Paper C-1

THE PRESBYTERY OF DETROIT, INC.
(Consolidated)

Financial Statements
Independent Auditor’s Report
with Comparative and Supplementary Information
December 31, 2013 and 2012

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TELLIS & COMPANY, P.L.L.C.
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Independent Auditor's Report

To the Presbytery Board of Trustees
The Presbytery of Detroit, Inc.

We have audited the accompanying statements of The Presbytery of Detroit, Inc. (a nonprofit organization) which comprise the statements of financial position as of December 31, 2013 and 2012 and the related statement of activities, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinion

In our opinion, except for the effects of the unrecorded net book value of capital assets, the depreciation expense and the related entities excluded from the consolidation report as in Note 1 to the financial statements, the financial statements referred to above present fairly, in all material respects, the financial position of The Presbytery of Detroit, Inc. as of December 31, 2013 and 2012 and the changes in its net assets and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Other Matters

As more fully described in Note 6 to the financial statements, certain capital expenditures were not capitalized or depreciated as assets by The Presbytery of Detroit, Inc. Also, as discussed in Note 1, not all entities under the control of The Presbytery of Detroit are included. Accounting principles generally accepted in the United States of America require that such assets be capitalized and depreciated, and all entities are included in consolidated reporting. The effect of these departures from generally accepted accounting principles on financial position, results of operations, and cash flows has not been determined.

The accompanying additional information on page 14 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Tellis and Company, Pllc

Detroit, Michigan
July 21, 2014

THE PRESBYTERY OF DETROIT, INC.

Statements of Financial Position

As of December 31, 2013 and 2012

Assets

		2013		2012
Cash and Cash Equivalents	$	1,787,203	$	1,559,117
Presbyterian Investment Loan Program (Note 2)		524,566		522,500
Investment Securities (Note 3)		17,806,756		15,509,501
Notes Receivable (Note 1)				
Notes Receivable		562,912		905,892
Note Receivable from Synod of Covenant		34,000		34,000
Total Notes and Land Contracts Receivable		596,912		939,892
Other Assets				
Other Receivables (Note 1)		3,321,382		2,109,005
Store Inventory		9,086		11,378
Prepaid Assets		42,937		45,270
Total Other Assets		3,373,405		2,165,653
Property, Buildings, and Equipment - Net (Notes 5 and 6)		901,862		947,917
Total Assets	$	24,990,704	$	21,644,580

Liabilities and Net Assets

		2013		2012
Liabilities:				
Notes Payable to Presbyterian Church (U.S.A.) (Note 1)	$	3,839,788	$	2,977,426
Notes Payable to Synod of Covenant (Note 1)		34,000		34,000
Note Payable - Huntington National Bank (Note 13)		14,838		18,076
General Mission payable		95,730		64,150
Accrued Liabilitites		111,649		97,627
Total Liabilities		4,096,005		3,191,279
Net Assets:				
Unresticted				
General Operating (Deficit)		(1,683,538)		(1,691,881)
Designated for Long-Term Investment and Other (Note 11)		5,314,891		4,962,844
Designated for Property, Buildings, and Equipment		901,862		947,917
Temporarily Restricted (Note 8 and 9)		1,687,634		1,463,471
Permanently Restricted (Note 8 and 10)		14,673,850		12,770,950
Total Net Assets		20,894,699		18,453,301
Total Liabilities and Net Assets	$	24,990,704	$	21,644,580

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

THE PRESBYTERY OF DETROIT, INC.

