

SPRING MEETING

Takoma Park, DC, April 4,5, 1979

Minutes of Spring Meeting

GENERAL CONFERENCE COMMITTEE

April 4, 1979, 8:30 a.m.

PRESENT

J J Aitken, T M Ashlock, D H Baasch, G P Babcock, K H Bahr,
W S Banfield, M T Battle, W J Blacker, M J Blair, Gordon T Blandford,
L L Bock, Bill E Boody, C E Bradford, W P Bradley, Marion S Brown,
R H Brown, W J Brown, G O Bruce, A B Butler, E E Carman, G Tom Carter,
J E Chase, Caleb Chinyowa, W O Coe, D A Delafield, S L DeShay, N R Dower,
C O Eldridge, K H Emmerson, Joseph Espinosa, W Duncan Eva, W A Fagal,
R R Frame, C O Franz, C O Frederick, A E Gibb, V S Griffiths,
C E Guenther, W J Hackett, Richard Hammill, J H Hancock, D J Handsides,
F E J Harder, R H Henning, C D Henri, C B Hirsch, Betty Holbrook,
E W Howse, Henry Hsu, E J Humphrey, J N Hunt, G M Hyde, H D Johnson,
F L Jones, M E Kemmerer, J C Kinder, R E Klimes, G E Knowles, J D Koobs,
J A Kroncke, B E Leach, L J Leiske, W R Leshner, N W Litchfield,
Herbert C Liu, M E Loewen, Alf Lohne, Esther J Lowe, E H Mack, E L Marley,
C D Martin, R F Mattison, J W McFarland, A C McKee, J R McKinney,
S F Monnier, T O Moore, W L Murrill, M S Nigri, V N Olsen, R W Olson,
R E Osborn, Walter Ost, W L Pascoe, A J Patzer, E W Pedersen, R L Pelton,
A V Pinkney, Leo Ranzolin, M H Reeder, E S Reile, L L Reile, H L Reiner,
R M Reinhard, E J Remboldt, A H Roth, D A Roth, J D Ruffcorn, R L Sackett,
Cree Sandefur, W C Scales, A E Schmidt, H H Schmidt, Bob Scott, J R Shawver,
H D Singleton, V H Siver, Alice E Smith, Paul G Smith, F A Soper,
J R Spangler, W M Starks, E H J Steed, E M Stiles, Ella May Stoneburner,
C R Taylor, G Ralph Thompson, Ivan R Toews, M C Torkelsen, E L Wall,
A V Wallenkampf, F C Webster, Donald W Welch, F W Wernick, Ruth M White,
A S Whiting, Bruce M Wickwire, R A Wilcox, D B Wildman, Neal C Wilson,
W H Wilson, W R Wollard, F Donald Yost.

A J Patzer led the singing of "Hover O'er Me, Holy Spirit," and L L Reile, President of the Canadian Union, offered prayer.

DEVOTIONAL MESSAGE

Ellsworth S Reile, President of the Central Union, gave the opening address of the 1979 Spring Meeting.

Amid the clamor of many voices claiming our attention and allegiance, let us be attentive to God's call to participate in His program on earth. For this work there is no power in all the world greater than the power of the Holy Spirit which leads us to make the conscious choice of Christ above self, and to witness to others of Christ's ability to change lives.

T O Moore, Executive Director of Northeast Adventist Health Services, offered prayer.

Neal C Wilson, Chairman, welcomed those present for the 1979 Spring Meeting. He also introduced two newly elected members of the General Conference Committee--Joseph Espinosa, Associate Secretary, and Rudolf E Klimes, Associate Director of the Temperance Department.

He extended a special welcome to the leaders of health care institutions who were present, and to Dr and Mrs Herbert Liu of China.

From Treasury/79 SM to KHE

REPORT OF THE TREASURY

K H Emmerson, Treasurer, introduced the financial report for the year ended December 31, 1978.

M E Kemmerer, Undertreasurer, presented the following statements:

- General Conference Tithe Fund Balance Sheet
- General Conference Tithe Fund Statement of Activity and Fund Balance
- General Conference Tithe Fund, Notes to Financial Statements
- General Conference Specific Purpose Fund Balance Sheet
- General Conference Specific Purpose Fund Statement of Activity and Fund Balance
- General Conference Specific Purpose Fund, Notes to Financial Statements
- General Conference Corporation Current Fund and Plant Fund Balance Sheets
- General Conference Corporation Current Fund Statement of Revenues, Expenses and Fund Balance

(Treasury Report - contd)

(M E Kemmerer - contd)

General Conference Corporation Plant Fund Statement of Changes
in Fund Balance

General Conference Corporation Current Fund and Plant Fund, Notes
to Financial Statements

General Conference Association Balance Sheet

(Mention was also made of the North American Conference Corpora-
tion).

W L Murrill, Assistant Treasurer, presented the following statements:

General Conference Retirement Funds Statement of Assets and
Liabilities

General Conference Retirement Funds Statement of Changes in Net
Assets Available for Plan Benefits

General Conference Retirement Funds, Notes to Financial Statements

R E Osborn, Assistant Treasurer, presented the following statements:

General Conference Investment Fund Statement of Assets and Liabilities

General Conference Investment Fund Statement of Operations

General Conference Investment Fund Statement of Changes in Net
Assets

General Conference Investment Fund Portfolio of Investments

General Conference Investment Fund, Notes to Financial Statements

General Conference Income Fund Statement of Assets and Liabilities

General Conference Income Fund Statement of Operations

General Conference Income Fund Statement of Changes in Net Assets

General Conference Income Fund Portfolio of Investments

General Conference Income Fund, Notes to Financial Statements

General Conference International Fund Statement of Assets and
Liabilities

General Conference International Fund Statement of Operations

General Conference International Fund Statement of Changes in Net
Assets

General Conference International Fund Portfolio of Investments

General Conference International Fund, Notes to Financial Statements

Jack E Powers of Maner, Costerisan and Ellis, read all the Auditors'
statements for the above financial statements following each presentation.

VOTED, To accept the Treasury report for the period ended
December 31, 1978, for the General Conference of Seventh-day Adventists,
the financial statements for the Investment Fund, Income Fund, International
Fund, Retirement Plan Fund, the General Conference Corporation of Seventh-
day Adventists, the balance sheet of the General Conference Association
and the Auditors' statements included in the report.

(Financial Statements are on file with the official minutes. Any
General Conference Committee member desiring a copy will receive one on
request).

79-88
April 4, 1979

Spring Meeting

INTRODUCTIONS

M T Battle introduced Caleb Chinyowa who has been a student at Andrews University and is now returning to his homeland, Rhodesia.

S L DeShay presented Brunhilda Alvarez of Puerto Rico who, after completing her medical training at Loma Linda University, returned to her homeland and is now serving as a physician at the Bella Vista Hospital.

OVERVIEW OF MODERN CHINA

Herbert Liu spoke briefly on modern China, touching on agricultural and technological advances that have been made in recent years, and steps in modernization that are planned for the future.

Adjourned

Neal C Wilson, Chairman
M T Battle, Secretary
Martha Horn, Recording Secretary

Spring Meeting

Minutes of Spring Meeting

GENERAL CONFERENCE COMMITTEE

April 4, 1979, 2:30 p.m.

PRESIDENT'S MESSAGE

Neal C Wilson, General Conference President, expressed his concerns in view of the unpredictable future. World developments impel us to take a careful look at our worldwide operation, to take a prudent, frugal, responsible (perhaps even austere) management approach, to adhere strictly to policy and earnestly seek to conduct the work in such a way that each transaction will bear scrutiny and be as "transparent as the sunlight."

He urged leaders to determine if programs, meetings, staffing and travel are cost effective. There are many needs and challenges facing the church. Under the guidance of the Holy Spirit leaders may reduce costs and maintain quality leadership, and by consecrated discernment contribute to a great evangelistic outreach.

From Administration/79 SM

DAILY PROGRAM

VOTED, To adopt the following daily program for the 1979 Spring Meeting of the General Conference Committee:

AM	8:30 - 12:30	Devotional Study and Business Meeting
PM	2:30 - 5:30	Business or Committees

From Publishing/ADCOM/OUP 79-SM/79 SM to AHR

A 2811 ABC AND HHES ACCOUNTING MANUAL--REVIEW COMMITTEE

VOTED, To appoint an ad hoc ABC and HHES Accounting Manual Review Committee, with authorization to meet in St Louis, Missouri, July 15, 1979.

Committee appointed:

Johnson, H D (Chairman)	Dennis, D D
Caldwell, R B (Secretary)	Kinder, J C
Becker, E L	Pound, Ira
Bonner, Allen	Running, A M
Brown, Olice	Skidmore, Bill
Butler, Lois	Strickland, L C
Darnell, Wayne	Trevino, Max

79-90
April 4, 1979

Spring Meeting

From Secretariat/ADCOM/79SM

A 2817 AUDIT COMMITTEE--SPRING MEETING 1979

VOTED, To appoint the following Audit Committee:

Neal C Wilson, Chairman
H D Johnson, Secretary

Adams, W M	Espinosa, Joseph	Olsen, V N
Amundson, E W	Eva, W Duncan	Osborn, R E
Baasch, D H	Frame, R R	Otis, H F Jr
Banfield, W S	Franz, C O	Patzer, A J
Battle, M T	Gibb, A Edwin	Paulson, Mary
Blacker, W J	Hackett, W J	Reile, E S
Blair, M J	Hammill, Richard	Reile, L L
Blehm, W D	Henri, C D	Reinhard, R M
Bock, L L	Humphrey, E J	Rock, C B
Bothe, J W	Johns, Warren L	Roth, D A
Bradford, C E	Johnson, D S	Schmidt, H H
Bruce, G O	Jones, F L	Smith, Paul G
Caldwell, O R	Kemmerer, M E	Smoot, J G
Chase, James E	Leach, B E	Thompson, G Ralph
Coe, W O	Leiske, L J	Torkelsen, M C
Dennis, D D	Lohne, Alf	Webster, F C
DeShay, S L	Marley, E L	Welch, D W
Dower, N R	Murrill, W L	Wernick, F W
Eldridge, C O	Nagele, C J	Williams, R F
Emmerson, K H	Nigri, M S	Wollard, Ross

From Public Affairs/Admin/ADCOM/OUP 79SM to JWB

A 2794 PUBLIC AFFAIRS AND RELIGIOUS LIBERTY
ADVISORY

VOTED, To authorize the local conference Religious Liberty directors from the Central, Lake and Northern Unions to attend the Public Affairs and Religious Liberty Advisory to be held in Minneapolis, Minnesota, October 21-25, 1979.

From NAD Admin/ADCOM/OUP 79SM to JWB

A 2805 REGIONAL PRESIDENTS' MEETING

VOTED, To authorize a Regional Presidents' meeting, August 22, 1979, at Loma Linda, California.

Spring Meeting

79-91
April 4, 1979

From Union Pres/Secretariat/ADCOM/OUP 79SM to JWB

A 2772 NAD DEPARTMENTAL ADVISORIES 1980

VOTED, To authorize General Conference department directors and associates to attend the annual union departmental councils, as requested by union conferences in lieu of holding North American Division Departmental Advisories in 1980.

Adjourned

G Ralph Thompson, Chairman
D S Johnson, Secretary
Martha Horn, Recording Secretary

Spring Meeting

Minutes of Spring Meeting

GENERAL CONFERENCE COMMITTEE

April 5, 1979, 8:30 a.m.

Eugene M Stiles, General Manager of Christian Record Braille Foundation, directed the morning devotional meeting. The opening song was "Some Day the Silver Cord Will Break" and prayer was offered by William Lawson, Treasurer of the Foundation. Special music was "Love Was When" by Chris Etheredge, a blind soloist.

DEVOTIONAL MESSAGE

Mary Puke, a blind proofreader at the Christian Record, told the story of how God led her to work at the Foundation, and how she was guided into the Seventh-day Adventist Church.

"No truth is more clearly taught in the Bible than that God by His Holy Spirit especially directs His servants on earth in the great movements for the carrying forward of the work of salvation."--GC 343.

Robert Wilson offered prayer.

The major portion of the morning was dedicated to the Constituency Meeting of the Christian Record Braille Foundation. Following this, the weekly meeting of the General Conference Committee convened and the following actions were taken.

MINUTES of the meeting held March 29, 1979, were approved, with one amendment.

From Administration/ADCOM/GCC to AHR

A 2821 SPANISH BIBLE TRANSLATION COMMITTEE

VOTED, To appoint the following ad hoc Spanish Bible Translation Committee:

Nigri, M S (Chairman)
Roth, A H (Secretary)
Aeschlimann, Carlos E

Chavez, Daniel
Pereyra, Elbio
Rasi, Humberto M
Vyhmeister, Werner

79-94
April 5, 1979

From Bd of Regents/Bd of Grad Theol Ed/Admin/ADCOM/GCC to AHR

A 2822 AVONDALE COLLEGE--SURVEY COMMITTEE

VOTED, To appoint the following ad hoc Avondale College--Survey Committee for accreditation and permission to offer a post-baccalaureate ministerial program:

Hammill, Richard (Chairman)	Irvine, H T
Brown, W J (Secretary)	Jackson, J
Dunlop, W	Smoot, J G
Eccleston, R A	

Consultants:

Butler, L O	Magnusson, E A
Clifford, G F	Parmenter, K S
Duffy, A N	Taylor, R W

From CA/GCC to Secretariat

COMMITTEE ON APPOINTEES

VOTED, To approve the following:

Appointments

Berbawy, Samir (Afro-Mideast Div national, Pac Un Coll)--Mathematics teacher, Middle East College, Lebanon, Afro-Mideast Division, national returning

Daka, Kebede (Afro-Mideast Div national, Loma Linda U)--Head of Seminary, Ethiopian Adv Coll, Afro-Mideast Division, national returning

Dorsey, Edward (Ft Lauderdale, Florida)--President, Liberian Mission, N Europe-W Africa Division

Greve, Robert Russell (Collegedale, Tenn)--Science teacher, Far Eastern Academy, Singapore, Far Eastern Division

Jacobsen, Donald Gene (Eau Claire, Mich)--Bible teacher, Theological Seminary, Manila, Philippines, Far Eastern Division

Quaille, Frederick (Juneau, Alaska)--Principal, Gabal Asfar Academy, Egypt, Afro-Mideast Division

Storfjell, Bjornar (Berrien Springs, Mich)--Theology teacher, River Plate College, Argentina, South American Division

Whitsett, Kingsley (Grandview, Missouri)--Youth/Temporance Dept director, Ethiopian Union, Afro-Mideast Division.

Calls and Transfers Between Divisions

Daphnis, Jean (Int-Amer Div)--Evangelist, Kasai Project, Zaire, Trans-Africa Division

Nurse (Far East Div)--Abonza Clinic, Ethiopia, Afro-Mideast Division

(Appointees - contd)
(Calls and Transfers)

Palmer, Robert (Aust Div)--Teacher, Language School, Korea, Far Eastern Division, Adv Volunteer Service Corps basis.
Salo, Sirkka (N Eur-W Afr)--Assistant matron, Maluti Hospital, Lesotho, Trans-Africa Division.

Releases

Kimura, Kosaku from call to Japan, Far Eastern Division, national returning. Declined
Montane, Benjamin from appt to Karachi Hospital, Pakistan, Southern Asia Division. Declined
Yamanishi, Teru (Far East national) from appt to Yuka Hospital, Zambia, Trans-Africa Division. Declined
Wier, Fred (LLU M-74) from def appt to Inter-American Division and assignment to Bella Vista Hosp, Puerto Rico. Declined.

Permanent Returns

Astleford, John Thomas (son of D R L Astleford) from Southern Asia Division. Education, effective January 1979
Burchard, Robert Warren from Hongkong Adv Hospital, Far Eastern Division. Family considerations, effective August 1979
Carroll, Donald A from Maluti Hospital, Lesotho, Trans-Africa Division. Division recommendation, effective March 1979
Ward, Martin J former librarian, Bugema Adv Coll, Uganda, Afro-Mideast Division. Rescind return voted March 23, 1978.

From FREC/GCC to MEK

EXCHANGE RATE ADJUSTMENTS

VOTED, To approve the following adjustments in fixed rates of exchange, effective April 1, 1979:

<u>Country</u>		<u>Local Currency</u>	<u>US\$</u>
<u>South American Division</u>			
Argentina	Peso	m/a 1,150.00	.0008696
Brazil	Cruzeiro	\$Cr 23.20	.0431034
Chile	Peso	P 35.50	.0281690
Peru	Sol	S/ 208.00	.0048077
Uruguay	Peso	o/u 7.50	.1333333
<u>North American Division</u>			
Canada	Can. \$	\$C 1.15	.8695652

The rest of the day was dedicated to Spring Meeting items.

79-96
April 5, 1979

Spring Meeting

From OUP 79SM to GRT

A 2655 ADVENTURE IN FAITH OFFERING--CHANGE
OF DATE

VOTED, 1. To change the second date of the 1980 "Adventure in Faith" offering from April 19 to April 12 so as to coincide with the day of fasting and prayer.

2. To suggest to church members the possibility of giving at least the equivalent of one day's income on January 26 and April 12, 1980, toward this "Adventure in Faith."

From 79SM to JE

SANDEFUR, CREE--APPRECIATION

VOTED, To express appreciation to Cree Sandefur for the service he has given to the Seventh-day Adventist Church during his active years, particularly as a leader in the church and a member of the General Conference Committee.

Adjourned

C Dunbar Henri, Chairman
Joseph Espinosa, Secretary
Martha Horn, Recording Secretary

Spring Meeting

Minutes of Spring Meeting

GENERAL CONFERENCE COMMITTEE

April 5, 1979, 2:30 p.m.

From 79 SM to GOF

FIGUHR, R R AND PIERSON, R H--GREETINGS

VOTED, To request the Secretary to convey to R R Figuhr and R H Pierson our Christian love, our best wishes for prolonged health, and our appreciation for their service to the church.

Neal C Wilson requested prayer in behalf of the church in various unsettled parts of the world and for the coming summit meeting where study will be given to evangelism and the immediate needs of the church at this time. R R Frame and W J Blacker led in prayer, after which N C Wilson left to begin his trip to South America.

From Education/ADCOM/OUP 79SM/79SM to AHR

A 2803 NAD EDUCATION IN REGIONAL CONFERENCES--
COMMITTEE APPOINTMENT

VOTED, 1. To appoint the following ad hoc Committee on NAD Education in Regional Conferences with the proviso that NADCA may recommend additional members if it deems advisable:

Hirsch, C B (Chairman)	Lang, I V
Griffiths, V S (Secretary)	Lewis, W J
Babcock, G P	Marshall, Norwida
Barnes, R	McKenzie, R
Booker, R L	Miller, C
Brantley, Paul	Paytee, Phyllis
Dent, J F	Westney, A T
Ford, James	Whidbee, E
Gooden, S E	Williamson, Edna L
Hilde, R L	Wright, William
Humphrey, A T	

2. To authorize this committee to meet at Oakwood College, Huntsville, Alabama, May 30-June 1, 1979.

79-98
April 5, 1979

Spring Meeting

From OUP 79SM to COF

GENERAL CONFERENCE DEPT OF STEWARDSHIP AND
DEVELOPMENT--S D MEYERS, ASSOCIATE DIRECTOR

VOTED, To elect S D Meyers to serve as associate director of the
General Conference Stewardship and Development Department.

Prayer by John A Kroncke brought the 1979 Spring Meeting to a close.

