PRESBYTERIAN CHILDREN'S HOMES AND SERVICES
(a non-profit organization)
FINANCIAL STATEMENTS AND REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
December 31, 2014 and 2013

PRESBYTERIAN CHILDREN'S HOMES AND SERVICES

FINANCIAL STATEMENTS
AND
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

DECEMBER 31, 2014 AND 2013

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Presbyterian Children's Homes and Services

May 29, 2015

Dear Friends of Presbyterian Children's Homes & Services:

Presbyterian Children's Homes & Services continues our long tradition of Christ- centered services, in which we minister to the spiritual, physical, intellectual, emotional and social needs of children. We are steadfast in our mission to offer Christ-centered care and support to children and families in need by providing a place of hope and healing.

In 2014, we maintained our commitment to partner with like minded organizations to expand our services through our strategic alliances with the Masonic Children & Family Services, and Juliette Fowler Homes that allows us to collectively serve children with ever increasing needs. These programs provide an opportunity for us to further broaden the continuum of services to help meet the growing needs of children and their families in crisis. We also finished our the work with HomeAid Houston and St. John's Presbyterian Church to provide services to single parents and their children in the Houston area. We are pleased to report that our affiliation with Presbyterian Children's Homes and Services of Missouri continues to strengthen and support their work with children and families.

We are pleased to present the 2014 audited financial statements of the Presbyterian Children's Homes and Services. These financial statements help share the story of the work we are doing with children and families in need. Financial statements cannot begin to measure the healing of wounds that have torn families apart or provide a sense of the comfort and security that our young people feel in our care. However, these financial statements do reflect the tremendous sense of stewardship that the Board of Trustees, management and staff have felt toward the Christian mission we serve. These financial statements are a reflection of our current ministries and the strategic direction set by our Board of Trustees. Each year the Agency's financial statements are audited by a certified public accounting firm as a means of providing assurance of the Agency's stewardship of its resources.

Please continue your prayers for children who live in unsafe environments due to abuse, neglect, abandonment or other family crises that continues to rise at an alarming rate. By coming together as a community in Christ, we can provide the human and financial resources that will allow us to continue to serve many more children and families who need our care and support.

Sincerely yours,

Ed Knight

Ed Knight
President

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
Presbyterian Children's Homes and Services
Austin, Texas

We have audited the accompanying financial statements of Presbyterian Children's Homes and Services (a nonprofit organization), which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements 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 of 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 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, the financial statements referred to above presented fairly in all material respects, the financial position of Presbyterian Children's Homes and Services as of December 31, 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.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on pages 30-33 is 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.

Pattillo, Brown & Hill, L.L.P.

Waco, Texas
May 27, 2015

FINANCIAL STATEMENTS

PRESBYTERIAN CHILDREN'S HOMES AND SERVICES

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2014 AND 2013

	2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
ASSETS				
Cash and cash equivalents	$ 2,018,110	$ 1,036,088	$ 68,660	$ 3,122,858
Short-term investments	44,464	-	-	44,464
Accounts receivable, net of allowance	734,399	-	-	734,399
Interest receivable	84,299	-	-	84,299
Contributions receivable, net of allowance and discount	298,041	2,734,044	700,212	3,732,297
Estates receivable	715,904	-	1,915,785	2,631,689
Prepaid assets	341,212	-	-	341,212
Other receivables	170,019	-	-	170,019
Notes receivable	696,008	-	-	696,008
Long-term investments	57,447,814	3,151,538	60,168,402	120,767,754
Property and equipment, net of accumulated depreciation	6,319,404	-	-	6,319,404
Total assets	$ 68,869,674	$ 6,921,670	$ 62,853,059	$ 138,644,403
LIABILITIES AND NET ASSETS				
Liabilities:				
Accounts payable	$ 447,733	$ -	$ -	$ 447,733
Payroll payable	18,135	-	-	18,135
Other liabilities	36,672	-	-	36,672
Compensated absences	421,398	-	-	421,398
Total liabilities	923,938	-	-	923,938
Net Assets:				
Unrestricted				
Board designated	57,364,537	-	-	57,364,537
Undesignated	10,581,199	-	-	10,581,199
Total unrestricted	67,945,736	-	-	67,945,736
Temporarily restricted	-	6,921,670	-	6,921,670
Permanently restricted	-	-	62,853,059	62,853,059
Total net assets	67,945,736	6,921,670	62,853,059	137,720,465
Total liabilities and net assets	$ 68,869,674	$ 6,921,670	$ 62,853,059	$ 138,644,403

The accompanying notes are an integral part of this statement.

2013							
Unrestricted		Temporarily Restricted		Permanently Restricted		Total	
$	3,606,763	$	1,082,528	$	65,250	$	4,754,541
	45,659		-		-		45,659
	361,903		-		-		361,903
	69,808		-		-		69,808
	281,543		2,930,354		680,851		3,892,748
	461,427		-		41,019		502,446
	37,847		-		-		37,847
	74,152		-		-		74,152
	671,268		-		-		671,268
	57,399,508		3,130,222		59,647,037		120,176,767
	6,122,009		-		-		6,122,009
$	69,131,887	$	7,143,104	$	60,434,157	$	136,709,148
$	436,237	$	-	$	-	$	436,237
	14,726		-		-		14,726
	29,047		-		-		29,047
	387,822		-		-		387,822
	867,832		-		-		867,832
	57,144,151		-		-		57,144,151
	11,119,904		-		-		11,119,904
	68,264,055		-		-		68,264,055
	-		7,143,104		-		7,143,104
	-		-		60,434,157		60,434,157
	68,264,055		7,143,104		60,434,157		135,841,316
$	69,131,887	$	7,143,104	$	60,434,157	$	136,709,148

