 31, 2016, 2015, 2014 and 2013, by asset class are as follows:

		Fair Value Measurements Using		
Asset Class	**Fair Value**	**Level 1**	**Level 2**	**Level 3**
December 31, 2016				
Loan fund certificates	$ 140,090	$ -	$ 140,090	$ -
Cash	326,825			
	$ 466,915			
December 31, 2015				
Loan fund certificates	$ 137,170	$ -	$ 137,170	$ -
Cash	240,204			
	$ 377,374			
December 31, 2014				
Loan fund certificates	$ 134,293	$ -	$ 134,293	$ -
Cash	162,791			
	$ 297,084			
December 31, 2013				
Loan fund certificates	$ 132,042	$ -	$ 132,042	$ -
Cash	102,476			
	$ 234,518			

Note 9: Commitments and Credit Risk

Commitments to Originate Loans

Commitments to originate loans are agreements to lend to a borrower as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since a portion of the commitments may expire without being drawn upon, the total commitment amounts do not necessarily represent future cash requirements. Each borrower's creditworthiness is evaluated on a case-by-case basis. The amount of collateral obtained, if deemed necessary, is based on management's credit evaluation of the counterparty. Collateral held varies, but typically includes real estate owned by churches and nonprofit organizations.

The Fund had outstanding commitments to originate loans and fund construction loans aggregating approximately $2,423,000, $1,589,000, $1,339,000 and $680,000 at December 31, 2016, 2015, 2014 and 2013, respectively. The commitments extended over varying periods of time with the majority to be disbursed within a one-year period.

The Fund had guaranteed a letter of credit for a loan customer that was issued by a third-party bank. At December 31, 2016, the guarantee had a maximum amount of $1,147,615 and expires on July 5, 2017. At December 31, 2015, the guaranty had a maximum of $1,109,850 and expired on August 5, 2016. Additionally, constituents of the Fund's loan customer have place funds in certificates with the Fund to cover this guarantee. The total of certificates tied to this guarantee is $1,147,615 and $796,000 at December 31, 2016 and 2015, respectively. There were no guaranteed letters of credit at December 31, 2014 or 2013.

Credit Risk

The Fund's loans are made exclusively to churches, conferences and other affiliates of the Church. The vast majority of loans are made to churches. The repayment of loans by churches may affect the Fund's ability to meet its obligations. In most instances, the ability of churches to repay their loans will depend upon the contributions they receive from their members. Both the number of members of a church and the amount of contributions may fluctuate. In addition, a church facility may be a single-purpose building and the marketability of such a specific facility may be limited, thereby diminishing the value of such collateral in the event of foreclosure. Finally, because of the relationship of the Fund with its borrowers, the Fund has in the past been willing under certain circumstances to accommodate late payments or to extend or otherwise modify the terms of a loan. Should borrowers not be able to repay their principal and interest as scheduled, the Fund's ability to make principal and interest payments on its certificates may be impaired.

Note 10: Disclosures About Fair Value of Assets and Liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities.

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Recurring Measurements

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the accompanying statement of financial position, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2016.

Investments

Where quoted market prices are available in an active market or investments could be redeemed at cost, securities are classified within Level 1 of the valuation hierarchy. Level 1 investments include money market accounts with brokers, interest-bearing investments, equity securities and mutual funds. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and discounted cash flows. Level 2 securities include U.S. government debt securities and corporate bonds and other investments, whose fair value is derived from quoted prices for similar assets. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. The Organization has no investments classified as Level 3 within the hierarchy.

Investments not measured at fair value, such as an annuity contract and a closed-in real estate investment trust, are not included in this disclosure.