Adjourned

W J Hackett, Chairman
D A Roth, Secretary
Martha Horn, Recording Secretary

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS

REPORT ON FINANCIAL STATEMENTS

Year Ended December 31, 1978

C O N T E N T S

	<u>Page</u>
<u>General Conference of Seventh-day Adventists:</u>	
Tithe Fund:	
Auditors' Report	4
Balance Sheet	5
Statement of Activity and Fund Balance	6
Notes to Financial Statements	7 - 8
Specific Purpose Fund:	
Auditors' Report	9
Balance Sheet	10
Statement of Activity and Fund Balance	11
Notes to Financial Statements	12 - 14
Retirement Funds:	
Auditors' Report	15
Statement of Assets and Liabilities	16
Statement of Changes in Net Assets Available for Plan Benefits	17
Notes to Financial Statements	18 - 21
Investment Fund:	
Auditors' Report	22
Statement of Assets and Liabilities	23
Statement of Operations	24
Statement of Changes in Net Assets	25
Portfolio of Investments	26 - 38
Notes to Financial Statements	39 - 42
Income Fund:	
Auditors' Report	43
Statement of Assets and Liabilities	44
Statement of Operations	45
Statement of Changes in Net Assets	46
Portfolio of Investments	47 - 54
Notes to Financial Statements	55 - 57
International Fund:	
Auditors' Report	58
Statement of Assets and Liabilities	59
Statement of Operations	60
Statement of Changes in Net Assets	61
Portfolio of Investments	62 - 64
Notes to Financial Statements	65 - 68

C O N T E N T S

	<u>Page</u>
<u>General Conference Corporation of Seventh-day Adventists:</u>	
Auditors' Report	69
Current Fund:	
Balance Sheet	70
Statement of Revenues, Expenses and Fund Balance	71
Plant Fund:	
Balance Sheet	72
Statement of Changes in Fund Balance	73
Notes to Financial Statement	74 - 77
<u>General Conference Association of Seventh-day Adventists:</u>	
Auditors' Report	78
Balance Sheet	79

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS

TITHE FUND



MANER, COSTERISAN & ELLIS, P.C.
Certified Public Accountants

Walter P. Maner, Jr.
Floyd L. Costerisan
Leon A. Ellis
Jack E. Powers
Roger R. Promer
Lawrence C. Kowalk
Gary W. Brya
Henry W. Wolcott IV
Jerome V. Wittkoski
Daniel L. Popoff

February 23, 1979

To the Members of the Executive Committee
General Conference of Seventh-day Adventists
Washington, D.C.

We have examined the balance sheets of the General Conference of Seventh-day Adventists Tithe Fund as of December 31, 1978 and 1977 and the related statements of activity and fund balance for the years then ended. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As discussed in the Summary of Accounting Policies, the Fund contributes to the General Conference Retirement Plan on the basis of a percentage of tithe income. An actuarial evaluation of the Plan has not been performed. Accordingly, it is not possible to determine the reasonableness of pension expense in accordance with provisions of Accounting Principles Board Opinion Number 8.

In our opinion, subject to the effects, if any, on the financial statements of the matter referred to in the preceding paragraph, the financial statements mentioned present fairly the financial position of the General Conference of Seventh-day Adventists Tithe Fund at December 31, 1978 and 1977 and the activity for the years then ended in conformity with generally accepted accounting principles applied on a consistent basis.

In addition to the funds enumerated in the foregoing table of contents, there are other funds and/or subsidiary organizations which are owned or controlled by the General Conference. The terms of our engagement and the opinions expressed apply only to the specific funds mentioned.

Maner, Costerisan & Ellis PC

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 Tithe Fund
 Balance Sheet
 December 31

	<u>1978</u>	<u>1977</u>
ASSETS		
<u>Current Assets:</u>		
Cash and Banks	306 281 96	599 126 26
Investments	<u>18 785 939 34</u>	<u>21 480 450 27</u>
	<u>19 092 221 30</u>	<u>22 079 576 53</u>
Accounts Receivable	25 767 119 42	18 978 027 62
Inventories	478 752 30	425 382 61
Prepaid Expense	<u>605 724 17</u>	<u>56 263 21</u>
	<u>26 851 595 89</u>	<u>19 459 673 44</u>
Total Assets	<u>45 943 817 19</u>	<u>41 539 249 97</u>
LIABILITIES		
<u>Current Liabilities:</u>		
Accounts Payable	17 677 814 15	14 148 247 13
Trust Funds	9 483 975 43	9 834 819 71
Deferred Income	<u>125 164 56</u>	<u>105 455 11</u>
Total Liabilities	<u>27 286 954 14</u>	<u>24 088 521 95</u>
FUND BALANCE		
Tithe Fund Oper Cap Reserve Fd Bal	<u>18 656 863 05</u>	<u>17 450 728 02</u>
Total Liabilities & Fund Balance	<u>45 943 817 19</u>	<u>41 539 249 97</u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 Tithe Fund
 Statement of Activity and Fund Balance
 Years Ended December 31

	<u>1978</u>	<u>1977</u>
DIRECT INCOME:		
Overseas	1 264 757 44	1 152 011 83
North America	<u>58 261 773 22</u>	<u>56 963 722 87</u>
Total Income	<u>59 526 530 66</u>	<u>58 115 734 70</u>
DIRECT DISBURSEMENTS:		
Appropriations:		
Overseas	27 750 090 00	26 646 955 00
North America	2 832 691 97	1 968 149 96
General	<u>2 877 790 00</u>	<u>2 738 902 30</u>
	<u>33 460 571 97</u>	<u>31 354 007 26</u>
Provisions:		
Overseas	5 065 819 52	4 198 081 13
North America	2 550 589 92	2 096 413 85
General	2 618 267 00	2 677 487 53
GC Office Operating	<u>9 025 633 78</u>	<u>8 422 569 43</u>
	<u>19 260 310 22</u>	<u>17 394 551 94</u>
Total Disbursements	<u>52 720 882 19</u>	<u>48 748 559 20</u>
Excess Income over Disbursements	<u>6 805 648 47</u>	<u>9 367 175 50</u>
TRANSFERS TO OTHER FUNDS:		
Appropriations:		
Overseas	155 000 00	175 000 00
North America	565 000 00	715 000 00
General	<u>785 000 00</u>	<u>163 600 00</u>
	<u>1 505 000 00</u>	<u>1 053 600 00</u>
Provisions:		
Overseas	2 439 535 37	-
North America	<u>1 654 978 07</u>	<u>1 515 877 48</u>
	<u>4 094 513 44</u>	<u>1 515 877 48</u>
Total Transfers	<u>5 599 513 44</u>	<u>2 569 477 48</u>
NET INCREASE TO FUND BALANCE	1 206 135 03	6 797 698 02
FUND BALANCE:		
At Beginning of Year	<u>17 450 728 02</u>	<u>10 653 030 00</u>
At End of Year	<u>18 656 863 05</u>	<u>17 450 728 02</u>
See accompanying notes to financial statements		

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
Tithe Fund
Notes to Financial Statements

Note 1 - Summary of Accounting Policies:

Basis of accounting - The accounting records of the Fund are maintained on the accrual basis of accounting.

Investments - Investments are recorded at average cost.

Foreign currency translation - The cost of investments is recorded in U.S. dollars at the exchange rate prevailing on the date of purchase. The current value at the financial statement date represents the foreign currency market price multiplied by the exchange rate on December 31.

Inventories - Inventories of office and maintenance supplies and items for re-sale are recorded at the lower of cost (generally weighted average) or market.

Property, equipment and depreciation - Property and equipment owned directly by the General Conference is recorded in the General Conference Corporation of Seventh-day Adventist Plant Fund.

Trust Funds - Specific donations from individuals or organizations for designated projects and funds not fully at the disposition of the Executive Committee are classified as "Trust Funds". Ingathering donations, which represent the largest amount, are accumulated until the close of the campaign in January of each year at which time they are transferred to the Specific Purpose Fund.

Retirement Plan - The General Conference has a non-contributory defined benefit retirement plan covering substantially all employees. Contributions are based on a percentage of tithe income, subject to change from time to time to meet the demands on the Retirement Plan. An actuarial evaluation of the Plan is in progress.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
Tithe Fund
Notes to Financial Statements

Note 2 - Purpose, Name and Use:

Resources available to the General Conference from the constituent members in accordance with the Biblical principle of tithing are accounted for within the Tithe Fund. The Tithe is to be used for the work of the ministry and Bible teaching, including the carrying forward of the denominational administration in the care of the church and of field missionary operations. The tithe is not to be expended upon other lines of work such as church or institutional debt-paying or building operations.

Note 3 - Investments:

Investments consist of the following:

	<u>1978</u>	<u>1977</u>
Bank Certificates of Deposit:		
U.S.	2 311 845 80	1 144 000 00
Canadian	1 000 000 00	1 571 428 57
Bankers' Acceptances & re-purchase Agreements	4 140 158 72	3 302 099 53
Savings and Loan Associations	40 000 00	40 000 00
Commercial Paper	11 293 934 82	15 422 922 17
	<u>18 785 939 34</u>	<u>21 480 450 27</u>

Cost, as translated to U.S. dollars, approximates current value at the balance sheet date.

Note 4 - Trust Funds:

Trust Funds are summarized as follows:

	<u>1978</u>	<u>1977</u>
Ingathering	7 409 946 75	7 269 037 34
Benghazi Hospital	690 359 50	1 119 359 50
All other (30 accounts ranging from \$1,458.32 to \$314,919.60 in 1978)	1 383 669 18	1 446 422 87
	<u>9 483 975 43</u>	<u>9 834 819 71</u>

Note 5 - Related Party Transactions:

Essentially all transactions, other than the investment of funds and the purchase of goods and services, are with related funds and organizations.

Note 6 - Commitments and Contingencies:

See notes to Financial Statements of the Specific Purpose Fund and General Conference Corporation of Seventh-day Adventists for the description of Commitments and Contingencies.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS

SPECIFIC PURPOSE FUND



MANER, COSTERISAN & ELLIS, P.C.
Certified Public Accountants

Walter P. Maner, Jr.
Floyd L. Costerisan
Leon A. Ellis
Jack E. Powers
Roger R. Promer
Lawrence C. Kowalk
Gary W. Brya
Henry W. Wolcott IV
Jerome V. Wittkoski
Daniel L. Popoff

February 23, 1979

To the Members of the Executive Committee
General Conference of Seventh-day Adventists
Washington, D.C.

We have examined the balance sheets of the General Conference of Seventh-day Adventists Specific Purpose Fund as of December 31, 1978 and 1977, and the related statements of activity and fund balance for the years then ended. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements mentioned present fairly the financial position of the General Conference of Seventh-day Adventists Specific Purpose Fund at December 31, 1978 and 1977 and the activity for the years then ended in conformity with generally accepted accounting principles applied on a consistent basis.

Maner, Costerisan & Ellis PC

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 Specific Purpose Fund
 Balance Sheet
 December 31

	<u>1978</u>	<u>1977</u>
ASSETS		
<u>Current Assets:</u>		
Cash and Banks	386 170 10	45 301 25
Investments	<u>54 611 568 55</u>	<u>48 081 835 27</u>
	54 997 738 65	48 127 136 52
Accounts Receivable	7 434 834 68	7 831 965 81
Notes & Loans Receivable (Current Maturities of)	<u>178 261 90</u>	<u>713 512 13</u>
Total Current Assets	62 610 835 23	56 672 614 46
<u>Other Assets:</u>		
Long Term Receivables, less Current Maturities	<u>8 531 106 31</u>	<u>8 750 298 00</u>
Total Assets	<u><u>71 141 941 54</u></u>	<u><u>65 422 912 46</u></u>
LIABILITIES		
<u>Current Liabilities:</u>		
Accounts Payable	14 682 356 51	9 096 111 94
FUND BALANCE		
Fund Balance (incl all Sub-Funds)	<u>56 459 585 03</u>	<u>56 326 800 52</u>
Total Liabilities & Fund Balance	<u><u>71 141 941 54</u></u>	<u><u>65 422 912 46</u></u>

See accompanying notes to financial statements

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 Specific Purpose Fund
 Statement of Activity and Fund Balance
 Years Ended December 31

	Total 1977	Total 1978	SP Oper Capital	Investment in Long Term Receivables	Securities Fluctuation Reserve	General	Ingathering	Special Appropriations	Other
<u>Total Income:</u>	60 813 749 97	62 010 230 00				41 589 633 86	14 411 001 53		6 009 594 61
<u>Total Disbursements:</u>	<u>(63 686 963 69)</u>	<u>(67 476 958 93)</u>				<u>(33 896 016 64)</u>	<u>(11 778 805 81)</u>	<u>(6 847 748 77)</u>	<u>(14 954 387 71)</u>
Excess Income (Disbursements)	<u>(2 873 213 72)</u>	<u>(5 466 728 93)</u>				<u>7 693 617 22</u>	<u>2 632 195 72</u>	<u>(6 847 748 77)</u>	<u>(8 944 793 10)</u>
<u>Transfers:</u>									
From Tithe Fund	2 569 477 48	5 599 513 44						624 000 00	4 975 513 44
From Other Funds	14 862 728 88	18 407 250 23				760 774 31	1 994 286 90	9 259 530 00	6 392 659 02
To Other Funds	<u>(14 862 728 88)</u>	<u>(18 407 250 23)</u>	<u>(1 775 095 21)</u>	<u>(219 191 69)</u>		<u>(9 687 904 12)</u>	<u>(2 575 164 72)</u>	<u>(2 857 900 00)</u>	<u>(1 291 994 49)</u>
Net Transfers	<u>2 569 477 48</u>	<u>5 599 513 44</u>	<u>(1 775 095 21)</u>	<u>(219 191 69)</u>	<u>760 774 31</u>	<u>(7 693 617 22)</u>	<u>(2 575 164 72)</u>	<u>7 025 630 00</u>	<u>10 076 177 97</u>
Net Increase (Decrease) to Fund Balance	<u>(303 736 24)</u>	<u>132 784 51</u>	<u>(1 775 095 21)</u>	<u>(219 191 69)</u>	<u>760 774 31</u>	<u>-</u>	<u>57 031 00</u>	<u>177 881 23</u>	<u>1 131 384 87</u>
<u>Fund Balance:</u>									
At Begin of Year	<u>56 630 536 76</u>	<u>56 326 800 52</u>	<u>16 897 929 29</u>	<u>8 750 298 00</u>	<u>11 385 286 12</u>	<u>-</u>	<u>222 904 67</u>	<u>35 000 00</u>	<u>19 035 382 44</u>
At End of Year	<u>56 326 800 52</u>	<u>56 459 585 03</u>	<u>15 122 834 08</u>	<u>8 531 106 31</u>	<u>12 146 060 43</u>	<u>-</u>	<u>279 935 67</u>	<u>212 881 23</u>	<u>20 166 767 31</u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
Specific Purpose Fund
Notes to Financial Statements

Note 1 - Summary of Accounting Policies:

Basis of accounting: The accounting records of the Fund are maintained on the accrual basis of accounting.

Investments: Investments are recorded at the lower of aggregate cost or current value with cost being determined by the average method. The difference between current value and cost is reflected in the statement of changes in fund balance. Realized gain or loss on investments represents the difference between the proceeds received and the cost of investments sold.

Property, equipment and depreciation: Property and equipment owned directly by the General Conference is recorded in the General Conference Corporation of Seventh-day Adventists Plant Fund.

Note 2 - Purpose, Name and Use:

Resources available to the General Conference from sources other than tithe are accounted for within the Specific Purpose Fund. Similarly, expenditures which do not meet the criteria to be paid from the tithe income are recorded in the Specific Purpose Fund.

Note 3 - Investments:

Investments consist of the following:

	<u>1978</u>			<u>1977</u>
	<u>Average Cost</u>	<u>Current Value</u>	<u>Unrealized Appreciation (Depreciation)</u>	<u>Current Value</u>
U.S. Government and Agencies Obligations	3 775 103 45	3 685 687 50	(89 415 95)	1 253 250 00
Foreign (Canadian) Obligations	984 509 81	782 075 00	(202 434 81)	774 787 82
General Conf Unitized Fnds	56 417 316 37	50 108 295 05	(6 309 021 32)	46 007 421 95
Other	35 511 00	35 511 00	-	46 376 00
	<u>61 212 440 63</u>	<u>54 611 568 55</u>	<u>(6 600 872 08)</u>	<u>48 081 835 77</u>

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
Specific Purpose Fund
Notes to Financial Statements

Note 1 - Summary of Accounting Policies:

Basis of accounting: The accounting records of the Fund are maintained on the accrual basis of accounting.

Investments: Investments are recorded at the lower of aggregate cost or current value with cost being determined by the average method. The difference between current value and cost is reflected in the statement of changes in fund balance. Realized gain or loss on investments represents the difference between the proceeds received and the cost of investments sold.

Property, equipment and depreciation: Property and equipment owned directly by the General Conference is recorded in the General Conference Corporation of Seventh-day Adventists Plant Fund.

Note 2 - Purpose, Name and Use:

Resources available to the General Conference from sources other than tithe are accounted for within the Specific Purpose Fund. Similarly, expenditures which do not meet the criteria to be paid from the tithe income are recorded in the Specific Purpose Fund.

Note 3 - Investments:

Investments consist of the following:

	<u>1978</u>		<u>Unrealized Appreciation (Depreciation)</u>	<u>1977</u>
	<u>Average Cost</u>	<u>Current Value</u>		<u>Current Value</u>
U.S. Government and Agencies Obligations	3,775 103 45	3 685 687 50	(89 415 95)	1 253 250 00
Foreign (Canadian) Obligations	984 509 81	782 075 00	(202 434 81)	774 787 82
General Conf Unitized Fnds	56 417 316 37	50 108 295 05	(6 309 021 32)	46 007 421 95
Other	35 511 00	35 511 00	-	46 376 00
	<u>61 212 440 63</u>	<u>54 611 568 55</u>	<u>(6 600 872 08)</u>	<u>48 081 835 77</u>

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
Specific Purpose Fund
Notes to Financial Statements

Note 4 - Long Term Receivables:

Details of Long Term Receivables Follow:

	<u>Current</u>	<u>1978 Long Term</u>	<u>Total</u>	<u>1977 Total</u>
Loma Linda University:				
Long Term Advance Account				
Funds are advanced, as needed from the long term advance account to facilitate principal payments on the security agreements.				
Interest at 8% is payable semi-annually, unsecured		4 650 781 60	4 650 781 60	4 608 737 00
Security agreement:				
Part A - Int. @ 6% plus principal amts rec'd on trust deeds payable monthly, collateralized by real estate trust deeds		995 594 42	995 594 42	1 073 762 20
Part B - payable \$550,000 on 6-30-82 and \$770,000 on 6-30-87; interest at 6% payable monthly; unsecured		1 320 000 00	1 320 000 00	1 320 000 00
Foundation loan:				
Interest at 6½% plus principal payments rec'd on trust deeds payable mthly, collateralized by real estate trust deeds		591 545 82	591 545 82	690 718 37
	-	7 557 921 84	7 557 921 84	7 693 217 57
Ephesus SDA Church (NY):				
Payable \$7,920 per month incl interest @ 8½%	66 476 88	303 751 71	370 228 59	430 966 51
Loma Linda Foods:				
Loan repaid 1/4/78	-	-	-	500 000 00
Other:				
Doctors in residency, payment deferred	-	344 388 03	344 388 03	438 969 28
Doctors & dentists in repayment status	68 068 32	177 431 56	245 499 88	251 630 77
All others	43 716 70	147 613 17	191 329 87	149 026 00
	<u>178 261 90</u>	<u>8 531 106 31</u>	<u>8 709 368 21</u>	<u>9 463 810 13</u>

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
Specific Purpose Fund
Notes to Financial Statements

Note 5 - Related Party Transactions:

Essentially all transactions, other than certain investments, ingathering contributions from non-members and the purchase of goods and services, are with related funds and organizations.

