



COLLEGE PARK CHURCH

COLLEGE PARK CHURCH

Consolidated Financial Statements
With Independent Auditors' Report

March 31, 2021 and 2020

COLLEGE PARK CHURCH

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INDEPENDENT AUDITORS' REPORT

Board of Elders
College Park Church
Indianapolis, Indiana

We have audited the accompanying consolidated financial statements of College Park Church, which comprise the consolidated statements of financial position as of March 31, 2021 and 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of College Park Church as of March 31, 2021 and 2020, and the changes in its consolidated net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "Capin Crouse LLP".

Indianapolis, Indiana
November 23, 2021

COLLEGE PARK CHURCH

Consolidated Statements of Financial Position

	March 31,	
	2021	2020
ASSETS:		
Cash and cash equivalents	\$ 7,499,981	\$ 5,207,429
Restricted cash for building and land	594,520	405,983
Cash, cash equivalents, and restricted cash	<u>8,094,501</u>	<u>5,613,412</u>
Prepaid expenses	54,132	11,949
Property and equipment, at cost-net	<u>21,401,149</u>	<u>23,766,967</u>
Total Assets	<u><u>\$ 29,549,782</u></u>	<u><u>\$ 29,392,328</u></u>
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable	\$ 134,377	\$ 98,828
Accrued expenses	257,861	249,920
Debt	<u>1,086,773</u>	<u>1,152,344</u>
	<u>1,479,011</u>	<u>1,501,092</u>
Net assets:		
Without donor restrictions	25,108,420	25,238,490
With donor restrictions by purpose	<u>2,962,351</u>	<u>2,652,746</u>
	<u>28,070,771</u>	<u>27,891,236</u>
Total Liabilities and Net Assets	<u><u>\$ 29,549,782</u></u>	<u><u>\$ 29,392,328</u></u>

See notes to consolidated financial statements

COLLEGE PARK CHURCH

Consolidated Statements of Activities

	Year Ended March 31,					
	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE:						
Support:						
Contributions	\$ 11,585,894	\$ 1,035,505	\$ 12,621,399	\$ 12,447,494	\$ 1,502,996	\$ 13,950,490
Christmas offerings	-	1,248,418	1,248,418	-	1,361,446	1,361,446
	11,585,894	2,283,923	13,869,817	12,447,494	2,864,442	15,311,936
Revenue	100,196	19,950	120,146	239,076	-	239,076
Total Support and Revenue	11,686,090	2,303,873	13,989,963	12,686,570	2,864,442	15,551,012
RECLASSIFICATIONS:						
Net assets released by satisfaction of purpose restrictions	1,994,268	(1,994,268)	-	3,414,305	(3,414,305)	-
EXPENSES:						
Program services:						
Church ministries	9,075,547	-	9,075,547	12,778,262	-	12,778,262
Local outreach	892,854	-	892,854	748,892	-	748,892
Global outreach	2,100,746	-	2,100,746	2,602,251	-	2,602,251
Supporting activities:						
Management and general	1,741,281	-	1,741,281	1,980,518	-	1,980,518
Fundraising	-	-	-	-	-	-
	13,810,428	-	13,810,428	18,109,923	-	18,109,923
Total Expenses	13,810,428	-	13,810,428	18,109,923	-	18,109,923
Change in Net Assets	(130,070)	309,605	179,535	(2,009,048)	(549,863)	(2,558,911)
Net Assets, Beginning of Year	25,238,490	2,652,746	27,891,236	27,247,538	3,202,609	30,450,147
Net Assets, End of Year	\$ 25,108,420	\$ 2,962,351	\$ 28,070,771	\$ 25,238,490	\$ 2,652,746	\$ 27,891,236