The following table presents the fair value measurements of assets recognized in the accompanying statement of financial position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31:

		Fair Value Measurements Using		
	Fair Value	**Level 1**	**Level 2**	**Level 3**
December 31, 2016				
Money market account with broker	$ 327,379	$ 327,379	$ -	$ -
Interest-bearing investments	1,157,860	1,157,860	-	-
Equity securities	69,639	69,639	-	-
Mutual funds	11,614,046	11,614,046	-	-
Exchange-traded funds	398,390	398,390	-	-
Other	27,372	-	27,372	-
December 31, 2015				
Money market account with broker	$ 404,465	$ 404,465	$ -	$ -
Interest-bearing investments	1,137,631	1,137,631	-	-
U.S. government debt securities	418,418	-	418,418	-
Corporate debt securities	213,086	-	213,086	-
Equity securities	126,756	126,756	-	-
Mutual funds	12,357,161	12,357,161	-	-
Exchange-traded funds	828,385	828,385	-	-
Other	26,873	-	26,873	-
December 31, 2014				
Money market account with broker	$ 925,698	$ 925,698	$ -	$ -
Interest-bearing investments	1,614,891	1,614,891	-	-
U.S. government debt securities	1,057,397	-	1,057,397	-
Corporate debt securities	223,610	-	223,610	-
Mutual funds	11,970,197	11,970,197	-	-
Exchange-traded funds	792,942	792,942	-	-
Other	75,761	-	75,761	-
December 31, 2013				
Money market account with broker	$ 4,831,544	$ 4,831,544	$ -	$ -
Interest-bearing investments	397,261	397,261	-	-
U.S. government debt securities	961,945	-	961,945	-
Corporate debt securities	156,446	-	156,446	-
Mutual funds	6,198,442	6,198,442	-	-
Exchange-traded funds	204,036	204,036	-	-
Other	340,708	-	340,708	-

Nonrecurring Measurements

The following tables present the fair value measurement of assets and liabilities measured at fair value on a nonrecurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2016, 2015, 2014 and 2013.

	Fair Value	Fair Value Measurements Using Level 1	Level 2	Level 3
December 31, 2016				
Impaired loans (collateral dependent)	$ 2,871,207	$ -	$ -	$ 2,871,207
Foreclosed assets held for sale	578,100	-	-	578,100
December 31, 2015				
Impaired loans (collateral dependent)	$ 1,626,290	$ -	$ -	$ 1,626,290
Foreclosed assets held for sale	162,168	-	-	162,168
December 31, 2014				
Impaired loans (collateral dependent)	$ 2,150,214	$ -	$ -	$ 2,150,214
Foreclosed assets held for sale	2,451,569	-	-	2,451,569
December 31, 2013				
Impaired loans (collateral dependent)	$ 2,209,139	$ -	$ -	$ 2,209,139
Foreclosed assets held for sale	829,228	-	-	829,228

Collateral Dependent Impaired Loans, Net of Allowance of Loan Losses

The estimated fair value of collateral-dependent impaired loans is based on the appraised fair value of the collateral, less estimated cost to sell. Collateral-dependent impaired loans are classified within Level 3 of the fair value hierarchy.

The Fund considers the appraisal or evaluation as the starting point for determining fair value and then considers other factors and events in the environment that may affect the fair value. Appraisals of the collateral underlying collateral-dependent loans are obtained when the loan is determined to be collateral-dependent and subsequently as deemed necessary by management. Appraisals are reviewed for accuracy and consistency by management. Appraisers are selected from the list of approved appraisers maintained by management. The appraised values are reduced by discounts to consider lack of marketability and estimated cost to sell if repayment or satisfaction of the loan is dependent on the sale of the collateral. These discounts and estimates are developed by management by comparison to historical results.

Foreclosed Assets Held for Sale

The fair value is estimated using appraisals, comparable sales and other estimates of value obtained principally from independent sources, adjusted for selling costs. Foreclosed assets held for sale are classified within Level 3 of the valuation hierarchy.

Appraisals of foreclosed assets held for sale are obtained when the real estate is acquired and subsequently as deemed necessary by management. Appraisals are reviewed for accuracy and consistency by management. Appraisers are selected from the list of approved appraisers maintained by management.

