

CHO-YEH CAMP AND
CONFERENCE CENTER, INC.
Livingston, Texas

FINANCIAL STATEMENTS WITH
INDEPENDENT AUDITORS' REPORT

December 31, 2017 and 2016

TABLE OF CONTENTS

Independent Auditors' Report 3

Statements of Financial Position 5

Statements of Activities 7

Statements of Functional Expenses 9

Statements of Cash Flows 11

Notes to Financial Statements 12

INDEPENDENT AUDITORS' REPORT

Board of Directors
Cho-Yeh Camp and Conference
Center, Inc.
Livingston, Texas

We have audited the accompanying financial statements of Cho-Yeh Camp and Conference Center, Inc. (a nonprofit organization) which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities, functional expenses and cash flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cho-Yeh Camp and Conference Center, Inc. at December 31, 2017 and 2016, and the statement of activities, functional expenditures, and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Axley & Rode LLP
CERTIFIED PUBLIC ACCOUNTANTS

Lufkin, Texas
May 25, 2018

CHO-YEH CAMP AND CONFERENCE CENTER, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2017 and 2016

	UNRESTRICTED		TEMPORARILY RESTRICTED	
	2017	2016	2017	2016
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 1 428 179	\$ 1 328 081	\$ 29 208	\$ 27 331
Accounts receivable	30 510	48 182	-	-
Inventory	43 730	22 620	-	-
Prepaid expenses	1 062	1 062	-	-
Unconditional promises to give			33 176	1 789 707
Other receivables	291	1 966	-	-
TOTAL CURRENT ASSETS	1 503 772	1 401 911	62 384	1 817 038
Property, plant and equipment	12 656 521	9 287 371	-	-
Other Assets:				
Investments	-	-	-	-
Cash restricted for property, plant and equipment	-	-	648 242	1 349 828
TOTAL OTHER ASSETS	-	-	648 242	1 349 828
TOTAL ASSETS	\$ 14 160 293	\$ 10 689 282	\$ 710 626	\$ 3 166 866
LIABILITIES AND NET ASSETS				
Current Liabilities:				
Accounts payable	\$ 112 475	\$ 173 995	\$ -	\$ -
Accrued expenses	78 961	55 704	-	-
Advance deposits	358 621	299 728	-	-
Current portion of long-term debt	115 478	108 757	-	-
TOTAL CURRENT LIABILITIES	665 535	638 184	-	-
Long-term debt	946 795	949 898	-	-
TOTAL LIABILITIES	1 612 330	1 588 082	-	-
Net Assets:				
Unrestricted	12 547 963	9 101 200	-	-
Temporarily Restricted:				
Scholarships	-	-	29 208	27 331
For purchase of property, plant and equipment	-	-	681 418	3 139 535
Permanently restricted	-	-	-	-
TOTAL NET ASSETS	12 547 963	9 101 200	710 626	3 166 866
TOTAL LIABILITIES AND NET ASSETS	\$ 14 160 293	\$ 10 689 282	\$ 710 626	\$ 3 166 866

See independent auditors' report and accompanying notes to financial statements.

PERMANENTLY RESTRICTED		TOTAL	
2017	2016	2017	2016
\$ -	\$ -	\$ 1 457 387	\$ 1 355 412
-	-	30 510	48 182
-	-	43 730	22 620
-	-	1 062	1 062
-	-	33 176	1 789 707
-	-	291	1 966
<u>-</u>	<u>-</u>	<u>1 566 156</u>	<u>3 218 949</u>
-	-	12 656 521	9 287 371
26 858	23 332	26 858	23 332
-	-	648 242	1 349 828
<u>26 858</u>	<u>23 332</u>	<u>675 100</u>	<u>1 373 160</u>
\$ <u>26 858</u>	\$ <u>23 332</u>	\$ <u>14 897 777</u>	\$ <u>13 879 480</u>
\$ -	\$ -	\$ 112 475	\$ 173 995
-	-	78 961	55 704
-	-	358 621	299 728
-	-	115 478	108 757
<u>-</u>	<u>-</u>	<u>665 535</u>	<u>638 184</u>
-	-	946 795	949 898
<u>-</u>	<u>-</u>	<u>1 612 330</u>	<u>1 588 082</u>
-	-	12 547 963	9 101 200
-	-	29 208	27 331
-	-	681 418	3 139 535
<u>26 858</u>	<u>23 332</u>	<u>26 858</u>	<u>23 332</u>
<u>26 858</u>	<u>23 332</u>	<u>13 285 447</u>	<u>12 291 398</u>
\$ <u>26 858</u>	\$ <u>23 332</u>	\$ <u>14 897 777</u>	\$ <u>13 879 480</u>

