

**IRVING BIBLE CHURCH**

**FINANCIAL STATEMENTS**  
**AND**  
**INDEPENDENT AUDITORS' REPORT**

**DECEMBER 31, 2017 AND 2016**

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**Irving Bible Church**  
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**December 31, 2017 and 2016**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Elders  
of Irving Bible Church

We have audited the accompanying financial statements of Irving Bible Church (a nonprofit organization), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities and changes in net assets, 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.

### **Auditors' 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 audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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, the financial statements referred to above present fairly, in all material respects, the financial position of Irving Bible Church as of December 31, 2017 and 2016, 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.



Salmon Sims Thomas & Associates  
A Professional Limited Liability Company

July 26, 2018

**Irving Bible Church**  
**Statements of Financial Position**  
**December 31, 2017 and 2016**

	<u>2017</u>	<u>2016</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 6,142,906	\$ 4,767,887
Investments	126,037	130,229
Prepaid expenses	99,339	126,176
Total Current Assets	<u>6,368,282</u>	<u>5,024,292</u>
<b>Noncurrent Assets</b>		
Property and equipment, net	12,396,432	12,900,468
Land held for sale	33,500	-
Cash surrender value of life insurance	254,000	182,462
Total Noncurrent Assets	<u>12,683,932</u>	<u>13,082,930</u>
 TOTAL ASSETS	 <u><u>\$ 19,052,214</u></u>	 <u><u>\$ 18,107,222</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 180,793	\$ 145,331
Payroll and related liabilities	22,930	23,397
Total Current Liabilities	<u>203,723</u>	<u>168,728</u>
 <b>Life Insurance Benefit Obligation</b>	 <u>254,000</u>	 <u>182,462</u>
 TOTAL LIABILITIES	 <u>457,723</u>	 <u>351,190</u>
<b>Net Assets</b>		
<i>Unrestricted</i>		
Board designated	2,110,985	1,086,449
Undesignated	14,480,973	14,785,910
Total Unrestricted Net Assets	<u>16,591,958</u>	<u>15,872,359</u>
<i>Temporarily restricted</i>		
Total Net Assets	<u>2,002,533</u>	<u>1,883,673</u>
	<u>18,594,491</u>	<u>17,756,032</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u><u>\$ 19,052,214</u></u>	 <u><u>\$ 18,107,222</u></u>

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

**Irving Bible Church**  
**Statement of Activities and Changes in Net Assets**  
**For the Year Ended December 31, 2017**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Revenues and Support</b>			
Contributions	\$ 8,003,935	\$ 539,617	\$ 8,543,552
Program revenues	350,788	-	350,788
Other revenues	116,214	-	116,214
	<u>8,470,937</u>	<u>539,617</u>	<u>9,010,554</u>
Net assets released from restriction	420,757	(420,757)	-
Total Revenues and Support	<u>8,891,694</u>	<u>118,860</u>	<u>9,010,554</u>
<b>Expenses</b>			
<i>Program services</i>			
Salaries and related expenses	2,635,211	-	2,635,211
Missions	543,023	-	543,023
Adult ministries	241,667	-	241,667
Children's ministries	139,140	-	139,140
Youth ministries	206,345	-	206,345
Worship and music	113,591	-	113,591
Church plants	301,911	-	301,911
Other ministries	649,592	-	649,592
<i>Total Program Services</i>	<u>4,830,480</u>	<u>-</u>	<u>4,830,480</u>
<i>Supporting services</i>			
Salaries and related expenses	1,291,750	-	1,291,750
Facility	1,027,156	-	1,027,156
Depreciation	648,875	-	648,875
Other administrative expenses	373,834	-	373,834
<i>Total Supporting Services</i>	<u>3,341,615</u>	<u>-</u>	<u>3,341,615</u>
Total Expenses	<u>8,172,095</u>	<u>-</u>	<u>8,172,095</u>
Change in Net Assets	719,599	118,860	838,459
<b>Net Assets, beginning of year</b>	<u>15,872,359</u>	<u>1,883,673</u>	<u>17,756,032</u>
<b>Net Assets, end of year</b>	<u>\$ 16,591,958</u>	<u>\$ 2,002,533</u>	<u>\$ 18,594,491</u>

The accompanying notes are an integral part of this financial statement.

