



COLLEGE PARK CHURCH

**FINANCIAL REPORT
(Reviewed)**

December 31, 2009



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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Elders
College Park Church
Indianapolis, Indiana

We have reviewed the accompanying statements of financial position of College Park Church as of December 31, 2009, and the related statements of activities and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management of College Park Church.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

RJPile, LLC

Indianapolis, Indiana
March 19, 2010

COLLEGE PARK CHURCH

STATEMENT OF FINANCIAL POSITION

Year ended December 31, 2009
See Independent Accountant's Review Report

	<u>General Fund</u>	<u>Global Outreach Fund</u>	<u>Local Outreach Fund</u>	<u>Benevolent Fund</u>	<u>Building and Land Fund</u>	<u>Columbus Satellite Church</u>	<u>2009 Total</u>
<u>ASSETS</u>							
<u>CURRENT ASSETS</u>							
Cash	\$ 994,043	\$ 84,809	\$ 147,985	\$ 171,326	\$ 1,148,361	\$ 12,500	\$ 2,559,024
Cash designated - Liberia missions	-	40,366	-	-	-	-	40,366
Cash designated - Christmas offering	-	720,348	-	-	-	-	720,348
TOTAL CURRENT ASSETS	994,043	845,523	147,985	171,326	1,148,361	12,500	3,319,738
<u>PROPERTY AND IMPROVEMENTS</u>							
Land and land improvements	-	-	-	-	1,831,440	-	1,831,440
Building and improvements	-	-	-	-	8,701,751	-	8,701,751
Equipment	-	-	-	-	156,961	-	156,961
Construction in progress	-	-	-	-	199,827	97,805	297,632
	-	-	-	-	10,889,979	97,805	10,987,784
Less accumulated depreciation	-	-	-	-	(3,355,088)	-	(3,355,088)
	-	-	-	-	7,534,891	97,805	7,632,696
TOTAL ASSETS	\$ 994,043	\$ 845,523	\$ 147,985	\$ 171,326	\$ 8,683,252	\$ 110,305	\$ 10,952,434
<u>LIABILITIES AND NET ASSETS</u>							
<u>CURRENT LIABILITIES</u>							
Current maturities of note payable	-	-	-	-	4,905	-	4,905
Current maturities of capital lease obligations	36,230	-	-	-	-	-	36,230
Accounts payable	94,135	-	-	-	-	-	94,135
TOTAL CURRENT LIABILITIES	130,365	-	-	-	4,905	-	135,270
<u>LONG TERM DEBT</u>							
Note payable, less current maturities	-	-	-	-	189,134	-	189,134
Obligations under capital leases, less current maturities	18,115	-	-	-	-	-	18,115
	18,115	-	-	-	189,134	-	207,249
<u>NET ASSETS</u>							
Unrestricted	845,563	845,523	147,985	171,326	8,489,213	110,305	10,609,915
TOTAL LIABILITIES AND NET ASSETS	\$ 994,043	\$ 845,523	\$ 147,985	\$ 171,326	\$ 8,683,252	\$ 110,305	\$ 10,952,434

See Notes to Financial Statements.