Note 11: Program Services Expenses

Program services expenses consist of the following:

	2016	2015	2014	2013
Missions	$ 12,785,120	$ 11,794,687	$ 12,175,749	$ 12,441,646
Interest	1,120,730	1,235,149	1,414,575	1,582,603
Communications	252,833	400,635	472,033	377,545
Other	1,338,554	1,374,596	1,126,446	1,182,939
	$ 15,497,237	$ 14,805,067	$ 15,188,803	$ 15,584,733

Note 12: Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Estimates related to the allowance for loan losses and foreclosed assets are reflected in *Notes 1* and *4.* Current vulnerabilities due to certain concentrations of credit risk are discussed in the footnote on credit risk.

Pension Benefit Obligations

The Organization has a noncontributory defined benefit pension plan whereby it agrees to provide certain postretirement benefits to certain individuals. The benefit obligation is the actuarial present value of all benefits attributed to service rendered prior to the valuation date based on a long-term economic model estimating future inflation rates and return on plan assets. It is reasonably possible that events could occur that would change the estimated amount of this liability materially in the near term.

Investments

The Organization invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the accompanying statement of financial position.

Litigation

The Organization is subject to claims and lawsuits that arise primarily in the ordinary course of its activities. It is the opinion of management that the disposition or ultimate resolution of such claims and lawsuits will not have a material adverse effect on the financial position, change in net assets and cash flows of the Organization. Events could occur that would change this estimate materially in the near term.

Note 13: Liquidity – Extension Loan Fund

The Fund's management has adopted a policy requiring the Fund to maintain, at all times, cash, certificates of deposit and investment securities equal to at least 10% of the Fund's principal balance on all outstanding obligations, including the Certificates. At December 31, 2016, 2015, 2014 and 2013, the Fund held cash and investments equal to 18%, 20%, 21% and 14%, respectively, of its outstanding obligations.

A portion of the Certificates have a maturity of greater than one year. It has been the Fund's experience that a majority of its maturing obligations have been extended or reinvested. To the extent that demands for repayment of Certificates at maturity exceed prior experience and to the extent that the availability of funds from sources other than liquid investments is reduced or limited, the Fund's financial condition may be adversely affected.

Note 14: Restatement of Prior Year Financial Statements

In prior years, the Organization improperly reported certain contribution revenues as temporarily restricted and overstated the net assets released from restriction for the Global Ministries Center. Therefore, the 2013 beginning temporarily restricted net assets have been increased, and beginning unrestricted net assets have been decreased by $40,368 to correct this error.

In prior years, Acts2Day's, a department of the Global Ministries Center, net assets were improperly excluded from the financial statements. Therefore, the 2013 beginning unrestricted net assets have been increased by $374,663 and the temporarily restricted net assets have been increased by $6,131 to correct this error.

Note 15: Subsequent Events

On May 30, 2017, International Pentecostal Holiness Church Global Ministries Center entered into an unsecured $550,000 note receivable. The note receivable is set to mature on August 28, 2017, with a fixed interest rate of 3.50%.

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

Supplementary Information

International Pentecostal Holiness Church, Inc.
and Affiliated Entities
Consolidating Schedule – Statement of Financial Position Information
December 31, 2016