CHO-YEH CAMP AND CONFERENCE CENTER, INC.
STATEMENTS OF ACTIVITIES
Years Ended December 31, 2017 and 2016

	UNRESTRICTED		TEMPORARILY RESTRICTED	
	2017	2016	2017	2016
Operating Revenues:				
Retreats and conferences	\$ 2 078 887	\$ 1 738 649	\$ -	\$ -
Camp	3 093 785	2 917 175	-	-
Trading post	322 319	250 204	-	-
Other	61 834	58 264	-	-
TOTAL OPERATING REVENUES	5 556 825	4 964 292	-	-
Operating Expenses:				
Program	4 605 549	4 121 387	-	-
Management and general	494 031	400 797	-	-
Fundraising	93 561	98 637	-	-
TOTAL OPERATING EXPENSES	5 193 141	4 620 821	-	-
INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS	363 684	343 471	-	-
Other Revenues (Expenses):				
Contributions	23 985	14 445	652 279	3 594 817
Interest and dividends	5 706	5 703	-	-
Other revenue	-	16 991	-	-
Interest expense	(55 131)	(61 793)	-	-
Net assets released from restrictions	3 108 519	2 272 253	(3 108 519)	(2 272 253)
TOTAL OTHER REVENUES (EXPENSES)	3 083 079	2 247 599	(2 456 240)	1 322 564
CHANGE IN NET ASSETS	3 446 763	2 591 070	(2 456 240)	1 322 564
Net assets - Beginning of year	9 101 200	6 510 130	3 166 866	1 844 302
NET ASSETS - END OF YEAR	\$ 12 547 963	\$ 9 101 200	\$ 710 626	\$ 3 166 866

See independent auditors' report and accompanying notes to financial statements.

PERMANENTLY RESTRICTED		TOTAL	
2017	2016	2017	2016
\$ -	\$ -	\$ 2 078 887	\$ 1 738 649
-	-	3 093 785	2 917 175
-	-	322 319	250 204
-	-	61 834	58 264
<u>-</u>	<u>-</u>	<u>5 556 825</u>	<u>4 964 292</u>
-	-	4 838 979	4 121 387
-	-	320 992	400 797
-	-	33 170	98 637
<u>-</u>	<u>-</u>	<u>5 193 141</u>	<u>4 620 821</u>
-	-	363 684	343 471
-	-	676 264	3 609 262
3 526	1 736	9 232	7 439
-	-	-	16 991
-	-	(55 131)	(61 793)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>3 526</u>	<u>1 736</u>	<u>630 365</u>	<u>3 571 899</u>
3 526	1 736	994 049	3 915 370
<u>23 332</u>	<u>21 596</u>	<u>12 291 398</u>	<u>8 376 028</u>
\$ <u>26 858</u>	\$ <u>23 332</u>	\$ <u>13 285 447</u>	\$ <u>12 291 398</u>

CHO-YEH CAMP AND CONFERENCE CENTER, INC.
 STATEMENTS OF FUNCTIONAL EXPENSES
 Years Ended December 31, 2017 and 2016

	2017			
	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUND- RAISING	TOTAL EXPENSES
Salaries	\$ 1 724 341	\$ 143 764	\$ 50 298	\$ 1 918 403
Taxes	138 968	10 042	3 558	152 568
Health insurance	116 730	9 469	3 306	129 505
Other benefits	102 140	9 764	3 229	115 133
TOTAL SALARY AND RELATED EXPENSES	<u>2 082 179</u>	<u>173 039</u>	<u>60 391</u>	<u>2 315 609</u>
Food	437 778	-	-	437 778
Kitchen - Non-food	33 030	-	-	33 030
Interest	-	-	3 496	3 496
Repairs and maintenance	187 561	-	-	187 561
Utilities	210 972	-	-	210 972
Trading post	206 778	-	-	206 778
Advertising	147 322	-	3 777	151 099
Bad debt	19 645	-	-	19 645
Scholarships	344 436	-	1 494	345 930
Staff development	75 488	-	1 331	76 819
Housekeeping	27 365	-	-	27 365
Program activities	217 345	-	-	217 345
Construction	21 087	-	-	21 087
Credit card fees	87 755	-	-	87 755
Miscellaneous	40 089	-	999	41 088
Insurance	-	186 723	-	186 723
Professional services	-	86 284	18 960	105 244
Postage	-	4 501	1 374	5 875
Supplies	-	43 484	1 555	45 039
Travel expenses	23 514	-	184	23 698
TOTAL EXPENSES BEFORE DEPRECIATION AND BAD DEBT	<u>2 080 165</u>	<u>320 992</u>	<u>33 170</u>	<u>2 434 327</u>
Depreciation	<u>443 205</u>	<u>-</u>	<u>-</u>	<u>443 205</u>
TOTAL EXPENSES	<u>\$ 4 605 549</u>	<u>\$ 494 031</u>	<u>\$ 93 561</u>	<u>\$ 5 193 141</u>

