

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of December 31, 2016 & 2017:

ASSETS	2017	2016
Cash and Cash Equivalents	\$2,864,646	\$1,765,407
INVESTMENTS		
Investor	\$65,708,300	\$54,958,020
Foundation	\$1,631,495	\$1,609,512
Certificates of deposits	\$234,413	\$1,088,813
Total Investments	\$ 67,574,208	\$ 57,656,345
Loans Receivable net	\$27,344,312	\$17,307,945
Other Assets	\$578,717	\$153,618
Total Assets	\$ 98,361,883	\$ 76,883,315

LIABILITIES & NET ASSETS

LIABILITIES	2017	2016
Accounts payable and accrued expenses	\$415,626	\$122,246
Investment funds payable to investors	\$65,708,300	\$54,958,020
Investment Certificates	\$29,552,170	\$19,337,566
Charitable gift annuities	\$117,251	\$135,714
Third party annuities obligation	\$149,974	\$142,911
Total Liabilities	\$ 95,943,321	\$ 74,696,457

NET ASSETS	2017	2016
Unrestricted	\$2,052,080	\$1,832,149
Temporarily restricted	\$24,499	\$ 12,729
Permanently restricted	\$341,983	\$341,983
Total Net Assets	\$ 2,418,562	\$ 2,186,858
Total Liabilities & Net Assets	\$ 98,361,883	\$ 76,883,315

Independent Auditor: Dixon Hughes Goodman
(A full audit report of the financial statements is available upon request.)

PSALM 28:7 GYM MINISTRIES JAMES RIVER DISTRICT

The mission of Psalm 28:7 Gym Ministries is to teach Christian principles through strength training disciples; teaching Christ through strength. Often youth with adverse childhood experiences wrestle to find outlets to handle stress and life experiences. Some resort to violent acts, drugs and other unhealthy activities. Psalm 28:7 Gym Ministries provides a positive after-school outlet for such persons. The gym ministry strives to become a vital part of the City of Petersburg, VA, and Prince George County. Currently housed in Washington Street UMC, the VA UM Foundation Grant will help offset the costs of ministry growth and operation. More than an after-school program, the gym ministry program want to change lives



" We want to change the lives of young people by offering a discipline of structure through weight-lifting, a way to care for our human temples and grow in body, mind, and spirit. Our program ensures that students with the highest poverty rates have an option from hanging on the streets."