COLLEGE PARK CHURCH

STATEMENT OF ACTIVITIES

Year ended December 31, 2009

See Independent Accountant's Review Report

	Unrestricted						2009 Total
	General Fund	Global Outreach Fund	Local Outreach Fund	Benevolent Fund	Building and Land Fund	Columbus Satellite Church	
SUPPORT AND REVENUES							
Contributions	\$ 4,044,234	\$ 793,401	\$ 56,930	\$ 365,926	\$ 1,371,699	\$ 156,867	\$ 6,789,057
Contributions designated - Christmas offering	-	493,610	-	-	-	-	493,610
Contributions designated - Liberia Project	-	37,705	-	-	-	-	37,705
Media	5,678	-	-	-	-	-	5,678
Interest	2,303	-	-	-	-	-	2,303
TOTAL SUPPORT AND REVENUES	4,052,215	1,324,716	56,930	365,926	1,371,699	156,867	7,328,353
EXPENSES							
Operating	656,239	265,661	494,920	149,028	139,493	81,458	1,786,799
Staffing	2,418,147	-	80,080	-	-	61,329	2,559,556
Ministries	652,023	-	-	-	-	1,753	653,776
Outreach	-	92,316	-	-	-	-	92,316
Support	-	325,906	-	-	-	10,200	336,106
Blessing	-	157,481	-	-	-	-	157,481
Benevolent	-	-	5,241	-	-	3,070	8,311
Interest	-	-	-	-	14,642	-	14,642
Depreciation	-	-	-	-	333,515	-	333,515
Write-off abandoned asset	-	-	-	-	446,407	-	446,407
TOTAL EXPENSES	3,726,409	841,364	580,241	149,028	934,057	157,810	6,388,909
TOTAL CHANGE IN NET ASSETS BEFORE TRANSFER BETWEEN FUNDS	325,806	483,352	(523,311)	216,898	437,642	(943)	939,444
TRANSFER BETWEEN FUNDS	(266,955)	-	77,994	(37,994)	226,955	-	-
TOTAL CHANGE IN NET ASSETS	58,851	483,352	(445,317)	178,904	664,597	(943)	939,444
Net assets - beginning of year	786,712	362,171	593,302	(7,578)	7,824,616	111,248	9,670,471
Net assets - end of year	\$ 845,563	\$ 845,523	\$ 147,985	\$ 171,326	\$ 8,489,213	\$ 110,305	\$ 10,609,915

See Notes to Financial Statements.

COLLEGE PARK CHURCH

STATEMENT OF CASH FLOWS

Year ended December 31, 2009

See Independent Accountant's Review Report

	Unrestricted						
General Fund	Global Outreach Fund	Local Outreach Fund	Benevolent Fund	Building and Land Fund	Columbus Satellite Church	2009 Total	
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>							
Net increase (decrease) in net assets	\$ 58,851	\$ 483,352	\$ (445,317)	\$ 178,904	\$ 664,597	\$ (943)	\$ 939,444
Adjustments to reconcile change in net assets provided by (used in) operating activities:							
Depreciation	-	-	-	-	333,515	-	333,515
Loss on abandoned asset	-	-	-	-	446,407	-	446,407
Changes in assets and liabilities:							
Increase (decrease) in:							
Accounts payable and accrued expenses	303	-	-	(7,578)	-	-	(7,275)
Net cash provided by (used in) operating activities	<u>59,154</u>	<u>483,352</u>	<u>(445,317)</u>	<u>171,326</u>	<u>1,444,519</u>	<u>(943)</u>	<u>1,712,091</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>							
Purchase of equipment and improvements	-	-	-	-	(348,098)	-	(348,098)
Net cash provided by (used in) investing activities	-	-	-	-	(348,098)	-	(348,098)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>							
Principal payments on note payable	-	-	-	-	(4,554)	-	(4,554)
Payments on capital lease obligations	(36,230)	-	-	-	-	-	(36,230)
Net cash provided by (used in) financing activities	<u>(36,230)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,554)</u>	<u>-</u>	<u>(40,784)</u>
Increase (decrease) in cash on deposit	22,924	483,352	(445,317)	171,326	1,091,867	(943)	1,323,209
<u>CASH ON DEPOSIT</u>							
Beginning of year	<u>971,119</u>	<u>362,171</u>	<u>593,302</u>	<u>-</u>	<u>56,494</u>	<u>13,443</u>	<u>1,996,529</u>
End of year	<u>\$ 994,043</u>	<u>\$ 845,523</u>	<u>\$ 147,985</u>	<u>\$ 171,326</u>	<u>\$ 1,148,361</u>	<u>\$ 12,500</u>	<u>\$ 3,319,738</u>
<u>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</u>							
Cash payments for interest	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,642</u>	<u>\$ -</u>	<u>\$ -</u>

See Notes to Financial Statements.

