

**MISSIONARY SOCIETY OF CONNECTICUT
CONSOLIDATED TRUST FUND**

Financial Statements

December 31, 2008

MISSIONARY SOCIETY OF CONNECTICUT CONSOLIDATED TRUST FUND

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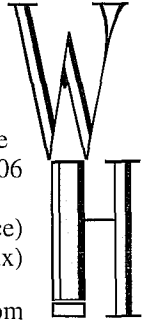
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REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Board of Directors
Missionary Society of Connecticut Consolidated Trust Fund

We have audited the accompanying statement of assets, liabilities and net assets – cash basis of the Missionary Society of Connecticut Consolidated Trust Fund (a nonprofit corporation), as of December 31, 2008, and the related statements of operations – cash basis and changes in net assets – cash basis for the year then ended. These financial statements are the responsibility of the Missionary Society of Connecticut Consolidated Trust Fund’s management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of the Missionary Society of Connecticut Consolidated Trust Fund as of and for the year ended December 31, 2007 were audited by other auditors whose report dated August 13, 2008 expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in footnote 1, the Missionary Society of Connecticut Consolidated Trust Fund’s policy is to prepare its financial statements on the cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities and net assets of the Missionary Society of Connecticut Consolidated Trust Fund as of December 31, 2008, and its operations and changes in net assets for the year then ended on the basis of accounting described above.

Whittlesey & Hadley, P.C.

September 2, 2009

MISSIONARY SOCIETY OF CONNECTICUT CONSOLIDATED TRUST FUND

Statements of Assets, Liabilities, and Net Assets – Cash Basis

December 31, 2008

(With comparative totals for the year ending December 31, 2007)

	<u>2008</u>	<u>2007</u>
Assets		
Investments in marketable securities, at fair value:		
Common stocks	\$ 31,761,714	\$ 42,249,728
Unit investment trust	103,098	207,307
Preferred equities	496,100	813,087
Municipal bonds	39,530	43,708
U.S. and foreign bonds	7,565,843	8,833,213
U.S. government and agency obligations	<u>11,082,537</u>	<u>13,426,245</u>
	51,048,822	65,573,288
Investment in cash management	1,532,600	2,417,205
Dividends and interest receivable	<u>243,780</u>	<u>303,637</u>
Total assets	<u>\$ 52,825,202</u>	<u>\$ 68,294,130</u>
Liabilities and Net Assets		
Liabilities		
Dividends and interest payable to participants	\$ 125,732	\$ 134,542
Net assets	<u>52,699,470</u>	<u>68,159,588</u>
Total liabilities and net assets	<u>\$ 52,825,202</u>	<u>\$ 68,294,130</u>
Units shares outstanding	<u>763,818</u>	<u>743,431</u>
Net asset value per unit	<u>\$ 68.9948</u>	<u>\$ 91.6825</u>

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

MISSIONARY SOCIETY OF CONNECTICUT CONSOLIDATED TRUST FUND

Statements of Operations – Cash Basis

For the year ended December 31, 2008

(With comparative totals for the year ending December 31, 2007)

	<u>2008</u>	<u>2007</u>
Investment income		
Interest income	\$ 1,157,175	\$ 1,405,023
Dividend income	916,350	870,980
Other income	<u>56,071</u>	<u>40,160</u>
Total income	<u>2,129,596</u>	<u>2,316,163</u>
Expenses		
Investment advisory fees	323,604	315,853
Auditing fee	14,250	11,030
Printing expense	-	3,830
Administrative fee	<u>29,540</u>	<u>33,182</u>
Total expenses	<u>367,394</u>	<u>363,895</u>
Net investment income	<u>1,762,202</u>	<u>1,952,268</u>
Realized and unrealized gain/(loss) on investments		
Net realized gain/(loss) on sale of investments	(4,132,245)	3,640,887
Net unrealized depreciation on investments	<u>(13,217,972)</u>	<u>(1,040,419)</u>
	<u>(17,350,217)</u>	<u>2,600,468</u>
Change in net assets resulting from operations	<u>\$ (15,588,015)</u>	<u>\$ 4,552,736</u>