GRACE'S LITTLE ANGELS HIGH STREET UNITED METHODIST CHURCH

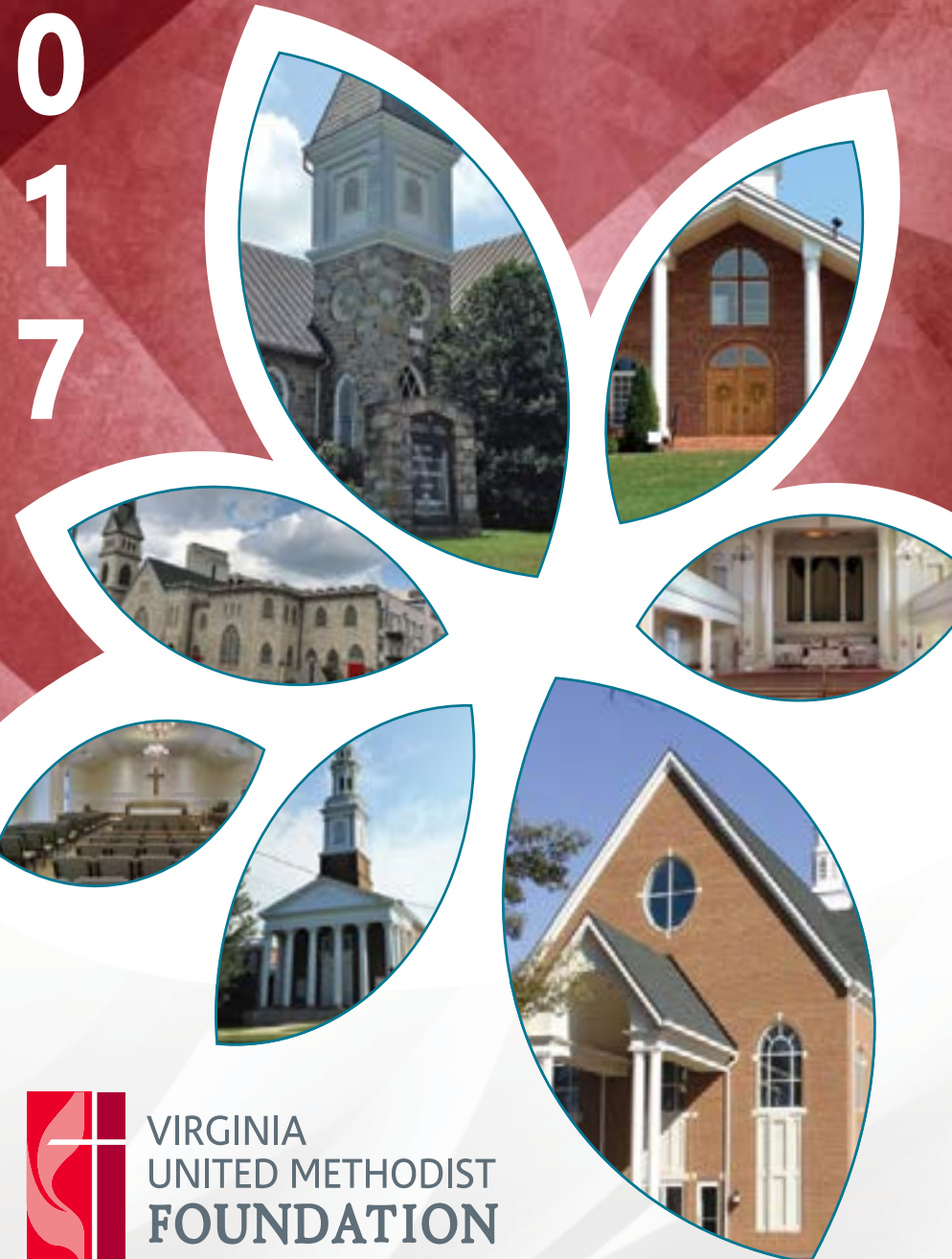
When the daycare at Grace Memorial United Methodist Church, Grace's Little Angels, needed to expand its daycare needs, expenses and lack of affordable real estate hindered the ability to provide more services to the families in need. Nathan Decker of High Street UMC decided to assist the ministry by offering space within his church. With revenue primarily covering the cost of payroll and supplies, Grace's Little Angels applied for a VA UM Foundation grant to assist in accomodating the new center, which opened its doors on January 8, 2018. Since opening its doors, the new center has operated at full capacity with a large waiting list of families in need of child care in a Christian environment.



" There is demand for child care in a Christian environment. Now with two child care centers running, I am still turning people away weekly and adding to our growing wait list. Our program is caring for, educating and raising a total of 96 Christians."

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2017



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STEWARDSHIP POTENTIAL TO BUILD HIS KINGDOM!

vaumf.org

FOUNDATION LETTER

"Whoever sows to please their flesh, from the flesh will reap destruction; whoever sows to please the Spirit, from the Spirit will reap eternal life."

Let us not become weary in doing good, for at the proper time we will reap a harvest if we do not give up.

Therefore, as we have opportunity, let us do good to all people, especially to those who belong to the family of believers."

- Galatians 6:8-10

Seeds sitting by themselves produce nothing. Seeds held in a pod or cased in their wrapper produce nothing. Seeds will never flower or be fruitful on their own.

Seeds need to be sown in soil where they can germinate and grow new crops. Sowing took the form of scattering in Biblical times. Today, we use equipment that can be deliberate in sowing seeds evenly across a field.