PRESBYTERIAN CHILDREN'S HOMES AND SERVICES

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUE, GAINS AND OTHER SUPPORT				
Contributions and bequests	$ 3,779,281	$ 275,254	$ 2,126,121	$ 6,180,656
Fees	3,183,043	-	-	3,183,043
Investment income	3,021,407	298,359	-	3,319,766
Change in fair value of split interest agreements	-	137,431	15,361	152,792
Gain on sale of assets	124,463	-	-	124,463
Other income	105,248	-	-	105,248
Net assets released from restrictions	1,136,850	(1,136,850)	-	-
Total revenue, gains and other support	11,350,292	(425,806)	2,141,482	13,065,968
Net realized and unrealized gains on long-term investments	2,110,304	204,372	277,420	2,592,096
Total revenue, realized & unrealized gains and other support	13,460,596	(221,434)	2,418,902	15,658,064
EXPENSES				
Group home programs	3,785,222	-	-	3,785,222
Single parent programs	486,450	-	-	486,450
Foster care & adoption services	4,186,444	-	-	4,186,444
Child and family programs	2,009,097	-	-	2,009,097
Advanced & student education	406,265	-	-	406,265
Program services	10,873,478	-	-	10,873,478
Fundraising	1,401,340	-	-	1,401,340
Management and general	1,504,097	-	-	1,504,097
Support services	2,905,437	-	-	2,905,437
Total expenses	13,778,915	-	-	13,778,915
CHANGE IN NET ASSETS	(318,319)	(221,434)	2,418,902	1,879,149
NET ASSETS, BEGINNING OF YEAR	68,264,055	7,143,104	60,434,157	135,841,316
NET ASSETS, END OF YEAR	$ 67,945,736	$ 6,921,670	$ 62,853,059	$ 137,720,465

2013			
Unrestricted	Temporarily Restricted	Permanently Restricted	Total
$ 4,017,365	$ 660,428	$ 185,430	$ 4,863,223
3,208,848	-	-	3,208,848
2,818,294	360,654	-	3,178,948
-	262,943	125,911	388,854
71,306	-	-	71,306
102,963	-	-	102,963
1,494,444	(1,494,444)	-	-
11,713,220	(210,419)	311,341	11,814,142
8,793,841	852,403	5,629,934	15,276,178
20,507,061	641,984	5,941,275	27,090,320
4,489,861	-	-	4,489,861
230,238	-	-	230,238
3,455,910	-	-	3,455,910
1,870,407	-	-	1,870,407
441,698	-	-	441,698
10,488,114	-	-	10,488,114
1,380,886	-	-	1,380,886
1,398,550	-	-	1,398,550
2,779,436	-	-	2,779,436
13,267,550	-	-	13,267,550
7,239,511	641,984	5,941,275	13,822,770
61,024,544	6,501,120	54,492,882	122,018,546
$ 68,264,055	$ 7,143,104	$ 60,434,157	$ 135,841,316

The accompanying notes are an integral part of this statement.

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PRESBYTERIAN CHILDREN'S HOMES AND SERVICES
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2014 AND 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from contributions, bequests, etc.	$ 3,707,038	$ 4,393,745
Cash received from service recipients	2,807,517	3,184,184
Investment income	3,276,916	2,879,109
Miscellaneous receipts	108,278	103,930
Cash paid to employees and suppliers	(13,656,598)	(12,833,169)
Net cash used by operating activities	(3,756,849)	(2,272,201)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(603,284)	(722,980)
Proceeds from sale of assets	475,171	81,258
Purchase of investments	(4,017,407)	(13,662,223)
Proceeds from sales of investments	6,023,331	15,179,477
Net cash provided by investing activities	1,877,811	875,532
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received from contributions, bequests, etc.	247,355	911,103
Net cash provided by financing activities	247,355	911,103
DECREASE IN CASH AND CASH EQUIVALENTS	(1,631,683)	(485,566)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	4,754,541	5,240,107
CASH AND CASH EQUIVALENTS, END OF YEAR	$ 3,122,858	$ 4,754,541
RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH USED BY OPERATING ACTIVITIES		
Change in net assets	$ 1,879,149	$ 13,822,770
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	353,387	326,540
Increase in accounts receivable	(372,496)	(23,697)
(Increase) decrease in interest receivable	(14,491)	5,208
(Increase) decrease in contributions receivable	160,451	(383,674)
(Increase) decrease in prepaid assets	(303,365)	70,237
Increase in other receivables	(95,867)	(74,152)
(Increase) decrease in estates receivable	(2,129,243)	553,328
Increase in notes receivable	(24,740)	(318,045)
Increase (decrease) in accounts payable	11,496	(13,132)
Increase (decrease) in payroll liabilities	3,409	(3,038)
Increase in compensated absences payable	33,576	22,309
Increase (decrease) in other liabilities	7,625	(11,266)
Net realized and unrealized gains on long-term investments	(2,592,096)	(15,276,178)
Contributions restricted for long-term investments	(247,355)	(911,103)
Contributions of investments and fixed assets	(301,826)	12,998
Gain on sale of assets	(124,463)	(71,306)
Net cash used by operating activities	$ (3,756,849)	$ (2,272,201)

The accompanying notes are an integral part of this statement.