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

MISSIONARY SOCIETY OF CONNECTICUT CONSOLIDATED TRUST FUND

Statements of Changes in Net Assets – Cash Basis

For the year ended December 31, 2008

(With comparative totals for the year ended December 31, 2007)

	<u>2008</u>	<u>2007</u>
From operations		
Net investment income	\$ 1,762,202	\$ 1,952,268
Net realized gain (loss) on investment transactions	(4,132,245)	3,640,887
Change in net unrealized appreciation on investments	<u>(13,217,972)</u>	<u>(1,040,419)</u>
Change in net assets resulting from operations	<u>(15,588,015)</u>	<u>4,552,736</u>
 Distributions to participants	 <u>(1,762,202)</u>	 <u>(1,952,268)</u>
Fund unit (principal) transactions		
Proceeds from sale of units, including reinvestments	6,004,888	4,433,251
Units redeemed	<u>(4,114,789)</u>	<u>(4,577,909)</u>
Change in net assets from fund unit transactions	<u>1,890,099</u>	<u>(144,658)</u>
 Change in net assets	 (15,460,118)	 2,455,810
Net assets, beginning of year	<u>68,159,588</u>	<u>65,703,778</u>
Net assets, end of year	<u>\$ 52,699,470</u>	<u>\$ 68,159,588</u>

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

MISSIONARY SOCIETY OF CONNECTICUT CONSOLIDATED TRUST FUND

Notes to Financial Statements

December 31, 2008 and 2007

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business Activity - The Missionary Society of Connecticut Consolidated Trust Fund (“CTF” or “the Fund”) was established in 1953. The Missionary Society of Connecticut established the Fund for the purpose of merging several of its own funds, which had previously been managed separately. A further provision was included which would allow any church or institution connected with the “Congregational Christian Denomination” to participate in the Fund.

Basis of accounting – The Fund maintains its records and prepares its financial statements on the cash basis of accounting. Income is recorded when cash is received. Investment revenue is recorded as received. Expenses are recorded when paid in accordance with the cash basis of accounting. In the case of the Fund, the differences in revenue and expenses recognized under the cash basis are immaterial with respect to the accrual basis had that method been used.

Basis of Presentation – Each named fund receives a percentage of the overall units invested in CTF. The primary investment objective for the CTF is to produce as high a level of current income as possible while still allowing for long-term capital appreciation to help offset inflation. In addition, portfolio securities are selected from among those investments meeting standards of socially responsible investments as established by annual meetings of the Connecticut Conference of the United Church of Christ.

The financial statements do not report information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. It is the responsibility of the Organization who placed their investments into the Fund to determine the character of the restriction of the funds. CTF only operates as the trustee for the funds.

Expenses – The Fund is administered by the Trust Department of Bank of America, which in its capacity as agent acts with the approval of the Investment Committee of the Missionary Society of Connecticut. The bank’s investment advisory fee is computed on a formula basis, which takes into consideration the average quarterly market value of the securities over the previous two-year period.

Basis of Participation – Additions to and withdrawal from participation in the Fund may be made only on the valuation dates at the end of each month. The value of units for purposes of admission or withdrawal is computed by dividing total market value of the Fund on the valuation date by the number of units then outstanding.

Investments – Investments in marketable securities with readily determinable fair values and all investments in debt securities are recorded at their fair values in the statement of assets, liabilities and net assets – cash basis. Unrealized gains and losses are included in the change in net assets. Bank of America is responsible for investment management and recordkeeping for the Consolidated Trust Fund, under direction of the Missionary Society of Connecticut.