Statements of Activities and Changes in Net Assets
For the Years Ended December 31, 2013 and 2012

	Unrestricted							
	General Operating	Designated	Howell Conference and Nature Center (Property and Equip)	Total Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2013	Total 2012
Changes in Net assets								
Revenue, gains, and other support								
Per capita apportionments	$ 375,971	$ -	$ -	$ 375,971	$ -	$ -	$ 375,971	$ 468,864
Presbytery Mission giving	203,972	-	-	203,972	-	-	203,972	208,536
Grants	17,901	29,333	-	47,234	-	-	47,234	55,404
Offerings/Donations	7,471	498,721	-	506,192	-	-	506,192	406,772
Outdoor ministries	-	-	1,881,344	1,881,344	(13,560)	-	1,867,784	1,847,088
Other Income (Loss)	39,039	(32,508)	-	6,531	13,258	-	19,789	(167,993)
Net realized and unrealized gains	-	207,023	-	207,023	244,759	2,168,767	2,620,549	1,458,529
Interest and dividends	2,534	65,442	-	67,976	-	-	67,976	77,280
Endowment income	181,598	27,489	-	209,087	29,027	222,541	460,655	474,374
Net assets released from restrictions- Satisfaction of program restrictions	554,875	(9,776)	(7,370)	537,729	(41,238)	(496,491)	-	-
Total revenue, gains, and other support	1,383,361	785,724	1,873,974	4,043,059	232,246	1,894,817	6,170,122	4,828,854
Expenses:								
Program expenses (Note 15)	994,442	436,616	1,224,960	2,656,018	-	-	2,656,018	2,845,618
Management and general (Note 15)	370,800	6,837	646,555	1,024,192	-	-	1,024,192	875,489
Fundraising expenses (Note 15)	-	-	48,514	48,514	-	-	48,514	49,246
Total expenses	1,365,242	443,453	1,920,029	3,728,724	-	-	3,728,724	3,770,353
Increase (Decrease) in Net Assets - Before transfers	18,119	342,271	(46,055)	314,335	232,246	1,894,817	2,441,398	1,058,501
Transfers	(9,776)	9,776	-	-	(8,083)	8,083	-	-
Increase (Decrease) in Net Assets	8,343	352,047	(46,055)	314,335	224,163	1,902,900	2,441,398	1,058,501
Net Assets - January 1,	(1,691,881)	4,962,844	947,917	4,218,880	1,463,471	12,770,950	18,453,301	17,394,800
Net Assets - December 31,	$ (1,683,538)	$ 5,314,891	$ 901,862	$ 4,533,215	$ 1,687,634	$ 14,673,850	$ 20,894,699	$ 18,453,301

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

THE PRESBYTERY OF DETROIT, INC.

Statements of Cash Flows

For the Years Ended December 31, 2013 and 2012

		2013		2012
Cash Flows from Operating Activities				
Changes in net assets	$	2,441,398	$	1,058,501
Adjustments to reconcile changes in net assets to net cash from operating activities:				
Depreciation		103,160		95,312
Net realized and unrealized (gains) losses on investments (Net of Income and Transfers)		(2,383,282)		(1,183,532)
Changes in assets and liabilities:				
(Increase) Decrease in Presbytery causes receivable		342,980		420,388
(Increase) Decrease in other receivables		(1,212,377)		346,640
(Increase) Decrrease in store inventory		2,292		4,157
(Increase) Decrease in prepaid assets		2,333		10,503
Increase (Decrease) in general mission payable		31,580		10,631
Increase (Decrease) in accrued liabilities		14,022		5,766
Net cash provided by (used in) operating activities		(657,894)		768,366
Cash Flows In Investing Activities				
Net (Purchase) Sales of investment securities		83,961		7,276
Net (Purchases) of property, buildings, and equipment		(57,105)		(133,209)
Issuance (Proceeds) from receipt of payment on notes receivables from churches		862,362		(481,105)
Issuance (Proceeds) from receipt of payment on land contract receivable		-		(498)
Net cash provided by (used in) investing activities		889,218		(607,536)
Cash Flows In Financing Activities				
Increase (Decrease) in notes payable		(3,238)		18,076
Net Increase (Decrease) in Cash and Cash Equivalents		228,086		178,906
Cash and Cash Equivalents - Beginning of year		1,559,117		1,380,211
Cash and Cash Equivalents - End of year	$	1,787,203	$	1,559,117