See notes to consolidated financial statements

COLLEGE PARK CHURCH

Consolidated Statement of Functional Expenses

Year Ended March 31, 2021

	Program Services			Supporting Activities			Total	
	Church Ministries	Local Outreach	Global Outreach	Total Program Services	Management and General	Fundraising Expenses		Total Supporting Activities
Salaries and benefits	\$ 4,786,603	\$ -	\$ -	\$ 4,786,603	\$ 1,196,654	\$ -	\$ 1,196,654	\$ 5,983,257
Contributions to global and local outreach partners	-	892,854	2,100,746	2,993,600	-	-	-	2,993,600
Grant expense (transfer of net assets to Castleton congregation)	1,743,790	-	-	1,743,790	-	-	-	1,743,790
Depreciation	1,038,302	-	-	1,038,302	54,648	-	54,648	1,092,950
Facility and facility maintenance	573,189	-	-	573,189	129,309	-	129,309	702,498
Information technology costs	290,653	-	-	290,653	15,297	-	15,297	305,950
Interest	61,151	-	-	61,151	3,219	-	3,219	64,370
Professional fees	-	-	-	-	44,147	-	44,147	44,147
Other	581,859	-	-	581,859	298,007	-	298,007	879,866
Total Expenses	\$ 9,075,547	\$ 892,854	\$ 2,100,746	\$ 12,069,147	\$ 1,741,281	\$ -	\$ 1,741,281	\$ 13,810,428

See notes to consolidated financial statements

COLLEGE PARK CHURCH

Consolidated Statement of Functional Expenses

Year Ended March 31, 2020

	Program Services			Supporting Activities			Total	
	Church Ministries	Local Outreach	Global Outreach	Total Program Services	Management and General	Fundraising Expenses		Total Supporting Activities
Salaries and benefits	\$ 5,280,210	\$ -	\$ -	\$ 5,280,210	\$ 1,320,053	\$ -	\$ 1,320,053	\$ 6,600,263
Grant expense (transfer of net assets to Fishers congregation)	3,569,701	-	-	3,569,701	-	-	-	3,569,701
Contributions to global and local outreach partners	-	748,892	2,602,251	3,351,143	-	-	-	3,351,143
Depreciation	1,235,159	-	-	1,235,159	65,008	-	65,008	1,300,167
Facility and facility maintenance	1,138,348	-	-	1,138,348	191,157	-	191,157	1,329,505
Information technology costs	339,131	-	-	339,131	17,849	-	17,849	356,980
Interest	53,697	-	-	53,697	2,826	-	2,826	56,523
Professional fees	-	-	-	-	55,703	-	55,703	55,703
Other	1,162,016	-	-	1,162,016	327,922	-	327,922	1,489,938
Total Expenses	\$ 12,778,262	\$ 748,892	\$ 2,602,251	\$ 16,129,405	\$ 1,980,518	\$ -	\$ 1,980,518	\$ 18,109,923

See notes to consolidated financial statements

COLLEGE PARK CHURCH

Consolidated Statements of Cash Flows

	Year Ended March 31,	
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 179,535	\$ (2,558,911)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation	1,092,950	1,300,167
Noncash transfer of property and equipment	1,453,417	2,576,749
Write-off construction in progress	-	87,014
Building fund cash contributions	(213,942)	(463,159)
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	(42,183)	(11,949)
Accounts payable	35,549	(265,582)
Accrued expenses	7,941	39,821
Net Cash Provided by Operating Activities	2,513,267	704,150
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(180,549)	(379,195)
Net Cash Used by Investing Activities	(180,549)	(379,195)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Paycheck Protection Program Loan	1,157,100	-
Repayment of Paycheck Protection Program Loan	(1,157,100)	-
Principal payments on debt	(65,571)	(59,157)
Building fund cash contributions	213,942	463,159
Net Cash Provided by Financing Activities	148,371	404,002
Change in Cash, Cash Equivalents, and Restricted Cash	2,481,089	728,957
Cash, Cash Equivalents, and Restricted Cash, Beginning of Year	5,613,412	4,884,455
Cash, Cash Equivalents, and Restricted Cash, End of Year	\$ 8,094,501	\$ 5,613,412
SUPPLEMENTAL INFORMATION:		
Cash paid for interest	\$ 64,370	\$ 56,523

See notes to consolidated financial statements

COLLEGE PARK CHURCH

Notes to Consolidated Financial Statements

March 31, 2021 and 2020

1. NATURE OF ORGANIZATION:

College Park Church (Church) is incorporated in the state of Indiana and is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code (code). The Church is classified as a publicly supported organization rather than a private foundation under Section 509(a)(1) of the code. Contributions to the Church are deductible for income tax purposes.

The Church is a nondenominational, Christian fellowship that exists to “ignite a passion to follow Jesus.” The Church operates four congregations: North Indianapolis, Castleton (through March 31, 2020), Greenwood (through March 31, 2021), and One Fellowship. The programs and opportunities available through the Church are varied. They are aimed at every age and need whether spiritual, relational, emotional, or physical. It is the Church’s intent to meet each individual at the point of their most urgent need and gently lead them to enjoy the exciting life God has made available to them by exalting Christ, experiencing community, and embracing a calling.