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PRESBYTERIAN CHILDREN'S HOMES AND SERVICES

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014 and 2013

1. ORGANIZATION AND PURPOSE

Presbyterian Children's Homes and Services (PCHAS) is a Texas non-profit corporation established in 1903. PCHAS provides a variety of Christ-centered childcare services which minister to the spiritual, physical, intellectual, emotional, and social needs of dependent and neglected children and their families. PCHAS operates group foster care homes in Itasca and Waxahachie. In August 2014, the group home in San Antonio transitioned into a Single Parent Family Program and Transitional Living program. The Foster Care and Adoption Programs provide therapeutic foster care in traditional foster homes throughout several communities in Texas and assists children in finding their forever family. In addition, the Child and Family Programs located throughout Texas and Louisiana provide a child welfare network bringing together churches, schools, and other local resources to meet the varying needs of children and their families. The Advanced Education Program provides support to and funding for former residents who are interested in pursuing higher education, vocational, technical, or job training beyond a high school education. The Single Parent programs in Weatherford, Waxahachie, San Antonio and Houston work to bring economic and emotional stability to children and their families. PCHAS is primarily supported through donor contributions, fees from families and the Texas Department of Family and Protective Services, and investment income.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of PCHAS have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The following is a summary of the significant policies.

Basis of Presentation

The financial statements of PCHAS were prepared using the accrual basis of accounting. Under this basis, revenue is recorded when earned and expenses are recorded at the time liabilities are incurred. PCHAS has adopted Financial Accounting Standards Board (FASB) Codification Section 958-605 *Not for Profit Entities Revenue Recognition* and FASB Codification Section 958-205 *Not-for-Profit Entities Presentation of Financial Statements.* FASB Codification Section 958-605 requires that unconditional promises to give (pledges) be recorded as receivables and revenue and requires that the organization distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions. FASB Codification Section 958-205 requires that the statements be organized on the basis of unrestricted, temporarily restricted, and permanently restricted net assets for external reporting. This presentation demonstrates the existence or absence of donor-imposed restrictions. The financial statements include a Statement of Financial Position, a Statement of Activities, a Statement of Cash Flows, and related notes. In addition, we have provided a Supplemental Schedule of Functional Expense for 2014. The Financial Accounting Standards Board is the accepted standard setting body for non-profit organizations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

For the purposes of the Statements of Cash Flows, PCHAS considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

PCHAS maintains its cash in several financial institutions. As of January 1, 2014, all bank accounts are insured by the FDIC up to $250,000 per financial institution. Based upon cash balances at a single financial institution, the federally-insured deposit limits are exceeded as of December 31, 2014 and 2013 by $2,768,633 and $4,553,164, respectively.

Investments

Investments in marketable securities are carried at market value based on the closing prices on the stock exchange as of the last day of the period. Net realized and unrealized gains (losses) are reported as changes in unrestricted or temporarily restricted net assets based on any donor restrictions. PCHAS carries its investments in real estate at fair market value.

Investments include perpetual trusts in which PCHAS has an irrevocable right to receive the income earned on the trust assets in perpetuity, but never receives the assets which are held in trust by a third party. The interests in perpetual trusts are valued at the latest available market value. Changes in unrealized and realized gains (losses) are recorded as changes in permanently restricted net assets.

Investment Pools

PCHAS pools donor-restricted and board-designated endowments into pooled investment accounts. Realized and unrealized gains from the pooled investment accounts are allocated to the individual donor accounts based on the daily average of the market value of each endowment to the market value of the pooled investment accounts.

The fair value of assets in an individual donor restricted endowment are all above the endowment's historic dollar value.

Accounts Receivable

Accounts receivable consists primarily of program services fees. An allowance for uncollectible accounts is determined using the aging method. All accounts over 90 days are reviewed to determine an allowance. A general reserve, based on historical experience, is created for accounts under 90 days unless there is an unusual matter of which PCHAS is aware.

Contributions and Estates Receivable

Unconditional promises to give are recognized as revenue in the period the promise is received. Conditional promises to give are recognized only when the condition on which they depend is substantially met making the promise unconditional. PCHAS is the beneficiary of several split interest agreements that include various trusts and charitable gift annuities administered by third parties. The receivable for the split interest agreements is recorded at the present value of the estimated future benefits to be received when the trust assets are distributed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions and Estates Receivable (Continued)

Estates are recognized in the period when notification is received. The receivable for the estates is recorded at the estimated value of PCHAS's interest in the estate when the estate assets are distributed. Pledge contributions are recorded net of discount and allowance. Discounts and allowance are amortized over the term of the pledge contributions using the aging method.

Fixed Assets

PCHAS has adopted a capitalization threshold of $1,000 and a useful life of five years or more. Land, buildings, and equipment are stated at cost less accumulated depreciation. Depreciation is calculated on the straight-line basis with the following estimated useful lives:

Asset Type	Useful Life
Vehicles	5 years
Furniture and equipment	5 - 10 years
Buildings and improvements	10 - 40 years

Donated fixed assets are valued at their estimated fair value at time of donation and are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor imposed stipulations, PCHAS reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Designation of Unrestricted Net Assets

It is the policy of the Board of Directors of the Organization to review its plans for future property and improvements and acquisitions from time to time and to designate appropriate sums of unrestricted net assets to assure adequate financing of such improvements and acquisitions.

Donated Materials, Supplies and Facility Usage

Donated items and free use of facilities are valued at the estimated fair value at the date of donation. As donated items are used by our programs, a corresponding expense is recorded.

