

Contributions and investments soar in 2017

By Todd Fuller, CFO

Investments increased as the markets rallied in 2017. At the same time, the foundation received several substantial estate gifts to assist ministries and provide scholarships for students. We realize the market gains will not indefinitely continue. However, we hope individual giving will remain strong, as long as Christian stewards continue to contribute through estate plans and gifts of cash, real estate, stocks and bonds, retirement accounts, life insurance and much more.



For this reason, the foundation increased its efforts in 2017, to encourage Christian stewardship while providing opportunities for individuals to make a long-lasting impact with their accumulated resources.

Throughout the year, the foundation also relied on Vanguard's investment expertise related to our goal of investing for long-term growth with a cost-effective approach. As a result, the managed funds exceeded \$146 million by year end.

We certainly have much to celebrate as the foundation's opportunity to serve others elevated to new heights in 2017. In the coming years, we hope to continue the work of moving the mission forward for individuals and churches.

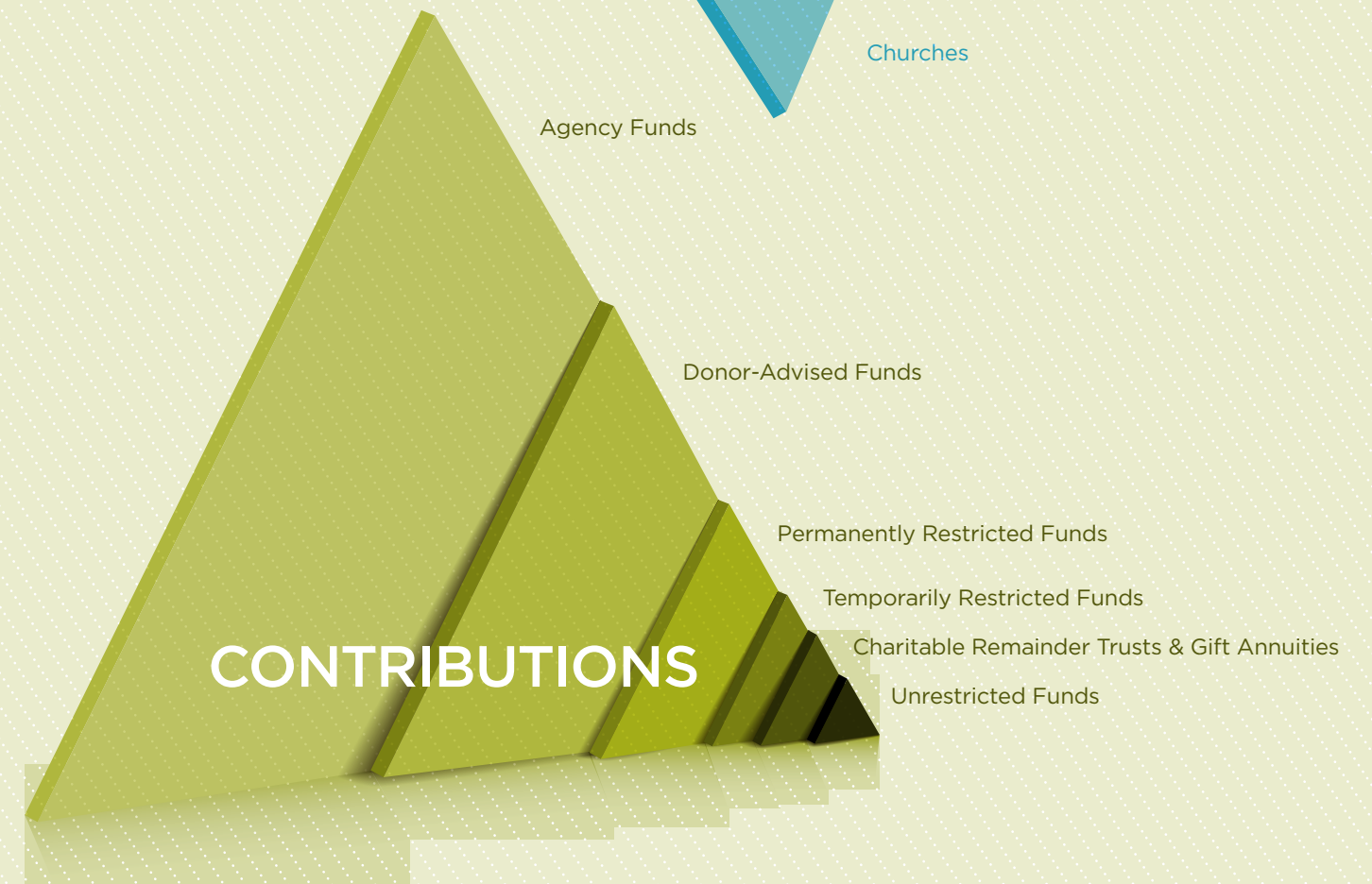
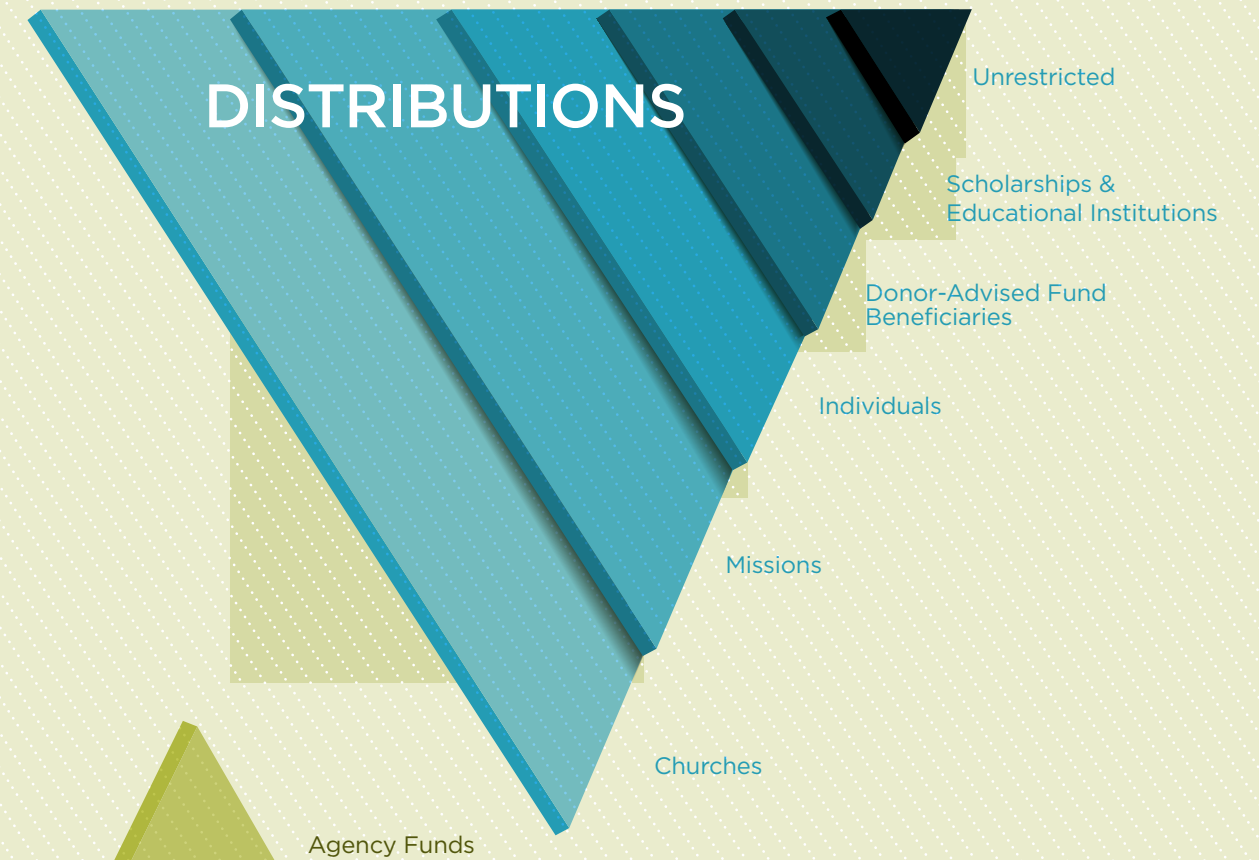
DISTRIBUTIONS