If you sow a little seed, you will reap a little harvest. It has to be there in seed form before it can show up in harvest form. Any farmer knows this.

Being generous in sowing gives us an opportunity to be blessed with a generous harvest. Living. Giving. Sharing. Saving. Stewarding. These are all ways we can sow the seeds of our lives and prepare for future harvests. Our perspective is never neutral and is often shaped by events around us.



• Giving back to the community can extend the hands of Christ and edify believers by 'adding nutrients to the soil of our community.'

• Building an endowment can sow seeds from one generation's generosity to the next by planning and connecting our lives with eternity.

• Creating a scholarship fund can sow seeds by equipping next generations to carry forth the message of Christ.

• Allocating excess funds to grants for strategic ministry initiatives as a means to minister hope and healing as a lasting legacy!

Over the past year, the Virginia United Methodist Foundation served more than 350 churches across the Conference. Seeds have been sown to fulfill our mission statement: Stewarding Potential to build His kingdom! Our vision is focused on an eternal harvest while creating lasting ministries through strategic planning; gifts and grants to support ministry expansion; continuing education to equip leaders as stewards; as well as capital campaigns and effective stewardship to energize generosity.

We are grateful for each fund, large and small, and each church relationship, urban or rural, where we serve as a fiduciary and assist in fulfilling their mission and vision. Sow seeds widely and expect God to bring the harvest!

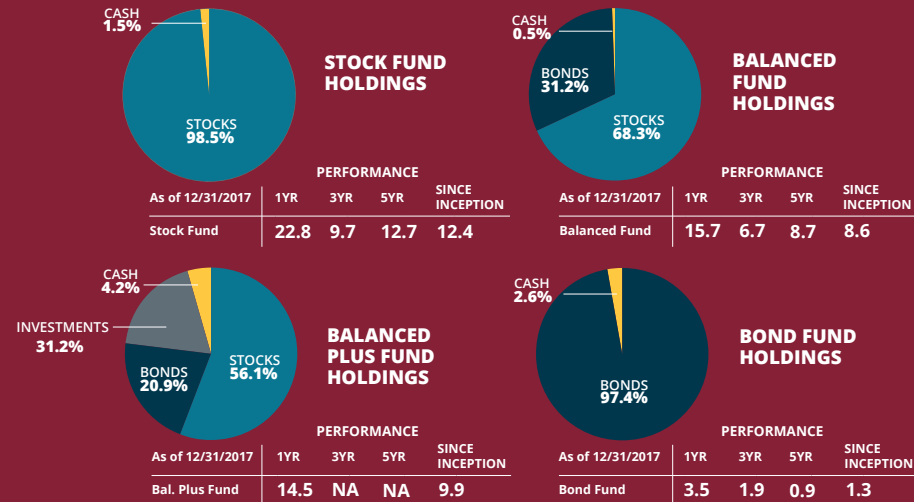
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INVESTMENT FUNDS AT 12/31/17

The Foundation offers a choice of 4 pools as investment funds.

In keeping with the investment guidelines of the United Methodist Church, the Investment Committee of the Foundation seeks to be socially responsible in the way in which it invests the funds it oversees, reflecting the ethical standards of the Church. The United Methodist Church's Book of Discipline provides a guideline that seeks avoidance of