	Global Ministries Center	IPH Extension Loan Fund	IPH Foundation	Eliminations	Total
Assets					
Cash	$ 4,442,440	$ 764,050	$ 648,929	$ (174,119)	$ 5,681,300
Notes and other receivables	844,895	-	56,457	-	901,352
Accrued interest receivable	-	134,166	-	-	134,166
Prepaid expenses and other	334,229	65,589	-	-	399,818
Investments	6,956,497	8,834,102	12,315,851	(13,507,998)	14,598,452
Loans, net of allowance for loan losses - $866,444	-	45,729,192	-	(230,475)	45,498,717
Foreclosed assets held for sale, net	-	1,863,232	-	-	1,863,232
Property and equipment, net	2,603,083	345	-	-	2,603,428
Total assets	$ 15,181,144	$ 57,390,676	$ 13,021,237	$ (13,912,592)	$ 71,680,465
Liabilities and Net Assets					
Liabilities					
Accounts payable	$ 164,153	$ 24,591	$ 61,111	$ (15,419)	$ 234,436
Accrued expenses and other	468,211	-	-	-	468,211
Certificates	-	52,785,432	-	(7,446,711)	45,338,721
Secured borrowings	-	4,346		-	4,346
Deferred revenue	464,561	49,589	-	-	514,150
Interest payable	-	47,541	-	-	47,541
Notes payable	230,475	-	-	(230,475)	-
Assets held for others	-	-	11,281,336	(6,219,987)	5,061,349
Accrued pension benefit	348,568	-	-	-	348,568
Total liabilities	1,675,968	52,911,499	11,342,447	(13,912,592)	52,017,322
Net Assets					
Unrestricted	8,762,725	4,479,177	(246,281)	-	12,995,621
Temporarily restricted	4,362,143	-	695,234	-	5,057,377
Permanently restricted	380,308	-	1,229,837	-	1,610,145
Total net assets	13,505,176	4,479,177	1,678,790	-	19,663,143
Total liabilities and net assets	$ 15,181,144	$ 57,390,676	$ 13,021,237	$ (13,912,592)	$ 71,680,465

International Pentecostal Holiness Church, Inc.
and Affiliated Entities
Consolidating Schedule – Statement of Financial Position Information
December 31, 2015

	Global Ministries Center	IPH Extension Loan Fund	IPH Foundation	Eliminations	Total
Assets					
Cash	$ 3,648,117	$ 287,290	$ 32,395	$ (165,684)	$ 3,802,118
Notes and other receivables	996,586	-	56,061	-	1,052,647
Accrued interest receivable	-	169,120	-	-	169,120
Prepaid expenses and other	192,127	42,131	-	-	234,258
Investments	6,807,658	10,656,708	13,493,537	(14,393,578)	16,564,325
Loans, net of allowance for loan losses - $831,399	-	44,850,498	-	(249,300)	44,601,198
Foreclosed assets held for sale, net	-	1,932,483	-	-	1,932,483
Property and equipment, net	2,680,829	7,654	-	-	2,688,483
Total assets	$ 14,325,317	$ 57,945,884	$ 13,581,993	$ (14,808,562)	$ 71,044,632
Liabilities and Net Assets					
Liabilities					
Accounts payable	$ 203,034	$ 24,561	$ 59,429	$ (16,014)	$ 271,010
Accrued expenses and other	399,801	-	-	-	399,801
Certificates	-	53,953,769	-	(7,620,818)	46,332,951
Secured borrowings	-	212,663		-	212,663
Deferred revenue	479,825	34,367	-	-	514,192
Interest payable	-	54,837	-	-	54,837
Notes payable	249,300	-	-	(249,300)	-
Assets held for others	-	-	11,525,032	(6,922,430)	4,602,602
Accrued pension benefit	557,379	-	-	-	557,379
Total liabilities	1,889,339	54,280,197	11,584,461	(14,808,562)	52,945,435
Net Assets					
Unrestricted	7,721,311	3,665,687	(40,764)	-	11,346,234
Temporarily restricted	4,334,359	-	808,459	-	5,142,818
Permanently restricted	380,308	-	1,229,837	-	1,610,145
Total net assets	12,435,978	3,665,687	1,997,532	-	18,099,197
Total liabilities and net assets	$ 14,325,317	$ 57,945,884	$ 13,581,993	$ (14,808,562)	$ 71,044,632

International Pentecostal Holiness Church, Inc.
and Affiliated Entities
Consolidating Schedule – Statement of Financial Position Information
December 31, 2014