COLLEGE PARK CHURCH

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 1 NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

College Park Church (Church) is a not-for-profit corporation organized under the laws of the State of Indiana under the name College Park Baptist Church, Inc. and operated in compliance with section 501(c)(3) of the Internal Revenue Code. The purpose of the Church is to carry on religious activities for the benefit of its members. The Church is supported exclusively through donor contributions.

The Church provides financial and ministry support to the congregation of College Park Columbus Church that serves members in Columbus, Indiana.

A summary of the Church's significant accounting policies are as follows:

A. Basis of Accounting

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

B. Basis of Presentation

The Church maintains its accounts in accordance with the principles and practices of fund accounting. Fund accounting is the procedure by which resources, for various purposes, are classified for accounting purposes in accordance with activities or objectives as specified by donors, in accordance with regulations, restrictions, or limitations imposed by sources outside the institution, or in accordance with directions issued by the governing board.

These financial statements, however, have been prepared to focus on the entity as a whole, and to present transactions according to the existence or absence of donor-imposed restrictions. This has been done by classification of fund transactions and balances into three categories of net assets: unrestricted, temporarily restricted and permanently restricted. They are described as follows:

- a. **Unrestricted net assets** - The part of net assets of a not-for-profit organization that is neither permanently restricted, nor temporarily restricted by donor-imposed stipulations.
- b. **Temporarily restricted net assets** - The part of the net assets of a not-for-profit organization resulting (a) from contributions and other inflows of assets whose use by the organization is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled or removed by actions of the organization pursuant to those stipulations, (b) from other asset enhancements and diminishments subject to the same kinds of stipulations, and (c) from reclassifications to (or from) other classes of net assets as a consequence of donor-imposed stipulations, their expiration by passage of time, or their fulfillment and removal by actions of the organization pursuant to those stipulations.

COLLEGE PARK CHURCH

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 1 NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES - continued

- c. **Permanently restricted net assets** - The part of net assets resulting (a) from contributions and other inflows of assets, whose use by the organization is limited by donor-imposed stipulations that neither expire by passage of time, or can be fulfilled or removed by actions of the organization, (b) from other asset enhancements and diminishment subject to the same kinds of stipulations, and (c) from reclassifications from (or to) other classes of net assets as a consequence of donor-imposed stipulations.

It is the Church's policy to consider a donor restriction of, or for, long-lived assets satisfied when the asset is purchased and put into service.

The assets, liabilities, and net assets of the Church are reported in several self-balancing fund groups as follows:

<u>Fund Group</u>	<u>Net Asset Group</u>
General Fund	Unrestricted
Global Outreach Fund	Unrestricted
Local Outreach Fund	Unrestricted
Benevolent Fund	Unrestricted
Building and Land Fund	Unrestricted
Columbus Satellite Church	Unrestricted

General Fund, which includes unrestricted resources, represents the portion of expendable funds that is available for support of Church operations.

Global Outreach Fund includes contributions available for various missionary use to enable local outreach and cross-cultural communication of the Gospel with the goal of making disciples of all nations, as well as holistic support.

Local Outreach Fund includes unrestricted resources representing the portion of expendable funds available for support of the Kid's Church operations.

Benevolent Fund is an aggregate of various contributions, to help College Park members and members of the local community who may be struggling financially. Amounts are designated by the Administrative Pastor to those who apply.

Building and Land Fund includes the assets, depreciation and related activity of land, buildings, and construction in progress of the Church.

Columbus Satellite Church includes unrestricted resources representing the portion of expendable funds available for support of the Columbus Satellite Church's operations.

COLLEGE PARK CHURCH

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 1 NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES - continued

C. Concentration of Credit Risk

The Church maintains its cash balance at one financial institution. The demand deposit accounts are insured by the Federal Deposit Insurance Corporation up to the maximum amount prescribed by law per institution. The balances may at times exceed the insured limit.