Donated Services

Donated services are recognized as contributions if the services create or enhance non-financial assets or if the services require specialized skills, are performed by people with those skills, and would otherwise be purchased by PCHAS. In addition, volunteers provide assistance with specific programs, fundraising, and work on many committees that is not recognized as revenue since the recognition criteria were not met.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions, Investment Income, and Gains Restricted by Donors

PCHAS recognizes revenue from contributions when they are received and program fees as the services are provided while expenses are reported as incurred. PCHAS reports gifts or investment income and gains as restricted income if it is received with donor stipulation that restricts the gift's use or income to a specific purpose or has a time restriction. When a restriction is met, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restriction. If these restrictions are met in the same period in which the gift or income is earned, the gift or income is recorded as unrestricted support.

Estimates

In the preparation of financial statements in conformity with generally accepted accounting principles, management uses estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities and the reported revenue and expenses. While management believes these estimates to be reasonable, actual results could differ from those estimates. Significant estimates in the financial statements relate to determination of the allowance for uncollectible receivables and pledges, depreciable lives of property and equipment, split interest receivables, and fair value of investments.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the supplemental schedule, the Schedule of Functional Expenses, for the year ended December 31, 2014. Accordingly, certain costs in the Statement of Activities and in the supplemental schedule, the Schedule of Functional Expenses, have been allocated among the programs and support services that received benefit.

Income Tax Status

PCHAS is exempt from federal income tax under Section 501(c)3 of the Internal Revenue Code, though it would be subject to tax on income unrelated to its exempt purpose (unless that income is otherwise excluded by the IRC). The Agency has concluded that no tax benefits or liabilities are required to be recognized in accordance with generally accepted accounting principles.

PCHAS has adopted FASB ASC 740-10, *Accounting for Uncertainty in Income Tax.* That standard prescribes a minimum recognition threshold and measurement methodology that a tax position taken or expected to be taken in a tax return is required to meet before being recognized in financial statements. It also provides guidance for derecognition, classification, interest and penalties, accounting and interim periods, disclosure, and transition. Management believes there were none. In addition, PCHAS qualifies for the charitable contribution deduction under Section 170 and has been classified as an organization other than a private foundation under Section 509(a)3.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences

Full-time employees earn annual compensated vacation time of 2 to 4 weeks based upon their position and length of service. The maximum accrual allowed is 1 ½ times the annual accrual. Upon termination, any unused vacation time is paid to the employee. Full-time employees accrue one day of sick leave per month. A maximum of sixty days may be accrued by each employee. Upon termination of employment, unused sick leave is forfeited unless the employee has 5 years or more of service. If the employee has 5 years or more of service, they are paid 25% of their sick leave accrual upon voluntary termination.

Reclassifications

Certain prior period amounts have been reclassified to conform to current period presentations. Such reclassifications had no effect on previously reported change in net assets.

Affiliation with Presbyterian Children's Homes and Services of Missouri

Effective January 15, 2013, Presbyterian Children's Homes and Services (PCHAS-TX), a Texas nonprofit corporation, entered into an affiliation agreement with Presbyterian Children's Homes and Services of Missouri (PCHAS-MO), formerly Children's Foundation of Mid-America, a Missouri nonprofit corporation. Under this affiliation, PCHAS-MO and PCHAS-TX remain separate corporations and operate programs independently. On January 15, 2013, PCHAS-MO and PCHAS-TX entered into a shared services agreement through which specified areas of knowledge and expertise are mutually shared. PCHAS-TX provides supervision and oversight to several PCHAS-MO departments including the human resources, administrative, finance, development and quality assurance staff. PCHAS-MO provides information technology support and some administrative support services to PCHAS-TX. As of December 31, 2014 and 2013, PCHAS-TX has a net receivable of $170,019 and $74,152 from PCHAS-MO, respectively. In 2014, PCHAS-TX provided $129,639 of labor for administrative, development and financial support services to PCHAS-MO and the reimbursement of travel expenses and affiliated material purchases. In addition, PCHAS-MO provided $33,772 of IT support services to PCHAS-TX.

3. CASH AND INVESTMENTS

Deposits

PCHAS invests cash in excess of daily requirements in an overnight investment account.

Long-term Investments

A portion of long-term investments is held in pooled funds at Texas Presbyterian Foundation (TPF) and is invested generally 70% in equities and 20% in fixed income investments and 10% in real estate and alternative strategies.

PCHAS also holds some investments in real estate, mineral interests, notes receivable and securities all of which were donated. Long-term investments at the end of the year consist of the following:

3. CASH AND INVESTMENTS (Continued)

Long-term Investments (Continued)

Investment Type	December 31, 2014 Cost Basis	December 31, 2014 Market Value	December 31, 2013 Cost Basis	December 31, 2013 Market Value
TPF pooled funds - stocks, bonds, govt securities, real estate, alternative strategies	$ 46,888,286	$ 68,957,818	$ 45,916,812	$ 67,725,682
Debt securities	20,000	20,000	61,646	61,646
Beneficial interest in trusts	51,706,652	51,706,652	51,429,232	51,429,232
Alternative strategies	7,641	7,641	650,133	714,379
Real estate	44,646	44,646	219,645	219,645
Mineral interests	30,997	30,997	26,183	26,183
Total Investments	$ 98,698,222	$ 120,767,754	$ 98,303,651	$ 120,176,767

Fair Value Measurements

The following methods and assumptions were used in estimating the fair value disclosures for the financial instruments:

Investment securities - The fair values of investment securities are based on quoted market prices, where available. If quoted market prices are not available, fair values are based on quoted market prices for identical or similar securities.