| | | |
|---|-----|--------------------------|
| Churches | 33% | \$1,979,992 |
| Missions | 29% | \$1,760,978 |
| Individuals | 16% | \$944,745 |
| Donor-Advised Fund Beneficiaries | 11% | \$665,332 |
| Scholarships & Educational Institutions | 6% | \$357,943 |
| Unrestricted | 5% | \$327,543 |
| | | Total \$6,036,533 |

CONTRIBUTIONS

| | | |
|--|-----|--------------------------|
| Agency Funds | 51% | \$2,769,400 |
| Donor-Advised Funds | 37% | \$1,970,327 |
| Permanently Restricted Funds | 9% | \$494,874 |
| Temporarily Restricted Funds | 1% | \$66,275 |
| Charitable Remainder Trusts & Gift Annuities | 1% | \$62,290 |
| Unrestricted Funds | 1% | \$50,466 |
| | | Total \$5,413,632 |

(all information as of 12.31.2017)





REPORT OF INDEPENDENT ACCOUNTANTS

The Officers and Board Members
Virginia Baptist Foundation, Inc.
Richmond, Virginia

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of the Virginia Baptist Foundation, Inc. and Subsidiaries (collectively, the "Foundation"), which comprise the consolidated statements of financial position as of December 31, 2017 and 2016, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Virginia Baptist Foundation, Inc. and Subsidiaries as of December 31, 2017 and 2016, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States.

April 2, 2018
Glen Allen, Virginia

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**VIRGINIA BAPTIST FOUNDATION, INC.
AND SUBSIDIARIES**

Consolidated Statements of Financial Position
December 31, 2017 and 2016

| <u>Assets</u> | <u>2017</u> | <u>2016</u> |
|--|------------------------------|------------------------------|
| Assets: | | |
| Cash and cash equivalents - unrestricted | \$ 211,604 | \$ 112,054 |
| Cash and cash equivalents - restricted | 11,065,493 | 9,923,156 |
| | <u>11,277,097</u> | <u>10,035,210</u> |
| Investment in securities | 134,595,201 | 117,111,462 |
| Investment in real estate | 202,506 | 202,506 |
| Other receivables | 182,311 | 259,184 |
| Prepaid expenses | 28,355 | 39,176 |
| Cash value of life insurance | 133,099 | 139,747 |
| Property and equipment - net | <u>152,554</u> | <u>127,082</u> |
| Total assets | <u>\$ 146,571,123</u> | <u>\$ 127,914,367</u> |
| <u>Liabilities and Net Assets</u> | | |
| Liabilities: | | |
| Accounts payable and accrued liabilities | \$ 293,899 | \$ 263,969 |
| Annuity and split-interest trust obligations | 2,546,463 | 2,469,660 |
| Agency accounts | <u>81,952,493</u> | <u>70,108,539</u> |
| Total liabilities | <u>84,792,855</u> | <u>72,842,168</u> |
| Net assets: | | |
| Unrestricted | 2,233,946 | 1,645,054 |
| Temporarily restricted | 33,829,388 | 27,465,281 |
| Permanently restricted | <u>25,714,934</u> | <u>25,961,864</u> |
| Total net assets | <u>61,778,268</u> | <u>55,072,199</u> |
| Total liabilities and net assets | <u>\$ 146,571,123</u> | <u>\$ 127,914,367</u> |