Note 6 - Commitments:

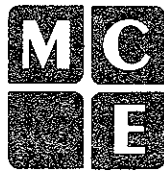
The General Conference Specific Purpose Fund is committed to the General Conference Corporation and to the Retirement Fund, in the event certain notes receivable (approximate balance \$590,000.00 at December 31, 1978) from Riverside Hospital, together with accrued interest thereon, are forgiven in accordance with the terms of an agreement entered into in 1977. (See Note 3 to the financial statements of the General Conference Corporation of Seventh-day Adventists for additional details of the agreement.)

Note 7 - Contingencies:

See Note 6 to the financial statements of the General Conference Corporation of Seventh-day Adventists for a description of certain litigation in which the General Conference is a party.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS

RETIREMENT FUNDS



MANER, COSTERISAN & ELLIS, P.C.
Certified Public Accountants

Walter P. Maner, Jr.
Floyd L. Costerisan
Leon A. Ellis
Jack E. Powers
Roger R. Promer
Lawrence C. Kowalk
Gary W. Brya
Henry W. Wolcott IV
Jerome V. Wittkoski
Daniel L. Popoff

February 23, 1979

To the Members of the Executive Committee
General Conference of Seventh-day Adventists
Washington, D.C.

We have examined the statements of assets and liabilities of the General Conference of Seventh-day Adventists Retirement Funds as of December 31, 1978 and 1977 and the related statements of changes in net assets available for plan benefits for the years then ended. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. Because the scope of our engagement was directed toward plan assets and an actuarial evaluation has not been performed with respect to a majority of plan participants, we are unable to, and do not, express an opinion as to the actuarial soundness of the plan.

As discussed in Notes 2 and 3 to the financial statements an actuarial evaluation has not been performed with respect to a majority of plan participants. Accordingly, actuarial information pertaining to such participants is not available for disclosure.

In our opinion, except for the omission of the information discussed in the preceding paragraph, the financial statements mentioned present fairly the assets and liabilities of the General Conference of Seventh-day Adventists Retirement Fund as of December 31, 1978 and 1977 and the changes in net assets available for plan benefits for the years then ended in conformity with generally accepted accounting principles applied on a consistent basis.

Maner, Costerisan & Ellis PC

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 Retirement Funds
 Statement of Assets and Liabilities
 December 31

ASSETS	<u>1978</u>	<u>1977</u>
Cash	258 578 91	169 473 14
Investments	65 652 354 41	57 288 018 96
Contributions Receivable	4 029 784 56	3 264 787 59
Note Receivable	328 650 44	303 622 21
Accrued Interest Receivable	9 056 37	9 056 37
	<u>70 269 368 32</u>	<u>61 034 958 27</u>
LIABILITIES AND NET ASSETS AVAILABLE FOR PLAN BENEFITS		
Accounts Payable	39 306 39	1 031 43
Net Assets Available for Plan Benefits	<u>70 230 061 93</u>	<u>61 033 926 84</u>
	<u>70 269 368 32</u>	<u>61 034 958 27</u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 Retirement Funds
 Statement of Changes in Net Assets Available for Plan Benefits
 Years Ended December 31

	<u>1978</u>	<u>1977</u>
<u>Additions:</u>		
Contributions from Participating Organizations	32 187 140 20	27 782 089 98
Interest and Dividend Income	4 466 773 17	3 355 683 76
Gain on Sale of Investments	213 984 72	365 241 30
Miscellaneous	17 136 81	106 331 54
Total Additions	<u>36 885 034 90</u>	<u>31 609 346 58</u>
<u>Deductions:</u>		
Basic Benefits	22 984 126 03	20 389 527 24
Medical and Other Benefits	2 860 497 18	2 610 970 30
Administrative Expense & Exchange Variance	237 692 56	197 181 02
	<u>26 082 315 77</u>	<u>23 197 678 56</u>
	10 802 719 13	8 411 668 02
Unrealized Depreciation in Aggregate Current Value of Investments	<u>1 606 584 04</u>	<u>3 383 753 54</u>
Net Additions	9 196 135 09	5 027 914 48
<u>Net Assets Available for Plan Benefits:</u>		
At Beginning of Year	<u>61 033 926 84</u>	<u>56 006 012 36</u>
At End of Year	<u>70 230 061 93</u>	<u>61 033 926 84</u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
Retirement Funds
Notes to Financial Statements

Note 1 - Summary of Accounting Policies:

Basis of accounting: The accounting records of the Funds are maintained on the accrual basis of accounting.

Investments: Investments are recorded at the lower of aggregate cost or current value with cost being determined by the average method. The difference between current value and cost is reflected in the statement of changes in net assets available for plan benefits. Realized gain or loss on investments represents the difference between the proceeds received and the cost of investments sold.

Note 2 - Significant Provisions of the Plan:

The Retirement Plan of the General Conference of Seventh-day Adventists is a non-contributory defined benefit plan which covers substantially all employees of the General Conference, General Conference institutions and all Conference organizations in the North American Division and which provides retirement, disability and survivor benefits. The participating organizations have agreed to contribute such amounts as necessary to provide assets sufficient to meet the benefits to be paid to plan members.

Contributions on behalf of hospital employees are based on an actuarial evaluation performed in 1975 and include amortization of past service liability over forty years. Contributions on behalf of other employees, who constitute a majority of plan participants and for whom an actuarial evaluation has not been performed, are based on a percentage of tithe income or a percentage of basic remuneration subject to change from time to time as determined by the North American Division Committee on Administration. Denominational policy requires, in general, assets, at original cost, equivalent to three times the amount of the latest complete year's plan benefits and expenses.

Note 3 - Benefits:

Under the Plan, employees with 15 or more years of full-time service are eligible for benefits beginning at normal retirement age (65) or at age 60 if the employee has thirty-two years of service with the denomination. Basic retirement benefits range from 18% to 48% of the regular 100% salary level for 15 to 40 or more years of service, respectively. The family rate for eligible workers is \$150 of the single rate. The Retirement Plan Committee may grant an additional allowance of 10 to 35 percent above the regular benefit on the basis of major responsibility in Conference or institutional leadership.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 Retirement Funds
 Notes to Financial Statements

Note 3 - Benefits, cont'd:

In addition to retirement benefits, participants are eligible for medical assistance in an amount equivalent to three-fourths of such expenses. If hospitalization is required, the Plan will pay up to 90% of the cost, including doctors and related expenses, on expenses of up to \$7,500 annually per family. Catastrophic health-care coverage paying 100% of hospital, doctor and related costs is provided for any expense above \$7,500 annually per family.

The Plan also provides funeral and child allowances.

The Retirement Plan is segregated into two funds for internal purposes. One fund covers hospital employees.

An actuarial evaluation of the hospital fund as of September 30, 1975 (most recent) disclosed the following:

Present value of vested benefits payable to current retirees and beneficiaries	24 385 566 00
Fund assets at current value (cost \$9,207,250.00)	<u>7 787 553 00</u>
Unfunded	<u><u>16 598 013 00</u></u>

Calculations were not made to determine the present value of vested benefits of active employees.

Estimated unamortized past service liability	<u><u>40 060 658 00</u></u>
--	-----------------------------

The more significant assumptions underlying the actuarial computations are as follows:

Actuarial cost method	Unit Credit Actuarial Cost Method with unamortized past service liability funded over forty years
Assumed rate of return on investments	5½%
Mortality basis	1971 Group Annuity Mortality Table set back six years for females

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
Retirement Funds
Notes to Financial Statements

Note 3 - Benefits, cont'd:

Employee turnover

	<u>Age</u>	<u>Annual Non-vested Terminations per 100 Active Employees</u>
	18	37
	28	27
	38	17
	48	7
	58	1
Salary scale	5½% increase	
Retirement age	65	

Actuarial evaluations are presently being performed for both of the sub-funds.

Note 4 - Investments:

Investments at December 31, 1978 consist of the following:

	<u>Average Cost</u>	<u>Current Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Certificates of deposit	434 782 61	434 782 61	
Commercial paper	1 457 889 72	1 457 889 72	
General Conference Unitized Funds	68 596 996 19	62 309 682 08	(6 287 314 11)
Other	1 450 000 00	1 450 000 00	(A)
	<u>71 939 668 52</u>	<u>65 652 354 41</u>	<u>(6 287 314 11)</u>

(A) Other investments consist of units in two real estate limited partnerships. There is presently no market quotation available for these investments. In the opinion of the management, the market value of the underlying real estate should not, upon ultimate disposition, result in a loss which is material in relation to the net assets available for plan benefits.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
Retirement Funds
Notes to Financial Statements

Note 2 - Related Party Transactions:

The Plan reimburses the General Conference Tithe Fund for administrative and general expenses. In the opinion of management such charges, amounting to approximately \$164,000.00 in 1978 and \$140,000.00 in 1977, are reasonable for the services rendered.

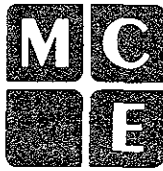
Note 6 - Tax Status/ERISA:

Action has been initiated by the General Conference to structure a separate "qualified" retirement trust for church operated hospitals in the United States. This action was promoted by a ruling by the U.S. Department of Health, Education and Welfare that contributions to the fund by participating hospitals are ineligible for reimbursement under the Medicare rules and regulations because the Plan assets are not in a Trust Fund. Based upon subsequent meetings of HEW and General Conference officials, HEW has notified intermediaries to suspend its instructions regarding the ineligibility of contributions to the fund until further notice. Further, HEW has indicated that, assuming the terms of the hospital trust fund meet Medicare requirements, it is anticipated the provisions of the plan will be applied retroactively.

In the opinion of management, the General sub-fund is not subject to provisions of the Internal Revenue Code pertaining to tax exemption nor have any reports been filed under provisions of the Employee Retirement Income Security Act of 1974.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS

INVESTMENT FUND



MANER, COSTERISAN & ELLIS, P.C.
Certified Public Accountants

Walter P. Maner, Jr.
Floyd L. Costersan
Leon A. Ellis
Jack E. Powers
Roger R. Promer
Lawrence C. Kowalk
Gary W. Brya
Henry W. Wolcott IV
Jerome V. Wittkoski
Daniel L. Popoff

February 23, 1979

To the Members of the Executive Committee
General Conference of Seventh-day Adventists
Washington, D.C.

We have examined the statements of assets and liabilities of the General Conference of Seventh-day Adventists Investment Fund including the portfolio of investments as of December 31, 1978 and 1977 and the related statements of operations and changes in net assets for the years then ended. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. Securities owned at December 31, 1978 and 1977 were counted by us or confirmed to us by the custodian. As to securities purchased but not received, we carried out other appropriate auditing procedures.

As discussed in Note 1 to the financial statements, securities amounting to \$30,682,788.68 (32.8% of net assets) at December 31, 1978 have been valued at fair value as determined by the investment and securities committee. The determination of fair value involves subjective judgement which is not susceptible to substantiation by auditing procedures.

In our opinion, subject to the possible effect on the 1978 financial statements of the valuation of securities determined by the investment and securities committee as described in the preceding paragraph, the financial statements mentioned present fairly the net assets of the General Conference of Seventh-day Adventists Investment Fund at December 31, 1978 and 1977 and the results of its operations and changes in its net assets for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Maner, Costerisan & Ellis PC

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 INVESTMENT FUND
 Statement of Assets and Liabilities
 December 31

	<u>ASSETS</u>	
	<u>1978</u>	<u>1977</u>
Investments (carried on books at cost of \$109,771,024.06 in 1978 and \$100,192,198.40 in 1977)	95 214 535 81	87 267 320 84
Accrued interest and dividends on investments	581 059 28	636 912 40
Cash	<u>8 279 83</u>	<u>42 309 44</u>
Total Assets	<u>95 803 874 92</u>	<u>87 946 542 68</u>
<u>LIABILITIES</u>		
Note payable	2 000 000 00	2 000 000 00
Deferred income	181 503 99	127 730 47
Accounts payable	<u>30 060 96</u>	<u>33 450 44</u>
Total Liabilities	<u>2 211 564 95</u>	<u>2 161 180 91</u>
NET ASSETS	<u>93 592 309 97</u>	<u>85 785 361 77</u>
Units of fund outstanding	1 248 183 76	1 125 289 78
Net assets per unit	74.9828	76.2340

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 INVESTMENT FUND
 Statement of Operations
 Year Ended December 31, 1978

INVESTMENT INCOME AND EXPENSES

INCOME:		
Dividends	1 955 722 81	
Interest	<u>4 544 729 98</u>	
Total income		6 500 452 79
EXPENSES:		
Counseling fees	50 298 71	
Interest	<u>170 000 00</u>	
Total expenses		<u>220 298 71</u>
NET INVESTMENT INCOME		<u>6 280 154 08</u>

REALIZED GAIN ON SALE OF INVESTMENTS

Proceeds from sales		7 936 801 68
Cost of investments sold		<u>7 220 366 74</u>
NET REALIZED GAIN ON SALE OF INVESTMENTS		<u>716 434 94</u>

UNREALIZED DEPRECIATION OF INVESTMENTS

NET UNREALIZED DEPRECIATION:		
At beginning of year		12 924 877 56
At end of year:		
Bonds	4 468 113 74	
Equities	<u>10 088 374 51</u>	<u>14 556 488 25</u>
UNREALIZED DEPRECIATION FOR THE YEAR		<u>1 631 610 69</u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 INVESTMENT FUND
 Statement of Changes in Net Assets
 Years Ended December 31

	<u>1978</u>	<u>1977</u>
FROM INVESTMENT ACTIVITIES:		
Net investment income	6 280 154 08	4 823 599 83
Distributions to unitholders	<u>6 286 946 63</u>	<u>4 845 665 46</u>
Decrease in undistributed net investment income	(6 792 55)	(22 065 63)
Net realized gain on sale of investments	716 434 94	567 103 95
Distributions to unitholders	<u>517 941 04</u>	<u>795 111 94</u>
Increase (Decrease) in undistributed gain on sale of investments	<u>198 493 90</u>	<u>(228 007 99)</u>
Increase in unrealized depreciation of investments	<u>(1 631 610 69)</u>	<u>(6 024 111 78)</u>
Decrease in net assets resulting from investment activities	<u>(1 439 909 34)</u>	<u>(6 274 185 40)</u>
FROM UNITS TRANSACTIONS:		
Net proceeds from sale of units	3 627 277 03	12 482 860 72
Net asset value of units issued to unitholders in reinvestment of net investment income and realized gain on sale of investments	<u>6 623 986 01</u>	<u>3 404 499 64</u>
Cost of units redeemed	<u>10 251 263 04</u> <u>(1 004 405 50)</u>	<u>15 887 360 36</u> <u>(778 715 09)</u>
Increase in net assets resulting from units transactions	<u>9 246 857 54</u>	<u>15 108 645 27</u>
INCREASE IN NET ASSETS	7 806 948 20	8 834 459 87
NET ASSETS:		
At beginning of year	<u>85 785 361 77</u>	<u>76 950 901 90</u>
At end of year	<u><u>93 592 309 97</u></u>	<u><u>85 785 361 77</u></u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 INVESTMENT FUND
 Portfolio of Investments - Summary
 December 31, 1978

<u>% of total portfolio</u>	<u>% of Group</u>		<u>Cost</u>	<u>Current Value</u>
10.25	100.00	Short-Term Investments	<u>9 760 101 39</u>	<u>9 760 101 39</u>
18.53		Bonds (Not Convertible)		
	46.19	U.S. Govt & Agencies		8 150 760 43
	11.94	Industrials		2 107 225 00
	26.29	Public Utilities		4 639 527 50
	13.54	Banks & Finance		2 389 065 00
	<u>2.04</u>	Canadian		<u>360 934 00</u>
	100.00		<u>21 231 847 77</u>	<u>17 647 511 93</u>
1.55	100.00	Convertible Bonds	<u>2 355 527 90</u>	<u>1 471 750 00</u>
32.23	100.00	Notes Receivable	<u>30 682 788 68</u>	<u>30 682 788 68</u>
0.28		Preferred Stocks		
	17.74	Public Utilities		48 000 00
	<u>82.26</u>	Conv. Industrials		<u>222 500 00</u>
	100.00		<u>601 400 26</u>	<u>270 500 00</u>
37.16		Common Stocks		
		<u>Technological</u>		
	8.30	Drugs & Medical		2 937 112 50
	0.38	Electrical Supply		134 125 00
	13.00	Office Equipment		4 598 000 00
	2.07	Photographic		732 812 50
	0.36	Technological Misc.		126 250 00
		<u>Cyclical</u>		
	0.24	Air Transport		85 500 00
	5.25	Automotive		1 859 375 00
	4.17	Building Supplies		1 474 807 25
	6.97	Chemicals		2 464 355 78
	4.23	Machinery		1 495 175 00
	1.81	Metals & Mining		642 250 00
		<u>Consumers & Services</u>		
	6.39	Banks & Finance		2 260 528 37
	0.43	Broadcasting Industry		154 000 00
	0.57	Education & Entertainment		200 625 00
	11.20	Foods, Beverages & Soaps		3 962 175 00
	3.12	Insurance		1 103 375 00
	0.24	Newspaper Industry		86 000 00
	7.28	Oil		2 576 375 00
	2.03	Paper & Containers		717 743 96
	0.91	Personal Services Industry		321 225 00
	8.31	Public Utilities		2 941 162 77
	0.13	Publishing Industry		47 500 00
	4.84	Retail Trade		1 711 187 50
	1.77	Real Estate Trusts		625 000 00
	5.58	Telephone		1 974 973 18
	<u>0.42</u>	Toiletries & Cosmetics		<u>150 250 00</u>
	100.00		<u>45 139 358 06</u>	<u>35 381 883 81</u>
100.00		Totals	<u>109 771 024 06</u>	<u>95 214 535 81</u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 INVESTMENT FUND
 Portfolio of Investments
 December 31, 1978

	<u>Par/ Shares</u>	<u>Current Value</u>
<u>Short-Term Investments</u>		
Commercial Paper - 10%-10.65% due 1/8/79-3/2/79	2 870 000	2 843 854 43
Banker's Acceptances - 10.25%-10.57% due 1/8/79-3/21/79	5 000 000	4 899 233 32
Certificates of Deposit - 9.65%-10.30% due 1/5/79-2/20/79	<u>2 017 013</u>	<u>2 017 013 64</u>
Total Short-Term Investments	<u>9 887 013</u>	<u>9 760 101 39</u>

	<u>Principal Amount</u>	<u>Current Value</u>
<u>U.S. Treasury</u>		
U.S. Treasury Notes		
7% 2/15/79	500M	497 812 50
5 7/8% 2/28/79	500M	496 250 00
6 7/8% 8/15/79	500M	488 593 75
7 1/2% 3/31/80	1,150M	1 109 750 00
7 3/8% 2/15/81	500M	475 000 00
8 1/8% 8/15/82	500M	479 687 50
7 1/4% 8/15/92	300M	256 968 75
		<u>3 804 062 50</u>

<u>Federal Agency Obligations</u>		
Federal Land Banks		
7.95% 10/21/85	500M	460 625 00
Federal Home Loan		
8.10% 11/25/85	500M	465 000 00
GNMA Pass-Through		
8% Pool 13878	887.6M	796 670 31
8% Pool 19654	936.4M	840 421 60
8% Pool 19569	991.2M	889 584 82
8% Pool 22242	996.5M	894 396 20
		<u>4 346 697 93</u>
Total U.S. Government & Agencies		<u>8 150 760 43</u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INVESTMENT FUND
Portfolio of Investments (Cont.)
December 31, 1978