**Irving Bible Church**  
**Statement of Activities and Changes in Net Assets**  
**For the Year Ended December 31, 2016**

	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Total</b>
<b>Revenues and Support</b>			
Contributions	\$ 7,502,896	\$ 1,935,465	\$ 9,438,361
Program revenues	433,521	-	433,521
Other revenues	103,740	-	103,740
	8,040,157	1,935,465	9,975,622
Net assets released from restriction	368,659	(368,659)	-
Total Revenues and Support	8,408,816	1,566,806	9,975,622
 <b>Expenses</b>			
<i>Program services</i>			
Salaries and related expenses	2,721,561	-	2,721,561
Missions	565,071	-	565,071
Adult ministries	238,420	-	238,420
Children's ministries	147,613	-	147,613
Youth ministries	241,708	-	241,708
Worship and music	118,424	-	118,424
Church plants	348,192	-	348,192
Other ministries	828,093	-	828,093
<i>Total Program Services</i>	5,209,082	-	5,209,082
 <i>Supporting services</i>			
Salaries and related expenses	1,290,970	-	1,290,970
Facility	1,932,633	-	1,932,633
Depreciation	663,658	-	663,658
Other administrative expenses	424,303	-	424,303
<i>Total Supporting Services</i>	4,311,564	-	4,311,564
Total Expenses	9,520,646	-	9,520,646
Change in Net Assets	(1,111,830)	1,566,806	454,976
 <b>Net Assets, beginning of year</b>	16,984,189	316,867	17,301,056
 <b>Net Assets, end of year</b>	\$ 15,872,359	\$ 1,883,673	\$ 17,756,032

The accompanying notes are an integral part of this financial statement

**Irving Bible Church**  
**Statements of Cash Flows**  
**For the Years Ended December 31, 2017 and 2016**

	<b>2017</b>	<b>2016</b>
<b>Cash Flows From Operating Activities</b>		
Increase in Net Assets	\$ 838,459	\$ 454,976
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation	648,875	663,658
Donated land	(33,500)	
Donated investments	(213,504)	(158,377)
(Gain) loss on investments	(1,240)	(1,037)
Reinvested dividends and interest	(2,678)	(202)
Change in assets and liabilities:		
Prepaid expenses	26,837	(83,676)
Accounts payable	35,462	(84,250)
Accrued expenses	(467)	8,610
Net Cash Provided by Operating Activities	1,298,244	799,702
<b>Cash Flows From Investing Activities</b>		
Purchase of property and equipment	(144,839)	(132,040)
Proceeds from sale of investments	224,801	167,819
Purchase of investments	(3,187)	(3,522)
Net Cash Provided by Investing Activities	76,775	32,257
<b>Cash Flows From Financing Activities</b>		
Amount held on behalf of others	-	(14,025)
Net Increase in Cash	1,375,019	817,934
<b>Cash and cash equivalents, beginning of year</b>	4,767,887	3,949,953
<b>Cash and cash equivalents, end of year</b>	\$ 6,142,906	\$ 4,767,887

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



**Irving Bible Church**  
**Notes to Financial Statements**  
**December 31, 2017 and 2016**

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**NOTE 1: NATURE OF OPERATIONS**

Irving Bible Church (Church) is a Texas nonprofit corporation located in Irving, Texas. The Church was formed to glorify Jesus Christ, by leading people to know and make Him known. The Church pursues this goal by caring for the family of Christ by providing a context of mutual edification in which Christians can participate in one another's lives to meet spiritual, emotional, material, and social needs.

The Church's support is derived primarily from members who are concentrated in the geographic area where the Church is located.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The summary of significant accounting policies of the Church is presented to assist in understanding the financial statements. The financial statements and notes are representations of the Church's management, who is responsible for the fairness and objectivity embodied in the financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

**Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Significant estimates used in preparing these financial statements include those assumed in recording depreciation. It is at least reasonably possible that the significant estimates used will change within the next year. Actual results could vary from estimates.

**Financial Statement Presentation**

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Church and/or the passage of time.

Unrestricted Net Assets - Net assets not subject to donor-imposed stipulations.

Revenues are reported as increases in unrestricted net assets unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Expirations of temporarily restricted net assets (*i.e.*, the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. Contributions are recognized as revenues in the period unconditional promises to give are received. Contributions of assets other than cash are recorded at their estimated fair value.