Your stewardship: Impacting generations for Christ

CHURCHES

Antioch Baptist
Belmont Baptist
Berea Baptist
Bethel Baptist
Bethlehem Baptist
Beulah Baptist
Black Walnut Baptist
Blacksburg Baptist
Blackstone Baptist
Blue River Baptist
Boykins Baptist
Branch's Baptist
Broadus Memorial Baptist
Bruington Baptist
Calvary Baptist, Bowling Green
Calvary Baptist, Charlottesville
Calvary Baptist, Emporia
Calvary Baptist, Newport News
Calvary Baptist, Winchester
Carlisle Avenue Baptist
Cedar Bluff Baptist
Central Baptist, Central Road
Central Baptist, Richmond
Central Hill Baptist
Charles Town Baptist
Chatham Heights Baptist
Chesterfield Baptist
Churchland Baptist
Clifton Forge Baptist
Colonial Heights Baptist
Cool Spring Baptist
County Line Baptist
Crewe Baptist
Crozet Baptist
Culpeper Baptist
Deer Park Baptist
Derbyshire Baptist

Dover Baptist
Downtown Baptist
Effort Baptist
Emmaus Baptist
Ephesus Baptist
Falling River Baptist
Fincastle Baptist
First Baptist, Charlottesville
First Baptist, Danville
First Baptist, Front Royal
First Baptist, Gretna
First Baptist, Jonesville
First Baptist, Newport News
First Baptist, Republican Grove
First Baptist, Richmond
First Baptist, South Hill
First Baptist, Waynesboro
First Baptist, West Point
Fountain Grove Baptist
Four Mile Creek Baptist
Fredericksburg Baptist
Friendship Baptist
Ginter Park Baptist
Glade Spring Baptist
Glebe Landing Baptist
Glen Allen Baptist
Goochland Baptist
Goshen Baptist
Hardy Central Baptist
Hillcrest Baptist
Holland Baptist
Hopewell Baptist
Irvington Baptist
King's Grant Baptist
Lakeside Baptist
Lebanon Baptist
Liberty Baptist
Liberty Christian
Long Branch Baptist
Main Street Baptist
Manly Memorial Baptist

Marion Baptist
Melrose Baptist
Melville Avenue Baptist
Menokin Baptist
Mentow Baptist
Morgans Baptist
Mount Vernon Baptist
New Highland Baptist
New Prospect Baptist
North Bedford Baptist
North Fork Baptist
Oakland Baptist
Oakwood Memorial Baptist
Orange Baptist
Orcutt Baptist
Pocahontas Bassett Baptist
Poplar Springs Baptist
Providence Baptist, Lancaster
Providence Baptist, Red House
Rhoadesville Baptist
Ridge Baptist
River Road Church, Baptist
Rock Hill Baptist
Rocks Baptist
Rose Union Baptist
Ruckersville Baptist
Salem Baptist, Sparta
Samuel Harris Memorial
Second Baptist, Petersburg
Second Baptist, Richmond
Skinquarter Baptist
St. Mark's United Methodist
Starling Avenue Baptist
Straightstone Baptist
Sycamore Baptist
Talbot Park Baptist
The United Baptist
Tomahawk Baptist

Union Baptist
Urbanna Baptist
Vienna Baptist
Walters Baptist
Walnut Grove Baptist
Warrenton Baptist
West End Baptist
West Hampton Baptist
West Lynchburg Baptist
West Side Baptist
Westover Baptist
White Stone Baptist
Woodland Heights Baptist
Zoar Baptist

DONOR-ADVISED FUNDS

All Soul's Charlottesville
Alzheimer's Association
American Foundation for the Prevention of Suicide
Appalachian College of Pharmacy
Appomattox Baptist Association
Area Congregations Together in Service
Baptist General Association of Virginia
Baptist General Association of Virginia, Camp Plankatank
Baptist General Association of Virginia, Disaster Relief - Hurricane Harvey
Baptist Joint Committee
Baptist Theological Seminary at Richmond
Baptist World Alliance
BCM, Virginia Commonwealth University
BCM, Virginia Tech