<u>Corporate Bonds</u>	<u>Principal Amount</u>	<u>Current Value</u>
<u>Industrial</u>		
Aluminum Co. of America 6% 9/15/92	200M	160 250 00
Bethlehem Steel 4 1/2% 1/1/90	200M	138 000 00
Dan River Mills 4 5/8% 2/1/90	300M	189 000 00
Lykes Brothers Steamship 8.30% 1/15/91	122M	112 850 00
Pittsburg Plate Glass 5 5/8% 8/1/91	225M	185 625 00
Shell Oil Corp. 5.30% 3/15/92	600M	432 000 00
Speigal Inc. 5% 4/1/87	150M	100 500 00
Standard Oil of California 5 3/4% 8/1/92	450M	339 750 00
Union Tank Corp. 5% 8/1/86	200M	161 250 00
Westinghouse Electric 5 3/8% 4/1/92	400M	<u>288 000 00</u>
Total Industrials		<u>2 107 225 00</u>
<u>Utilities</u>		
American Tel & Tel 4 5/8% 2/1/94	150M	96 187 50
4 3/8% 5/1/99	300M	168 750 00
7% 2/15/01	500M	397 500 00
Appalacian Power 6% 3/1/96	200M	130 250 00
California Electric Power 5 1/8% 5/1/90	120M	83 400 00
Central Illinois Electric 5% 7/1/90	100M	68 375 00
Central Maine Power 5 1/4% 11/1/90	100M	67 250 00
Commonwealth Edison 4 1/4% 3/1/87	100M	71 500 00
8 3/4% 3/1/05	300M	276 000 00
Consolidated Edison 4 3/8% 12/1/92	350M	199 500 00
Florida Power & Light 4 1/8% 4/1/88	100M	66 250 00
General Tel of California 4 1/8% 3/1/88	100M	66 375 00

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INVESTMENT FUND
Portfolio of Investments (Cont.)
December 31, 1978

<u>Utilities (Cont.)</u>	<u>Principal Amount</u>	<u>Current Value</u>
Idaho Power Co. 5 1/4% 4/1/96	150M	92 437 50
Kansas Gas & Electric 5 5/8% 5/1/96	300M	193 875 00
Laclede Gas Co. 5 3/4% 4/15/91	300M	217 500 00
Louisiana Power Co. 5% 4/1/90	100M	65 375 00
5 3/4% 3/1/96	100M	64 000 00
Michigan Consolidated Gas 5 1/8% 6/1/86	139M	104 945 00
National Fuel Gas 5 1/8% 4/1/85	200M	157 000 00
New Jersey Power 4 7/8% 7/1/90	100M	65 125 00
Northwest Natural Gas 5 3/4% 3/1/91	100M	71 000 00
Pacific Tel & Tel 4 5/8% 11/1/90	200M	130 500 00
Pennsylvania Electric 5% 8/1/89	100M	68 250 00
Potomac Electric Power 5% 12/15/95	200M	119 750 00
Public Service Electric & Gas 5 1/8% 6/1/89	107M	75 970 00
Puget Sound Power & Light 4 5/8% 11/1/93	100M	57 625 00
Savannah Electric 4 5/8% 4/1/94	100M	56 250 00
Southern Bell Tel 8 1/8% 5/1/17	500M	434 375 00
Southern Electric Generating 5 1/4% 6/1/92	165M	105 600 00
Southern New England Tel 4 1/8% 3/1/91	100M	61 125 00
Southwestern Electric Power 4 3/8% 4/1/93	100M	59 500 00
Southwestern Public Service 4 5/8% 2/1/95	125M	73 437 50
Tennessee Gas Transmission 5 1/4% 9/1/85	100M	77 625 00
Texas Electric Service 5 1/8% 2/1/96	100M	63 375 00
Utah Power & Light 4 7/8% 9/1/90	100M	66 750 00
4 1/2% 4/1/93	100M	60 000 00

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 INVESTMENT FUND
 Portfolio of Investments (Cont.)
 December 31, 1978

	<u>Principal Amount</u>	<u>Current Value</u>
<u>Utilities (Cont.)</u>		
Virginia Electric Power 4 5/8% 9/1/90	100M	64 500 00
Washington Gas Light 4 7/8% 5/1/86	290M	216 050 00
Washington Water Power 4 5/8% 9/1/94	100M	58 375 00
Wisconsin Electric 5% 11/15/90	100M	<u>67 875 00</u>
Total Utilities		<u>4 639 527 50</u>
<u>Banks & Finance</u>		
Beneficial Corp. 8% 6/15/01	250M	217 500 00
Chrysler Financial 7 3/8% 5/15/86	300M	198 375 00
CIT Financial 4 1/2% 9/1/84	400M	315 500 00
Family Finance 4 3/4% 5/15/90	200M	105 250 00
GMAC 4 1/2% 11/1/85	340M	256 700 00
4 5/8% 6/15/86	500M	370 625 00
4 7/8% 12/1/87	300M	221 250 00
State Loan & Finance 5.40% 7/15/80	116M	103 240 00
Wachovia Bank & Trust 4.60% 5/1/90	200M	140 000 00
Inter-American Division Bank 8% 3/1/85	500M	<u>460 625 00</u>
Total Banks & Finance		<u>2 389 065 00</u>
<u>Canadian Bonds</u>		
International Bank for Recon. & Dev. 5 1/4% 3/15/90	300M	204 000 00
British Columbia Hydro 5 7/8% 1/2/92	200M	<u>156 934 00</u>
Total Canadian Bonds		<u>360 934 00</u>
Total Bonds (Not Convertible)		<u><u>17 647 511 93</u></u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INVESTMENT FUND
Portfolio of Investments (Cont.)
December 31, 1978

	<u>Principal Amount</u>	<u>Current Value</u>
<u>Convertible Bonds</u>		
ARA Services Inc. 4 5/8% 6/15/96	300M	189 000 00
Chase Manhattan 4 7/8% 5/1/93	300M	197 625 00
General Tel & Electronics 4% 3/15/90	500M	321 250 00
McGraw Hill 3 7/8% 5/1/92	350M	212 625 00
MGIC Investment 5% 12/15/93	600M	348 000 00
U.S. Steel Corp. 5 3/4% 7/1/01	300M	<u>203 250 00</u>
Total Convertible Bonds		<u><u>1,471 750 00</u></u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 INVESTMENT FUND
 Portfolio of Investments (Cont.)
 December 31, 1978

Notes receivable are summarized as follows:

Intra-denominational loans (unsecured)	27 976 835 46
Employee home loans	<u>2 705 953 22</u>
 Total principal balances	 <u><u>30 682 788 68</u></u>

Intra-denominational loans:

<u>Borrower/Description/Terms</u>	<u>Interest Rate</u>	<u>Balance 12/31/78 (Current Value)</u>
Loma Linda University		
School of Dentistry #1 - interest only through 12/31/79; monthly payments of \$25 085 00 beginning 1/80; final maturity 12/31/04	8 %	3 550 000 00
School of Medicine outpatient building - balance of commitment \$1 371 305 97 due 30 years from last draw	8 1/2	4 628 694 03
Power House - interest only through 12/31/79; monthly payments of \$6 560 00 beginning 1/80; final maturity 12/31/04	8	850 000 00
School of Dentistry #2 - monthly payments of \$12 078 41; final maturity 6/30/03	8 1/2	1 491 123 25
Tunnel Power Plant - payable \$20 000 00 plus interest (or more) quarterly; final maturity 12/31/82	8 1/2	285 491 08
		<u>10 805 308 36</u>
 Radio-TV & Film Center		
interest only through 9/30/79; quarterly payments beginning 12/31/79; final maturity 9/30/99	8 1/2	<u>5 422 568 27</u>
 Andrews University		
Shopping center - payable \$39 290 24 quarterly; final maturity 8/31/95	8 1/2	1 387 412 47
Independent operations - payable \$25 000 00 plus interest quarterly; final maturity 9/30/83	8 1/2	475 000 00
Capital improvement - payable 13 340 33 quarterly, including interest; final maturity 12/31/93	8 1/2	450 000 00
Bank & professional building - balance of commitment 950 000 00; due 20 years from last draw	8 1/2	50 000 00
		<u>2 362 412 47</u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 INVESTMENT FUND
 Portfolio of Investments (Cont.)
 December 31, 1978

Intra-denominational loans (Cont.):

<u>Borrower/Description/Terms</u>	<u>Interest Rate</u>	<u>Balance 12/31/78 (Current Value)</u>
Pacific Press Publishing Association		
Web Press - payable \$25 000 00 plus interest quarterly; final maturity 6/30/81	8 1/2%	250 000 00
Mt. View - payable \$18 000 00 plus interest quarterly; final maturity 6/30/82	8 1/2	248 000 00
Equipment - payable \$37 500 00 plus interest beginning 7/78; final maturity 6/30/83	8 1/2	1 350 000 00
Calgary - payable \$5 000 00 quarterly; final maturity 12/31/84	8 1/2	130 972 80
Oshawa - payable \$5 375 00 plus interest quarterly; final maturity 12/31/83	8 1/2	107 142 88
Mexican Plant - balance of commitment 250 000 00; interest only through 3/31/79; final maturity 3/31/87	8 1/2	250 000 00
		<u>2 336 115 68</u>
Inter-American Division		
Payable 6/30/80	8 1/2	900 000 00
Payable 12/31/81	8 1/2	500 000 00
Payable 12/31/83	8 1/2	200 000 00
		<u>1 600 000 00</u>
Northern Union		
due 6/30/90	8 1/2	<u>1 200 121 53</u>
Harris Pine Mills		
due 2/28/82	8 1/2	<u>1 000 000 00</u>
Review and Herald Publishing Association		
Web Press - payable \$18 750 00 plus interest quarterly; final maturity 9/30/83	8	356 250 00
Building - payable \$25 000 00 plus interest quarterly; final maturity 12/31/81	8 1/2	300 000 00
Computer - payable \$15 000 00 plus interest quarterly; final maturity 12/31/81	8 1/2	180 000 00
Binding Line - payable \$25 000 00 plus interest quarterly; final maturity 12/31/79	8 1/2	125 000 00
		<u>961 250 00</u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 INVESTMENT FUND
 Portfolio of Investments (Cont.)
 December 31, 1978

Intra-denominational loans (Cont.):

<u>Borrower/Description/Terms</u>	<u>Interest Rate</u>	<u>Balance 12/31/78 (Current Value)</u>
All Others (eight loans with balances ranging from \$25 000 00 to \$568 000 00; final maturities 1/31/79 to 5/10/90)	8 - 10%	<u>2 289 059 15</u>
Total intra-denominational loans		<u><u>27 976 835 46</u></u>
Employee home loans average \$39 793 43 (68 loans with balances ranging from \$4 164 87 to \$60 000 00) and require monthly payments, including interest at 8 1/2%. The loans are collateralized by real estate first mortgages or first trust deeds.		<u><u>2 705 953 22</u></u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 INVESTMENT FUND
 Portfolio of Investments (Cont.)
 December 31, 1978

<u>Preferred Stocks</u>	<u>Par/ Shares</u>	<u>Current Value</u>
Public Utilities		
Washington Gas Light \$5.00 Pfd.	1,000	48 000 00
Convertible Industrials		
City Investing \$2.00 Pfd.	10,000	<u>222 500 00</u>
Total Preferred Stocks		<u><u>270 500 00</u></u>
 <u>Common Stocks</u> <u>Technological</u>		
Drugs and Medical		
American Home Products	2,000	56 250 00
Block Drug	16,000	200 000 00
Johnson & Johnson	11,800	870 250 00
Eli Lilly & Co.	13,800	660 675 00
Merck & Co.	13,500	912 937 50
Schering-Plough	8,000	237 000 00
		<u>2 937 112 50</u>
Electrical Supply		
General Electric	2,000	94 250 00
Motorola Inc.	1,000	39 875 00
		<u>134 125 00</u>
Office Equipment		
Control Data	20,000	690 000 00
International Business Machines	9,500	2 835 750 00
NCR	1,000	60 500 00
Xerox Corp.	19,000	1 011 750 00
		<u>4 598 000 00</u>
Photographic		
Eastman Kodak	12,500	<u>732 812 50</u>
Technological, Misc.		
Minnesota Mining & Manufacturing	2,000	<u>126 250 00</u>
 <u>Cyclical</u>		
Air Transportation		
Northwest Airlines	3,000	<u>85 500 00</u>
Automotive		
Ford Motor Co.	25,000	1 053 125 00
General Motors	15,000	806 250 00
		<u>1 859 375 00</u>

*Plus a fractional share.

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INVESTMENT FUND
Portfolio of Investments (Cont.)
December 31, 1978

<u>Common Stocks (Cont.)</u>	<u>Par/ Shares</u>	<u>Current Value</u>
<u>Cyclical</u>		
Building Supplies		
Boise Cascade	25,500	682 125 00
Georgia Pacific	20,807	504 569 75
Weyerhaeuser	11,700	288 112 50
		<u>1 474 807 25</u>
Chemicals		
Dow Chemical	21,000	522 375 00
duPont deNemours	10,000	1 260 000 00
Monsanto Co.	10,000	470 000 00
Union Carbide	* 6,235	211 980 78
		<u>2 464 355 78</u>
Machinery		
Black & Decker	20,000	332 500 00
Caterpillar Tractor	12,600	740 250 00
Deere & Co.	12,200	422 425 00
		<u>1 495 175 00</u>
Metals and Mining		
Aluminum Co. of America	9,000	429 750 00
U.S. Steel Corp.	10,000	212 500 00
		<u>642 250 00</u>
<u>Consumers & Services</u>		
Banks and Finance		
American Security Corp.	* 7,789	194 715 87
Citicorp	7,000	164 500 00
Continental Illinois Corp.	5,000	130 625 00
Household Finance	40,100	701 750 00
Riggs National Bank	22,000	825 000 00
Suburban Bancorporation	11,250	171 562 50
Western Bancorporation	3,000	72 375 00
		<u>2 260 528 37</u>
Broadcasting Industry		
American Broadcasting	1,500	52 500 00
CBS Inc.	2,000	101 500 00
		<u>154 000 00</u>
Education and Entertainment		
Walt Disney Productions	5,500	200 625 00
Foods, Beverages and Soaps		
ARA Services	2,000	72 000 00
Campbell Soup Co.	6,000	204 000 00
Carnation Co.	24,000	627 000 00
Colgate-Palmolive Co.	3,000	49 875 00
Consolidated Foods	50,000	1 175 000 00
CPC International	5,000	246 250 00
General Mills	8,500	251 812 50
Kellogg Co.	20,000	367 500 00
Procter & Gamble	10,900	968 737 50
		<u>3 962 175 00</u>

*Plus a fractional share.
See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INVESTMENT FUND
Portfolio of Investments (Cont.)
December 31, 1978

<u>Common Stocks (Cont.)</u> <u>Consumers & Services</u>	<u>Par/ Shares</u>	<u>Current Value</u>
Insurance		
Combined Insurance of America	60,000	1 072 500 00
Marsh & McLennan	500	30 875 00
		<u>1 103 375 00</u>
Newspaper Industry		
Gannett Co.	1,000	40 750 00
Knight-Ridder Newspaper	2,000	45 250 00
		<u>86 000 00</u>
Oil		
Atlantic Richfield	15,000	853 125 00
Exxon Corp.	15,000	736 875 00
Getty Oil Co.	4,000	151 000 00
Standard Oil of Indiana	11,000	622 875 00
Standard Oil of Ohio	5,000	212 500 00
		<u>2 576 375 00</u>
Paper and Containers		
International Paper	*10,376	378 718 96
Union Camp	7,100	339 025 00
		<u>717 743 96</u>
Personal Services Industry		
American Express	6,000	174 750 00
Dun & Bradstreet	4,200	146 475 00
		<u>321 225 00</u>
Public Utilities		
Columbus & Southern Ohio Electric	11,000	231 000 00
Pacific Gas & Electric	37,000	823 250 00
Public Service Electric & Gas	* 5,876	118 984 89
Southern California Edison	*36,680	944 499 28
Southern Co.	*48,630	650 428 60
Toledo Edison	8,000	173 000 00
		<u>2 941 162 77</u>
Publishing Industry		
A. C. Nielsen	2,000	47 500 00
		<u>47 500 00</u>
Retail Trade		
Federated Department Stores	15,000	480 000 00
K mart	8,000	180 000 00
J. C. Penney	12,500	379 687 50
Sears, Roebuck & Co.	34,000	671 500 00
		<u>1 711 187 50</u>
Real Estate Trusts		
Continental Illinois Properties	40,000	625 000 00
		<u>625 000 00</u>

*Plus a fractional share.

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 INVESTMENT FUND
 Portfolio of Investments (Cont.)
 December 31, 1978

<u>Common Stocks (Cont.)</u>	<u>Par/ Shares</u>	<u>Current Value</u>
<u>Consumers & Services</u>		
Telephone		
American Telephone & Telegraph	*26,702	1 615 473 18
Continental Telephone	4,000	57 500 00
General Telephone & Electronics	8,000	227 000 00
United Telecommunications	4,000	75 000 00
		<u>1 974 973 18</u>
Toiletries and Cosmetics		
Avon Products	500	25 375 00
Gillette Co.	3,000	77 625 00
International Flavors & Fragrances	2,000	47 250 00
		<u>150 250 00</u>
Total Common Stocks		<u>35 381 883 81</u>

*Plus a fractional share.

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INVESTMENT FUND
Notes to Financial Statements

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES

Valuation of investments - Investments in securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the year; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the last reported bid price; securities representing capital stock of open-end investment companies are valued at net asset value as reported by such companies; commercial paper and similar short-term items are stated at amortized cost which approximates market value; and investments in notes from affiliated organizations and individuals are valued at face value which, in the opinion of the Investment and Securities Committee, approximates fair value.

The realized gain or loss on investments represents the difference between the proceeds received and the cost (average method) of investments sold.

Other - As is common in the industry, security transactions are accounted for on the date the transactions are entered into (the trade date) rather than the settlement date. Dividend income and distributions to unitholders are recorded on the ex-dividend (ex-distribution) date.

NOTE 2 - PURPOSE, NAME, USE AND INVESTMENT POLICY

A fund shall be established and maintained at the General Conference for the purpose of pooling denominational funds available for investing in bonds, equities and other suitable investment media. It shall be known as the General Conference Investment Fund, and shall exclusively serve all segments of the denomination, including the General Conference Office, field organizations (divisions, unions and local conferences), institutions, and services. It shall not accept funds from any individuals or non-denominationally owned organizations or institutions.

Investment shall primarily be made by the Fund in governmental bills, notes and bonds; corporate bonds and debentures; preferred stocks; common stocks; and warrants; however, the Fund shall not be restricted to the foregoing if conditions indicate the use of additional types of investment. First mortgages/trust deeds and intra-denominational loans in limited amounts may also be used. A flexible investment diversification pattern shall be followed, but equity investment (preferred stocks, common stocks and warrants) shall not exceed approximately 75% at any time. The assets of the Fund shall be invested to provide a moderate, regular and relatively stable income and reasonable opportunity for the enhancement of capital value.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 INVESTMENT FUND
 Notes to Financial Statements (Cont.)

NOTE 3 - UNITS

Changes in units outstanding are summarized as follows:

Units sold	47 237 80
Units issued to unitholders in reinvestment of net investment income and realized gain from investment transactions	<u>87 915 32</u>
	135 153 12
Units redeemed	<u>(12 259 14)</u>
Net increase in units	122 893 98
Units outstanding:	
At beginning of year	<u>1 125 289 78</u>
At end of year	<u><u>1 248 183 76</u></u>

Inter-fund unitholdings at December 31, 1978 were as follows:

Retirement Plan	607 661 16
Specific Purpose Fund	532 120 93
Corporation - Current Fund	7 216 41
Corporation - non-owned funds	<u>24 054 00</u>
	1 171 052 50
	<u><u>93.82%</u></u>

NOTE 4 - INVESTMENT ADVISORY FEE AND OTHER TRANSACTIONS WITH AFFILIATES

Investment Advisor

Lionel D. Edie & Co. (advisor) provides the Fund with investment management, research, statistical and advisory services. The contract with the advisor provides for a fee payable at the end of each quarter computed on the current value of the portfolio of bonds and equity securities.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INVESTMENT FUND
Notes to Financial Statements (Cont.)