Receivables - The carrying amounts reported in the statements of financial position for all receivables approximate those receivables' fair values.

Payables - The carrying amounts reported in the statements of financial position for all payables approximate those payables' fair values.

	2014 Carrying Amount	2014 Fair Value	2013 Carrying Amount	2013 Fair Value
Financial assets				
Interest receivables	$ 84,299	$ 84,299	$ 69,808	$ 69,808
Contribution receivables	3,732,297	3,732,297	3,892,748	3,892,748
Estates receivables	2,631,689	2,631,689	502,446	502,446
Long term investments	120,767,754	120,767,754	120,176,767	120,176,767

3. CASH AND INVESTMENTS (Continued)

Fair Value Measurements (Continued)

FASB Codification Section 820, *Fair Value Measurements and Disclosure,* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation 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 three levels of the fair value hierarchy under FASB Codification Section 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that can be easily accessed.

Level 2 Inputs to the valuation methodology include:

Quoted prices for similar assets or liabilities in active markets;

Quoted prices for identical or similar assets or liabilities in inactive markets;

Inputs other than quoted prices that are observable for the asset or liability;

Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's 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 methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2014 from prior periods.

Common stocks, corporate bonds and U.S. government securities: Valued at the closing price reported on the active market on which the individual securities are traded. Mutual funds are valued at the net asset value (NAV) of shares held at the end of the year.

Alternative investments which include pooled real estate funds, real estate, pooled alternative strategies fund, closely held hedge funds, closely held REITS and private equity are valued at other significant observable and unobservable inputs that include quoted prices of similar securities.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while PCHAS believes its valuation methods are 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.

3. CASH AND INVESTMENTS (Continued)

Fair Value Measurements (Continued)

The following table sets forth by level, within the fair value hierarchy, PCHAS assets at fair value as of December 31, 2014:

	Level 1 Quoted Prices in Active Markets for Identical Assets	Level 2 Significant Other Observable Inputs	Level 3 Significant Unobservable Inputs	Total
TPF pooled funds - stocks, bonds, govt securities, real estate, alternative strategies	$ 56,178,591	$ 12,779,227	$ -	$ 68,957,818
Equity & debt securities	20,000	-	-	20,000
Beneficial interest in trusts	37,581,240	9,463,386	4,662,026	51,706,652
Real estate	-	44,646	-	44,646
Mineral interests	30,540	-	8,098	38,638
	$ 93,810,371	$ 22,287,259	$ 4,670,124	$ 120,767,754

The following table sets forth a summary of changes in the fair value of Level 3 assets for the year ending December 31, 2014:

Beginning balance	$ 5,294,655
Asset changes	(783,841)
Income	46,573
Realized loss	(37,058)
Unrealized loss	149,795
Ending balance	$ 4,670,124

The following table sets forth by level, within the fair value hierarchy, PCHAS assets at fair value as of December 31, 2013:

	Level 1 Quoted Prices in Active Markets for Identical Assets	Level 2 Significant Other Observable Inputs	Level 3 Significant Unobservable Inputs	Total
TPF pooled funds - stocks, bonds, govt securities, real estate, alternative strategies	$ 55,751,148	$ 11,974,534	$ -	$ 67,725,682
Equity & debt securities	41,646	-	-	41,646
Beneficial interest in trusts	37,562,304	9,306,903	4,580,026	51,449,233
Alternative strategies	-	-	714,379	714,379
Real estate	-	219,645	-	219,645
Mineral interests	25,932	-	250	26,182
	$ 93,381,030	$ 21,501,082	$ 5,294,655	$ 120,176,767

3. CASH AND INVESTMENTS (Continued)

<u>Fair Value Measurements</u> <u>(Continued)</u>

The following table sets forth a summary of changes in the fair value of Level 3 assets for the year ending December 31, 2013:

Beginning balance	$	6,501,562
Asset changes		(1,103,396)
Income		46,812
Realized loss		(71,386)
Unrealized gain		(78,937)
Ending balance	$	5,294,655

4. RECEIVABLES

<u>Accounts Receivable</u>

Accounts receivable includes fees from public and private sources to assist in the cost of childcare.

	2014		2013	
Accounts receivable	$	743,085	$	374,667
Allowance for uncollectible accounts		(8,686)		(12,764)
	$	734,399	$	361,903

<u>Contributions</u>

Contributions receivable consists of the following:

	2014		2013	
Unrestricted donations receivable	$	150,712	$	111,998
Permanently restricted donations receivable		6,000		-
Unrestricted pledges		168,097		181,366
Temporarily restricted pledges		476,840		828,290
Permanently restricted pledges		850		2,850
Split interest gifts		3,019,893		2,849,373
Total receivables		3,822,392		3,973,877
Allowance for uncollectible pledges		(79,876)		(65,671)
Unamortized discount on pledges		(10,219)		(15,458)
Total	$	3,732,297	$	3,892,748

In calculating the present value of the long-term pledges, PCHAS used the IRS discount rate of the month for December. The rate applied to the pledges was based on the year in which the pledge was made. The rates are as follows:

IRS Discount Rate

Year	Rate	Year	Rate	Year	Rate
2004	4.2%	2009	3.2%	2012	1.2%
2007	5.0%	2010	1.8%	2013	2.0%
2008	3.4%	2011	1.6%	2014	2.0%

4. RECEIVABLES (Continued)

Contributions (Continued)

PCHAS is the beneficiary in several split interest agreements. PCHAS is not the trustee nor does PCHAS exercise control over the assets of the trusts, but has been named as the remainder beneficiary. A receivable is recorded for the value provided by the third party trustee, which is the difference between the present value of expected future payments to the specified beneficiary and the market value of the assets. The change in fair value from 2013 to 2014 is an increase of $152,792 and from 2012 to 2013 was an increase of $388,854.