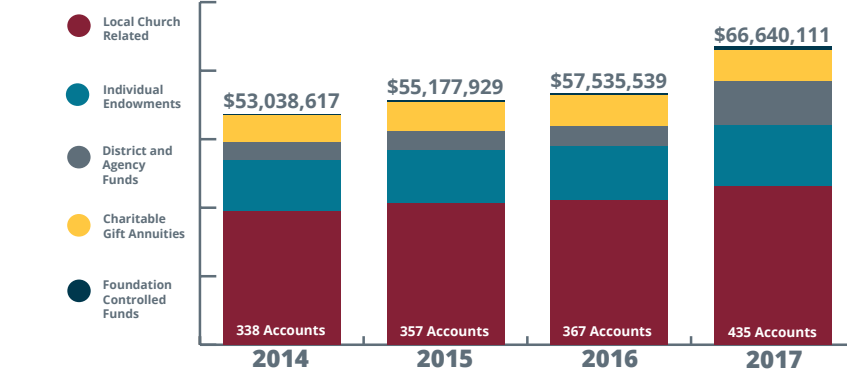
investments that appear likely "to support racial discrimination, violation of human rights, sweatshop or forced labor, gambling, or the production of nuclear armament, alcoholic beverages or tobacco, or companies dealing in pornography." It is the policy of the Foundation to seek to avoid direct investments in such companies.



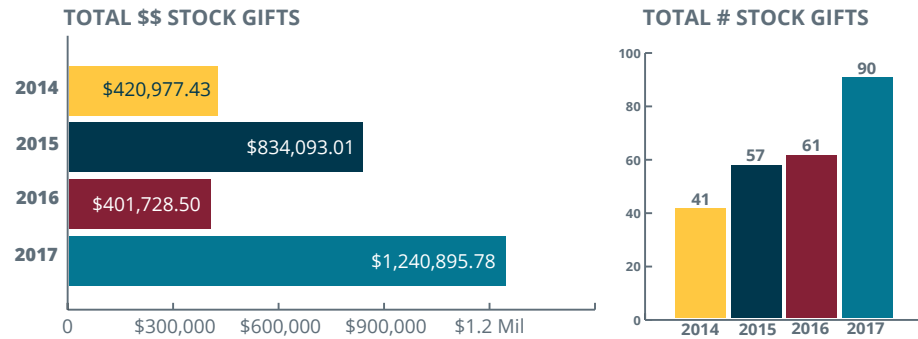
FOUNDATION FACT SHEET

A strong and vital Foundation grows from our mission and our vision of the future in how we will serve the churches, entities and donors of the Virginia Annual Conference. Our mission gives us purpose, "Stewarding potential to build His Kingdom!". It is the expression of the

ideals for which we all work. Our vision is equipping vital congregations and their donors in Virginia to be effective stewards of their God-given resources to expand ministry into the future and impact the kingdom of God.



2014-2017 GROWTH: GIFTS OF STOCK AND SECURITIES



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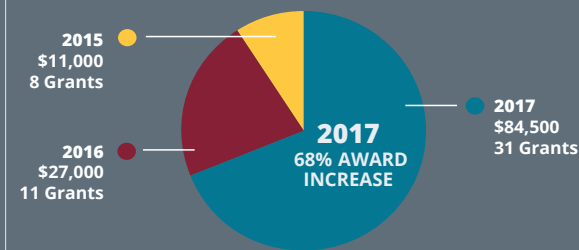
"This has been an exciting venture to see the Foundation make real kingdom impact."

GRANT RECIPIENTS FOR 2017

AWARD ALLOCATION BY DISTRICT

Alexandria: 1	Lynchburg: 1
Arlington: 2	James River: 4
Charlottesville: 4	Rappahannock River: 3
Danville: 1	Rappahannock River: 4
Eastern Shore: 1	Richmond: 1
Elizabeth River: 3	Roanoke: 1
Farmville: 3	Staunton: 1

