EVANGELICAL PRESBYTERIAN CHURCH
403(B)(9) DEFINED CONTRIBUTION RETIREMENT PLAN
Orlando, Florida

FINANCIAL STATEMENTS
June 30, 2017 and December 31, 2016

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INDEPENDENT AUDITORS' REPORT

General Assembly and
Board of Directors of EPC Benefit Resources, Inc.
Evangelical Presbyterian Church
403(b)(9) Defined Contribution Retirement Plan
Orlando, Florida

We have audited the accompanying financial statements of Evangelical Presbyterian Church 403(b)(9) Defined Contribution Retirement Plan (the Plan), which comprise the statements of net assets available for benefits - modified cash basis as of June 30, 2017 and December 31, 2016, and the related statements of changes in net assets available for benefits - modified cash basis for the period January 1, 2017 to June 30, 2017 and the year January 1, 2016 to December 31, 2016, 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 modified cash basis of accounting described in Note 2; this includes determining that the modified 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.

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 Plan'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 Plan'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.

General Assembly and
Board of Directors of EPC Benefit Resources, Inc.
Evangelical Presbyterian Church
403(b)(9) Defined Contribution Retirement Plan

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits - modified cash basis of the Plan as of June 30, 2017 and December 31, 2016, and the changes in net assets available for benefits - modified cash basis for the for the period January 1, 2017 to June 30, 2017 and the year January 1, 2016 to December 31, 2016, in accordance with the basis of accounting 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 modified 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 that matter.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Orlando, Florida
February 26, 2018

EVANGELICAL PRESBYTERIAN CHURCH
403(B)(9) DEFINED CONTRIBUTION RETIREMENT PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS -
MODIFIED CASH BASIS
June 30, 2017 and December 31, 2016

	2017	2016
ASSETS		
CASH	$ 178,566	$ 80,230
INVESTMENTS, AT FAIR VALUE		
Mutual funds	106,350,865	94,731,598
Money market funds	5,110,683	5,266,886
Self-directed brokerage funds	2,748,701	2,302,330
Total investments	114,210,249	102,300,814
NET ASSETS AVAILABLE FOR BENEFITS	$ 114,388,815	$ 102,381,044

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

EVANGELICAL PRESBYTERIAN CHURCH
403(B)(9) DEFINED CONTRIBUTION RETIREMENT PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS -
MODIFIED CASH BASIS
Period and Year Ended June 30, 2017 and December 31, 2016

	2017	2016
ADDITIONS TO NET ASSETS ATTRIBUTED TO:		
Investment income:		
Dividends and interest	$ 1,190,762	$ 3,305,588
Net appreciation in fair value of investments	8,774,554	2,963,341
Total investment income	9,965,316	6,268,929
Contributions:		
Church employer contributions	3,503,340	7,037,111
Participant contributions	902,481	1,641,728
Rollover contributions	183,031	377,017
Total contributions	4,588,852	9,055,856
Total additions	14,554,168	15,324,785
DEDUCTIONS FROM NET ASSETS ATTRIBUTED TO:		
Benefits paid directly to participants	2,501,427	2,592,780
Administrative expenses	44,970	119,258
Total deductions	2,546,397	2,712,038
NET INCREASE	12,007,771	12,612,747
NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF PERIOD/YEAR	102,381,044	89,768,297
NET ASSETS AVAILABLE FOR BENEFITS, END OF PERIOD/YEAR	$ 114,388,815	$ 102,381,044

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

NOTE 1 - DESCRIPTION OF THE PLAN

The following description of the Evangelical Presbyterian Church 403(b)(9) Defined Contribution Retirement Plan (the Plan) provides only general information. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution 403(b) plan pursuant to the Internal Revenue Code (IRC) Section 403(b)(9) and was most recently amended and restated effective January 1, 2017. The Plan is also intended to be a "church plan" within the meaning of Section 414(e) of the IRC and Section 3(33) of the Employee Retirement Income Security Act of 1974 (ERISA), and is therefore, exempt from ERISA. Effective January 1, 2017, the newly formed EPC Benefit Resources, Inc. (EPC BRI), a wholly owned subsidiary of the Evangelical Presbyterian Church (the Church), shall act as the Plan Administrator and trustee and shall be responsible for the administration of the Plan. The Plan name was also changed from Evangelical Presbyterian Church 403(b) Defined Contribution Retirement Plan and the EPC 403(b)(9) Defined Contribution Retirement Trust was established to hold the assets of the Plan. For the year ended December 31, 2016, the Board of Benefits of the Church was the Plan Administrator and trustee. Member churches and organizations that employ ministers credentialed by the Church, as defined, (individually and collectively “Employer”) may adopt the Plan.

Eligibility

The Plan is available to any employees of the Employer. Any employee will be eligible to become a participant in the Plan on the date the participant meets the particular member church’s eligibility conditions to become a participant. The Employer’s eligibility conditions shall be set forth in its individual adoption agreement or in such other written document as may be permitted by the Plan Administrator.

Contributions

The Plan is fully funded from contributions received from participants in salary reduction agreements or Employers on behalf of their employees. Employee contributions may be pre-tax or Roth contributions, as elected by the employee. The Employer's contribution conditions shall be set forth in its individual adoption agreement or in such other written document as may be permitted by the Plan Administrator. The Employer is required to make a contribution of not less than 10% of base salary plus housing allowance for ordained pastors of the Church. The Plan allows participants to contribute amounts representing distributions from other qualified defined benefit or contribution plans (rollovers).