Total contribution receivables expected to be received within one year total $2,294,740; between one to five years $969,282 and longer than 5 years are $558,370.

Estates

PCHAS is the beneficiary in several estates that are pending distribution. Receivables from estates total $2,631,689 and $502,446, as of December 31, 2014 and 2013, respectively. Amounts expected to be received within one year are $2,590,670 and between one and five years $41,019.

Notes Receivable

As of December 31, 2014 and 2013, the balance in notes receivable includes principal and accumulated interest of $691,712 and $667,190 due from a note to Presbyterian Children's Homes and Services of Missouri (PCHAS-MO), a Missouri nonprofit corporation, and $4,296 and $4,078 due from others, respectively. In January of 2013, PCHAS-TX and PCHAS-MO entered into an affiliation agreement that is expected to provide mutual benefit to the organizations. PCHAS-TX has extended an $850,000 line of credit to PCHAS-MO. Interest accrues at the rate of prime plus 0.5%. The line of credit is scheduled to mature on December 31, 2016.

5. ENDOWMENT FUNDS

PCHAS's endowment consists of a number of individual funds established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor imposed restrictions.

Interpretation of Relevant Law

The Board of Trustees of PCHAS has interpreted the Texas Uniform Prudent Management of Institutional Funds Act (TUPMIFA) as requiring the preservation of the purchasing power (real value) of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, PCHAS classifies as permanently restricted net assets (1) the original value of gifts donated to the permanent endowment, (2) the original value of subsequent gifts to the permanent endowment, (3) 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, and (4) the portion of investment return added to the permanent endowment to maintain its purchasing power. For purposes of determining that portion, each year PCHAS adjusts permanently restricted net assets by an amount determined to be reasonable for use in the operations but also provide for the change in the average Consumer Price Index (CPI). If the endowment assets earn investment returns beyond the

5. ENDOWMENT FUNDS (Continued)

Interpretation of Relevant Law (Continued)

amount necessary to maintain the endowment assets' real value, that excess is maintained as endowment assets in permanently restricted net assets until appropriated by the Board for expenditure. In accordance with TUPMIFA, PCHAS considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds.

1) The duration and preservation of the fund;
2) The purposes of the organization and the donor-restricted endowment fund;
3) The general economic conditions;
4) The possible effect of inflation or deflation;
5) The expected total return from income and the appreciation of investments;
6) Other resources of the organization;
7) The investment policies of the organization.

Endowment Net Asset Classification by Type of Fund as of December 31, 2014

Endowment Type	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor restricted	$ -	$ 3,151,538	$ 62,853,059	$ 66,004,597
Board designated	57,364,537	-	-	57,364,537
Total investments	$ 57,364,537	$ 3,151,538	$ 62,853,059	$ 123,369,134

Changes in Endowment Net Assets for the Fiscal Year Ended December 31, 2014

Endowment Assets	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Beginning balance	$ 57,144,151	$ 3,130,222	$ 60,434,157	$ 120,708,530
Investment return				
Investment return	715,274	75,261	-	790,535
Net appreciation realized & unrealized	2,107,001	204,372	292,781	2,604,154
Total investment return	2,822,275	279,633	292,781	3,394,689
Contributions	-	-	2,126,121	2,126,121
Appropriation of endowment assets for expenditure	24,683	-	-	24,683
Transfer to undesignated	(2,626,572)	(258,317)	-	(2,884,889)
Ending balance	$ 57,364,537	$ 3,151,538	$ 62,853,059	$ 123,369,134

5. ENDOWMENT FUNDS (Continued)

Endowment Net Asset Classification by Type of Fund as of December 31, 2013

Endowment Type	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor restricted	$ -	$ 3,130,222	$ 60,434,157	$ 63,564,379
Board designated	57,144,151	-	-	57,144,151
Total investments	$ 57,144,151	$ 3,130,222	$ 60,434,157	$ 120,708,530

Changes in Endowment Net Assets for the Fiscal Year Ended December 31, 2013

Endowment Assets	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Beginning balance	$ 50,325,301	$ 2,453,812	$ 54,492,882	$ 107,271,995
Investment return				
Investment return	655,617	67,838	-	723,455
Net appreciation realized & unrealized	8,833,936	852,403	5,755,845	15,442,184
Total investment return	9,489,553	920,241	5,755,845	16,165,639
Contributions	-	-	185,430	185,430
Appropriation of endowment assets for expenditure	16,382	-	-	16,382
Transfer to undesignated	(2,687,085)	(243,831)	-	(2,930,916)
Ending balance	$ 57,144,151	$ 3,130,222	$ 60,434,157	$ 120,708,530

Return Objectives and Risk Parameters

PCHAS has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to result in high yields while assuming a moderate level of investment risk. PCHAS expects its endowment funds, over time, to provide an average rate of return of approximately eight (8) percent annually. Actual returns in any given year may vary from this amount.