Supplemental Cash Flow Disclosures

Cash Paid During the Year for Interest	$	58,882	$	60,168

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

Note 1 - Nature of Operations and Significant Accounting Policies:

The Presbytery of Detroit, Inc. (the "Presbytery") is one of the presbyteries that comprise the Synod of the Covenant, which is a member of the Presbyterian Church (U.S.A.). The Presbytery consolidation policy is to include all entities under its common control. These consolidated financial statements include: the “Presbytery”, and “Howell Conference and Nature Center”. These consolidated financial statements exclude the following related entity: “The Presbytery Women”. The effect on the consolidated report as of December 31, 2013 has not been determined.

In addition to starting and sustaining new churches in southeastern Michigan, the Presbytery provides program leadership and resources to help meet the educational needs of the churches and also participates in the operation of outdoor ministries (Howell Conference and Nature Center) in southeastern Michigan for use by church groups, school, businesses, and individuals. Funds are expended to develop and support ministries to meet the needs of people served by the Presbytery.

Significant accounting policies are as follows:

The financial statements of the Presbytery have been prepared on the accrual basis of accounting. The Presbytery records transactions based on the nature of the activity as unrestricted, temporarily restricted, or permanently restricted.

Unrestricted Assets - Unrestricted net assets of the Presbytery consist of general operations and programs. Unrestricted designated funds consist of amounts received or receivable that the Presbytery, Council, or Trustees have earmarked for a specific purpose. Unrestricted property and equipment consist of the Presbytery's investment in tangible property.

Gifts of cash or other assets that must be used to acquire long-lived assets initially are reported as restricted support. Absent donor stipulations about how long these long-lived assets must be maintained, the Presbytery reports expirations of donor restrictions when the acquired long-lived assets are placed in service.

Temporarily Restricted Assets - Temporarily restricted assets of the Presbytery consist of amounts received from donors who have specified the time and purpose for which the funds are to be spent. When a donor restriction is accomplished, temporarily restricted net assets are released to unrestricted net assets.

Permanently Restricted Assets - Permanently restricted assets of the Presbytery consist of amounts received from donors who have specified that the principal of the donation is to remain intact for investment purposes. Realized and unrealized gains on these assets are also permanently restricted. Annual earnings on these assets are released to unrestricted or temporarily restricted net assets.

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 revenue and expenses and changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash Equivalents – The Presbytery considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Functional Basis and Allocation – Indirect cost have been allocated between the program and support services based on activity-based costing methods. Although the methods of allocation used are considered appropriate other methods could be used that would produce different amounts.

Note 1 - Nature of Operations and Significant Accounting Policies: (Continued)

Concentration of Credit Risk Arising From Deposit – The Presbytery maintains cash balances with different banks. Accounts at each institution are insured by Federal Deposit Insurance Corporation (FDIC). The Presbytery evaluates the financial institutions with which it deposits funds; however, it may not be practical to insure all cash deposits.

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

Notes Receivable and Payable - The Presbyterian Church (U.S.A.) makes loans to various churches within The Presbytery of Detroit, Inc.'s jurisdiction, and the Presbytery cosigns for these loans. Included in notes receivable balance from Presbytery churches is $4,159,555 and $3,305,459 at December 31, 2013 and 2012. Of this amount $3,839,788 for December 31, 2013 and $2,977,426 for December 31, 2012 is due on Presbyterian Church (U.S.A.) loans, and $34,000 and $34,000 for December 31, 2013 and 2012 is due on Synod of the Covenant loans. Principal and interest payments on these loans are made directly by the churches to the Presbyterian Church (U.S.A.), and include interest rates from 3 percent to 5 percent due at various maturity dates through 2021. Notes receivable are reviewed periodically throughout the year and assessed for collectibility. An allowance for doubtful accounts is set-up once a receivable collectibility is in doubt. The allowance (shown net) is $36,423 for the year ended December 31, 2013 and $55,310 as of December 31, 2012.