The Castleton congregation organized as a separate legal entity during the year ended March 31, 2020, but still operated as a congregation of the Church through March 31, 2020. Effective April 1, 2020, the Church transferred the related assets and liabilities associated with this congregation with a net asset value approximating \$1,750,000. The transfer was recognized as a grant expense to the Castleton congregation during the year ended March 31, 2021.

The Greenwood congregation organized as a separate legal entity during the year ended March 31, 2021, but still operated as a congregation of the Church through March 31, 2021. See Note 13 for the planned separation and related transfer of the Greenwood congregation's net assets effective April 1, 2021.

All functions, programs, and activities of the Church serve to enhance, reinforce, further, or otherwise contribute to the Church’s purpose. Therefore, all functions, programs, activities, and teachings are to be consistent with Biblical truth and guidelines whenever and wherever applicable. In the event Biblical guidelines do not address a specific matter, the Church must adhere to the highest possible spiritual and moral standards. The Church is a multi-ministry outreach with ministry emphasis in the areas of outreach and missions; worship and arts; children and youth programs and activities; small group programs, special events, and other activities; and other pastoral services.

Gladstone Property, LLC (Gladstone), is a limited liability company organized under Indiana law on September 22, 2014. Gladstone is a wholly owned subsidiary of the Church. The purpose of Gladstone is to own property that is granted by the Church. The property is currently being rented to another nonprofit organization at no charge.

COLLEGE PARK CHURCH

Notes to Consolidated Financial Statements

March 31, 2021 and 2020

2. SIGNIFICANT ACCOUNTING POLICIES:

The consolidated financial statements have been prepared on the accrual basis of accounting. The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The significant accounting policies followed are described below to enhance the usefulness of the statements to the reader.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the financial activities of College Park Church and its wholly owned subsidiary, Gladstone Property, LLC. All material intercompany accounts and transactions have been eliminated in consolidation.

CASH AND CREDIT RISK

For purposes of the consolidated financial statements, cash includes cash on hand, checking accounts, and money market accounts. While the Church's cash balances may at times exceed federally insured limits, it has not experienced any losses in such accounts. The Church believes it is not exposed to any significant credit risk on these accounts. As of March 31, 2021 and 2020, the Church had cash on deposit with financial institutions that exceed the federally insured (FDIC) balance by approximately \$7,758,000 and \$5,289,000, respectively.

DONATED INVESTMENTS

Donated investments are initially reported at quoted value on the date of the gift and thereafter reported at fair value using quoted prices in active markets for identical assets. The Church's policy is to liquidate any donated investments shortly after original gift date.

PROPERTY, EQUIPMENT, AND DEPRECIATION

Items capitalized as property and equipment are reported at cost or, if donated, at fair market value on the date of donation. The capitalization policy is \$5,000. Building and equipment are depreciated on the straight-line method over their estimated useful lives ranging from 5 to 40 years.

COLLEGE PARK CHURCH

Notes to Consolidated Financial Statements

March 31, 2021 and 2020

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

NET ASSETS

Net assets without donor restrictions are those currently available for use in the Church under the direction of the Board of Elders and those resources invested in property and equipment—net of accumulated depreciation, related debt, and other related liabilities. See Note 6. Board and management designated net assets are set aside through transfers from the general fund for use of each individual congregation and specific programs and can be released by board or management approval.

Net assets with donor restrictions are those stipulated by donors for specific operating purposes by congregation or those not currently available for use until commitments regarding their use have been fulfilled. See Note 7.

SUPPORT, REVENUE, CONTRIBUTED SERVICES, AND RECLASSIFICATIONS

Contributions are reported when made, which is generally when cash is received, unconditional promises are made, or ownership of donated assets is transferred to the Church. Bequests are reported as support at the time the Church has an established right to the bequest and proceeds are measurable. The Church's ministry could not be fully achieved without the dedicated efforts of many volunteers. These contributed services are not reported as they do not meet the "specialized skills" requirement under current accounting standards.

Revenues are reported as income when earned. As described in Note 8, revenue consists primarily of registration fees and sales, which are recognized as earned when events take place or at point of sale.

Reclassifications represent funds released to net assets without donor restrictions from net assets with donor restrictions when expenses have been incurred in satisfaction of those donor restrictions.