	Global Ministries Center	IPH Extension Loan Fund	IPH Foundation	Eliminations	Total
Assets					
Cash	$ 2,800,952	$ 508,040	$ 23,212	$ (179,241)	$ 3,152,963
Notes and other receivables	853,227	-	61,493	-	914,720
Accrued interest receivable	-	185,980	-	-	185,980
Prepaid expenses and other	442,508	44,291	-	-	486,799
Investments	6,938,963	11,083,030	14,859,166	(15,206,513)	17,674,646
Loans, net of allowance for loan losses - $861,665	-	43,776,298	-	(270,770)	43,505,528
Foreclosed assets held for sale, net	-	3,320,177	-	-	3,320,177
Property and equipment, net	2,388,228	19,316	-	-	2,407,544
Total assets	$ 13,423,878	$ 58,937,132	$ 14,943,871	$ (15,656,524)	$ 71,648,357
Liabilities and Net Assets					
Liabilities					
Accounts payable	$ 268,378	$ 24,561	$ 69,570	$ (14,288)	$ 348,221
Accrued expenses and other	173,864	-	-	-	173,864
Certificates	-	55,179,841	-	(7,848,045)	47,331,796
Secured borrowings	-	402,900		-	402,900
Deferred revenue	500,000	34,367	-	-	534,367
Interest payable	-	63,016	-	-	63,016
Notes payable	270,770	-	-	(270,770)	-
Assets held for others	-	-	12,859,227	(7,523,421)	5,335,806
Accrued pension benefit	705,804	-	-	-	705,804
Total liabilities	1,918,816	55,704,685	12,928,797	(15,656,524)	54,895,774
Net Assets					
Unrestricted	7,021,784	3,232,447	36,448	-	10,290,679
Temporarily restricted	4,102,970	-	748,789	-	4,851,759
Permanently restricted	380,308	-	1,229,837	-	1,610,145
Total net assets	11,505,062	3,232,447	2,015,074	-	16,752,583
Total liabilities and net assets	$ 13,423,878	$ 58,937,132	$ 14,943,871	$ (15,656,524)	$ 71,648,357

International Pentecostal Holiness Church, Inc.
and Affiliated Entities
Consolidating Schedule – Statement of Financial Position Information
December 31, 2013

	Global Ministries Center	IPH Extension Loan Fund	IPH Foundation	Eliminations	Total
Assets					
Cash	$ 2,580,359	$ 527,715	$ 5,779	$ (186,097)	$ 2,927,756
Notes and other receivables	983,346	-	34,341	-	1,017,687
Accrued interest receivable	-	205,917	-	-	205,917
Prepaid expenses and other	141,718	36,370	-	-	178,088
Investments	5,891,281	7,290,297	13,197,241	(12,637,387)	13,741,432
Loans, net of allowance for loan losses - $910,059	-	45,543,787	-	(286,042)	45,257,745
Foreclosed assets held for sale, net	-	4,755,786	-	-	4,755,786
Property and equipment, net	2,536,982	28,922	-	-	2,565,904
Total assets	$ 12,133,686	$ 58,388,794	$ 13,237,361	$ (13,109,526)	$ 70,650,315
Liabilities and Net Assets					
Liabilities					
Accounts payable	$ 223,250	$ 3,961	$ 32,627	$ (9,032)	$ 250,806
Accrued expenses and other	165,400	-	-	-	165,400
Certificates	-	55,049,677	-	(6,902,492)	48,147,185
Secured borrowings	-	583,085		-	583,085
Interest payable	-	86,287	-	-	86,287
Notes payable	286,042	-	-	(286,042)	-
Assets held for others	7,923	-	11,120,849	(5,911,960)	5,216,812
Accrued pension benefit	826,020	-	-	-	826,020
Total liabilities	1,508,635	55,723,010	11,153,476	(13,109,526)	55,275,595
Net Assets					
Unrestricted	6,140,686	2,665,784	61,373	-	8,867,843
Temporarily restricted	4,104,057	-	792,675	-	4,896,732
Permanently restricted	380,308	-	1,229,837	-	1,610,145
Total net assets	10,625,051	2,665,784	2,083,885	-	15,374,720
Total liabilities and net assets	$ 12,133,686	$ 58,388,794	$ 13,237,361	$ (13,109,526)	$ 70,650,315