Other Receivables - This amount represents receivables from participants in the outdoor ministries program and other miscellaneous receivables. The outdoor ministries receivables are stated at their net invoice amounts. An allowance for doubtful accounts is established based on specific assessment of all invoices that remain unpaid following normal payment periods. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period the determination is made.

Property, Building, and Equipment - Buildings, furniture and fixtures, and equipment are depreciated over their estimated useful lives using the straight-line method. Buildings are depreciated over a 20-year life and furniture and fixtures and equipment are depreciated over lives ranging from 3 to 10 years.

Investment Fees - The investment management fee is allocated pro rata between income and principal activity. The fee related to principal is paid by a reduction in trust principal. The fee related to income is allocated pro rata to the beneficiaries of the income.

Income Tax Status - The Presbytery is exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code and did not conduct any unrelated business activities during the calendar year. Therefore, The Presbytery has no provision for federal income taxes in the accompanying financial statements.

Donated Property and Services – The Presbytery records donated property at its estimated market value only. Additionally, the Presbytery members provided volunteer services in many activities of the entity. These volunteers have a significant impact on making the ministry effective. However, the value of those services are not reflected herein inasmuch as the amount of services provided in indeterminable.

Note 1 - Nature of Operations and Significant Accounting Policies: (Continued)

Subsequent Events - The Presbytery management has evaluated events and transactions for potential recognition or disclosure through the date of the auditor's report July 21, 2014 , which is the same date the financial statements were available to be issued. See Note 14 for Subsequent Event.

Pension Plan - Certain members of the Presbytery's staff are participants in a pension plan that is administered by the Board of Pensions, which is governed by the Presbyterian Church (U.S.A.). The Presbytery's contributions are calculated as a percentage of eligible wages and are funded as accrued. Pension expense was approximately $14,372 and $13,051 for the years ended December 31, 2013 and 2012. While contributions are based on fixed rates, federal laws impose certain contingent liabilities on contributors to multiemployer plans. In the event of withdrawal from the plan and under certain other conditions, a contributor to a multiemployer pension plan may be liable to the plan in accordance with formulas established by law.

Trustee Expenses – These expenses represent non-salaried expenses used to run the day-to-day operation of the Presbytery office.

Note 2 - Investment Loan Program

At December 31, 2013 and 2012, the Presbytery has $524,566 and $522,500 in a money market fund with the Presbytery Church (U.S.A.) Investment Program. Under this program, loans are made to churches for capital investments or improvements. The investments are available for allocation to reduce interest charged on loans to local churches participating in the program. Under, this program the Presbytery is required to maintain a balance of twenty-five percent (25%) of the outstanding balance in liquid assets. The Presbytery is contingently liable for the full amount of the loan outstanding should an individual church default on its loan and the proceeds from the liquidation of the collateral is insufficient to satisfy the outstanding balance. Periodic assessments are made to determine the exposure to the Presbytery for this contingency.

Note 3 - Investment Securities

The fair market value of securities is as follows:

	2013	2012
Corporate stocks and bonds	$15,230,203	$14,800,341
U.S. government obligations	2,301,718	117,165
Money market securities	274,835	591,995
Total	$17,806,756	$15,509,501

Net investment income for the period consist of:

	2013	2012
Net realized and unrealized gains (losses) on investments	$ 2,620,549	$ 1,458,529
Dividends and Interest	528,631	551,654
Investment fees	(79,706)	(74,027)
Net Investment Income	$ 3,069,474	$ 1,936,156

Note 3 - Fair Value Measurement (Continued)

The Presbytery adopted the Fair Value Measurements of its Investments. This accounting standard establishes a fair value hierarchy that measures the difference market participant assumptions developed based on market data obtained from sources independent of the Presbytery (observable inputs) and the reporting Presbytery's own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The Fair Value measurement also include an adjustment for risk if market participants would include one in pricing the related asset or liability, even if the adjustment is difficult to determine. Fair Value further reports and discloses its results on one of the three levels:

Level 1 – Quoted market prices in an active market for the same assets or liabilities.