6. FIXED ASSETS

Property and equipment consist of the following at year-end:

	Balance 12/31/2013	Additions/ Transfers	Deletions/ Transfers	Balance 12/31/2014
Land	$ 1,038,596	$ -	$ (78,788)	$ 959,808
Buildings and improvements	10,242,249	1,324,809	(346,165)	11,220,893
Furniture and equipment	626,165	7,536	(8,181)	625,520
Vehicles	152,790	-	(134,743)	18,047
Capital work in progress	430,856	870,522	(1,301,378)	-
Total fixed assets	12,490,656	2,202,867	(1,869,255)	12,824,268
Less: accumulated depreciation	(6,368,647)	(353,387)	217,170	(6,504,864)
Net fixed assets	$ 6,122,009	$ 1,849,480	$ (1,652,085)	$ 6,319,404

Depreciation expense totaled $353,387 in 2014 and $326,540 in 2013. A total of $1,301,378 was transferred from work in progress for the completion of the new Houston Single Parent Family facilities which were completed during 2014.

PCHAS reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No impairments were indicated in 2014 or 2013.

7. NET ASSET CLASSIFICATIONS

<u>Unrestricted</u>

Unrestricted net assets represent resources over which the board has discretionary authority.

<u>Temporarily Restricted</u>

Temporarily restricted net assets include gifts that were received and are designated for a specific use or have a time restriction. When the restrictions are met, the net assets are released from the temporarily restricted fund to the unrestricted fund and reported on the statement of activities.

Temporarily restricted net assets are available for the following purposes:

	2014	2013
Permanent improvements	$ 352,926	$ 692,654
Advanced education	3,572,870	3,381,463
General education	298,261	304,370
Christian education	36,302	29,469
Special services	24,887	24,966
Time restricted	2,596,513	2,634,168
Other	39,911	76,014
Total	$ 6,921,670	$ 7,143,104

7. NET ASSET CLASSIFICATIONS (Continued)

Temporarily Restricted (Continued)

Temporarily restricted net assets were released from donor restrictions by incurring expenses satisfying the following restricted purposes or by expiration of time restrictions:

	2014	2013
Permanent improvements	$ 504,912	$ 404,814
Advanced education	100,583	235,632
General education	53,654	107,596
Christian education	1,879	7,059
Special Services	1,692	-
Time restrictions	425,695	412,295
Other	48,435	327,048
Total	$ 1,136,850	$ 1,494,444

Permanently Restricted

Permanently restricted net assets include endowment funds which PCHAS must hold in perpetuity and can only spend the income. Trusts held by a third party in perpetuity for the benefit of PCHAS are also included in this net asset category. Gains on these investments are available for use as specified by the donor. Permanently restricted net assets categorized by income restriction are as follows:

	2014	2013
Advanced education	$ 4,033,040	$ 4,018,694
General education	2,560,964	2,396,526
Christian education	248,786	244,815
Special services	10,553	10,553
Permanent improvements	1,492,969	1,417,120
Other	75,886	74,071
Undesignated	54,430,861	52,272,378
Total	$ 62,853,059	$ 60,434,157

8. EMPLOYEE DEFINED CONTRIBUTION PLAN

PCHAS has established a 403(b) defined contribution plan to purchase annuity contracts for its employees in order to provide funds for their retirement or for their beneficiaries in the event of their death. All employees are eligible to contribute by voluntary salary reduction upon employment. All employees are eligible to receive employer contributions upon completion of one year of service or 1,000 hours of service in a twelve month period. Upon meeting eligibility requirements to receive employer contributions, PCHAS will contribute an amount equal to 3% of each employee’s base salary as a non-matching contribution. PCHAS will make additional matching contributions based upon 200% of an employee’s participation in the plan through a voluntary salary reduction up to a total match of 6%. PCHAS contributed $476,737 and $456,143 to the plan on behalf of employees during the year ended December 31, 2014 and 2013, respectively. No significant changes were made to the plan.

9. SUBSEQUENT EVENTS

Management of PCHAS has evaluated subsequent events through May 27, 2015, the issuance date of this report. Consequently, there are no particular events that have any effect related to the financial position of the organization for the year ending December 31, 2014 and do not require additional disclosure.

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SUPPLEMENTAL SCHEDULE

PRESBYTERIAN CHILDREN'S HOMES AND SERVICES

SCHEDULE OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2014

	Residential Programs				
Classification	Group Home Programs	Single Parent Programs	Foster Care & Adoption Services	Child & Family Programs	Advanced & Student Education
Aftercare	$ -	$ -	$ -	$ -	$ 1,578
Allowance	18,316	-	-	-	30,750
Association dues & fees	760	132	2,363	2,300	83
Bad debt expense	-	-	-	-	-
Bank service fees	153	-	-	171	-
Campus activities	8,023	-	-	-	-
Charitable giving	4,000	-	-	-	-
Children's gifts	33,421	1,675	7,996	-	3,647
Christian education	1,371	322	-	186	-
Clothing	39,101	798	30	-	-
Computer	43,712	3,408	26,900	19,150	9,068
Daycare	300	5,665	-	-	-
Depreciation	235,326	39,515	17,221	1,719	3,608
Employee relations	1,355	24	1,231	671	9
Entertainment & hospitality	5,966	1,682	15,879	7,148	418
Estate administration	-	-	-	-	-
Food	161,111	3,921	-	-	-
Foster care fees	-	-	1,292,784	-	-
Furniture and equipment	14,337	47,058	3,898	1,770	64
Grooming & personal care	11,169	580	70	-	-
Grounds maintenance	11,521	3,825	3,380	-	-
Housekeeping supplies	36,224	12,476	1,298	154	80
Insurance	95,411	28,528	64,824	30,180	8,626
Interest & financing fees	60	5	25	-	-
Legal	-	-	9,415	-	-
Licensing expense	4,455	-	1,028	-	-
Mailing services	-	-	-	-	-
Medical care	5,139	120	4,543	-	319
Miscellaneous	868	92	248	50	-