See independent auditors' report and accompanying notes to financial statements.

2016

PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUND-RAISING	TOTAL EXPENSES
\$ 1 533 152	\$ 118 911	\$ 60 116	\$ 1 712 179
128 416	7 713	3 803	139 932
77 019	6 425	4 866	88 310
65 222	7 034	3 554	75 810
<u>1 803 809</u>	<u>140 083</u>	<u>72 339</u>	<u>2 016 231</u>
446 366	-	-	446 366
36 795	-	-	36 795
-	-	-	-
181 375	-	-	181 375
192 837	-	-	192 837
162 035	-	199	162 234
133 094	-	14 587	147 681
-	-	-	-
346 741	-	-	346 741
57 003	-	-	57 003
22 214	-	-	22 214
213 081	-	-	213 081
-	-	-	-
80 189	-	860	81 049
35 979	-	6 359	42 338
-	149 256	-	149 256
-	60 599	3 857	64 456
-	8 654	224	8 878
-	42 205	87	42 292
26 770	-	125	26 895
<u>1 934 479</u>	<u>295 650</u>	<u>26 298</u>	<u>2 221 491</u>
<u>383 099</u>	<u>-</u>	<u>-</u>	<u>383 099</u>
<u>\$ 4 121 387</u>	<u>\$ 400 797</u>	<u>\$ 98 637</u>	<u>\$ 4 620 821</u>

CHO-YEH CAMP AND CONFERENCE CENTER, INC.
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2017 and 2016

	2017	2016
Cash Flows from Operating Activities:		
Change in net assets	\$ 994 049	\$ 3 915 370
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	443 205	383 099
Unconditional promises to give - Net	1 756 531	(1 552 047)
(Increase) Decrease in Current Assets:		
Accounts receivable	17 672	(39 760)
Inventory	(21 110)	3 277
Prepaid expenses	-	99 553
(Gain) loss on sale of assets	-	(16 991)
Other receivables	1 675	(1 150)
Increase (Decrease) in Current Liabilities:		
Accounts payable	(61 520)	39 586
Accrued expenses	23 257	(35 169)
Advance deposits	58 893	53 946
NET CASH PROVIDED BY OPERATING ACTIVITIES	3 212 652	2 849 984
Cash Flows from Investing Activities:		
Change in cash restricted for:		
Scholarships	(3 526)	(1 736)
Property, plant and equipment	701 586	209 656
Purchase of property, plant and equipment	(3 812 355)	(2 433 240)
Proceeds from sale of property, plant and equipment	-	20 000
NET CASH USED FOR INVESTING ACTIVITIES	(3 114 295)	(2 205 320)
Cash Flows from Financing Activities:		
Payments on long-term debt	(396 382)	(364 751)
Proceeds from issuance of long-term debt	400 000	-
NET CASH PROVIDED (USED) IN FINANCING ACTIVITIES	3 618	(364 751)
 NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	101 975	279 913
Cash and cash equivalents - Beginning of year	1 355 412	1 075 499
 CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 1 457 387	\$ 1 355 412
Supplemental Disclosures:		
Amount paid for interest	\$ 58 627	\$ 62 174

See independent auditors' report and accompanying notes to financial statements.