CONCENTRATION OF SUPPORT RISK

Support for the Church comes primarily from donor contributions from members, concentrated in the Indianapolis, Indiana geographic area.

EXPENSES

Expenses are reported when incurred. There were no advertising costs or joint costs for the years ended March 31, 2021 and 2020. The consolidated financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include depreciation, interest, and facility and facility maintenance, and other which are allocated on a square footage basis, as well as salaries and benefits and information technology costs, which are allocated on the basis of estimates of time and effort. The costs of providing various program services and supporting activities have been summarized on a functional basis in the consolidated statements of functional expenses.

COLLEGE PARK CHURCH

Notes to Consolidated Financial Statements

March 31, 2021 and 2020

2. SIGNIFICANT ACCOUNTING POLICIES, continued:

RECENTLY ADOPTED ACCOUNTING STANDARD

In 2016, the FASB issued ASU No. 2016-18, *Statement of Cash Flows - Restricted Cash* (topic 230 of the FASB ASC). The Church adopted the provisions of this new standard during the year ended March 31, 2021. Adoption of this new standard had no effect on change in net assets or net assets in total for the years ended March 31, 2021 and 2020. Restricted cash was presented separately from cash and cash equivalents on the consolidated statements of financial position.

3. LIQUIDITY AND FUNDS AVAILABLE:

The following reflects the Church's financial assets as of March 31, 2021 and 2020, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the consolidated statements of financial position date. Financial assets are considered unavailable when illiquid or not convertible to cash within one year. The Church considers general expenditures to include all expenditures related to its ongoing ministry and outreach activities during the normal course of the year as well as the conduct of services undertaken to support those activities.

	March 31,	
	2021	2020
Financial assets:		
Cash, cash equivalents, and restricted cash	\$ 8,094,501	\$ 5,613,412
Less those unavailable for general expenditures within one year, due to:		
Contractual or donor-imposed restrictions: purpose restrictions	(1,860,941)	(1,200,344)
Restricted cash for building and land	(594,520)	(405,983)
Board and management designations:		
North Indy congregation	(607,214)	(513,521)
Castleton congregation	-	(95,419)
Greenwood congregation	(19,444)	(20,693)
One Fellowship congregation	(5,000)	(5,000)
	<u>(3,087,119)</u>	<u>(2,240,960)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 5,007,382</u>	<u>\$ 3,372,452</u>

COLLEGE PARK CHURCH

Notes to Consolidated Financial Statements

March 31, 2021 and 2020

3. LIQUIDITY AND FUNDS AVAILABLE, continued:

The Church is substantially supported by contributions, which at times are received with restrictions. Those contributions with donor restrictions require resources to be used in a particular manner or in a future period. The Church must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. The Church has \$2,962,351 in net assets with donor restrictions for specific purposes as of March 31, 2021, of which \$29,468 will be transferred to the Greenwood congregation as part of their transition to an unaffiliated, self-governed church subsequent to fiscal year end (see Notes 7 and 13). Additionally, \$1,071,942 of the total net assets with donor restrictions is considered available to meet ministry needs for general expenditures within one year (specifically related to estimated Christmas offering disbursements budgeted to be released in the next year). The Church had \$2,652,746 in net assets with donor restrictions for specific purposes as of March 31, 2020, of which \$95,419 was transferred to the Castleton congregation as part of their transition to an unaffiliated, self-governed church subsequent to fiscal year end. Additionally as of March 31, 2020, \$951,000 of the total net assets with donor restrictions was considered available to meet ministry needs for general expenditures within one year.

As part of the Church's liquidity management, the Church has established guidelines for making decisions related to managing short term cash reserves and other investments in a prudent manner. The Church follows a conservative approach to managing cash reserves through use of low risk money market accounts in an effort to maintain principal balances and avoid investment losses. Also, the Church has a secured revolving line of credit (see Note 5) of which, \$1,000,000 remains available to draw as of March, 31, 2021 and 2020.