NOTE 4 - INVESTMENT ADVISORY FEE AND OTHER TRANSACTIONS WITH AFFILIATES (Concluded)

Administrative Services

In accordance with denominational policy, the General Conference Tithe Fund absorbs personnel and other administrative costs pertaining to the Investment Fund.

NOTE 5 - REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION/TAX STATUS

In the opinion of management, the Fund is not subject to provisions of the Investment Company Act of 1940 and the rules and regulations thereunder nor to the provision of the Internal Revenue Code.

NOTE 6 - NOTE PAYABLE

The note is payable to the Far Eastern Division of Seventh-day Adventists on behalf of the Japan Union Mission and bears interest at 8 1/2%.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INVESTMENT FUND
Notes to Financial Statements (Concluded)

NOTE 7 - SUPPLEMENTAL INFORMATION

Selected data on the average unit outstanding for each of the past five years as follows:

	Year ended December 31				
	1978	1977	1976	(Unaudited) 1975	1974
Investment income	5.3296*	4.7689*	4.5139	4.2325	4.4035
Expenses	<u>.0423*</u>	<u>.0601*</u>	<u>.0466</u>	<u>.0435</u>	<u>.0489</u>
Net investment income	5.2873	4.7088	4.4673	4.1890	4.3546
Distributions from net investment income	(5.2929)	(4.5928)	(4.4448)	(4.1795)	(4.3478)
Net realized gain from sale of investments	.6032	.5536	1.6087	.8344	.5699
Distribution from net realized gain from sale of investments	(.4361)	(.7762)	(1.5106)	(1.0546)	(.8674)
Net increase (decrease) in unrealized appreciation (depreciation)	<u>(1.4127)</u>	<u>(6.2692)</u>	<u>9.8722</u>	<u>14.2376</u>	<u>(19.8548)</u>
Net increase (decrease) in net asset value	(1.2512)	(6.3758)	9.9928	14.0269	(20.1455)
Net asset value:					
At beginning of year	<u>76.2340</u>	<u>82.6098</u>	<u>72.6170</u>	<u>58.5901</u>	<u>78.7356</u>
At end of year	<u>74.9828</u>	<u>76.2340</u>	<u>82.6098</u>	<u>72.6170</u>	<u>58.5901</u>
Average number of units used in computation	1 187 797 92	1 024 398 08	888 690 03	809 019 82	706 358 73

*Interest income and expense of equal amounts on note payable excluded from calculation.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS

INCOME FUND



MANER, COSTERISAN & ELLIS, P.C.
Certified Public Accountants

Walter P. Maner, Jr.
Floyd L. Costerisan
Leon A. Ellis
Jack E. Powers
Roger R. Promer
Lawrence C. Kowalk
Gary W. Brya
Henry W. Wolcott IV
Jerome V. Wittkoski
Daniel L. Popoff

February 23, 1979

To the Members of the Executive Committee
General Conference of Seventh-day Adventists
Washington, D.C.

We have examined the statements of assets and liabilities of the General Conference of Seventh-day Adventists Income Fund including the portfolio of investments as of December 31, 1978 and 1977, and the related statements of operations and changes in net assets for the years then ended. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. Securities owned at December 31, 1978 and 1977 were counted by us or confirmed to us by the custodian. As to securities purchased by not yet received, we carried out other appropriate auditing procedures.

In our opinion, the financial statements mentioned present fairly the net assets of the General Conference of Seventh-day Adventists Income Fund at December 31, 1978 and 1977 and the results of its operations and changes in its net assets for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Maner, Costerisan & Ellis PC

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 INCOME FUND
 Statement of Assets and Liabilities
 December 31

	<u>ASSETS</u>	
	<u>1978</u>	<u>1977</u>
Investments (carried on books at cost of \$32,276,204.00 in 1978 and \$27,070,387.60 in 1977)	29 276 229 04	25 800 282 61
Accrued dividends and interest on investments	391 378 92	332 251 04
Cash	359 181 34	73 050 38
Accounts receivable and other	<u>2 552 36</u>	<u>1 331 11</u>
Total Assets	30 029 341 66	26 206 915 14
<u>LIABILITIES</u>		
Accounts payable	<u>-0-</u>	<u>613 68</u>
NET ASSETS	<u>30 029 341 66</u>	<u>26 206 301 46</u>
Units of Fund Outstanding	363 239 82	297 520 70
Net Assets Per Unit	82.6708	88.0823

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 INCOME FUND
 Statement of Operations
 Year Ended December 31, 1978

INVESTMENT INCOME AND EXPENSES

INCOME:

Dividends	551 231 28	
Interest	1 666 692 85	
Bond Discount	<u>61 234 14</u>	

Total Income		2 279 158 27
--------------	--	--------------

EXPENSES:

Bond Premium Expense	<u>8 253 75</u>	
----------------------	-----------------	--

Total Expenses		<u>8 253 75</u>
----------------	--	-----------------

NET INVESTMENT INCOME		<u><u>2 270 904 52</u></u>
-----------------------	--	----------------------------

REALIZED LOSS ON SALE OF INVESTMENTS

Proceeds from sales		298 753 50
Cost of investments sold		<u>299 661 45</u>

NET REALIZED LOSS ON SALE OF INVESTMENTS		<u><u>(907 95)</u></u>
--	--	------------------------

UNREALIZED DEPRECIATION OF INVESTMENTS

NET UNREALIZED APPRECIATION - at beginning of year		1 267 310 93
--	--	--------------

NET UNREALIZED DEPRECIATION - at end of year:

Bonds	2 258 158 32	
Equities	<u>741 816 64</u>	<u>2 999 974 96</u>

UNREALIZED DEPRECIATION FOR THE YEAR		<u><u>1 732 664 03</u></u>
--------------------------------------	--	----------------------------

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INCOME FUND
Statement of Changes in Net Assets
Years Ended December 31

	<u>1978</u>	<u>1977</u>
FROM INVESTMENT ACTIVITIES:		
Net investment income	2 270 904 52	1 799 319 34
Distributions to unitholders	<u>2 261 823 49</u>	<u>1 798 915 28</u>
Increase in undistributed net investment income	9 081 03	404 06
Net realized gain (loss) on sale of investments	(907 95)	22 042 92
Increase in unrealized depreciation of investments	(1 732 664 03)	(1 271 790 81)
Other - relating to bond premiums/discounts	<u>(56 038 24)</u>	<u>8 063 95</u>
Decrease in net assets resulting from investment activities	<u>(1 780 529 19)</u>	<u>(1 241 279 88)</u>
FROM UNITS TRANSACTIONS:		
Net proceeds from sale of units	4 323 089 84	2 472 582 26
Net asset value of units issued to unitholders in reinvestment of net investment income	<u>2 043 891 68</u>	<u>1 173 086 40</u>
) Cost of units redeemed	<u>6 366 981 52</u> <u>(763 412 13)</u>	<u>3 645 668 66</u> <u>(214 448 19)</u>
Increase in net assets resulting from units transactions	<u>5 603 569 39</u>	<u>3 431 220 47</u>
INCREASE IN NET ASSETS	3 823 040 20	2 189 940 59
NET ASSETS:		
At beginning of year	<u>26 206 301 46</u>	<u>24 016 360 87</u>
At end of year	<u>30 029 341 66</u>	<u>26 206 301 46</u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INCOME FUND
Portfolio of Investments - Summary
December 31, 1978

<u>% of total portfolio</u>	<u>% of group</u>		<u>Cost</u>	<u>Current Value</u>
6.44	100.00	Short-Term Investments	1 886 334 58	<u>1 886 334 58</u>
58.27		Bonds		
	13.09	U. S. Treasury		2 232 782 50
	14.77	U. S. Gov't Agencies		2 519 496 10
	24.09	Industrials		4 109 000 00
	21.90	Public Utilities		3 735 060 00
	<u>26.15</u>	Banks & Finance		<u>4 460 983 93</u>
	<u>100.00</u>		18 405 059 71	<u>17 057 322 53</u>
9.74	100.00	Convertible Bonds	3 648 290 00	<u>2 852 250 00</u>
2.41		Preferred Stocks		
	10.20	Finance		72 000 00
	<u>89.80</u>	Convertible Preferred		<u>633 775 00</u>
	<u>100.00</u>		964 933 92	<u>705 775 00</u>
23.14		Common Stocks		
		<u>Cyclical</u>		
	11.92	Automotive		807 862 50
		<u>Consumers & Services</u>		
	3.79	Banks & Finance		256 534 05
	0.50	Chemicals		34 000 00
	0.75	Natural Gas Transmission		51 000 00
	39.70	Oil		2 689 685 00
	0.47	Paper & Containers		32 250 00
	15.43	Public Utilities		1 044 440 14
	1.31	Rail & Miscellaneous		88 500 00
	25.68	Telephone		1 739 962 74
	<u>0.45</u>	Tire & Rubber		<u>30 312 50</u>
	<u>100.00</u>		<u>7 257 204 65</u>	<u>6 774 546 93</u>
			<u>32 161 822 86</u>	
		Unamortized premiums	<u>114 381 14</u>	
<u>100.00</u>		Totals	<u>32 276 204 00</u>	<u>29 276 229 04</u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INCOME FUND
Portfolio of Investments
December 31, 1978

<u>Short-Term Investments</u>	<u>Par/ Shares</u>	<u>Current Value</u>
Commercial Paper - 9 3/8%-10 1/4%; due 1/2/79-2/1/79	1 892 000 00	1 886 334 58

<u>U.S. Treasury</u>	<u>Principal Amount</u>	<u>Current Value</u>
U.S. Treasury Notes		
5 7/8% 1/31/79	500M	498 125 00
5 7/8% 4/30/79	500M	492 657 50
6 7/8% 8/15/79	300M	293 156 25
7 3/8% 2/15/81	200M	190 000 00
8 1/8% 8/15/82	300M	287 812 50
8% 2/15/83	200M	190 812 50
8% 8/15/86	300M	280 218 75
		<u>2 232 782 50</u>

<u>U.S. Agency Obligations</u>		
Federal Home Loan Mortgage		
9 1/4% Mortgage Pass-Thru 8/1/08	296.1+M	279 457 37
Federal Home Loan		
8 1/8% 5/28/85	300M	280 125 00
8.10% 11/25/85	500M	465 000 00
7.875% 2/25/97	300M	267 000 00
Federal Land Bank		
7.95% 10/21/85	300M	276 375 00
7.95% 4/22/91	300M	271 500 00
GNMA Pass-Thru		
8% Pool 17941	476+M	427 288 73
Washington Metro		
7 3/4% 7/1/83-13	300M	252 750 00
		<u>2 519 496 10</u>

Total U.S. Government & Agencies	<u>4 752 278 60</u>
----------------------------------	---------------------

Corporate Bonds

Industrials

Caterpillar Tractor		
8 3/8% 11/1/82	275M	261 250 00
Cities Service		
7.65% 1/15/01	250M	211 250 00
Crown Zellerbach		
9 1/4% 3/15/05	200M	198 000 00
duPont deNemours		
8% 11/15/81	300M	287 250 00
Firestone Tire & Rubber		
8 1/2% 12/1/83	300M	270 000 00

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INCOME FUND
Portfolio of Investments (Cont.)
December 31, 1978

	<u>Principal Amount</u>	<u>Current Value</u>
<u>Industrials (Cont.)</u>		
FMC Corp.		
7 1/2% 10/1/01	100M	82 000 00
Halliburton Co.		
7.95% 12/1/95	100M	93 000 00
ICI North American		
8 7/8% 1/15/03	100M	97 500 00
Inland Steel		
9 1/2% 9/1/00	250M	250 000 00
Kellogg & Co.		
8 5/8% 10/1/85	300M	284 250 00
Monsanto Co.		
8 3/4% 5/15/08	200M	188 000 00
Owens-Corning		
9 1/2% 1/1/00	300M	304 500 00
Pfizer Inc.		
8 1/2% 4/15/99	300M	282 000 00
Procter & Gamble Co.		
7% 5/15/02	150M	120 000 00
Shell Oil		
8 3/4% 5/15/05	300M	286 500 00
Western Auto		
7.85% 1/15/96	200M	173 250 00
Western Electric		
7 1/2% 6/15/96	250M	211 250 00
Woolworth, F. W.		
9% 6/1/99	250M	228 125 00
Xerox Corp.		
8.20% 11/1/82	300M	<u>280 875 00</u>
Total Industrials		<u>4 109 000 00</u>
<u>Utilities</u>		
American Tel & Tel		
7% 2/15/01	300M	238 500 00
Carolina Power & Light		
9 1/4% 6/1/08	100M	93 375 00
Chesapeake, Potomac & Virginia		
8 5/8% 4/1/09	300M	270 750 00
Commonwealth Edison		
8 3/4% 3/1/05	200M	184 000 00
Consolidated Edison		
9 3/8% 9/15/00	200M	180 500 00
Gulf Power Co.		
9% 9/1/08	100M	91 375 00
Kansas Power & Light		
8 3/4% 2/1/08	300M	271 125 00
Minnesota Power & Light		
8.35% 9/1/07	100M	85 000 00

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INCOME FUND
Portfolio of Investments (Cont.)
December 31, 1978

	<u>Principal Amount</u>	<u>Current Value</u>
<u>Utilities (Cont.)</u>		
Mountain State Tel 7 3/8% 11/1/11	300M	240 750 00
New England Tel 8% 11/15/03	300M	253 125 00
New Jersey Bell 8 3/4% 6/1/18	100M	90 500 00
Ohio Edison 8 3/8% 6/1/01	300M	255 375 00
Pacific Gas & Electric 9 3/8% 2/1/11	200M	190 000 00
Pacific Tel & Tel 9 1/2% 6/15/11	200M	190 750 00
Southern Bell Tel 8 1/8% 5/1/17	300M	260 625 00
Southern California Edison 9 5/8% 11/1/03	100M	98 000 00
Southern New England 9 5/8% 12/1/10	100M	98 000 00
Tenneco Inc. 8 1/4% 10/1/91	296M	273 060 00
Transcontinental Gas Pipeline 6 3/4% 5/1/88	100M	79 250 00
Virginia Electric Power 9 5/8% 7/1/08	300M	<u>291 000 00</u>
Total Utilities		<u>3 735 060 00</u>
<u>Banks & Finance</u>		
American Savings & Loan of California 8 1/2% 4/15/84	400M	376 500 00
American Savings & Loan of Utah 8 5/8% 4/15/85	200M	182 000 00
BankAmerica 9% Pass-Thru	278.4M	255 443 45
Beneficial Finance 6 3/4% 8/1/94	400M	314 000 00
8.40% 5/15/08	200M	191 500 00
Chrysler Financial 7 3/8% 5/15/86	200M	132 250 00
CIT Financial 8.80% 3/15/93	200M	190 000 00
9 1/2% 6/1/95	137M	126 896 25
Commercial Credit 8 3/4% 3/15/88	200M	185 500 00
John Deere Credit 9.35% 10/31/03	100M	99 000 00

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 INCOME FUND
 Portfolio of Investments (Cont.)
 December 31, 1978

	<u>Principal Amount</u>	<u>Current Value</u>
<u>Banks & Finance (Cont.)</u>		
First Federal Savings & Loan of Chicago 8.70% 5/1/86	400M	370 000 00
First Federal Savings & Loan of Wisconsin 8 3/4% 8/15/83	100M	95 000 00
Ford Motor Credit 9 1/8% 6/1/01	250M	232 812 50
General Motors Acceptance 8.70% 6/1/83	300M	283 125 00
Glendale Federal Savings & Loan 9 1/8% Pass-Thru	281.6M	260 556 75
Houston First Savings 8 7/8% 8/1/84	300M	282 000 00
Inter-American Division 8% 3/1/85	300M	276 750 00
Montgomery Ward Credit 8 7/8% 3/15/03	200M	190 000 00
U. S. Trust Co. 8 1/2% 11/1/01	100M	85 000 00
Washington Mutual Savings 9% Pass-Thru Serv "A"	194.7M	180 149 98
Wells Fargo Co. 7 3/8% 11/15/97	200M	<u>152 500 00</u>
Total Banks & Finance		<u>4 460 983 93</u>
Total Bonds (Not Convertible)		<u>17 057 322 53</u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
 INCOME FUND
 Portfolio of Investments (Cont.)
 December 31, 1978

<u>Convertible Bonds</u>	<u>Principal Amount</u>	<u>Current Value</u>
American Airlines 4 1/4% 7/1/92	450M	243 000 00
Citicorp 5 3/4% 6/30/00	200M	145 750 00
Ford Motor Credit 4 1/2% 11/15/96	600M	396 000 00
General Telephone & Electronics 4% 3/15/90	600M	385 500 00
W. T. Grant 4 3/4% 4/15/96	400M	42 000 00
J. P. Morgan 4 3/4% 11/1/98	600M	420 000 00
Pfizer Inc. 4% 2/15/97	600M	478 500 00
RCA Corp. 4 1/2% 8/1/92	500M	335 000 00
U. S. Steel Corp. 5 3/4% 7/1/01	600M	<u>406 500 00</u>
Total Convertible Bonds		<u><u>2 852 250 00</u></u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INCOME FUND
Portfolio of Investments (Cont.)
December 31, 1978

	<u>Par/ Shares</u>	<u>Current Value</u>
<u>Preferred Stocks</u>		
Finance		
Kentucky Finance	6,000	72 000 00
Convertibles		
City Investing \$2.00 Pfd.	1,000	22 250 00
Consolidated Foods \$4.50 Pfd.	1,700	96 475 00
FMC Corp. \$2.25 Pfd.	6,000	194 250 00
International Tel & Tel \$5.00 Pfd.	5,000	320 800 00
		633 775 00
Total Preferred Stocks		705 775 00
 <u>Common Stocks</u>		
<u>Cyclical</u>		
Automotive		
General Motors	15,030	807 862 50
 <u>Consumers & Services</u>		
Banks & Finance		
American Security	* 9,346	233 659 05
Beneficial Corp.	1,000	22 875 00
		256 534 05
Chemicals		
Union Carbide	1,000	34 000 00
Natural Gas Transmission		
Columbia Gas System	2,000	51 000 00
Oil		
Exxon Corp.	20,000	982 500 00
Gulf Oil Corp.	2,040	47 685 00
Mobil Corp.	10,000	693 750 00
Standard Oil of California	15,000	703 125 00
Texaco Inc.	11,000	262 625 00
		2 689 685 00
Paper & Containers		
Diamond International	1,000	32 250 00

*Plus a fractional share.

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INCOME FUND
Portfolio of Investments (Concluded)
December 31, 1978

	<u>Par/ Shares</u>	<u>Current Value</u>
<u>Common Stocks (Cont.)</u>		
<u>Consumers & Services</u>		
Public Utilities		
American Electric Power	* 6,114	129 156 24
Delmarva Power & Light	3,022	40 041 50
Detroit Edison	* 6,310	85 183 31
Potomac Electric Power Co.	*10,531	143 479 72
Southern California Edison	5,000	128 750 00
Southern Co.	*21,613	289 079 37
Washington Gas Light	10,000	228 750 00
		<u>1 044 440 14</u>
Rail & Miscellaneous		
Santa Fe Industries	3,000	<u>88 500 00</u>
Telephone		
American Telephone & Telegraph	*24,070	1 456 212 74
General Telephone & Electronics	10,000	283 750 00
		<u>1 739 962 74</u>
Tire & Rubber		
Firestone Tire & Rubber	2,500	<u>30 312 50</u>
Total Common Stocks		<u><u>6 774 546 93</u></u>

*Plus a fractional share.

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INCOME FUND
Notes to Financial Statements

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES

Valuation of investments - Investments in securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the year; securities traded in the over-the-counter market and listed securities for which no sale was reported on the last business day are valued at the last reported bid price; commercial paper and similar short-term items are stated at amortized cost which approximates market value.