CHO-YEH CAMP AND CONFERENCE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2017 and 2016

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Cho-Yeh Camp and Conference Center, Inc. (the Organization) was established in 1947 by the Presbytery of New Covenant, Presbyterian Church U.S.A. as an integrated auxiliary. The Organization incorporated and received separate 501(c)(3) status in 2002. Currently, the mission of the Organization is to be "a place where Jesus Christ transforms lives through meaningful relationships and outdoor adventures". This is achieved through various programs and facilities the Organization makes available, such as summer camp, retreats and conferences, Elderhostel, and related facilities.

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Promises to Give

Contributions are recognized when the donor makes an unconditional promise to give. All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

The Organization uses the allowance method to determine the uncollectible portion of unconditional promises to give. The allowance is based on prior years' experience and management's analysis of specific promises made.

Accounts Receivable

Accounts receivable consist of those amounts that are due from various individuals or groups that utilize the Organization's services and facilities. Management believes that these amounts are fully collectible; therefore, no allowances for doubtful accounts have been provided. Management is not aware of any significant concentrations of credit or market risks related to receivables or other financial instruments reported in these financial statements.

Contributed Services

Unpaid volunteers have made contributions of their time to develop the Organization's programs. During the year ended December 31, 2017 and 2016, the value of contributed services meeting the requirements for recognition under Financial Accounting Standards Board Codification Section 958, was not material and has not been recorded.

Inventory

Inventory is carried at the lower of cost (determined by the use of the first in, first out method) or market and consists of books, clothing, gifts, etc. Food is expensed as purchased.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

CHO-YEH CAMP AND CONFERENCE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2017 and 2016

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Property, Plant and Equipment

Property, plant and equipment is carried at cost, if purchased, or fair market value at date of acquisition, if received as a donation, with depreciation being taken by the straight-line method over the following estimated useful lives:

Buildings and improvements	30 years
Furniture, fixtures and equipment	7 years
Vehicles	5 years

Interest costs related to building construction are capitalized as part of the building cost.

Maintenance and repairs, as well as minor betterments, are charged to expense as incurred. Major betterments are capitalized. The cost and related accumulated depreciation for property disposals are removed from the accounts and any gains or losses are included in income.

Donations of property, plant, and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property, plant, and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated or acquired assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization then reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Fair Values of Financial Instruments

Current professional standards define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value should be based on assumptions that market participants would use, including a consideration of non-performance risk. Management assesses the inputs used to measure fair value using a three-tier hierarchy based on the extent to which inputs used in measuring fair value are observable in the market. Level 1 inputs are quoted market prices for identical instruments in an active market that the entity has the ability to access and are the most observable. Level 2 inputs include quoted market prices for similar assets and observable inputs such as interest rates, currency exchange rates, commodity rates, and yield curves. Level 3 inputs are not observable in the market and include management's judgments about the assumptions market participants would use in pricing the asset or liability.

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

Cash and accounts receivable: The carrying amounts reported in the statements of financial position approximate fair values because of the short maturities of those instruments. (Level 1)

Investments: The fair values of investments are based on quoted market prices for those or similar investments. (Level 1)

CHO-YEH CAMP AND CONFERENCE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2017 and 2016

NOTE 1 - NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Long-term unconditional promises to give: The fair value of promises to give that are due in more than one year is estimated by discounting the future cash flows using a current risk free rate of return based on the yield of a U.S. Treasury security with a maturity date similar to the expected collection period. (Level 2)

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized.

Federal Income Tax

The Organization is classified as a nonprofit corporation and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Uncertain Tax Positions

Financial Accounting Standards Board Codification Section 740 requires recognition, measurement and disclosure of uncertain tax positions. The Organization currently accounts for uncertain tax positions based on the estimated likelihood of assessment and has not determined that any tax positions require an accrual based on current standards of accounting. For federal income tax purposes, the tax returns essentially remain open for possible examination for a period of three years after the date on which those returns are filed.

Statements of Cash Flows

For purposes of the statements of cash flows, the Organization considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. Cash restricted for purchase of property, plant and equipment and designated cash is not included in cash and cash equivalents.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Reclassifications

Certain reclassifications have been made to the prior year financial statements to conform to the current year presentation. Such reclassifications had no effect on previously reported net assets.

NOTE 2 - UNINSURED CASH BALANCES

The Organization's cash is deposited with three institutions. The amount on deposit in each of these institutions may exceed the \$250,000 federally insured limit from time to time. At December 31, 2017 and 2016, cash exceeded federally insured limits by \$1,925,746 and \$1,889,397, respectively.