Bedford Hills Elementary School, Backpack Program
Bethlehem United Methodist
Billy Graham Evangelistic Association
Blacksburg Baptist Church
Bluefield College
Bon Air Baptist Church - The Village
Bonsack Baptist Church
Bowling Green Fire & Rescue
Camp Alkulana
Camp Concord
Care Ministries - Food Pantry
Caroline Care Group
Central Virginia Community College
Chesterfield Baptist Church
ChildHelp Inc.
Church Hill Activities & Tutoring
College Hill Baptist Church
Communities in Schools of Richmond, Inc.
Cooperative Baptist Fellowship
Covington Baptist Church
CRM Empowering Leaders
Dabo's All In Team Foundation
Dendron Baptist Church
Derbyshire Baptist Church
Duke University
Eastern NC Poverty Network
Eastern Star Home of Virginia
FeedMore

First Baptist Church, Gretna
First Baptist Church, Richmond
First Baptist Church, Waynesboro
First United Methodist Church of Champaign
Focus on the Family
Friends of Mukhanyo
Full Circle Grief Center
Gardner-Webb University
General Church Resource Association of United Methodist
George Washington National Masonic Memorial
Gideon's International
Glen Allen Baptist Church
GlobalGiving
God's Bible School and College
Henrico Police Athletic League
HopeTree Family Services
In His Wakes
International Mission Board
Interserve USA
James Madison University
Lee-McRae College
Liberty University
Main Street Baptist Church
Mary Washington Hospice
Masonic Home of Virginia
Millers Creek United Methodist Church
Mountain Empire Community College
Nazareth Evangelical College

Net Research Foundation
New Tribes Mission
Nigeria Baptist Association
North American Mission Board
North Carolina Fallen Firefighters Foundation
North Carolina Public Television Foundation
Oak Hill Academy
Occoneechee Council, Boy Scouts of America
Okatie Baptist Church
Old Hickory Council, Boy Scouts of America
Paralyzed Veterans of America
Petersburg Baptist Association
Poplar Springs Baptist Church
Pregnancy Resource Center Metro Richmond
Providence Baptist Church
Radford University
Relationship Foundation of Virginia
Richmond Center for Christian Study
Richmond Community ToolBank
Richmond Police Foundation
Richmond Symphony
River Road Church, Baptist
Saint Jude Research Children's Hospital
Salem Baptist Church
Salvation Army - Alleghany Highlands
Samaritan's Purse
Sandston Baptist Church
Shalom Baptist Church
Shriner's Hospital for Children
Southampton Baptist Church
Southeastern Baptist Theological Seminary
Southwest Virginia Community College
Spiritual Twist Productions
SwimRVA
The First Tee of Richmond
The Fuller Center for Housing
The Luv U Project

The Washington School for Girls
Union Mission of Roanoke Rapids
Union University
United Way of Greater Richmond
Victorious Living
Virginia Baptist Committed
Virginia Baptist Homes Foundation
Virginia Counselors Association Foundation
Virginia Institute of Pastoral Care
Virginia Wesleyan University
Wake Christian Academy
Walden University
War Horse for Veterans
Waynesboro Women's Club
West Lynchburg Baptist Church
Westminster Canterbury Foundation
Wilkes County Library
Wilkes Heritage Museum
Wycliffe Bible Translators
Yadkin River Greenway
Youth Life Foundation of Richmond

MISSION AGENCIES

Appomattox Baptist Association
Augusta Baptist Association
Baptist Collegiate Ministries
Baptist Extension Board
Baptist General Association of Virginia
Baptist Joint Committee for Religious Liberty
Baptist Ministry Assistants of Virginia
Baptist News Global
Baptist World Alliance
BCM, Longwood University
BCM, University of Mary Washington
BCM, Virginia Tech
Bethel Baptist Church Memorial Association
Camp Alkulana