Neither the Plan trustees nor the Church shall be required to determine if the Employer has made a contribution or if the amount contributed is in accordance with the resolution or other Employer action adopting this Plan or the IRC. The Employer shall have sole responsibility in this regard.

NOTE 1 - DESCRIPTION OF THE PLAN (continued)

Participant Accounts

Each participant's account is credited with the participant's contributions and allocations of Employer contributions, if any, Plan earnings (losses) and administrative expenses. Allocations are based on participant compensation, participant earnings or account balances, or participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account balance.

Vesting

Participants are immediately vested in all contributions plus actual earnings thereon.

Payment of Benefits

On termination of service due to death, retirement or other reasons, a participant with a vested balance of less than $1,000 will receive a lump sum distribution without the participant's consent. If the balance of the terminated participant's account is between $1,000 and $5,000, the Plan Trustee may authorize that the benefit payment be rolled into an individual retirement account in the participant's name. Terminated participants or their beneficiaries who have a balance greater than $5,000 will receive the total vested balance in a joint and survivor annuity, unless the participant elects, with consent of their spouse, to receive the benefit in a lump sum, installment distribution, eligible direct rollover to an eligible retirement plan or to leave the balance in the Plan until minimum distribution is required. Participants may withdraw voluntary or Employer contributions from their accounts by reason of financial hardship under specific guidelines set forth in the Plan. Distributions for housing allowance are also allowed for participants who are a minister of the gospel as defined in IRC Section 107. The Plan also allows for in-service distributions if a participant reaches the normal retirement age of 59 ½.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accounting records of the Plan are maintained on the modified cash basis of accounting whereby revenue and the related assets are recognized when received rather than when earned, and expenses are recognized when paid rather than when the obligation is incurred.

Use of Estimates in Preparing Financial Statements

The preparation of financial statements in accordance with the modified cash basis of accounting requires the Plan's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and the disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment Valuation and Income Recognition

Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the period or year.

Payment of Benefits

Benefits are recorded when paid.

Administrative Expenses

Certain expenses of maintaining the Plan are paid directly by the Employer or Church and are excluded from these financial statements. Transaction charges for benefit payment transactions are paid by the Plan by reducing the balances of participants initiating the transactions. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent Events

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

NOTE 3 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value 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) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

NOTE 3 - FAIR VALUE MEASUREMENTS (continued)

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, such as:

- Quoted prices for similar assets or liabilities in active market;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liabilities;
- 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 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The 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 June 30, 2017 and December 31, 2016.

Mutual Funds and Unit Investment Trusts: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds and are deemed to be actively traded. Mutual funds and unit investment trusts are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price.

Money Market Funds: Valued at a stable $1.00 NAV per unit held, which is the value at which the fund is traded and approximates fair value of the underlying investments.

Self-Directed Brokerage Account: Self-directed brokerage accounts consist of mutual funds, unit investment trusts, and money market funds that are valued on the basis of readily determinable market prices.

NOTE 3 - FAIR VALUE MEASUREMENTS (continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of June 30, 2017 and December 31, 2016:

	2017			
	Level 1	Level 2	Level 3	Total
Money Market Funds	$ 5,110,683	$ -	$ -	$ 5,110,683
Mutual Funds	106,350,865	-	-	106,350,865
Self-Directed Brokerage Account	2,748,701	-	-	2,748,701
Total Investments at Fair Value	$ 114,210,249	$ -	$ -	$ 114,210,249

	2016			
	Level 1	Level 2	Level 3	Total
Money Market Funds	$ 5,266,886	$ -	$ -	$ 5,266,886
Mutual Funds	94,731,598	-	-	94,731,598
Self-Directed Brokerage Account	2,302,330	-	-	2,302,330
Total Investments at Fair Value	$ 102,300,814	$ -	$ -	$ 102,300,814

NOTE 4 - PLAN TERMINATION

Although it has not expressed intent to do so, the Plan trustees may, subject to the prior approval of the General Assembly of the Church, terminate the Plan and the trust at any time. An adopting Employer may terminate participation in this Plan in accordance with rules and procedures defined by the Plan.

NOTE 5 - RELATED PARTY TRANSACTIONS

Investment related fees incurred by the Plan are included in net appreciation in fair value of the investment. Fees paid by the Plan to Fidelity Management Trust Company (Fidelity), custodian, for administrative costs amounted to $1,964 and $482 for the period and year ended June 30, 2017 and December 31, 2016, respectively. The Plan also reimbursed the Evangelical Presbyterian Church Benefits Plan, a separate plan sponsored by the Church, for Plan administrative and other expenses which were paid for by the Church or for services performed by Church employees on behalf of the Plan, in the amount of $-0- and $58,700 during the period and year ended June 30, 2017 and December 31, 2016, respectively.

NOTE 6 - TAX STATUS

The Plan is intended to be a church plan, as defined in Section 414(e) of the IRC, and is exempt from taxes.

The modified cash basis of accounting requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service (IRS). The Plan administrator believes the Plan is not subject to income tax examinations due to the tax-exempt status.

NOTE 7 - RISKS AND UNCERTAINTIES

The Plan invests in various investment securities which are exposed to various risks such as interest rate, market, and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits - modified cash basis.

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