**Irving Bible Church**  
**Notes to Financial Statements**  
**December 31, 2017 and 2016**

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**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Recent Accounting Pronouncements**

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-02, *Leases*, which will supersede the current lease requirements in Accounting Standards Codification (ASC) 840. The new standard requires lessees to recognize a right-of-use (ROU) asset and a related lease liability for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities and changes in net assets. Currently, leases are classified as either capital or operating, with only capital leases recognized on the statement of financial position. The new standard is effective for private entities for annual periods beginning after December 15, 2019.

The Organization is currently assessing the impact that adoption of ASU 2016-02 will have on its results of operations, but expect that it will not result in a significant increase in the long-term assets given the Organization does not have a significant number of leases.

In August 2016, the FASB issued ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, as an update to ASC 958, Not-for-Profit Entities. This update makes several improvements to current reporting requirements that address complexities in the use of the currently required three classes of net assets and enhance required disclosures related to donor restrictions of net assets. The updated guidance will result in a change in the classes of net assets reported on the face of the statement of financial position from three classes (unrestricted, temporarily restricted, and permanently restricted) to two classes (net assets without donor restrictions and net assets with donor restrictions).

The update also requires all not-for-profit entities to report expenses by function and by natural classification, either on the face of the financial statements or in the footnotes. Additional qualitative information about the methods used to allocate costs is also required to be disclosed. The update also requires all not-for-profit entities to disclose quantitative information that communicates the availability of the Organization's financial assets at the statement of financial position date to meet cash needs for general expenditures within one year as well as qualitative information on how the Foundation manages its liquid resources available to meet cash needs for general expenditures within one year of the statement of financial position date.

The updated guidance will be effective for annual periods beginning after December 15, 2017, and interim periods within fiscal years beginning after December 15, 2018. Early adoption is permitted. The new guidance should be applied on a retrospective basis. The Organization will be adopting this update in fiscal year 2018. No other material impact is expected.

In November 2016, the FASB issued ASU 2016-18, *Restricted Cash*, as an update to ASC 230, Statement of Cash Flows. This update requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. The updated guidance will be effective for annual periods

**Irving Bible Church**  
**Notes to Financial Statements**  
**December 31, 2017 and 2016**

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**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Recent Accounting Pronouncements (Continued)**

beginning after December 15, 2018, and interim periods within those fiscal years. Early adoption is permitted, including adoption in an interim period. The Organization will be adopting this update in fiscal year 2019. The new guidance will be applied on a retrospective basis. The updated guidance will result in a change in the statement of cash flows to include restricted cash and restricted cash equivalents. No other material impact is expected.

In May 2014, the Financial Accounting Standards Board (FASB) issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which will supersede the current revenue recognition requirements in Topic 605, Revenue Recognition. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The statement is effective for annual periods beginning after December 15, 2018. The Organization is in the process of evaluating the potential impact of ASU 2014-09 on its financial statements and it has not yet determined the method by which the standard will be adopted in 2019.

**Cash and Cash Equivalents**

The Church considers all liquid investment instruments and short-term investments with original maturities of ninety days or less to be cash equivalents. Cash equivalents were \$614,746 and \$401,797 as of December 31, 2017 and 2016, respectively. The Church places cash and cash equivalents, which, at times, may exceed federally insured limits with high credit quality institutions. The Church has not experienced any losses on such amounts.

**Income Taxes**

The Church is a Texas nonprofit corporation that is exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) of 1986, as amended, as an organization described in Section 501(c)(3) of the IRC. The Church has been classified as an organization that is not a private foundation under IRC Section 509(a)(2), and as such, contributions to the Church qualify for deductions as charitable contributions. However, income generated from activities unrelated to the Church's exempt purpose is subject to tax under IRC Section 511.

**Property and Equipment**

Property and equipment are stated at cost, if purchased, or if donated at fair market value as of the date of donation, less accumulated depreciation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset for a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those

**Irving Bible Church**  
**Notes to Financial Statements**  
**December 31, 2017 and 2016**

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**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property and Equipment (Continued)**

donated assets must be maintained, the Church reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Church reclassifies temporarily restricted net assets to unrestricted net assets at that time. Maintenance, repairs and replacements, which do not improve or extend the lives of the respective assets, are charged to operations when incurred. When property and equipment is sold or otherwise disposed of, the asset and related accumulated depreciation is removed, and any gain or loss is included in operations.