4. PROPERTY AND EQUIPMENT, AT COST-NET:

Property and equipment, consists of:

	March 31,	
	2021	2020
Land and improvements	\$ 3,546,980	\$ 4,462,826
Building and improvements	28,859,930	29,459,465
Furniture and equipment	2,573,223	2,726,012
	<u>34,980,133</u>	<u>36,648,303</u>
Less accumulated depreciation	(13,613,430)	(12,881,336)
	<u>21,366,703</u>	<u>23,766,967</u>
Construction in process	34,446	-
	<u>\$ 21,401,149</u>	<u>\$ 23,766,967</u>

COLLEGE PARK CHURCH

Notes to Consolidated Financial Statements

March 31, 2021 and 2020

5. DEBT:

CROSSBRIDGE FUNDING GROUP, LLC MORTGAGE LOAN

During June 2018, the Church entered into an agreement with a local church in Greenwood, Indiana to transfer and convey all of its real estate and related debt. As part of this agreement, the Church assumed all of the associated debt, which approximated \$1,115,000. This debt has a maturity date of October 28, 2026. The loan is secured by land and a building on the Greenwood church property. There is a fixed interest rate of 4.75% until October 28, 2021. Monthly payments include principal and interest for \$6,579, with a balloon payment of approximately \$856,000. In October 2021, the interest rate will be adjusted to equal the then current five year U.S. Treasury Constant Maturities Index plus 350 basis points.

BUTLER HOUSE BANK MORTGAGE LOAN

The Church owns a home in Indianapolis which is used for missionary residency and outreach to the students of Butler University. The mortgage is payable to a bank, with monthly payments of \$1,600 through April 2023. The monthly payments include principal and interest at a fixed annual rate of 3.5%.

CAPITAL LEASE OBLIGATION

The Church acquired two copiers through a capital lease arrangement. The present value of the future minimum lease payments required by the lease and the corresponding liability have been reported as property and equipment, and debt, respectively. The Church is required to make monthly payments of \$1,314 through August 2022.

PAYCHECK PROTECTION PROGRAM LOAN

In response to the uncertainty surrounding the COVID-19 pandemic, the Church received a Paycheck Protection Program loan from the Small Business Administration (SBA) under the U.S. Coronavirus Aid, Relief, and Economic Security (CARES) Act in the amount of \$1,157,100 on April 15, 2021. The loan accrued interest at 1.00% and was set to mature two years from the issuance date. The Church repaid the loan back to the SBA in full plus accrued interest of \$9,067 on January 26, 2021.

Debt consists of:

	March 31,	
	2021	2020
Crossbridge mortgage loan	\$ 1,037,365	\$ 1,065,594
Butler house bank mortgage loan	34,556	57,571
Capital lease obligation	14,852	29,179
	<u>\$ 1,086,773</u>	<u>\$ 1,152,344</u>

COLLEGE PARK CHURCH

Notes to Consolidated Financial Statements

March 31, 2021 and 2020

5. DEBT, continued:

Debt is estimated to mature as follows:

<u>Year Ending March 31,</u>	
2022	\$ 63,887
2023	47,747
2024	33,397
2025	35,018
2026	36,718
Thereafter	<u>870,006</u>
	<u>\$ 1,086,773</u>

DEBT COVENANTS

The Church was in compliance with all financial and reporting debt covenants as of March 31, 2021 and 2020.

CAPITAL LEASE DISCLOSURE

The net book value of the assets associated with the capital lease, are:

	<u>March 31,</u>	
	<u>2021</u>	<u>2020</u>
Equipment	\$ 60,721	\$ 60,721
Less accumulated depreciation	<u>(44,529)</u>	<u>(32,385)</u>
	<u>\$ 16,192</u>	<u>\$ 28,336</u>

LINE OF CREDIT

The Church has a \$1,000,000 revolving line of credit which matured November 4, 2021. The loan is secured by related land and negative pledge on property. The interest rate is the prime rate, as published in the Money Rates section of the Wall Street Journal. As of March 31, 2021 and 2020, the interest rate was 3.25%. Monthly payments are interest only. The Church made no draws on this line of credit during the years ended March 31, 2021 and 2020. As of the issuance of its consolidated financial statements, the Church is working with its financial institution to renew the line of credit.