D. Property and Equipment

Property and equipment are stated at cost. The Church capitalizes property and equipment that have a useful life greater than five years and have a cost in excess of \$5,000. Depreciation is provided using the straight-line method over the following estimated useful lives of the assets:

	<u>Years</u>
Office equipment and furniture	5 to 7
Land improvements	15
Buildings and improvements	30

E. Tax Status

Churches are specifically exempted from federal income taxes by code section 501(c)(3). Therefore, no income taxes have been paid by the Church.

F. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

G. Expiration of Donor-imposed Restrictions

The expiration of a donor-imposed restriction on a contribution or on endowment income is recognized in the period in which the restriction expires and at that time the related resources are reclassified to unrestricted net assets. A restriction expires when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

H. Evaluation of Subsequent Events

The Church's management has evaluated subsequent events through March 19, 2010 which is the date the financial statements were available to be issued.

COLLEGE PARK CHURCH

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 2 NOTES PAYABLE

The Church owns a home in Indianapolis, Indiana which is used for missionary residency and outreach to the students of Butler University. The home has a mortgage that is payable with monthly payments of \$1,600 through October, 2028. The monthly payments include principle and interest at a fixed annual rate of 7.45%. The balance at December 31, 2009 was \$194,039.

Long-term debt at December 31, 2009 matures as follows:

<u>Year ending</u>	<u>Amount</u>
2010	\$ 4,905
2011	5,283
2012	5,690
2013	6,129
2014	6,602
Thereafter	<u>165,430</u>
	<u>\$ 194,039</u>

Interest expense for the year ended December 31, 2009 was \$14,642.

NOTE 3 OPERATING LEASES

The Church leases office equipment under various operating leases with expiration dates through 2012. The monthly lease payments are charged to expense as incurred. Minimum future payments under non-cancelable operating leases as of December 31, 2009 for each of the next five years are as follows:

<u>Year ending</u>	<u>Amount</u>
2010	\$ 17,076
2011	7,394
2012	7,394
2013	3,948
2014	<u>2,632</u>
	<u>\$ 38,444</u>

COLLEGE PARK CHURCH

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 3 OPERATING LEASES - continued

College Park Columbus Church leases space pursuant to an operating lease agreement that expires April 30, 2011. Rental expense for the year ended December 31, 2009 was \$48,602. Future minimum rent payments are as follows:

<u>Year ending</u>	<u>Amount</u>
2010	\$ 51,693
2011	<u>17,586</u>
	<u>\$ 69,279</u>

NOTE 4 CAPITAL LEASE OBLIGATIONS

The Church has acquired certain office equipment through capital lease arrangements. The present value of the future minimum lease payments required by the lease and the corresponding liability have been recorded in the financial statements as property and equipment, and capital lease obligations, respectively.

The net book value of the leased property as of December 31, 2009 is classified as follows:

	<u>2009</u>
Equipment	\$ 108,690
Less accumulated depreciation	<u>27,173</u>
	<u>\$ 81,517</u>

The future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of December 31, 2009 are as follows:

<u>Year ending</u> <u>December 31</u>	<u>Amount</u>
2010	\$ 36,230
2011	<u>18,115</u>
Total minimum lease payments	54,345
Less amount representing interest	-
Present value - net minimum lease payments	<u>\$ 54,345</u>

COLLEGE PARK CHURCH

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 5 FUNCTIONAL EXPENSE CLASSIFICATION

The Church focuses on three main programs: General Ministries, which primarily encompasses weekly worship, pastoral services and other general ministerial services, Missions, and Benevolent.

Expenses by functional classification for the year ended December 31, 2009 is as follows:

	<u>2009</u>
General Ministries	\$ 3,734,671
Missions	851,756
Benevolent	<u>157,339</u>
Total Program Services	4,743,766
Administrative	<u>1,645,143</u>
Total Expenses	<u>\$ 6,388,909</u>