Depreciation is calculated using the straight-line method at rates sufficient to amortize the related costs over the estimated useful lives of the respective assets as follows:

Furniture and fixtures	5-7 years
Equipment	3 years
Building	40 years
Building improvements	5-20 years
Parking lot	5 years

**Accounting for Uncertainty in Income Taxes**

Management has concluded that any tax positions that would not meet the more-likely-than-not criterion of Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) Topic 740-10, *Accounting for Income Taxes*, would be immaterial to the financial statements taken as a whole. Accordingly, the accompanying financial statements do not include any provision for uncertain tax positions, and no related interest or penalties have been recorded in the Statement of Activities or accrued in the Statement of Financial Position.

**Investments**

Investments consist of a certificate of deposit and marketable equity securities held for sale. The marketable equity securities are recorded at their fair values. Securities that have been donated are recorded at the fair market value as of the date of the gift. Church policy is to convert equities to cash equivalents within thirty days of receipt. Increases or decreases in fair market value are recorded as unrealized gains and losses and reflected on the Statement of Activities in the unrestricted class of net assets.

**Reclassification**

Certain income statement accounts have been reclassified in the prior year financial statements for comparative purposes to conform to the presentation in the current year financial statements.

**Fair Value Measurements**

FASB ASC 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides the fair value hierarchy that prioritizes the inputs to valuation

**Irving Bible Church**  
**Notes to Financial Statements**  
**December 31, 2017 and 2016**

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**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fair Value Measurements (Continued)**

techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There has been no change in the methodology used at December 31, 2017.

*Marketable Equities:* Valued at the closing price reported in an active market in which the security is traded.

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

The provisions of Topic ASC 820 did not have an impact on the Church's nonfinancial assets and nonfinancial liabilities that are not permitted or required to be measured at fair value on a recurring basis.

**Date of Management's Review**

The Church has evaluated subsequent events through July 26, 2018, the date the financial statements were available to be issued.

**NOTE 3: INVESTMENTS**

As of December 31, 2017 and 2016, investments consisted of the following:

	<u>2017</u>	<u>2016</u>
Certificate of deposit	\$ 100,702	\$ 100,501
Marketable securities	<u>25,335</u>	<u>29,728</u>
	<u>\$ 126,037</u>	<u>\$ 130,229</u>

The Church had an unrealized gain of \$1,240 and reinvested dividends and interest of \$2,678 for the year ended December 31, 2017. The Church had an unrealized gain of \$1,037 and reinvested dividends and interest of \$202 for the year ended December 31, 2016.

**Irving Bible Church**  
**Notes to Financial Statements**  
**December 31, 2017 and 2016**

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**NOTE 4: FAIR VALUE OF FINANCIAL INSTRUMENTS**

The following tables set forth by level, within the fair value hierarchy, the Church's assets at fair value as of December 31, 2017 and 2016:

Fair Value Measurements at December 31,:

	<u>Fair Value</u>	Quoted Prices in Active markets for Identical Assets/Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>2017</u>				
Marketable securities	\$ 25,335	\$ 25,335	\$ -	\$ -
<u>2016</u>				
Marketable securities	\$ 29,728	\$ 29,728	\$ -	\$ -

**NOTE 5: PROPERTY AND EQUIPMENT**

At December 31, 2017 and 2016, property and equipment consisted of the following:

	<u>2017</u>	<u>2016</u>
Furniture and fixtures	\$ 317,302	\$ 313,002
Equipment	1,454,975	1,382,835
Building and improvements	20,082,500	20,082,500
Parking lot	113,927	97,895
Land	<u>1,011,900</u>	<u>1,011,900</u>
Total Property and Equipment	22,980,604	22,888,132
Less accumulated depreciation	<u>(10,584,172)</u>	<u>(9,987,664)</u>
Net Property and Equipment	<u>\$ 12,396,432</u>	<u>\$ 12,900,468</u>

**Irving Bible Church**  
**Notes to Financial Statements**  
**December 31, 2017 and 2016**

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**NOTE 6: LEASE COMMITMENTS**

**Operating Lease**

The Church leases office equipment under noncancellable operating leases that began during 2014 and expire in 2019 and 2021. Lease expense under these operating leases was approximately \$30,600 and \$43,000 for 2017 and 2016, respectively.