International Pentecostal Holiness Church, Inc.
and Affiliated Entities
Consolidating Schedule – Statement of Activities Information
Year Ended December 31, 2016

	Global Ministries Center	IPH Extension Loan Fund	IPH Foundation	Eliminations	Total
Changes in Unrestricted Net Assets					
Revenues, gains and other support					
Contributions, gifts and donations	$ 8,337,154	$ -	$ -	$ (44,000)	$ 8,293,154
Investment return	196,334	233,168	-	(61,969)	367,533
Interest on mortgages and loans receivable	-	2,995,461	-	(21,346)	2,974,115
Investment administration fees	-	-	81,834	(31,385)	50,449
Other support	280,433	42,842	-	(6,000)	317,275
Registration and other fees	265,645	-	-	-	265,645
Net assets released from restrictions	7,635,587	-	280,035	(47,560)	7,868,062
Total unrestricted revenues, gains and other support	16,715,153	3,271,471	361,869	(212,260)	20,136,233
Expenses and losses					
Program services	12,978,165	2,283,337	447,995	(212,260)	15,497,237
Management and general	2,812,150	-	119,391	-	2,931,541
Foreclosed assets, net	-	174,644	-	-	174,644
Total expenses and losses	15,790,315	2,457,981	567,386	(212,260)	18,603,422
Defined benefit pension plan					
Net gain arising during the year	(39,222)	-	-	-	(39,222)
Amortization of net loss included in net periodic pension cost	(77,354)	-	-	-	(77,354)
	(116,576)	-	-	-	(116,576)
Change in Unrestricted Net Assets	1,041,414	813,490	(205,517)	-	1,649,387

International Pentecostal Holiness Church, Inc.
and Affiliated Entities
Consolidating Schedule – Statement of Activities Information
Year Ended December 31, 2016

	Global Ministries Center	IPH Extension Loan Fund	IPH Foundation	Eliminations	Total
Changes in Temporarily Restricted Net Assets					
Contributions, gifts and donations	$ 7,656,026	$ -	$ 88,616	$ -	$ 7,744,642
Investment return	7,345	-	78,194	(47,560)	37,979
Net assets released from restrictions	(7,635,587)	-	(280,035)	47,560	(7,868,062)
Change in Temporarily Restricted Net Assets	27,784	-	(113,225)	-	(85,441)
Change in Net Assets	1,069,198	813,490	(318,742)	-	1,563,946
Net Assets, Beginning of Year	12,435,978	3,665,687	1,997,532	-	18,099,197
Net Assets, End of Year	$ 13,505,176	$ 4,479,177	$ 1,678,790	$ -	$ 19,663,143

International Pentecostal Holiness Church, Inc.
and Affiliated Entities
Consolidating Schedule – Statement of Activities Information
Year Ended December 31, 2015

	Global Ministries Center	IPH Extension Loan Fund	IPH Foundation	Eliminations	Total
Changes in Unrestricted Net Assets					
Revenues, gains and other support					
Contributions, gifts and donations	$ 8,455,313	$ -	$ -	$ (56,667)	$ 8,398,646
Investment return	117,089	37,830	-	(67,310)	87,609
Interest on mortgages and loans receivable	-	3,005,209	-	(24,313)	2,980,896
Investment administration fees	-	-	85,127	(31,952)	53,175
Other support	237,971	53,041	5,998	(6,000)	291,010
Registration and other fees	473,192	-	-	-	473,192
Net assets released from restrictions	6,811,056	-	133,268	(48,910)	6,895,414
Total unrestricted revenues, gains and other support	16,094,621	3,096,080	224,393	(235,152)	19,179,942
Expenses and losses					
Program services	12,405,954	2,413,128	221,137	(235,152)	14,805,067
Management and general	3,075,267	-	80,468	-	3,155,735
Foreclosed assets, net	-	249,712	-	-	249,712
Total expenses and losses	15,481,221	2,662,840	301,605	(235,152)	18,210,514
Defined benefit pension plan					
Net loss arising during the year	26,340	-	-	-	26,340
Amortization of net loss included in net periodic pension cost	(112,467)	-	-	-	(112,467)
	(86,127)	-	-	-	(86,127)
Change in Unrestricted Net Assets	699,527	433,240	(77,212)	-	1,055,555