Level 2 – Observable market based inputs or unobservable inputs that are corroborated by market data.

Level 3 - Unobservable inputs that are not corroborated by market data.

The Presbytery holds investments in corporate stock and bonds, U.S. government obligations, and Money Market Securities. These investments are based upon quoted prices and determined to be Level 1's for the year ended December 31, 2013.

	Level 1	Level 2	Level 3	Total
Corporate Stock and bonds	$15,230,203	$	$	$15,230,203
U.S. government obligations	2,301,718	-	-	2,301,718
Money Market Securities	274,835	-	-	274,835
Totals	$17,806,756	$ -	$ -	$17,806,756

Note 4 – Advertising Costs

It is the policy of the Presbytery to expense advertising costs as incurred. Advertising costs for the ended December 31, 2013 was $6,186.

Note 5 – Property, Buildings, and Equipment

Property, buildings, and equipment at December 31, 2013 and 2012 are comprised of the following:

	2013	2012
Camp	$3,007,799	$2,971,225
Less accumulated depreciation	2,105,937	2,023,308
Net carrying amount	$ 901,862	$ 947,917

As further discussed in Note 6, certain capital expenditures are not recorded as assets by the Presbytery.

Note 6 – Depreciation of Assets

During 1989, Accounting Standards "Accounting For Depreciation of Assets" became effective for all not-for-profit organizations. This statement required the Presbytery to record as assets all capital expenditures since inception, and record depreciation charges each year over their estimated useful lives. Prior to 2010 the Presbytery recorded, as assets, all expenditures of a capital nature since 1983 and was recognizing their cost over the estimated useful lives through depreciation charges. In 2010 the Presbytery removed all of their assets from their books, the remaining properties reported reflects the Camp assets only.

Note 7 – Leases

The Presbytery rents its office facility from a member church under a thirty-six month lease commencing January 1, 2010 and expiring August 31, 2015. Rent expense, including costs of security, was $38,646 for 2013 and $36,791 for 2012. The Presbytery also leases photocopier equipment under an operating lease agreement expiring October, 2018. The lease expense for the year ended December 31, 2013 amounted to $27,312.

Future minimum lease payments required under all of the leases are as follows:

Year Ending December 31,		Amount
2014		$ 61,429
2015		63,284
2016		21,546
2017		21,546
2018		17,955
	Total	$ 185,760

Note 8 – Net Assets (Endowment Funds)

As described in Notes 9 and 10, the Presbytery has temporarily and permanently restricted net assets. These funds are invested in a common account managed by Comerica Bank according to investment policies determined by the Presbytery. The primary objective of these policies is to outline the investment objective of the Presbytery so that a maximum total rate of return will be realized given a level of risk consistent with the preservation of capital and anticipated future cash flow requirements. This objective is accomplished utilizing a balanced strategy of equities, fixed income securities and cash equivalents in a mix which is conducive to participation in rising markets while allowing for adequate protection in falling markets. Certain investments commonly known as alternatives are generally not allowed in the portfolio.

All of the temporarily and permanently restricted net assets are restricted by the donor whereby only the income may be spent for the purpose stipulated by the donor. The principal of the permanently restricted fund may not be spent below its original amount. The Presbytery has also followed the guideline that the principal amount of the temporarily restricted fund may also not be spent below its original amount.

Expenditures from the funds are dictated by the donor for the stated purpose and amount. Amounts are determined based on the investment performance of the managed Comerica account.