Concord Baptist Association
Cooperative Baptist Fellowship
Dover Baptist Association
Eagle Eyrie Baptist Conference Center
Eastover Baptist Assembly
HopeTree Family Services
International Mission Board
Lakewood Manor
Lebanon Baptist Association
LifeSpire
Lynchburg Baptist Association
Middle District Baptist Association
North American Mission Board
NorthStar Church Network
Petersburg Baptist Association
River City Faith Network
Roanoke Valley Baptist Association
Stateline Baptist Assembly, Inc.
Virginia Baptist Foundation
Virginia Baptist Historical Society
Virginia Baptist Homes Foundation
Woman's Missionary Union Of Virginia

OTHERS

Altavista Volunteer Fire Department
American Bible Society
American Cancer Society
American Diabetes Association
American Red Cross
Americans United For Separation Of Church and State
Annandale Christians for Community Action
Baptist Temple Church Endowment Fund
Billy Graham Evangelistic Association
Brookneal Volunteer Fire Department

Centra Health Foundation
Children's Bible Ministries of Virginia, Inc.
Children's Home Society Of Virginia
Children's Hospital
Christmas Mother's Fund
Connie Maxwell Children's Home
County of Stafford
Crewe-Burkeville Recreation
Crewe Church of the Nazarene
Crewe Volunteer Fire Department
Culpeper County Library
Culpeper Regional Hospital
Edmarc Hospice For Children
Evington Volunteer Fire Department
FBC, Richmond Benevolent Association
Gladys Volunteer Fire Department
Gretna Volunteer Fire Department
Guidestone Financial Resources
Habitat for Humanity, Altavista/Campbell County
Hurt Volunteer Fire Department
Masonic Home
Nottoway County Emergency Squad
Nottoway County Weekday Religious Program
Oasis Social Ministry
Patrick Henry Boys & Girls Homes
Pleasant View Homes, Inc.
Relationship Foundation of Virginia
Renan Volunteer Fire Department
Revitalization for Greater Gretna
Salvation Army
Sheltering Arms
Shriner's Hospital for Children
The Cameron Foundation
The Hermitage at Cedarfield
The United Baptist Church Foundation Inc.

Tidewater Teachers Music Forum
Town of Burkeville
Town of Crewe
United Methodist Foundation
Virginia Tech Foundation, Inc.
Virginia United Methodist Homes, Inc.
Waynesboro/Augusta Woman's Club Foundation
World Literature Crusade
World Vision, International

SCHOOLS

American Public University
Averett University
Baptist Theological Seminary at Richmond
Bethel College
Bluefield College
Bluefield State College
Bucknell University
California Baptist University
Campbell University Divinity School
Central Baptist Theological Seminary
Central Virginia Community College
Christopher Newport University
Clear Creek Baptist Bible College
Clemson University
East Tennessee State University
Eastern Mennonite University
Fork Union Military Academy
Gardner-Webb University
George Mason University
Georgetown College
Gordon-Conwell Theological Seminary
Hampden-Sydney College
Hargrave Military Academy
Howard University
James Madison University

John Tyler Community College
Le Tourneau University
Liberty University
Lincoln Memorial University College of Veterinary Medicine
Longwood University
Louisiana State University
Lynchburg College
Marshall University
Mercer University
Milligan College
New Orleans Baptist Theological Seminary
North Carolina State University
Oak Hill Academy
Oasis Social Ministry
Old Dominion University
Ouachita Baptist University
Radford University
Randolph-Macon College
Rappahannock Community College
Regent University
Richard Bland College
Shenandoah University
Southeastern Baptist Theological Seminary
Southern Baptist Theological Seminary
Southwest Baptist Theological Seminary
Southwest Virginia Community College
Stetson University
The College of William and Mary
Tidewater Community College
Union University
University of Mary Washington
University of Richmond
University of Virginia
Vanderbilt Divinity School
Virginia Commonwealth University
Virginia Military Institute
Virginia Tech
Virginia Wesleyan University
Wake Forest Divinity School
West Virginia University
Widener University