The realized gain or loss on investments represents the difference between the proceeds received and the cost (average method) of investments sold.

Premiums and discounts on bonds - Premiums and discounts on bonds purchased are amortized/accreted on a straight-line basis over the remaining life to maturity.

Other - As is common in the industry, security transactions are accounted for on the date the transactions are entered into (the trade date) rather than the settlement date. Dividend income and distributions to unitholders are recorded on the ex-dividend (ex-distribution) date.

NOTE 2 - PURPOSE, NAME, USE AND INVESTMENT POLICY

A fund shall be established and maintained at the General Conference for the purpose of pooling denominational funds available for investing in bonds, equities and other suitable investment media. It shall be known as the General Conference Income Fund, and shall exclusively serve all segments of the denomination, including the General Conference office, field organizations (divisions, unions and local conferences), institutions and services. It shall not accept funds from any individual or non-denominationally owned organizations or institutions.

The General Conference Income Fund may be used for the investment of the cash corpus life income agreements written by denominational organizations and institutions, and for any other funds requiring a relatively high current investment income while preserving capital; enhancement of capital shall be of a minor and secondary consideration. A flexible investment diversification policy shall be followed as determined by the Investment and Securities Committee of the General Conference.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INCOME FUND
Notes to Financial Statements (Cont.)

NOTE 3 - UNITS

Changes in units outstanding are summarized as follows:

Units sold	50 706 43
Units issued to unitholders in reinvestment of net investment income and realized gain from investment transactions	<u>23 944 51</u> 74 650 94
Units redeemed	<u>8 931 82</u>
Net increase in units	65 719 12
Units outstanding:	
At beginning of year	<u>297 520 70</u>
At end of year	<u>363 239 82</u>

Inter-fund unitholdings at December 31, 1978 are as follows:

Retirement Funds	202 556 97
Specific Purposes Fund	90 591 40
Corporation - Plant Fund	11 602 36
Corporation - non-owned funds	<u>12 701 62</u>
	<u>317 452 35</u>
	<u>87.39%</u>

NOTE 4 - TRANSACTIONS WITH AFFILIATES

Administrative Services

In accordance with denominational policy, the General Conference Tithe Fund absorbs personnel and other administrative costs pertaining to the Income Fund.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INTERNATIONAL FUND
Statement of Assets and Liabilities
December 31

	<u>ASSETS</u>	
	<u>1978</u>	<u>1977</u>
Investments (carried on books at cost of \$6,039,092.20 in 1978 and \$5,124,538.42 in 1977)	5 651 602 53	4 092 950 70
Accrued interest and dividends on investments	70 480 17	40 081 60
Cash	<u>7 050 65</u>	<u>1 007 99</u>
Total Assets	5 729 133 35	4 134 040 29
 <u>LIABILITIES</u> 		
Accounts Payable	<u>-0-</u>	<u>2 780 00</u>
NET ASSETS	<u>5 729 133 35</u>	<u>4 131 260 29</u>
Units of fund outstanding	73 799 52	62 280 93
Net assets per unit	77.6310	66.3327

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS

INTERNATIONAL FUND



MANER, COSTERISAN & ELLIS, P.C.
Certified Public Accountants

Walter P. Maner, Jr.
Floyd L. Costerisan
Leon A. Ellis
Jack E. Powers
Roger R. Promer
Lawrence C. Kowalk
Gary W. Brya
Henry W. Wolcott IV
Jerome V. Wittkoski
Daniel L. Popoff

February 23, 1979

To the Members of the Executive Committee
General Conference of Seventh-day Adventists
Washington, D.C.

We have examined the statements of assets and liabilities of the General Conference of Seventh-day Adventists International Fund including the portfolio of investments as of December 31, 1978 and 1977, and the related statements of operations and changes in net assets for the years then ended. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances, including confirmation by correspondence with custodian of the investments.

In our opinion, the financial statements mentioned present fairly the net assets of the General Conference of Seventh-day Adventists International Fund at December 31, 1978 and 1977 and the results of its operations and changes in net assets for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Maner, Costerisan + Ellis PC

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INTERNATIONAL FUND
Statement of Operations
Year Ended December 31, 1978

INVESTMENT INCOME AND EXPENSES

INCOME:

Dividends	104 655 40	
Interest	<u>88 123 44</u>	

Total Income		192 778 84
--------------	--	------------

EXPENSES:

Bank safekeeping fee	12 863 31	
Counseling fees	<u>17 074 66</u>	

Total Expenses		<u>29 937 97</u>
----------------	--	------------------

NET INVESTMENT INCOME		<u>162 840 87</u>
-----------------------	--	-------------------

REALIZED GAIN ON SALE OF INVESTMENTS

Proceeds from sales		1 177 778 11
Cost of investments sold		<u>1 136 843 97</u>

NET REALIZED GAIN ON SALE OF INVESTMENTS		<u>40 934 14</u>
--	--	------------------

UNREALIZED DEPRECIATION OF INVESTMENTS

NET UNREALIZED DEPRECIATION

At beginning of year		1 031 587 72
----------------------	--	--------------

At end of year:

Bonds Gain	161 887 86	
Equities Loss	<u>(549 377 53)</u>	<u>(387 489 67)</u>

UNREALIZED APPRECIATION FOR THE YEAR		<u>644 098 05</u>
--------------------------------------	--	-------------------

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INTERNATIONAL FUND
Statement of Changes in Net Assets
Years Ended December 31

	<u>1978</u>	<u>1977</u>
FROM INVESTMENT ACTIVITIES:		
Net investment income	162 840 87	121 179 85
Distributions to unitholders	<u>162 840 87</u>	<u>121 179 85</u>
Net realized gain (loss) on sale of investments	40 934 14	(76 489 76)
Decrease in unrealized depreciation of investments	<u>644 098 05</u>	<u>400 116 36</u>
Increase in net assets resulting from investment activities	<u>685 032 19</u>	<u>323 626 60</u>
FROM UNITS TRANSACTIONS:		
Net proceeds from sale of units	750 000 00	500 000 00
Net asset value of units issued to unitholders in reinvestment of net investment income	<u>162 840 87</u>	<u>121 179 85</u>
Increase in net assets resulting from units transactions	<u>912 840 87</u>	<u>621 179 85</u>
INCREASE IN NET ASSETS	1 597 873 06	944 806 45
NET ASSETS:		
At beginning of year	<u>4 131 260 29</u>	<u>3 186 453 84</u>
At end of year	<u><u>5 729 133 35</u></u>	<u><u>4 131 260 29</u></u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INTERNATIONAL FUND
Portfolio of Investments
December 31, 1978

	<u>Principal Amount</u>	<u>Cost</u>	<u>Current Value</u>
<u>Time Deposits</u>			
Paris - Chase Manhattan, 2 day	150M	<u>150 000 00</u>	<u>150 000 00</u>
<u>Bonds</u>			
Australie 6.60%	Y 30 000M	128 451 93	153 600 00
Finlande 6.70%	Y 30 000M	130 435 34	150 000 00
France State Bonds 7%	FF 100M	89 572 22	90 650 00
Canon Cv. 4 3/4%	DM 100M	55 845 02	56 430 00
Fujitsu Cv. 4 1/4%	DM 100M	55 695 11	75 050 00
Japan Discount 5.40%	Y 35 000M	139 010 63	151 493 79
Japan Discount 5.50%	Y 35 000M	134 741 46	149 514 59
Alusuisse International 4 3/4%	100M	106 714 93	93 500 00
Boots Cv. 6 3/4%	100M	101 160 19	91 500 00
Ito-Yokado Cv. 5 3/4%	120M	120 781 26	157 200 00
Izumiya Cv. 3 1/2%	DM 100M	57 075 48	52 040 00
Jusco Co. Ltd. 6%	100M	98 703 41	135 000 00
Komatsu Ltd. Cv. 7 1/4%	100M	101 514 35	161 250 00
New Zealand 6.80%	Y 20 000M	83 354 17	104 800 00
Norpipe 6%	DM 100M	44 391 52	54 240 00
Rand Selection Cv. 6 1/2%	250M	<u>285 683 50</u>	<u>218 750 00</u>
Total Bonds		<u>1 733 130 52</u>	<u>1 895 018 38</u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INTERNATIONAL FUND
Portfolio of Investments (Cont.)
December 31, 1978

<u>Common Stocks</u>	<u>Par/ Shares</u>	<u>Cost</u>	<u>Current Value</u>
Hoffmann LaRoche	4	205 705 87	176 543 20
Hoffmann LaRoche 1/10	40	200 629 52	166 666 00
Sandoz Overseas	250	70 405 05	69 752 50
Legrand S. A.	25	11 070 75	11 391 00
Siemens	1 000	139 011 18	155 860 00
B. S. R. Ltd.	90 000	320 914 51	149 850 00
Sony Corp - ADR	18 750	175 446 11	157 031 25
Sony Corp - Japanese	12 500	139 071 97	104 125 00
TDK Electronics	12 100	60 210 03	117 128 00
Kershaw & Sons	10 000	285 776 64	243 700 00
M. A. N. AG	800	103 927 42	99 928 00
Anglo American Gold	1 000	56 129 96	21 550 00
DeBeers Consolidated Mines	30 000	206 019 55	168 000 00
Gold Fields of South Africa	1 000	51 007 71	16 360 00
Hitachi Maxell	10 000	93 473 75	95 800 00
Mannesmann AG	2 000	165 222 16	193 160 00
Rio Tinto-Zinc	50 000	311 757 69	229 500 00
Utah Mining Australia	15 750	79 791 01	74 182 50
Compagnie Bancaire	100	10 410 04	11 852 00
Deutsche Bank	1 000	139 498 36	165 450 00
Hitachi Credit	5 000	55 475 94	54 050 00
British Petroleum	4 000	65 651 31	75 320 00

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INTERNATIONAL FUND
Portfolio of Investments (Concluded)
December 31, 1978

	<u>Par/ Shares</u>	<u>Cost</u>	<u>Current Value</u>
<u>Common Stocks (Cont.)</u>			
Gulf Oil of Canada	3 000	103 723 16	93 870 00
Petrofina	2 205	299 429 14	239 551 20
Royal Dutch Petroleum	3 000	177 892 53	183 780 00
Schlumberger Ltd.	1 000	66 860 75	94 750 00
EBES Energie - New	100	5 894 75	7 740 00
- Old	500	32 204 38	40 230 00
Great Universal Stores	30 000	251 132 14	186 300 00
Guyenne et Gascogne	100	9 761 10	9 233 00
Simpsons Ltd.	30 000	83 015 21	60 900 00
Simpsons - Sears	19 650	<u>179 441 99</u>	<u>133 030 50</u>
Total Stocks		<u>4 155 961 68</u>	<u>3 606 584 15</u>
TOTALS		<u><u>6 039 092 20</u></u>	<u><u>5 651 602 53</u></u>

See accompanying notes to financial statements.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INTERNATIONAL FUND
Notes to Financial Statements

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES

Valuation of investments - Investments in securities traded on a national (or international) securities exchange are valued at the last reported sales price on the last business day of the year; securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the last reported bid price.

The realized gain or loss on investments represents the difference between the proceeds received and the cost (average method) of investments sold.

Foreign currency translation - The cost of investments is recorded in U.S. dollars at the exchange rate prevailing on the date of purchase. The current value at the financial statement date represents the foreign currency market price multiplied by the current exchange rate.

Other - As is common in the industry, security transactions are accounted for on the date the transactions are entered into (the trade date) rather than the settlement date. Dividend income and distributions to unitholders are recorded on the ex-dividend (ex-distribution) date.

NOTE 2 - PURPOSE, NAME, USE AND INVESTMENT POLICY

A fund shall be established and maintained at the General Conference for the purpose of pooling denominational funds available for investing in bonds, equities and other suitable investment media. It shall be known as the General Conference International Fund and shall serve overseas-based denominational organizations, as well as the General Conference. It shall not accept funds from any individual or non-denominationally owned organizations or institutions.

Investment shall primarily be made by the Fund in foreign bonds and preferred and common stocks; however, the Fund shall not be restricted to the foregoing if conditions indicate the use of additional types of investments. A flexible investment diversification pattern shall be followed to provide a moderate, regular and relatively stable income and reasonable opportunity for enhancement of capital value.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INTERNATIONAL FUND
Notes to Financial Statements (Cont.)

NOTE 3 - UNITS

Changes in units outstanding are summarized as follows:

Units sold	9 420 96
Units issued to unitholders in reinvestment of net investment income	<u>2 097 63</u>
Units redeemed	<u>11 518 59</u> -0-
Net increase in units	11 518 59
Units outstanding:	
At beginning of year	<u>62 280 93</u>
At end of year	<u>73 799 52</u>

Inter-fund unitholdings at December 31, 1978 are as follows:

Specific Purpose Fund	<u>35 026 14</u>
	<u>47.46%</u>

NOTE 4 - INVESTMENT ADVISORY FEE AND OTHER TRANSACTIONS WITH AFFILIATES

Investment Advisor

Lionel D. Edie S.A. (advisor) provides the Fund with investment management, research, statistical and advisory services. The contract with the advisor provides for a fee applied to the current value of all assets under supervision payable at the end of each quarter computed as follows:

3/8 of 1% on the first 5 000 000 00

1/4 of 1% on the excess over 5 000 000 00

Administrative Services

In accordance with denominational policy, the General Conference Tithe Fund absorbs personnel and other administrative costs pertaining to the International Fund.

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INTERNATIONAL FUND
Notes to Financial Statements (Cont.)

NOTE 5 - REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION/TAX STATUS

In the opinion of management, the Fund is not subject to provisions of the Investment Company Act of 1940 and the rules and regulations thereunder nor to the provisions of the Internal Revenue Code.

NOTE 6 - CALCULATION OF PERFORMANCE

	<u>1978</u>	<u>1977</u>
Unit value, December 31	77.6310	66.3327
Plus - year-end payout	<u>2.2741</u>	<u>2.0045</u>
Unit value, December 31, including payouts	79.9021	68.3372
Unit value, January 1	66.3327	60.5347
Performance for the year		
Dollar increase	13.5694	7.8025
Percent increase	20.4566%	12.8893%

GENERAL CONFERENCE OF SEVENTH-DAY ADVENTISTS
INTERNATIONAL FUND
Notes to Financial Statements (Concluded)

NOTE 7 - SUPPLEMENTAL INFORMATION

Selected data on the average unit outstanding for each of the past five years as follows:

	Year ended December 31				
	<u>1978</u>	<u>1977</u>	<u>1976</u>	<u>1975</u>	<u>1974</u>
				(Unaudited)	
Investment income	2,9819	2,4879	2,5717	2,6676	2,6102
Expenses	.4631	.3449	.3551	.4384	.1310
Net investment income	2,5188	2,1430	2,2166	2,2292	2,4792
Distributions from net investment income	(2,5188)	(2,1430)	(2,2166)	(2,2292)	(2,4792)
Net realized gain (loss) from sale of securities	.6332	(1,3527)	(1,6486)	(1,1878)	(3,2244)
Net increase (decrease) in unrealized appreciation (depreciation)	10,6651	7,1507	(4,4593)	12,0056	(22,4469)
Net increase (decrease) in net asset value	11,2983	5,7980	(6,1079)	10,8178	(25,6713)
Net asset value:					
Beginning of year	66,3327	60,5347	66,6426	55,8248	81,4961
End of year	77,6310	66,3327	60,5347	66,6426	55,8248
Average number of units in earnings-per-unit computation	64 649 39	56 546 26	48 067 62	45 151 98	43 389 07

GENERAL CONFERENCE CORPORATION OF SEVENTH-DAY ADVENTISTS

CURRENT FUND and PLANT FUND



MANER, COSTERISAN & ELLIS, P.C.
Certified Public Accountants

Walter P. Maner, Jr.
Floyd L. Costerisan
Leon A. Ellis
Jack E. Powers
Roger R. Promer
Lawrence C. Kowalk
Gary W. Brya
Henry W. Wolcott IV
Jerome V. Wittkoski
Daniel L. Popoff

February 23, 1979

To the Members of the Board of Trustees
General Conference Corporation of
Seventh-day Adventists
Washington, D.C.

We have examined the balance sheets of the General Conference Corporation of Seventh-day Adventists Current Fund and Plant Fund as of December 31, 1978 and 1977, and the related statements of revenues, expenses and fund balance of the Current Fund and changes in fund balance of the Plant Fund for the years then ended. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances, except as indicated in the following paragraph.

As discussed in Note 4 to the financial statements the Corporation has an investment in Harris Pine Mills which is carried on the books at \$375,000.00. We have not been able to apply sufficient auditing procedures to satisfy ourselves as to the carrying value of this investment.

As discussed in Note 6 to the financial statements the Corporation is involved in certain litigation the outcome of which cannot presently be determined and no provision for any liability that may result has been made in the financial statements.

In our opinion, subject to the effects, if any, on the financial statements of the ultimate resolution of the matters referred to in the preceding paragraphs, the financial statements mentioned present fairly the financial position of the General Conference Corporation of Seventh-day Adventists Current Fund and Plant Fund at December 31, 1978 and 1977 and the results of operations and changes in fund balances for the years then ended in conformity with generally accepted accounting principles applied on a consistent basis.

In addition to the Current and Plant Funds included in the accompanying financial statements there are other funds and/or subsidiary organizations which are owned or controlled by the Corporation. The Corporation also acts in a fiduciary capacity in connection with its Trust Services. The terms of our engagement and the opinion expressed applies only to the specific funds mentioned.

Maner, Costerisan & Ellis PC

GENERAL CONFERENCE CORPORATION OF SEVENTH-DAY ADVENTISTS
 Current Fund
 Balance Sheet
 December 31

	<u>1978</u>	<u>1977</u>
ASSETS		
<u>Current Assets:</u>		
Cash and Banks	24 636 20	24 438 17
Investments	558 158 46	45 963 02
Due from Tithe Fund	17 075 97	
Due from Plant Fund		6 530 99
Prepaid Expenses	<u>19 559 38</u>	<u>30 386 69</u>
Total Current Assets	<u>619 430 01</u>	<u>107 318 87</u>
<u>Other Assets</u>		
Notes and Loans Receivable	658 929 47	1 203 862 34
Real Estate Investments	1 341 364 24	1 341 464 24
Investments in Affiliated Organizations	<u>470 000 00</u>	<u>470 000 00</u>
Total Other Assets	<u>2 470 293 71</u>	<u>3 015 326 58</u>
Total Assets	<u>3 089 723 72</u>	<u>3 122 645 45</u>
LIABILITIES		
<u>Current Liabilities</u>		
Accounts Payable	3 435 45	30 852 47
Due to Plant Fund	51 120 56	
Current maturity of Contract Payable		<u>12 000 00</u>
Total Current Liabilities	54 556 01	42 852 47
Installment Contract Payable, Less Current Maturity		<u>140 000 00</u>
Total Liabilities	54 556 01	182 852 47
FUND BALANCE		
Unappropriated Fund Balance	<u>3 035 167 71</u>	<u>2 939 792 98</u>
Total Liabilities and Fund Balance	<u>3 089 723 72</u>	<u>3 122 645 45</u>

See accompanying notes to financial statements.