Purchases and sales of investments are reported and accounted for on the trade date. Securities traded on a national securities exchange are valued at the closing prices on such exchanges on the appropriate dates. Securities traded on over-the-counter markets are valued at the closing bid price on the appropriate dates. Short-term investments are valued at acquisition costs. Securities received are valued on the date of transfer of the securities, in accordance with valuation methods described above.

Dividend income is recognized as of the ex-dividend date. Interest income is accrued daily. Net investment income earned is distributed to participants on a monthly basis.

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Concentration of Credit Risk – The Trust maintains its cash as temporary investments. The Missionary Society has not experienced any losses in such accounts and believes they are not exposed to any significant credit risk on cash and cash equivalents.

The CTF invests in various debt and equity securities. These investment securities are recorded at market value. Accordingly, the investment securities can fluctuate because of interest rates, reinvestment, credit and other risks depending on the nature of the specific investment. Therefore, it is at least reasonably possible that these factors will result in changes in the value of the CTF's investments which could materially affect amounts reported in the financial statements.

NOTE 2 – INVESTMENTS

The following is a summary of the distribution and reinvestment of income for the year ended December 31, 2008:

Period	Units Outstanding	Net		Reinvested	Distributed	Total
		Income per Unit				
December 31, 2008	764,956	\$ 0.1644		\$ 109,547	\$ 16,185	\$ 125,732
November 30, 2008	764,812	0.1916		127,663	18,903	146,566
October 31, 2008	765,799	0.1746		116,642	17,264	133,906
September 30, 2008	767,890	0.1451		97,090	14,320	111,410
August 31, 2008	769,960	0.1534		126,462	18,629	145,091
July 31, 2008	761,617	0.1736		115,064	17,163	132,227
June 30, 2008	764,247	0.1636		108,848	16,194	125,042
May 31, 2008	766,132	0.2268		151,274	22,499	173,773
April 30, 2008	769,340	0.1755		117,580	17,438	135,018
March 31, 2008	771,340	0.1636		109,955	16,262	126,217
February 28, 2008	770,687	0.2274		152,947	22,338	175,285
January 31, 2008	743,613	0.1814		117,088	17,791	134,879
				<u>\$ 1,450,160</u>	<u>\$ 214,986</u>	<u>\$ 1,665,146</u>

NOTE 3 – FAIR VALUE MEASUREMENT

Effective January 1, 2008, the Fund adopted SFAS No. 157, *Fair Value Measurements*. SFAS No. 157 defines fair value and establishes a framework for measuring fair value in generally accepted accounting principles. SFAS No. 157 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. SFAS No. 157 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair values:

Level 1 – Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

NOTE 3 – FAIR VALUE MEASUREMENT (CONTINUED)

Level 2 – Significant other observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Significant unobservable inputs that reflect a company's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The following table presents assets measured at fair value at December 31, 2008:

<u>Investments</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common stocks	\$ 31,761,714	\$ -	\$ -	\$ 31,761,714
Unit investment trust	-	103,098	-	103,098
Preferred equities	-	496,100	-	496,100
Municipal bonds	-	39,530	-	39,530
U.S. and foreign bonds	7,565,843	-	-	7,565,843
U.S. government and agency obligations	-	11,082,537	-	11,082,537
Investment in cash management	-	1,532,600	-	1,532,600
Dividends and interest receivable	-	243,780	-	243,780
	<u>\$ 39,327,557</u>	<u>\$ 13,497,645</u>	<u>\$ -</u>	<u>\$ 52,825,202</u>

NOTE 4 – NET VALUATION PER UNIT

The asset values per unit, for purposes of admission and withdrawal on valuation dates during the year ended December 31, 2008 were:

December 31, 2008	\$ 68.9948
November 30, 2008	66.7638
October 31, 2008	68.8197
September 30, 2008	78.1369
August 31, 2008	83.6617
July 31, 2008	83.3056
June 30, 2008	84.2758
May 31, 2008	88.6013
April 30, 2008	87.8195
March 31, 2008	85.6522
February 28, 2008	85.9027
January 31, 2008	87.4526