

**CONNECTIONAL BUDGET DEPARTMENT
OF THE AFRICAN METHODIST EPISCOPAL ZION CHURCH
AUDITED FINANCIAL STATEMENTS
For The Twelve Months Ending December 31, 2018
With Comparative Totals For
The Twelve Months Ending December 31, 2017 and 2016**



Church Accounting Management & Stewardship

John W. Spann Jr.
Certified Public Accountant

**CONNECTIONAL BUDGET DEPARTMENT
OF THE AFRICAN METHODIST EPISCOPAL ZION CHURCH
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With Comparative Totals For The Twelve Months Ending December 31, 2017 and 2016

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Report of Independent Auditors

Connectional Budget Department Audit Committee:
CONNECTIONAL BUDGET DEPARTMENT OF THE
AFRICAN METHODIST EPISCOPAL ZION CHURCH
Charlotte, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of Connectional Budget Department of the African Methodist Episcopal Zion Church (a nonprofit organization), which comprise the statement of assets, liabilities and net assets—cash basis as of December 31, 2018, 2017 and 2016, and the related statement of cash receipts and disbursements—cash basis for the twelve months then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting as described in Note 2; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

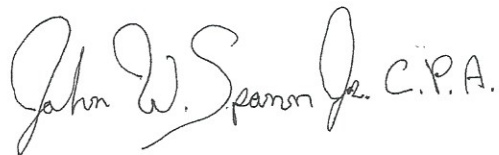
In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and net assets of Connectional Budget Department of the African Methodist Episcopal Zion Church as of December 31, 2018, 2017 and 2016, and its statement cash receipts and disbursements for the twelve months then ended in accordance with the cash basis of accounting as described in Note 2.

Basis of Accounting

We draw attention to Note 2 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of assessments received from episcopal districts, cash and cash equivalents and expenses disbursed found on pages 14-17 are presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



CAMS Ministries
John W. Spann Jr. C.P.A.
Charlotte, North Carolina
May 7, 2019

**CONNECTIONAL BUDGET DEPARTMENT
OF THE AFRICAN METHODIST EPISCOPAL ZION CHURCH
NOTES TO THE FINANCIAL STATEMENTS
For The Twelve Months Ending December 31, 2018**

Note 1-Organization and Purpose

The African Methodist Episcopal (A.M.E.) Zion Church (Church) is a worldwide religious organization composed of member churches which are collectively referred to as the Connection. The Church is governed by a General Conference which meets every four years and is composed of delegates from twelve districts.

At each meeting of the General Conference, a budget is approved for the ensuing four year period for all departments and institutions of the Church, its benevolent causes, projects and claimants. The budget defines the assessment made against each district and the various causes and purposes for which the monies will be disbursed.

The Connectional Budget Department by authority of the General Conference serves as a clearinghouse for the receipt and disbursement of these monies. The Department is located in Charlotte, N.C. in the A.M.E. Zion Corporate Headquarters Building owned by the Church.

Note 2- Summary of Significant Accounting Policies

Basis of accounting- The accompanying financial statements include the accounts of the Connectional Budget Department and do not include the accounts of other church organizations or departments. The accounts of the Connectional Budget Department are maintained on the basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles. Consequently, support and revenues are recognized when received rather than when earned or obligated and expenses are recognized when paid rather than when the obligations are incurred.

Basis of presentation- The Assets and Net Assets of the Connectional Budget Department are reported in two self- balancing fund groups as follows:

Expendable funds-Expendable funds include the Assessments Fund which is available for the general purposes and operations of the Church as well as funds that have been designated by the General Conference for the following specific purposes:

General Conference Fund – expenses to be incurred in connection with the General Conference

Capital Reserve and Contingency Funds – reserves for emergencies and undesignated needs.

Investment Fund – Capital reserve for emergencies related to A.M.E. Zion Headquarters.

Special Projects Fund- To be used for major one time projects beyond the scope of normal operations

Ministers' Minimum Salary Fund- reserve for the future cost of providing salaries and relief to A.M.E. Zion Ministers.

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