Future minimum rental payments required under operating leases with initial or remaining noncancelable lease terms in excess of one year are approximately as follows for the years ending December 31,

2018	\$ 29,800
2019	28,700
2020	27,600
2021	20,700
2022 and thereafter	<u>-</u>
	<u>\$ 106,800</u>

**NOTE 7: RETIREMENT PLANS**

The Church has a voluntary 403(b)(7) retirement plan for all full-time employees which is managed by a third-party entity. Employees can make contributions, subject to certain limitations, on a pretax basis. The Church matches employee contributions up to 5% of each participating employee's salary for the first 5 years, and then increases 1% per subsequent year. The participating employees become vested in the Church contributions based on years of service as follows: 3 years – 50%; 4 years – 75%; and 5 years – 100%. In 2017 and 2016, the Church's contributions were \$128,394 and \$132,467, respectively.

The Church provides a nonqualified retirement plan through life insurance policies to a key employee. The Church is the owner and beneficiary of the policy and intends to distribute the value of the policy to the insured employee, upon retirement or severance from the Church, as deferred compensation. The cash surrender value of this policy is recorded as an asset with a corresponding obligation to the individual. The cash surrender value and corresponding obligation was valued at \$254,000 and \$182,462 as of December 31, 2017 and 2016, respectively.

The Church paid approximately \$30,500 and \$50,000 for nonqualified retirement plan contributions on behalf of the employee for the years ended December 31, 2017 and 2016, respectively.

**Irving Bible Church**  
**Notes to Financial Statements**  
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**NOTE 8: RELATED MINISTRIES**

The Church has a process whereby it starts, nurtures and ultimately “spins off” Christian ministries that become separate, independent 501(c)(3) nonprofit organizations. These ministries, once separated, do not share Board members or management. However, before they are spun off, the Church receives restricted contributions, from donors, for these specific ministries. In addition, the Church also covers certain costs during this time period.

In 2011, Water is Basic separated from the Church and filed for 501(c)(3) status. Water is Basic obtained 501(c)(3) status in 2012 and the Church does not expect to receive a significant amount of donations in the future. For the year ended December 31, 2017, the Church received donations of approximately \$20,200 and remitted approximately \$20,200 to this ministry. For the year ended December 31, 2016, the Church received donations of approximately \$28,100 and remitted approximately \$42,100 to this ministry. These funds are treated as amounts held for others and are not reflected in the Statement of Activities. The Church did not hold any funds for Water is Basic as of December 31, 2017 and 2016.

**NOTE 9: BOARD DESIGNATED NET ASSETS**

Included as a component of unrestricted net assets are amounts set aside, or designated, by the Church’s leadership. Board designated net assets consisted of the following as of December 31,:

	<u>2017</u>	<u>2016</u>
Tapestry	\$ 86,449	\$ 86,449
Next Up	<u>2,024,536</u>	<u>1,000,000</u>
	<u>\$ 2,110,985</u>	<u>\$ 1,086,449</u>



**Irving Bible Church**  
**Notes to Financial Statements**  
**December 31, 2017 and 2016**

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**NOTE 10: TEMPORARILY RESTRICTED NET ASSETS**

At December 31, 2017 and 2016, the purposes and corresponding balances remaining in temporarily restricted net assets were approximately as follows:

	<u>2017</u>	<u>2016</u>
Next Up	\$ 1,531,800	\$ 1,500,000
Missions	48,500	41,600
Benevolence	76,300	88,900
Church plants	292,900	222,200
Medical Clinic	29,800	14,700
Tapestry	4,700	4,800
Other	18,500	11,500
	<u>\$ 2,002,500</u>	<u>\$ 1,883,700</u>

Temporarily restricted net assets released from restrictions during 2017 and 2016 were approximately as follows:

	<u>2017</u>	<u>2016</u>
Missions	\$ 100,200	78,200
Benevolence	105,000	48,200
Church plants	148,500	120,000
Medical Clinic	35,900	32,800
School Works	-	20,000
Tapestry	10,000	34,700
Other	21,200	34,800
	<u>\$ 420,800</u>	<u>\$ 368,700</u>