International Pentecostal Holiness Church, Inc.
and Affiliated Entities
Consolidating Schedule – Statement of Activities Information
Year Ended December 31, 2015

	Global Ministries Center	IPH Extension Loan Fund	IPH Foundation	Eliminations	Total
Changes in Temporarily Restricted Net Assets					
Contributions, gifts and donations	$ 7,036,476	$ -	$ 141,177	$ -	$ 7,177,653
Investment return	5,969	-	51,761	(48,910)	8,820
Net assets released from restrictions	(6,811,056)	-	(133,268)	48,910	(6,895,414)
Change in Temporarily Restricted Net Assets	231,389	-	59,670	-	291,059
Change in Net Assets	930,916	433,240	(17,542)	-	1,346,614
Net Assets, Beginning of Year	11,505,062	3,232,447	2,015,074	-	16,752,583
Net Assets, End of Year	$ 12,435,978	$ 3,665,687	$ 1,997,532	$ -	$ 18,099,197

International Pentecostal Holiness Church, Inc.
and Affiliated Entities
Consolidating Schedule – Statement of Activities Information
Year Ended December 31, 2014

	Global Ministries Center	IPH Extension Loan Fund	IPH Foundation	Eliminations	Total
Changes in Unrestricted Net Assets					
Revenues, gains and other support					
Contributions, gifts and donations	$ 8,204,592	$ -	$ -	$ (38,350)	$ 8,166,242
Investment return	154,293	100,817	-	(59,724)	195,386
Interest on mortgages and loans receivable	-	3,174,169	-	(25,918)	3,148,251
Investment administration fees	-	-	86,210	(28,653)	57,557
Other support	269,859	70,083	248	(6,000)	334,190
Registration and other fees	209,571	-	-	-	209,571
Gain from insurance proceeds	230,070	-	-	-	230,070
Net assets released from restrictions	7,259,605	-	132,963	(51,837)	7,340,731
Total unrestricted revenues, gains and other support	16,327,990	3,345,069	219,421	(210,482)	19,681,998
Expenses and losses					
Program services	12,941,678	2,304,393	153,214	(210,482)	15,188,803
Management and general	2,569,792	-	91,132	-	2,660,924
Foreclosed assets, net	-	474,013	-	-	474,013
Total expenses and losses	15,511,470	2,778,406	244,346	(210,482)	18,323,740
Defined benefit pension plan					
Net loss arising during the year	42,945	-	-	-	42,945
Amortization of net loss included in net periodic pension cost	(107,523)	-	-	-	(107,523)
	(64,578)	-	-	-	(64,578)
Change in Unrestricted Net Assets	881,098	566,663	(24,925)	-	1,422,836

International Pentecostal Holiness Church, Inc.
and Affiliated Entities
Consolidating Schedule – Statement of Activities Information
Year Ended December 31, 2014

	Global Ministries Center	IPH Extension Loan Fund	IPH Foundation	Eliminations	Total
Changes in Temporarily Restricted Net Assets					
Contributions, gifts and donations	$ 7,250,660	$ -	$ 31,714	$ -	$ 7,282,374
Investment return	7,858	-	57,363	(51,837)	13,384
Net assets released from restrictions	(7,259,605)	-	(132,963)	51,837	(7,340,731)
Change in Temporarily Restricted Net Assets	(1,087)	-	(43,886)	-	(44,973)
Change in Net Assets	880,011	566,663	(68,811)	-	1,377,863
Net Assets, Beginning of Year	10,625,051	2,665,784	2,083,885	-	15,374,720
Net Assets, End of Year	$ 11,505,062	$ 3,232,447	$ 2,015,074	$ -	$ 16,752,583