Total Program Services	Fundraising	Management and General	Total Support Services	Total
$ 1,578	$ -	$ -	$ -	$ 1,578
49,066	-	-	-	49,066
5,638	692	13,775	14,467	20,105
-	-	10,467	10,467	10,467
324	-	67,005	67,005	67,329
8,023	-	-	-	8,023
4,000	-	-	-	4,000
46,739	-	-	-	46,739
1,879	-	-	-	1,879
39,929	-	-	-	39,929
102,238	40,661	17,994	58,655	160,893
5,965	-	-	-	5,965
297,389	15,140	40,858	55,998	353,387
3,290	695	1,138	1,833	5,123
31,093	7,322	2,236	9,558	40,651
-	-	22,648	22,648	22,648
165,032	-	-	-	165,032
1,292,784	-	-	-	1,292,784
67,127	1,158	506	1,664	68,791
11,819	-	-	-	11,819
18,726	-	-	-	18,726
50,232	4,262	2,610	6,872	57,104
227,569	22,603	55,414	78,017	305,586
90	-	-	-	90
9,415	-	2,669	2,669	12,084
5,483	-	-	-	5,483
-	33,634	-	33,634	33,634
10,121	-	-	-	10,121
1,258	19	146	165	1,423

(continued)

PRESBYTERIAN CHILDREN'S HOMES AND SERVICES

SCHEDULE OF FUNCTIONAL EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 2014

Classification	Residential Programs: Group Home Programs	Residential Programs: Single Parent Programs	Residential Programs: Foster Care & Adoption Services	Child & Family Programs	Advanced & Student Education
Office supplies	15,844	2,059	16,431	6,297	438
Outreach	-	12,235	6,313	190,471	-
Personnel - salaries	1,703,637	183,421	1,790,266	1,137,663	220,269
Personnel - benef & taxes	576,305	53,662	478,221	347,490	44,443
Photography	149	-	3	84	-
Post adoption services	-	-	549	-	-
Postal & delivery fees	1,917	75	2,387	1,851	265
Printing services	-	-	217	-	-
Program supplies	3,387	838	6,408	3,130	857
Public relations	72	12	6,390	164	4
Professional services	16,510	19,627	66,071	24,993	2,046
Recreation	42,510	3,940	-	-	-
Recruiting	8,768	559	8,050	3,918	1,492
Rent	107,199	15,580	112,546	45,294	13,237
Room & board - college	-	-	-	-	15,180
Repairs & maintenance	165,822	784	14,886	2,080	1,559
Safety program	9,457	1,119	14,962	1,018	356
School activities	4,479	-	-	-	-
School supplies	4,078	147	-	4,937	4,449
Senior retreat	-	-	-	-	1,870
Special events	3,136	331	717	1,255	-
Staff training	5,307	411	27,720	4,329	1,605
Taxes	-	-	-	-	-
Telephone	27,731	5,942	34,361	30,039	2,682
Therapy/psychiatric care	7,661	-	-	9,175	700
Transp - maintenance	31,477	1,930	9,876	4,836	1,068
Transp - gasoline	72,849	2,377	21,227	16,186	1,767
Travel - children/clients	157	279	455	2	466
Travel	12,321	3,139	105,242	108,364	6,248
Tuition and fees	-	426	-	-	26,082
Utilities	232,350	27,731	10,013	2,022	932
Total	$ 3,785,222	$ 486,450	$ 4,186,444	$ 2,009,097	$ 406,265

Total Program Services	Fundraising	Management and General	Total Support Services	Total
41,069	5,678	5,816	11,494	52,563
209,019	-	-	-	209,019
5,035,256	752,709	840,588	1,593,297	6,628,553
1,500,121	175,044	221,920	396,964	1,897,085
236	123	-	123	359
549	-	-	-	549
6,495	59,967	2,964	62,931	69,426
217	80,837	-	80,837	81,054
14,620	-	-	-	14,620
6,642	11,753	-	11,753	18,395
129,247	57,430	79,444	136,874	266,121
46,450	-	-	-	46,450
22,787	2,985	-	2,985	25,772
293,856	10,506	9,819	20,325	314,181
15,180	-	-	-	15,180
185,131	10,915	14,555	25,470	210,601
26,912	966	133	1,099	28,011
4,479	-	-	-	4,479
13,611	-	-	-	13,611
1,870	-	-	-	1,870
5,439	26,043	-	26,043	31,482
39,372	2,664	1,245	3,909	43,281
-	-	37,394	37,394	37,394
100,755	9,581	6,841	16,422	117,177
17,536	-	-	-	17,536
49,187	1,914	1,281	3,195	52,382
114,406	5,046	3,571	8,617	123,023
1,359	-	-	-	1,359
235,314	56,834	35,308	92,142	327,456
26,508	-	-	-	26,508
273,048	4,159	5,752	9,911	282,959
$ 10,873,478	$ 1,401,340	$ 1,504,097	$ 2,905,437	$ 13,778,915

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