CHO-YEH CAMP AND CONFERENCE CENTER, INC.
 NOTES TO FINANCIAL STATEMENTS - CONTINUED
 December 31, 2017 and 2016

NOTE 3 - INVESTMENTS

Investments as of December 31, 2017 and 2016 consist of deposits with The Texas Presbyterian Foundation and are categorized as follows:

	COST		FAIR VALUE		CARRYING VALUE	
	2017	2016	2017	2016	2017	2016
Unrestricted:						
Undesignated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Temporarily restricted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Permanently restricted	\$ -	\$ -	\$ 26 858	\$ 23 332	\$ 26 858	\$ 23 332

The following schedule summarizes the investment return and its classification in the statement of activities for the years ended December 31, 2017 and 2016.

	UNRESTRICTED		PERMANENTLY RESTRICTED	
	2017	2016	2017	2016
Interest and dividends	\$ 8 622	\$ 7 439	\$ -	\$ -
Realized and unrealized gains (losses)	\$ -	\$ -	\$ -	\$ -

NOTE 4 - UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give at December 31, 2017 and 2016 are as follows:

	2017	2016
Receivable in less than one year	\$ 33 176	\$ 1 789 707
Receivable in one to five years	-	-
Receivable in more than five years	-	-
TOTAL UNCONDITIONAL PROMISES TO GIVE	33 176	1 789 707
Less discounts to net present value	-	-
Less allowance for uncollectable promises	-	-
NET UNCONDITIONAL PROMISES TO GIVE	\$ 33 176	\$ 1 789 707

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, at cost, is summarized by major classification as follows:

	2017	2016
Land	\$ 1 440 984	\$ 1 440 984
Buildings and improvements	14 367 441	10 455 014
Furniture and equipment	1 315 074	1 262 900
Construction in progress	327 501	594 329
Vehicles	348 414	234 268
	17 799 414	13 987 495
Less accumulated depreciation	(5 142 893)	(4 700 124)
	\$ 12 656 521	\$ 9 287 371

Depreciation expense totaled \$443,205 and \$383,099 for the years ended December 31, 2017 and 2016, respectively.

CHO-YEH CAMP AND CONFERENCE CENTER, INC.
 NOTES TO FINANCIAL STATEMENTS - CONTINUED
 December 31, 2017 and 2016

NOTE 6 - EMPLOYEE BENEFIT PLANS

The Organization participates in a 401(k) salary reduction plan, which covers all regular full-time employees who have completed twelve consecutive months of service. Contributions to the plan were \$49,724 and \$46,418 for the years ended December 31, 2017 and 2016, respectively.

NOTE 7 - NOTES PAYABLE

At December 31, 2017 and 2016, the Organization was liable for the following notes payable:

	2017	2016
Note payable - First National Bank of Livingston, due in 240 monthly installments of \$3,936 including interest at 5.25%, collateralized by deed of trust and real estate lien on a 345 acre tract of land in Polk County, Texas. Matures in August 2024.	\$ 252 917	\$ 287 139
Note payable - First National Bank of Livingston, due in 240 monthly installments of \$2,150, including interest at 5.25%, secured by a building. Matures in April 2031.	-	91 289
Note payable - First National Bank of Livingston, due in 180 monthly installments of \$8,006, interest due at 5.25%, secured by buildings and equipment. Matures in May of 2026.	621 767	680 227
Note payable - First National Bank of Livingston, due in 240 monthly installments of \$2,696.50, including interest at 5.25%, secured by deed of trust and lien on 6 acres. Matures in March 2037.	187 589	-
	1 062 273	1 058 655
Less current maturities	115 478	108 757
	\$ 946 795	\$ 949 898

The annual requirements for the five subsequent years are as follows:

2018	\$	115 478
2019		122 418
2020		129 691
2021		137 574
2022		145 847
Thereafter		411 265
	\$	1 062 273

CHO-YEH CAMP AND CONFERENCE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS - CONTINUED
December 31, 2017 and 2016

NOTE 8 - SUBSEQUENT EVENTS

Subsequent events have been evaluated for potential recognition or disclosure through the date of this report which is also the date the report was available to be issued.

NOTE 9 - RISK MANAGEMENT

The Organization is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. The Organization purchases commercial insurance to cover general liabilities.

NOTE 10 - RELATED PARTY TRANSACTIONS

The Organization received contributions from related parties that approximated \$350,000 and \$83,000 for each year ending December 31, 2017 and 2016, respectively.