GENERAL CONFERENCE CORPORATION OF SEVENTH-DAY ADVENTISTS
 Current Fund
 Statement of Revenues, Expenses and Fund Balance
 December 31

	<u>1978</u>	<u>1977</u>
<u>Operating Revenue:</u>		
Rental Income	559 630 00	567 102 00
<u>Operating Expenses:</u>		
Depreciation	262 934 13	253 591 82
Maintenance	186 353 76	166 780 21
Rental of Space and Equipment	27 030 81	29 092 44
Insurance	30 994 28	23 472 21
Legal	16 194 92	17 258 00
Taxes	22 385 49	16 049 15
Salaries	7 789 80	7 432 80
Utilities	5 427 19	4 823 10
General	395 04	1 994 46
Total Operating Expenses	559 505 42	520 494 19
Excess of Operating Revenue Over Expenses	124 58	46 607 81
<u>Non-Operating Revenues:</u>		
Income from Investments and Notes	94 756 15	93 579 68
Other	494 00	76 020 00
<u>Excess of Revenues Over Expenses:</u>	95 374 73	216 207 49
<u>Fund Balance:</u>		
At Beginning of Year	2 939 792 98	2 723 585 49
At End of Year	3 035 167 71	2 939 792 98

See accompanying notes to financial statements

GENERAL CONFERENCE CORPORATION OF SEVENTH-DAY ADVENTISTS
 Plant Fund
 Balance Sheet
 December 31

	1978		1977
	<u>Unexpended</u>	<u>Net Invest in Plant</u>	<u>Total</u>
		<u>Total</u>	<u>Total</u>
ASSETS			
<u>Current Assets:</u>			
Cash	6 472 69	6 472 69	30 347 27
Investments	969 106 39	969 106 39	776 926 66
Due from Current Fund	51 120 56	51 120 56	
Total Current Assets	1 026 699 64	1 026 699 64	807 273 93
<u>Property & Equipment:</u>			
Land	553 942 36	553 942 36	556 942 36
Land Improvements	96 692 24	96 692 24	96 992 24
Buildings	7 888 459 93	7 888 459 93	7 620 192 23
Equipment	2 419 539 21	2 419 539 21	2 203 686 22
	10 958 633 74	10 958 633 74	10 477 813 05
Less: Accum Deprec	2 965 353 70	2 965 353 70	2 730 603 13
Net Property and Equip	7 993 280 04	7 993 280 04	7 747 209 92
Total Assets	1 026 699 64	7 993 280 04	9 019 979 68
		9 019 979 68	8 554 483 85
LIABILITIES			
<u>Current Liabilities:</u>			
Accounts Payable	10 191 15	10 191 15	351 83
Due to Current Fund			6 530 99
Total Liabilities	10 191 15	10 191 15	6 882 82
FUND BALANCE			
Fund Balance	1 016 508 49	7 993 280 04	9 009 788 53
Total Liabilities & Fund Balance	1 026 699 64	7 993 280 04	8 547 601 03
		9 019 979 68	8 554 483 85

See accompanying notes to financial statements.

GENERAL CONFERENCE CORPORATION OF SEVENTH-DAY ADVENTISTS
 Plant Fund
 Statement of Changes in Fund Balance
 Years Ended December 31

	1978			1977
	<u>Unexpended</u>	<u>Net Invest in Plant</u>	<u>Total</u>	<u>Total</u>
<u>Additions (Deductions):</u>				
Income from Investments	74 762 40		74 762 40	52 067 91
Donations	426 478 14		426 478 14	
Sale of Equipment	42 064 38	(22 281 75)	19 782 63	15 832 30
Acquisition of Property and Equipment	(574 702 18)	574 702 18		
Depreciation	306 350 31	(306 350 31)		
Unrealized Dep in Aggregate Current Value of Invest Other - Geoscience	(57 582 67) (1 253 00)		(57 582 67) (1 253 00)	(15 477 95)
Net Additions	216 117 38	246 070 12	462 187 50	52 422 26
<u>Fund Balance:</u>				
At Beginning of Year	<u>800 391 11</u>	<u>7 747 209 92</u>	<u>8 547 601 03</u>	<u>8 495 178 77</u>
At End of Year	<u>1 016 508 49</u>	<u>7 993 280 04</u>	<u>9 009 788 53</u>	<u>8 547 601 03</u>

See accompanying notes to financial statements.

GENERAL CONFERENCE CORPORATION OF SEVENTH-DAY ADVENTISTS
Current Fund and Plant Fund
Notes to Financial Statements

Note 1 - Summary of Accounting Policies:

Basis of accounting: The books of the Funds are maintained on the accrual basis of accounting.

Property, equipment and depreciation: Property and equipment owned directly by the General Conference is recorded in the Plant Fund. Depreciation is computed over the estimated useful life on the straight-line method.

Investments: Investments are recorded at the lower of aggregate cost or current value with cost being determined by the average method. The difference between current value and cost is reflected in the statement of changes in fund balance. Realized gain or loss on investments represents the difference between the proceeds received and the cost of investments sold.

Real estate investments: Investments in real estate are recorded at cost.

Investments in affiliated organizations: Investments in affiliated organizations are carried at original cost.

Note 2 - Investments:

Investments consist of the following:

	1978		Unrealized Appreciation (Depreciation)	1977
	Average Cost	Current Value		Current Value
<u>Current Fund:</u>				
Passbook Savings	26 866 38	26 866 38		45 963 02
Gen Conf Unitized Fnds	531 292 08	541 106 63	9 814 55	45 963 02
	558 158 46	567 973 01	9 814 55	45 963 02
<u>Plant Fund:</u>				
Passbook Savings	9 930 01	9 930 01		18 938 83
Gen Conf Unitized Fnds	1 032 237 00	959 176 38	(73 060 62)	757 987 83
	1 042 167 01	969 106 39	(73 060 62)	776 926 66

GENERAL CONFERENCE CORPORATION OF SEVENTH-DAY ADVENTISTS
Current Fund and Plant Fund
Notes to Financial Statements

Note 3 - Notes and Loans Receivable:

Notes and loans receivable consist of the following:

	<u>1978</u>	<u>1977</u>
Riverside Hospital (A division of the General Conference Corporation of Seventh-day Adventists)	598 929 47	1 143 862 34
Other	<u>60 000 00</u>	<u>60 000 00</u>
	<u>658 929 47</u>	<u>1 203 862 34</u>

The original terms of the note from Riverside Hospital required annual principal payments beginning at \$100,000.00 on December 31, 1975 and increasing by \$25,000.00 per year with final maturity December 31, 1980. In addition, interest at 7½% was payable semi-annually. Additional amounts were advanced to the Hospital in 1974 (\$160,000.00) and 1975 (\$112,000.00) with repayment being extended to December 31, 1981 and 1982 respectively. Terms with respect to interest remained unchanged.

The Hospital made interest payments and the first principal payment of \$100,000.00 as scheduled.

During 1976 the Hospital experienced cash flow difficulties and was unable to pay the full amount of interest and the principal payment of \$125,000.00 which was due December 31, 1976.

In 1977 an agreement was reached between the General Conference of Seventh-day Adventists and the General Conference Corporation of Seventh-day Adventists ("Conference") and the Hospital which included the following provisions:

The rights to the Hospital and its assets and operations were transferred to the Southern Adventist Health and Hospital System, Incorporated ("System") for a term beginning February 1, 1977 and ending June 30, 1982. If it is agreed by the parties that the operation of Hospital by System during the period has been successful and at System's option, the following shall occur:

Conference will transfer Hospital, including all assets and liabilities pertaining thereto, to System and will forgive the note (balance \$598,929.47 at December 31, 1978) and accrued interest after applying the proceeds of certain bonds which are owned by Hospital and are presently being collected by Conference. Hospital or System will repay in forty-eight monthly payments including interest at 8% beginning July 31, 1982, the balance of \$280,500.00 on a note owed to the General Conference Retirement Funds. Accrued interest on this note through June 30, 1982 will be forgiven.

GENERAL CONFERENCE CORPORATION OF SEVENTH-DAY ADVENTISTS
 Current Fund and Plant Fund
 Notes to Financial Statements

Note 3 - Notes and Loans Receivable, con't:

In the event System does not exercise its option Conference will re-assume operation of Hospital and all liabilities related thereto. System agrees that it will return Hospital to Conference with no greater liabilities against Hospital than existed at the time the agreement was entered into and that operating losses, if any, will be absorbed by System.

Upon signing of the agreement, Conference appropriated \$100,000.00 and has made available a loan of up to \$384,000.00. The loan is repayable, including interest at 8%, on a schedule to be arranged by mutual agreement.

In the event System exercises its option to acquire Hospital and the amounts owed are forgiven, such amounts forgiven, including accrued interest, are to be reimbursed to the Corporation Current Fund by the General Conference Specific Purpose Fund.

Note 4 - Investments in Affiliated Organizations:

Investments consist of:

Harris Pine Mills	375 000 00
Gencon Agency, Inc.	<u>95 000 00</u>
	<u>470 000 00</u>

The above investments represent 100% of the outstanding stock of the organization.

The companies' books (unaudited) reflect stockholder's equity as follows:

Company	Date	Stockholder's Equity
Harris Pine Mills	12-31-78	16 700 000 00
Gencon Agency, Inc.	12-31-77	130 000 00

Note 5 - Related Party Transactions:

Property and equipment is rented to other funds and/or affiliated organizations of the General Conference.

GENERAL CONFERENCE CORPORATION OF SEVENTH-DAY ADVENTISTS
Current Fund and Plant Fund
Notes to Financial Statements

Note 6 - Contingencies:

Litigation: The General Conference and/or its affiliates are defendants in certain litigation arising out of allegations of sex discrimination in employment. The ultimate outcome cannot be reasonably estimated at the present time. In the event the plaintiffs should prevail it is estimated the liability could approximate \$350,000.00.

The General Conference is also a defendant in a case involving personal injuries resulting from a plane crash. The liability is being vigorously contested. However, the ultimate outcome cannot be reasonably estimated at the present time. Plaintiffs are seeking \$1,000,000.00 damages. It is not known if the Conference's insurance policy covers this exposure.

Direct and/or Guaranteed Loans: The General Conference is directly and/or contingently liable for loans of other funds and/or affiliated organizations. The outstanding balances of such loans amounted to approximately \$10,600,000.00 at December 31, 1978.

GENERAL CONFERENCE ASSOCIATION
OF
SEVENTH-DAY ADVENTISTS



MANER, COSTERISAN & ELLIS, P.C.
Certified Public Accountants

Walter P. Maner, Jr.
Floyd L. Costerisan
Leon A. Ellis
Jack E. Powers
Roger R. Promer
Lawrence C. Kowalk
Gary W. Brya
Henry W. Wolcott IV
Jerome V. Wittkoski
Daniel L. Popoff

February 23, 1979

To the Members of the Board of Trustees
General Conference Association of
Seventh-day Adventists
Washington, D.C.

We have examined the balance sheet of the General Conference Association of Seventh-day Adventists as of December 31, 1978. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements mentioned present fairly the financial position of the General Conference Association of Seventh-day Adventists at December 31, 1978, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Maner, Costerisan & Ellis PC

GENERAL CONFERENCE ASSOCIATION OF SEVENTH-DAY ADVENTISTS
Balance Sheet
December 31, 1978

ASSETS

Due from General Conference Corporation
of Seventh-day Adventists

926 05

FUND BALANCE

At Beginning of Year
Deduct filing fees

936 05
10 00

At End of Year

926 05

Note: The general Conference Association is contingently liable in the approximate amount of \$5,475,000.00 as a co-signer on certain loans of affiliated organizations.

Minutes of Meeting

GENERAL CONFERENCE COMMITTEE

April 12, 1979, 10:00 a.m.

MEMBERS PRESENT

C Dunbar Henri, A E Gibb, D H Baasch, W S Banfield, R W Bates,
 W J Brown, G O Bruce, H D Burbank, J E Chase, C O Franz, J H Hancock,
 C B Hirsch, F L Jones, M E Kemmerer, W R Leshner, N W Litchfield, M E Loewen,
 Alf Lohne, Alice Lowe, E H Mack, A C McKee, S F Monnier, M S Nigri,
 R E Osborn, A V Pinkney, R L Reynolds, A H Roth, D A Roth, H D Singleton,
 F A Soper, W M Starks, E H J Steed, Ella May Stoneburner, C R Taylor,
 G Ralph Thompson, L R Van Dolson, A V Wallenkampf, F C Webster, A S Whiting,
 Bruce M Wickwire, R A Wilcox, Roy F Williams, F. Donald Yost.

OTHERS PRESENT

James Gallagher

DEVOTIONAL MESSAGE

C Dunbar Henri, Chairman, read a number of paragraphs from Selected Messages, Book 1, pp 178,179, portions of which follow:

"The soul that accepts Jesus places himself under the care of the Great Physician, and let men be careful how they come between the patient and the Physician who discerns all the needs of the soul. Christ, the physician of the soul, understands its defects and its maladies, and knows how to heal with the purchase of His own blood. . . .

"Whatever molding and fashioning needs to be wrought in the soul, Christ can best do. . . ."

N W Litchfield offered prayer.

MINUTES of the meeting held April 5, and minutes of the 1979 Spring Meeting were approved.

79-100
April 12, 1979

From CA/GCC to Secretariat

COMMITTEE ON APPOINTEES

VOTED, To approve the following:

Appointments

Alexander, Dolly (Teacher, Ethiopian Adv Coll, Afro-Mideast Div)--
Transfer at furlough time as French teacher, Lukanga Institute,
Zaire, Trans-Africa Division

Falconer, David Lynn (Detroit, Mich, Def appt)--Assign as ophthalmolo-
gist, Bella Vista Hosp, Puerto Rico, Inter-American Division

Kraft, Edwin C (Med Director, Kendu Adv Hosp, Kenya, Afro-Mideast
Div)--Transfer at furlough time as medical director, Kanye Hosp,
Botswana, Trans-Africa Division

Mauze, Gerard (Queens Village, NY)--Reassigned from Kasai Project,
Zaire to Bible teacher, Lukanga Institute, Zaire, Trans-Africa
Division

McNulty, John Paul (Nipoma, Calif)--Physician, Davis Mem Hospital,
Guyana, Inter-American Division

Nyirady, Stephen Arnold (S Lancaster, Mass)--Head of Biology Dept,
South China Union College, Hong Kong, Far Eastern Division

Schultz, Marvin (Loma Linda, Calif)--Technical adviser, Ethiopian
Advent Press, Afro-Mideast Division

Taylor, Hubert (Winnipeg, Manitoba)--Associate director, Publishing
Dept, East Caribbean Conf, Inter-American Division, national
returning

Van Blaricum, James (Winchester, Tenn)--Physician, Gopalganj Hosp,
Bangladesh, Southern Asia Division.

Calls and Transfers Between Divisions

Pereyra, Ruben (So Amer Div)--Theology teacher, Antillian College,
Puerto Rico, Inter-American Division

Science teacher, Far Eastern Div--Ikizu Secondary School, Tanzania,
Afro-Mideast Division.

Releases

Ambrosen, V S (N Eur-W Afr) from request as AVSC builder, Ethiopian
Union, Afro-Mideast Div. N Eur-W Afr Division recommendation

Pastor/Evangelist from Euro-Afr Div for Turkey, Afro-Mideast Div.
Call cancelled

Rodriguez, Felix (Int-Amer Div) from call to Texas Conference,
North Amer Div. Call withdrawn

Sprengel, Reuben Albert from appt to Bangkok Adv Hosp, Thailand, Far
Eastern Division. Declined

Torkelsen, Max C from appt to Uruguay Mission, South American Div.
Health

(Appointees - contd)

Permanent Returns

Fritz, Hulda from Puerto Rico, Inter-American Division
Personal, effective May 1979
Goransson, Robert C from W Puerto Rico Conf, Inter-American Division
Family considerations
Larsen, Darayl D from Pacific-Col Miss, Inter-American Division
Family considerations
Maddock, Dean Ellis from Far Eastern Acad, Far Eastern Division
Family considerations
Page, Donald from Bella Vista Hosp, Puerto Rico, Inter-American Div
Retirement, effective April 1979.

From OTC/GCC to AL

OVERSEAS TRAVEL

VOTED, To approve the following overseas travel:

Authorizations

Hancock, J H	Int-Amer Div, Jamaica, Nov 29-Dec 3, 1979 Afr-Mideast Div, Middle East Union, Jan 21-26, 1980 (on return from Far East and Australia visits).
Knowles, G E	Far East Div, Manila, May 1-31, 1979
Pelton, R L	Trans-Afr Div, April 28-May 28, 1979
Schmidt, A E	Int-Amer Div, Col-Venezuela Un, time to be arranged in connection with furlough. Afr-Mideast Div, 3 months latter part of 1979
Taylor, C R	Int-Amer Div, Montemorelos Univ, June 8-10, 1979
Whiting, A S	Int-Amer Div, Mexico, Aug 25-31, 1979 (Instead of S L DeShay)
Wilson, N C	Far East Div, June 14-23, 1979 Aust Div, June 24-July 2, 1979 So Asia Div, July 3-11, 1979
(Specials)	
Chew, Roy) Newman, Judy) (Kettering)	Far East Div, Hong Kong & Taiwan, April 19- May 6, 1979. All expenses covered by private grant.
Davis, Ronald (Loma Linda U)	Far East Div, Guam, Month of May 1979. Salary continued by Loma Linda University. Travel and entertainment from within Division
John, Donald (Insight, R & H)	Afr-Mideast Div, Nairobi, Aug 7-14, 1979 Expenses by Review and Herald.

79-102
April 12, 1979

(Overseas Travel - contd)

(Special Authorizations)

Taylor, David
(Pac Un Coll)

Far East Div, Manila & Baguio, Month of
December 1979

Tucker, Bill
(Cent Calif Conf)

Far East Div, Manila, May 24-June 14, 1979
Salary continued by Central California Conf.
Travel and entertainment by Quiet Hour.

Adjustments

McFarland, J W)
Spangler, J R)

So Asia Div, change of dates to October 24-
Nov 27, 1979.

From Treasury/GCC to MEK

ALLOCATION OF BASE APPROPRIATIONS 1979

VOTED, To approve the allocation of base appropriations to overseas divisions for 1979, as presented by the Treasury, the detailed distribution being on file with the Minutes.

From ADCOM/GCC to JE

GENERAL CALLS

VOTED, To approve the following General calls:

Cao, Oleah (Pioneer Valley Acad)--Assistant Dean of Women, Loma
Linda University

Chamberlain, T J (Potomac)--Professor of Religion, Coordinator of
M A in Religion, Andrews University

Delaporte, Ernest P (Quebec)--Asst professor of French, Andrews
University

Johnson, Lillie (Rev & Herald)--Office secretary, Northeastern
Conference

Londis, James (Potomac Conf)--Professor of religion, Loma Linda
University

Warner, Robert L (So Miss Coll)--Associate professor of industrial
studies, Loma Linda University

Adjourned

C Dunbar Henri, Chairman
A E Gibb, Secretary
Martha Horn, Recording Secretary

ALLOCATION OF BASE APPROPRIATIONS

1979

<u>Division</u>	<u>Year</u>	<u>Section I</u>		<u>Section II</u>		<u>Total</u>
		<u>Amount</u>	<u>%</u>	<u>Amount</u>	<u>%</u>	
Afro-Mideast	1978	2 177 106 96	51.35	2 062 733 04	48.65	4 239 840 00
	1979	2 415 049 66	51.03	2 317 150 34	48.97	4 732 200 00
Australasian	1978	1 082 800 00	52.80	967 840 00	47.20	2 050 640 00
	1979	1 146 865 00	51.21	1 092 635 00	48.79	2 239 500 00
Euro-Africa	1978	3 601 366 00	75.84	1 147 434 00	24.16	4 748 800 00
	1979	4 403 420 40	70.63	1 831 279 60	29.37	6 234 700 00
Far Eastern	1978	1 656 575 51	37.59	2 749 904 49	62.41	4 406 480 00
	1979	1 843 910 20	36.44	3 215 589 80	63.56	5 059 500 00
Inter-American	1978	1 534 260 00	49.49	1 565 940 00	50.51	3 100 200 00
	1979	1 645 656 00	49.32	1 691 244 00	50.68	3 336 900 00
Northern Europe- West Africa	1978	2 165 010 00	76.47	666 000 00	23.53	2 831 010 00
	1979	2 305 100 00	74.51	788 500 00	25.49	3 093 600 00
South American	1978	2 375 900 00	69.77	1 029 500 00	30.23	3 405 400 00
	1979	2 592 400 00	70.69	1 074 900 00	29.31	3 667 300 00
Southern Asia	1978	2 372 892 00	61.82	1 465 478 00	38.18	3 838 370 00
	1979	2 799 900 00	64.09	1 569 000 00	35.91	4 368 900 00
Trans-Africa	1978	1 566 531 00	34.22	3 011 149 00	67.78	4 577 680 00
	1979	<u>1 872 466 00</u>	<u>36.64</u>	<u>3 237 334 00</u>	<u>63.36</u>	<u>5 109 800 00</u>
Total 1978		18 532 441 47	55.82	14 665 978 53	44.18	33 198 420 00
Total 1979		21 024 767 26	55.56	16 817 632 74	44.44	37 842 400 00

Minutes of Meeting

GENERAL CONFERENCE COMMITTEE

April 19, 1979, 10:00 a.m.