International Pentecostal Holiness Church, Inc.
and Affiliated Entities
Consolidating Schedule – Statement of Activities Information
Year Ended December 31, 2013

	Global Ministries Center	LifeSprings Resources	IPH Extension Loan Fund	IPH Foundation	Eliminations	Total
Changes in Unrestricted Net Assets						
Revenues, gains and other support						
Contributions, gifts and donations	$ 7,829,010	$ -	$ -	$ 1,278	$ (10,462)	$ 7,819,826
Investment return	177,861	17,654	(178,003)	4,380	(70,250)	(48,358)
Interest on mortgages and loans receivable	-	-	3,294,498	-	(31,218)	3,263,280
Investment administration fees	-	-	-	112,683	(14,476)	98,207
Other support	1,079,176	578,469	55,962	730	(6,000)	1,708,337
Registration and other fees	310,491	-	-	-	-	310,491
Net assets released from restrictions	7,246,194	-	-	48,391	(43,558)	7,251,027
Total unrestricted revenues, gains and other support	16,642,732	596,123	3,172,457	167,462	(175,964)	20,402,810
Expenses and losses						
Program services	13,263,475	7,896	2,466,868	22,458	(175,964)	15,584,733
Management and general	3,177,284	729,104	-	230,372	-	4,136,760
Foreclosed assets, net	-	-	121,550	-	-	121,550
Total expenses and losses	16,440,759	737,000	2,588,418	252,830	(175,964)	19,843,043
Defined benefit pension plan						
Net loss arising during the year	7,671	-	-	-	-	7,671
Amortization of net loss included in net periodic pension cost	(119,761)	-	-	-	-	(119,761)
	(112,090)	-	-	-	-	(112,090)
Change in Unrestricted Net Assets Before Net Asset Transfer	314,063	(140,877)	584,039	(85,368)	-	671,857
Net asset transfer from LifeSprings Resources	2,776,434	(2,776,434)	-	-	-	-
Change in Unrestricted Net Assets After Net Asset Transfer	3,090,497	(2,917,311)	584,039	(85,368)	-	671,857

International Pentecostal Holiness Church, Inc.
and Affiliated Entities
Consolidating Schedule – Statement of Activities Information
Year Ended December 31, 2013

	Global Ministries Center	LifeSprings Resources	IPH Extension Loan Fund	IPH Foundation	Eliminations	Total
Changes in Temporarily Restricted Net Assets						
Contributions, gifts and donations	$ 7,384,682	$ -	$ -	$ 501,407	$ -	$ 7,886,089
Investment return	6,743	-	-	50,147	(43,558)	13,332
Net assets released from restrictions	(7,246,194)	-	-	(48,391)	43,558	(7,251,027)
Change in Temporarily Restricted Net Assets	145,231	-	-	503,163	-	648,394
Change in Net Assets	3,235,728	(2,917,311)	584,039	417,795	-	1,320,251
Net Assets, Beginning of Year, as Previously Reported	7,008,529	2,917,311	2,081,745	1,666,090	-	13,673,675
Adjustments Applicable to Prior Years						
Restatement of unrestricted net assets	334,295	-	-	-	-	334,295
Restatement of temporarily restricted net assets	46,499	-	-	-	-	46,499
Net Assets, Beginning of Year, As Restated	7,389,323	2,917,311	2,081,745	1,666,090	-	14,054,469
Net Assets, End of Year	$ 10,625,051	$ -	$ 2,665,784	$ 2,083,885	$ -	$ 15,374,720

IPHC

Place of Hope. People of Promise.