A summary of the activity in the Comerica account for the years ended December 31, 2013 and 2012 is as follows:

	2013	2012
Account balance, beginning of the year	$15,509,501	$14,336,014
Contributions	574	4,534,312
Investment gain (loss)	2,930,729	1,782,973
Distributions	(547,526)	(5,063,441)
Expenses	(86,522)	(80,358)
Account balance, end of year	$17,806,756	$15,509,501

Note 9 – Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

Presbytery of Detroit – Ranney-Balch Fund are available to provide aid to the aged, poor, and/or for the benefit of Christian work among Italian, Negro, and other underprivileged groups within the boundaries specified in this fund.

Howell Conference and Nature's Center – This represents funds contributed by various donors to the Nature Center to help nurture nature creations.

Presbytery of Detroit - Mission Fund represents funds (per capita, shared and directed missions, offerings, etc.) collected from the various church entities on behalf of General Assembly and the Synod. The fund balances as of December 31, 2013 and 2012 reflects excess dollars paid out during this time period than collected. The excess represents a temporary timing difference.

	2013	2012
Ranney-Balch Fund	$1,690,587	$1,466,121
Howell Conference and Nature Center	35,765	49,325
Mission Fund	(38,718)	(51,975)
	$1,687,634	$1,463,471

Note 10 – Permanently Restricted Net Assets

Permanently restricted net assets are investments of the following amounts. The income on such investments is specified by the donor to be used for the purposes noted:

	2013	2012
McKay Fund - Provide funding for new Presbyterian churches and Missions within the city of Detroit	$ 459,178	$ 399,787
James Joy Fund - Provide funding to support the Fort Street Presbyterian church, and missions of the Presbyterian throughout Michigan - Fort Street Presbyterian has a (50%) ownership interest - Presbytery of Detroit, Inc. has a (40%) ownership interest - And (10%) ownership interest is shared between Lake Michigan, Lake Huron and Mackinaw Presbyterian Churches	13,622,128	11,855,117
Connor Fund - Earnings used to support Fort Street Presbyterian Church	592,544	516,046
Total permanently restricted net assets	$14,673,850	$12,770,950

Note 11 - Designated Net Assets

Certain unrestricted gifts and revenue have been designated for specific purposes by the Presbytery for unique causes sponsored by the Presbytery.
The specific purposes are as follows:

	2013	2012
Funds available to provide financial assistance to new and Established churches – Capital Fund	$5,022,280	$4,740,367
Funds designated for Presbytery projects	292,611	222,477
Total designated net assets	$5,314,891	$4,962,844

Note 12 – Transfers

The transfers represent revenue and expense transferred within the unrestricted net assets funds for 2013. These funds were transferred during the year because the Presbytery maintains only one operating checking account.

Note 13 – Note Payable-The Huntington National Bank (Howell)

Note payable with Huntington National Bank, is secured by a vehicle (Camp Van) and payable in 72 monthly installments of $324.97, which includes principal and interest of 6.24% per annum.

The Maturities of the note are as follows:

Years ending December 31:

2014	$ 3,009
2015	3,203
2016	3,408
2017	3,627
Thereafter	1,591
	$14,838

Note 14 – Subsequent Event

The Presbytery has loans and guarantees outstanding totaling $594,958 from a member church which has been determined as distressed debt due to a split in the church ministry. The church property has been made available for sale at an appraised value. As of December 31, 2013 and through the date of the report the property has not been sold. The estimated loss on the sale of the property is approximately $55,000 which hasn't been reflected in the 2013 financial statements.