MEMBERS PRESENT

Richard Hammill, A E Gibb, J J Aitken, T M Ashlock, D H Baasch, J W Bothe, G O Bruce, H D Burbank, D A Delafield, N R Dower, P A Gordon, W J Hackett, F E J Harder, C D Henri, R L Hilde, C B Hirsch, D W Holbrook, F L Jones, M E Kemmerer, N W Litchfield, M E Loewen, Alf Lohne, Alice Lowe, E H Mack, S F Monnier, W L Murrill, M S Nigri, R E Osborn, H L Reiner, A E Schmidt, H D Singleton, W M Starks, L R Van Dolson, A V Wallenkampf, F C Webster, DeWitt S Williams, Roy F Williams, F Donald Yost.

OTHERS PRESENT

James Gallagher

DEVOTIONAL MESSAGE

Richard Hammill, Chairman, read Job 4:6 as his text:

"Is not your fear of God your confidence, and the integrity of your ways your hope?" (RSV)

God does not want us to be hollow, or rotten, or stuffed, but sound throughout, wholehearted in our dedication and commitment to living the Christian life. Integrity is basic and extends to the small as well as the large issues of life.

T M Ashlock offered prayer.

REPORTS

H D Burbank presented statements showing the amount of aid given by Seventh-day Adventist World Service and the distribution of this aid in 44 countries of the world. Total aid given during 1978 was just under \$9 million. Government agencies continue to support SAWS and to urge that our work be expanded.

MINUTES of the meeting held April 12, 1979, were approved.

79-104
April 19, 1979

From Treasury/ADCOM/GCC to MEK

A 2472 ANDREWS UNIVERSITY CONTINGENCY
ASSISTANCE

VOTED, To provide an amount of \$15,000 from the General Conference Contingency Fund as the final payment toward the budget for an institutional development specialist at Andrews University. (See also GCC 78-66).

From Treasury/ADCOM/GCC to MEK

METROPOLITAN MINISTRIES ACCOUNT--IRVING TRUST
COMPANY, SIGNATURES

VOTED, To authorize the Irving Trust Company of New York to honor on Account No 19-207010 in the name of Metropolitan Ministries of Seventh-day Adventists, 227 West 46th Street, New York, the signatures of Ted Wilson and/or M E Kemmerer to sign or make any changes or orders for the payment of money and that all prior authorizations for this account be hereby annulled and canceled.

From CA/GCC to Secretariat

COMMITTEE ON APPOINTEES

VOTED, To approve the following:

Appointments

Collins, Phyllis (Loma Linda, Calif)--Tutor/Midwife, Malamulo Hosp, Malawi, Trans-Africa Division
Daitey, Lomotey (Andrews U)--Pastor, South Ghana Conference, Northern Europe-West Africa Division, national returning
Hay, Jack Allenby (Richmond, BC)--Physician, Youngberg Memorial Hosp, Singapore, Far Eastern Division
Ing, Clarence S F (Wildwood, Georgia)--Physician/Ophthalmologist, Youngberg Memorial Hosp, Singapore, Far Eastern Division
Janetzko, Ernesto (Berrien Springs, Mich)--Reassigned as worker, River Plate Hospital, Argentina, South American Division, national returning
Kumah, Osei Kwasi (Andrews U)--Pastor, Central Ghana Conf, Northern Europe-West Africa Division, national returning
Patterson, Jean (Grand Terrace, Calif)--Teacher, Secretarial Studies, Middle East College, Lebanon, Afro-Mideast Division
Shumate, Gordon Julian (Bakersfield, Calif)--Bible teacher, Far Eastern Academy, Singapore, Far Eastern Division
Stevens, Richard (Loma Linda, Calif)--Director, Trans Africa Leprosy Rehabilitation and Education Service (TALRES), Trans-Africa Division
Stimpson, Oliver Leo (Turlock, Calif)--Change from Special Service assignment as pastor, Pitcairn Island Mission to regular appointment, Australasian Division

(Appointees - contd)
(Appointments)

Wical, Charles Leonard (Denair, Calif)--Physician/Anesthesiologist,
Youngberg Memorial Hospital, Singapore, Far Eastern Division.

Calls and Transfers Between Divisions

Hawkes, R M (N Eur-W Afr)--Teacher, Dept of Education, West Indies
College, Jamaica, Inter-American Division, national returning
Lind, Magdalon E (Clinton, Mass, N Eur-W Afr Div based)--Advisor,
Uganda Field, Afro-Mideast Division, 6 weeks, Special Service
basis.

Releases

Dirksen, Daniel Lee from appt to Far Eastern Academy, Singapore,
Far Eastern Division. Declined
Imler, Toby Joe (Def Apptee) from assignment as dentist, Maseru Clinic,
Lesotho, Trans-Africa Division. Declined
Jacobsen, Donald Gene from appt to Theology Seminary, Manila, Philippines,
Far Eastern Division. Declined
Vixie, LaVonne M from appt as secretary to Treasurer, Trans-Africa
Division office, Rhodesia. Declined.

Permanent Returns

Camacho, Harold S from Inca Union College, Peru, South American Div
Health, effective March 1979
Crabtree, David M--Rescind Perm Return from Inter-American Division
voted Feb 14, 1979
Holbrook, Robert William from East Peru Mission, South American Div
Health, effective March 1979
Keith, Dennis Collins, Jr (son of Dennis Keith, Korea) from Far Eastern
Division. Education, effective January 1979
McKinnon, Charlotte from Trans-Africa Division office, Rhodesia--
Change effective date to May 1980
Sorensen, Ervin Leslie from West Indonesia Union, Far Eastern Division
Personal, effective September 1979
Visani, Eva, widow of Hugo, and 2 sons from Costa Rica, Inter-American
Division. Death of spouse, effective February 1979
West, Harold Kenneth from Far Eastern Division
Personal, effective May 1979.

From OTC/GCC to AL

OVERSEAS TRAVEL

VOTED, To approve the following overseas travel:

Authorizations

Brown, W J

Aust Div, Avondale Coll, Oct 18-20 and
Oct 24-Nov 1, 1979
Far East Div, Far East Sem & Japan College,
Nov 2-14, 1979
So Asia Div, Spicer Coll, Nov 15-Dec 2 &
Dec 17,18, 1979.

79-106
April 19, 1979

(Overseas Travel - contd)
(Authorizations)

Hammill, R

Aust Div, Avondale Coll, Oct 23-Nov 1, 1979
Far East Div, Far East Sem & Japan College,
Nov 2-14, 1979
So Asia Div, Spicer Coll, Nov 15-Dec 10, 1979

Howse, E W

Trans-Afr Div, Johannesburg, June 3-7, 1979
Euro-Afr Div, Portugal & France, June 12-18,
1979
N Eur-W Afr Div, England, June 18-20, 1979
(All the above are in connection with trip
to Far East, So Asia and Afro-Mideast Divs).

Stoneburner, Ella M

Afr-Mideast Div, Nairobi, Aug 7-15, 1979
(In connection with trip to Australasian Div).

Taylor, C R

N Eur-W Afr Div, Newbold Coll, July 3-24, 1979

Whiting, A S

Euro-Afr Div, Europe only, Sept 1-23, 1979
(Instead of S L DeShay)

(Specials)

Gymnics, Andrews
(Andrews U)

Euro-Afr, N Eur-W Afr Divs, European sections,
Aug 29-Sept 25, 1979. Travel financed by
Gymnics.

Kooreney, R (AMD)
Clifford, G (AUD)
Segovia, A (FED)
Loveless, E (NAD)
Lowry, H (SUD)
Pierson, M (TAD)
Rhys, David (IAD)

N Eur-W Afr Div, Newbold Coll, July 3-24,
1979. Half of travel expense by Overseas
Bible Textbook Fund, other half by division
sending representative. For Mrs Loveless,
second half paid from NA Textbook Fund.

Venden, Morris
(No Calif Conf)

Aust Div, New Zealand, Jan 8-12, 1980.
Travel and entertainment by Division.

Adjustments

DeShay, S L

Euro-Afr Div, Africa only, July 15-31, 1979
(In connection with attendance at Inter-
Division Health Seminar).

79-107
April 19, 1979

From ADCOM/GCC to JE

GENERAL CALLS

VOTED, To approve the following General calls:

Goransson, Robert (PR-IAD)--Evangelist, Potomac Conference
Lee, Raymond A (Christian Record Braille Fdn)--General Conference
Staff Auditor, Pacific District.

Adjourned

Richard Hammill, Chairman
A E Gibb, Secretary
Martha Horn, Recording Secretary

Minutes of Meeting

GENERAL CONFERENCE COMMITTEE

April 26, 1979, 10:00 a.m.

MEMBERS PRESENT

G Ralph Thompson, D S Johnson, W Melvin Adams, D H Baasch, R Curtis Barger, W P Bradley, G O Bruce, K H Emmerson, Joseph Espinosa, C O Frederick, P A Gordon, V S Griffiths, J H Hancock, F E J Harder, R L Hilde, D B Hills, C B Hirsch, M E Kemmerer, N W Litchfield, Alice Lowe, E H Mack, C D Martin, M S Nigri, R W Olson, A V Pinkney, Leo Ranzolin, M H Reeder, R L Reynolds, D A Roth, A E Schmidt, H D Singleton, Clark Smith, F A Soper, W M Starks, E H J Steed, Ella May Stoneburner, C R Taylor, L R Van Dolson, F C Webster, DeWitt S Williams, W H Wilson, F Donald Yost.

OTHERS PRESENT

Orley Berg, James Gallagher, C E Guenther, Donald Lee.

DEVOTIONAL MESSAGE

G Ralph Thompson read Proverbs 4:23--"Keep thy heart with all diligence; for out of it are the issues of life."

The Chairman spoke of God's amazing handiwork as revealed in the heart and its functions. The proper functioning of the spiritual heart will reflect in healthful functioning of the physical heart.

E H J Steed offered prayer.

REPORTS

J H Hancock gave a brief report on Departmental Orientation Week held at Andrews University April 16-19, 1979. Exhibits from each department revealed the resources that are available to pastors. The response from the students was enthusiastic. Another Orientation Week has been requested for 1981.

MINUTES of the meeting held April 19, 1979, were approved.

79-110
April 26, 1979

From CAA/ADCOM/GCC to WLM

PAGE, DONALD F--RETIREMENT

RECOMMENDED, To authorize Retirement Plan benefits for Donald Franklin Page after 36 years of denominational service, benefits to begin November 1, 1979.

From Administration/ADCOM/GCC to AHR

COMMITTEE ADJUSTMENTS

VOTED, To approve the following adjustments in the personnel of committees listed:

COMMISSION ON ACCREDITATION (NAD)

Add: Gooden, S E

Discontinue: Cox, S H

GC SESSION CENTRAL PLANNING AND PROGRAM

Add: Bothe, J W

HOW TO REACH THE EDUCATED (STANDING)

Add: Ottley, Esther (Mrs)
Provonsha, Jack

MINISTERIAL ASSOCIATION ADVISORY (NAD)

Add: Coe, W O
Blehm, W D

Discontinue: Fordham, W W
Hetzell, Carol
Pierson, R H
Quigley, W B
Sandefur, Cree
Skoretz, Dan

NAD PUBLISHING COUNCIL

Add: Cox, S H

Discontinue: Meyers, S D

(Committee Adjustments - contd)

NAD PUBLISHING COUNCIL--REGIONAL SUBCOMMITTEE

Add: Cox, S H

Discontinue: Meyers, S D

From CA/GCC to Secretariat

COMMITTEE ON APPOINTEES

VOTED, To approve the following:

Appointments

Brandt, M Wayne (Def, LLU D-80)--Assigned as dentist to Chiredzi Dental Practice, Rhodesia, Trans-Africa Division
Hibbert, Geraldine (Takoma Park, Maryland)--Clinical nurse, Mugonero Hospital, Rwanda, Trans-Africa Division
Hrenyk, Allen Gordon (Willowdale, Ont)--Treasurer, Pakistan Union, Southern Asia Division
Patterson, Clifford Geoffrey (College Heights, Alberta)--Treasurer, Korean Union, Far Eastern Division
Peterson, Merle Harold (Glendale, Calif)--Heart surgeon, Hongkong Adv Hospital, Far Eastern Division
Rhodes, Dale V (New Braintree, Mass)--Music teacher, Far Eastern Academy, Far Eastern Division
Rochat, Charles P (Pendleton, Oregon)--Reassign from Kivoga College, Burundi as French teacher, to Gitwe College, Rwanda, as principal, Trans-Africa Division

Calls and Transfers Between Divisions

Vidal, Elsa (Far East Div)--To record acceptance of open call for nurse, Gimbie, Ethiopia, Afro-Mideast Division, voted Aug 11, 1977.

Releases

Crawford, James Merlin from appt to Bangkok Adv Hosp, Thailand, Far Eastern Division. Declined
Whitsett, Kingsley from appt to Ethiopian Union, Afro-Mideast Division Declined

Permanent Returns

Ahlers, Lloyd A from Songa Adv Sec School, Zaire, Trans-Africa Division
Rescind perm return voted July 12, 1978
Blanchard, Gary A from Matandani School, Malawi, Trans-Africa Division Adjustment, effective June 1979
Crider, Franklin Norwood from Phuket Miss Hosp, Thailand, Far Eastern Division. Retirement, effective November 1979
Morris, Wayne Alden from Dacca Clinic, Bangladesh, Southern Asia Div. Education, effective May 1979.

79-112
April 26, 1979

From GCC to DSJ

CRIDER, FRANKLIN N - APPRECIATION

VOTED, To express appreciation to Franklin Norwood Crider for 35 years of denominational service as a physician, 33 years in the Far Eastern Division and two years as a teacher at Loma Linda University.

From OTC/GCC to AL

OVERSEAS TRAVEL

VOTED, To approve the following overseas travel:

Authorizations

Emmerson, K H	Far East Div, Hong Kong, June 13-21, 1979
Lohne, Alf Lohne, Mrs Alf	USSR, up to 3 weeks in summer of 1979
Schmidt, A E (Specials)	Int-Amer Div, Costa Rica, May 4-12, 1979
Magie, Allan (Loma Linda U)	Far East Div, Sarawak Miss, May 10-21, 1979 Travel by Loma Linda University. Entertainment by Division.
Rainey, George (So Calif Conf)	Int-Amer Div, Jamaica, 6 weeks between June 17 and Aug 19, 1979, instead of W C Scales. Salary, entertainment, travel and allowances by Division.
Reaves, B (Oakwood Coll)	Int-Amer Div, Trinidad, May 4-12, 1979. Travel tickets and entertainment by Caribbean Union.

Adjustments

Eva, W D Afr-Mideast Div, Nov 1-Dec 18, 1979.

Cancellations

Scales, W C Int-Amer Div, June 16-July 20, 1979

Schmidt, A E Int-Amer Div, 2 weeks in Colombia.

From Cred & Lic Comm/GCC to JE

CREDENTIALS AND LICENSES

VOTED, To grant credentials and licenses to the following for the remainder of the quinquennium ending April 1980:

General Conference

Ministerial Credentials

Espinosa, Joseph	Klimes, Rudolf E
Gomez, Elias G	Meyers, S D
	Pereyra, Elbio

Missionary Credentials

Adels, Esther	Park, Young Gi
Mack, Mrs Sylvia	Salsbery, Richard

Missionary Licenses

Bass, Lillian	Marshall, Mrs Paula
Border, Dan	Mattison, Mrs Ellen
Cooke, Robert F (Jr)	Patzer, Mrs Pearl
Disheroon, Mrs Joan	Pearson, Gary
Herzel, Daniel E	Robinson, Mrs Elaine
Irizarry, Diana	Ruybalid, Mrs Karin
Kinsman, Shirley	

Christian Record Braille Foundation

Missionary Credentials

Allen, Courtney	Pike, Richard
Freeny, Billy G	Randle, Joan
Garey, Clyde	Reeve, Donovan
Hauge, G Cromwell	Schaffler, Jake
Lowe, Tommie (Jr)	Shore, Dean
Marcano, Edward	Toth, Charles

Missionary Licenses

Armstrong, Walter	Pulley, James
Bland, Steve	Sammons, Harvey
Christian, Willis	

Home Study Institute

Missionary Licenses

Martinez, Mrs Emilia	Robinson, Donald E (Jr)
Miller, Mrs Monica	Scales, Mrs Lois
	Sowards, Robert

79-114
April 26, 1979

(Credentials and Licenses - contd)

SDA Radio, TV and Film Center

Missionary Credentials

Hohensee, Judith	LaJoie, Connie
Kuester, Theda	Williams, Francis

Missionary Licenses

Collins, Gwendolyn	Melashenko, Jeannie
Dalrymple, Lois	Nelson, Warren
Davenport, Don	Rawson, Carolyn
Day, Mary	Ruffner, B Linn
Gillespie, Joyce	Sawyer, Glen
Harris, Esther	Sweeney, Nancy
Matthews, Daphne	

From Treasury/GCC to KHE

LEBANON CRISIS EXPENSE--EMERGENCY APPROPRIATION

The Treasurer presented an itemized list of expenses incurred due to the unrest in Lebanon, together with suggested bases for assisting the Afro-Mideast Division in meeting these expenses.

VOTED, To grant \$140,000 from the General Conference Emergency Fund to the Afro-Mideast Division to assist in meeting expenses connected with the crisis in Lebanon.

From FREC/GCC to MEK

EXCHANGE RATE ADJUSTMENTS

VOTED, To approve the following adjustments in fixed rates of exchange, effective May 1, 1979:

<u>Country</u>		<u>Local Currency</u>	<u>US\$</u>
<u>Far Eastern Division</u>			
Hong Kong	Hong Kong \$	\$HK 5.00	.20
Japan	Yen	¥ 210.00	.0047619
<u>Southern Asia Division</u>			
Bangladesh	Taka	Tk 14.50	.0689655
Sri Lanka	Rupee	SL Rs14.50	.0689655
India	Rupee	Rs 8.00	.1250

(Exchange Rates - contd)

<u>Country</u>		<u>Local Currency</u>	<u>US\$</u>
<u>Trans-Africa Division</u>			
Burundi	Franc	Fr 90.00	.0111111
Rwanda	Franc	Fr 90.00	.0111111
South Africa	Rand	R .8333333	1.20

From Treasury/GCC to MEK

TRANS-AFRICA DIVISION--ASSISTANCE FOR
BURUNDI, CENTRAL AFRICAN UNION

VOTED, To grant \$23,000 from the Unusual Opportunities Fund to the Trans-Africa Division to help meet the needs of the growing work in Burundi, Central African Union. (See also GCC 78-2).

From ADCOM/GCC to JE

GENERAL CALLS

VOTED, To approve the following General call:

Cadavero, Richard (PR-FED)--Bible teacher, Monterey Bay Academy,
Central California Conference.

Adjourned

G Ralph Thompson, Chairman
D S Johnson, Secretary
Martha Horn, Recording Secretary