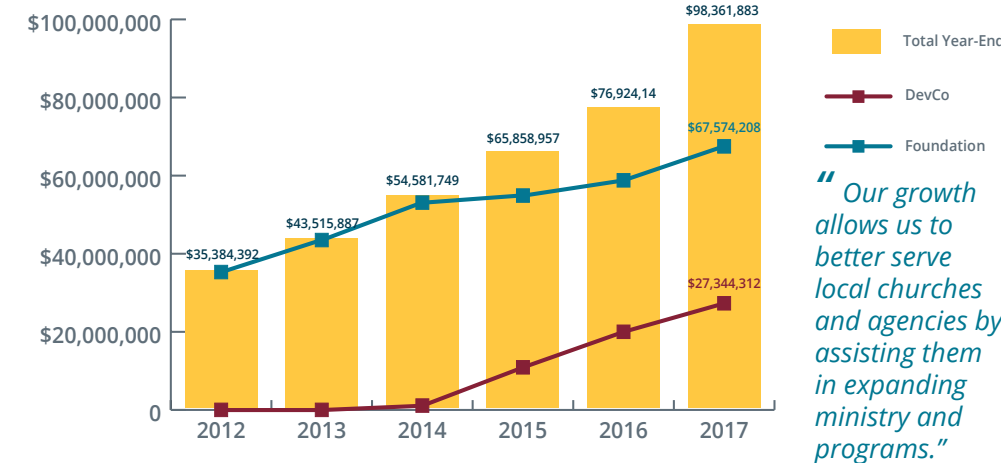
YEARLY AWARD REVIEW



Two conference-wide grants were awarded to benefit all districts.



FOUNDATION & DEVELOPMENT COMPANY 2012-2017 GROWTH IN ASSETS



"Our growth allows us to better serve local churches and agencies by assisting them in expanding ministry and programs."

REAL ESTATE MANAGEMENT COMPANY

We are pleased to announce the formation of Virginia United Methodist Real Estate Management Company, LLC ('REMCo').

The mission of this new entity is to assist donors with transferring personal assets or real estate to Methodist churches and affiliations of the Virginia United Methodist

Conference. We are pleased to be able to provide beneficial tax results and savings derived from gifting options. In addition, our experts can oversee management of properties on behalf of owners and maintain consistent standards and requirements in accordance with owners' desires. Although we cannot provide financial or legal

advice, we are always willing to discuss the advantages of real estate donations. All prospective donors will have significant flexibility while assuring the gifts obtained will support their wishes.



"Assisting donors in making gifts of real estate to advance mission and ministry."

IN 2017, THE DEVELOPMENT COMPANY REALIZED SIGNIFICANT GROWTH IN INVESTMENTS AND LOANS.

\$29,552,170
Deposits

\$7,951,000
Loan Commitments
For Future

SERVING
30 CHURCHES

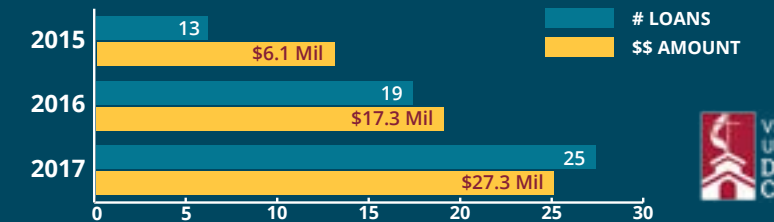
MONEY SAVED
PER YEAR BY
CHURCHES
\$650,000

LOAN TO
COLLATERAL
VALUE
17.26%

\$30,448,563
Assets

\$27,344,310
Outstanding
Loans

2015-2017 GROWTH IN LOANS



The Development Company, LLC is a registered Offering with the Commonwealth of Virginia. Although investments are not FDIC insured, they are safeguarded through strict investment and lending policies, strong board leadership and competent staff.

OAK GROVE UMC: REFINANCE & RELATIONSHIPS



Oak Grove UMC of Chesapeake (Elizabeth River District) turned to the Development Company to refinance an existing loan amidst a financial merger of its lender. If the Church could close before year end, the lender would provide a \$75,000 discount on its current terms. Oak Grove UMC contacted the DevCo team knowing that the Church's needs would be understood. The closing of its new refinance loan

occurred only two weeks after the issuance of its commitment letter despite the busy holiday season. Understanding the unique financial needs of the Church, DevCo was able to assist Oak Grove UMC in attaining a quick closing while also obtaining its \$75,000 discount. It's all about relationships.

"The Development Company moved mountains for us."

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