Note 15 - Unrestricted Expenses

Unrestricted program and management and general expenses for the year were as follows:

	2013	2012
Program expenses:		
Howell Conference and Nature Center	$ 1,224,960	$ 1,240,483
Operations	1,143,269	1,257,430
Self Development of People	-	11,872
Alma College	10,750	-
Ecumenical Theological Seminary	12,750	12,750
Cola	15,515	12,911
Pby Economic Development Corp	-	7,750
Fort Street Open Door	30,448	29,768
Two Cents A Meal	-	4,750
Peace Presbytery	8,973	9,250
Habitat for Humanity	4,658	47,000
Multiculturalism	-	6,998
Middle East Projects	-	1,545
Helping Hand	-	750
NCD 510	-	8,388
Park United Roof	-	9,843
Presbyterian Village	16,933	42,108
Hunger Program	16,228	10,578
Katrina	3,146	5,889
NCD Commuidad 4500 (Rent)	6,326	-
A Place of Refuge	14,935	15,606
Social Justice	-	3,000
Detroit Inbound Mission	-	9,877
Second Mile Center	17,013	18,974
Dexter/Chelsea NCD Grants Synod, PCUSA	37,288	-
Presbyterian Men	5,665	13,915
Campus Ministry	17,338	18,975
Other Expenses	69,823	45,208
Total Program Expenses	$ 2,656,018	$ 2,845,618
Management and general expenses:		
Trustees (Note 1)	$ 841,326	$ 706,150
Depreciation expense	103,160	95,312
Investment fees	79,706	74,027
Total Management and General Expenses	$ 1,024,192	$ 875,489
Fundraising Expense	$ 48,514	$ 49,246

Supplementary Information

THE PRESBYTERY OF DETROIT, INC.

Schedule of Indebtedness of Churches and the Presbytery of Detroit
to Other Presbyterian Organziations
For the Year Ended December 31, 2013

Church Name	Loans from General Assembly	Grant Mortgage (Deferred Payment) Loans	Loans from Synod	Presbyterian Investment Loan Program	Loans from Presbytery	Total
Ann Arbor, Calvary	$ -	$ 5,000	$ -	$ -	$ -	$ 5,000
Ann Arbor, Calvary	-	9,000	-	-	-	9,000
Ann Arbor, Northside	1,310	-	-	-	-	1,310
Detroit, St John's	39,759	-	-	-	-	39,759
Dearborn, Cherry Hill	-	28,940	-	-	-	28,940
Dearborn, Littlefield	-	17,083	-	-	-	17,083
Churches of Detroit						
Broadstreet	-	20,000	-	-	15,000	35,000
Calvin East	-	29,050	-	-	-	29,050
Grandale	-	20,000	-	-	-	20,000
Outer Drive	-	21,664	-	-	-	21,664
Trinity Community	-	-	-	-	11,325	11,325
Eunmenical Center & International Residence	-	53,787	-	-	-	53,787
Farmington, First Presbyterian	-	-	-	707,079	-	707,079
Drayton Plains, Community	-	28,688	-	-	-	28,688
Highland Park, Park United	-	-	-	-	28,257	28,257
Howell, First Presbyterian	-	-	-	460,236	-	460,236
Lake Shore Presbyterian, St. Clair Shores		-	-	299,454	-	299,454
Livonia, St. Pauls	-	10,000	-	-	-	10,000
Livonia, St Timothy's	52,599		-	-	-	52,599
Macomb, Church of the Covenant	312,849	240,000	34,000	-	8,109	594,958
New Life Presbyterian	-	-	-	-	3,614	3,614
Northville, First Presbyterian	-	-	-	1,525,240	-	1,525,240
Novi, Faith Community	-	-	-	329,373		329,373
Pontiac, Joslyn Ave.	-	22,175	-	-	-	22,175
Redford, Village	-	11,418	-	-	-	11,418
Sterling Heights, Utica	38,272	-	-	-	-	38,272
Sterling Heights, Utica	52,127	-	-	-	-	52,127
Walled L, Crossroads	-	-	-	-	1,943	1,943
Wyndotte First	-	-	-	-	3,500	3,500
Waterford Community	21,490	-	-	-	-	21,490
Total Loans - Churches	$ 518,406	$ 516,805	$ 34,000	$ 3,321,382	$ 71,748	$ 4,462,341