COLLEGE PARK CHURCH

Notes to Consolidated Financial Statements

March 31, 2021 and 2020

6. NET ASSETS WITHOUT DONOR RESTRICTIONS:

Net assets without donor restrictions consist of:

	March 31,	
	2021	2020
Undesignated	\$ 24,476,762	\$ 24,567,217
Board and management designated:		
North Indy congregation:		
Global outreach fund	46,445	46,445
Local outreach fund–Christmas	44,335	-
Benevolent fund	12,629	12,629
Building and land fund	355,504	246,514
Next Door fund	133,301	207,933
Grants	15,000	-
	607,214	513,521
Castleton congregation (transferred effective April 1, 2020):		
Global outreach fund	-	61,124
Local outreach fund	-	34,295
Benevolent fund	-	5,516
Building and land fund	-	26,474
	-	127,409
Greenwood congregation (transferred effective April 1, 2021):		
Global outreach fund	17,675	20,693
Benevolent fund	1,769	4,650
	19,444	25,343
One Fellowship congregation:		
Benevolent fund	5,000	5,000
	5,000	5,000
Total board and management designated	631,658	671,273
	\$ 25,108,420	\$ 25,238,490

COLLEGE PARK CHURCH

Notes to Consolidated Financial Statements

March 31, 2021 and 2020

7. NET ASSETS WITH DONOR RESTRICTIONS—BY PURPOSE:

Net assets with donor restrictions by purpose and activities are as follows:

	Net Assets March 31, 2020	Contributions With Donor Restrictions	Reclassifications	Net Assets March 31, 2021
North Indy congregation:				
Global outreach fund	\$ -	\$ 463,704	\$ (449,489)	\$ 14,215
Global outreach fund—Christmas	1,994,793	-	(726,917)	1,267,876
Local outreach fund	-	77,430	(77,430)	-
Local outreach fund—Christmas	134,855	1,191,939	(507,605)	819,189
Benevolent fund	-	223,843	(108,708)	115,135
Building and land fund—other	-	18,167	(18,167)	-
Butler house renovation	-	177,800	-	177,800
Next Door fund	93,879	7,547	(53,083)	48,343
Multiply	387,252	-	-	387,252
Leadership development	-	40,000	-	40,000
Grants	-	19,950	(1,679)	18,271
	<u>2,610,779</u>	<u>2,220,380</u>	<u>(1,943,078)</u>	<u>2,888,081</u>
Castleton congregation:				
Benevolent fund	19,335	-	(19,335)	-
Next Door fund	288	-	(288)	-
	<u>19,623</u>	<u>-</u>	<u>(19,623)</u>	<u>-</u>
Greenwood congregation:				
Global outreach fund	-	100	(100)	-
Global outreach fund- Christmas	-	16,479	(16,479)	-
Building and land fund	18,731	17,975	(7,238)	29,468
	<u>18,731</u>	<u>34,554</u>	<u>(23,817)</u>	<u>29,468</u>
One Fellowship congregation:				
Local outreach fund—Christmas	-	40,000	(5,000)	35,000
Benevolent fund	3,613	8,939	(2,750)	9,802
	<u>3,613</u>	<u>48,939</u>	<u>(7,750)</u>	<u>44,802</u>
	<u>\$ 2,652,746</u>	<u>\$ 2,303,873</u>	<u>\$ (1,994,268)</u>	<u>\$ 2,962,351</u>

COLLEGE PARK CHURCH

Notes to Consolidated Financial Statements

March 31, 2021 and 2020

7. NET ASSETS WITH DONOR RESTRICTIONS—BY PURPOSE:

Net assets with donor restrictions by purpose and activities are as follows:

	Net Assets March 31, 2019	Contributions With Donor Restrictions	Reclassifications	Net Assets March 31, 2020
North Indy congregation:				
Global outreach fund	\$ -	\$ 552,211	\$ (552,211)	\$ -
Global outreach fund—Christmas	1,872,444	1,361,446	(1,239,097)	1,994,793
Local outreach fund	-	139,328	(139,328)	-
Local outreach fund—Christmas	180,513	-	(45,658)	134,855
Benevolent fund	28,441	166,036	(194,477)	-
Building and land fund—other	-	29,457	(29,457)	-
Next Door fund	5,553	132,687	(44,361)	93,879
Multiply	-	387,252	-	387,252
	<u>2,086,951</u>	<u>2,768,417</u>	<u>(2,244,589)</u>	<u>2,610,779</u>
Fishers congregation:				
Building and land fund	1,110,112	-	(1,110,112)	-
Castleton congregation:				
Global outreach fund	-	11,441	(11,441)	-
Local outreach	1,700	2,672	(4,372)	-
Benevolent fund	3,846	23,420	(7,931)	19,335
Next Door fund	-	288	-	288
	<u>5,546</u>	<u>37,821</u>	<u>(23,744)</u>	<u>19,623</u>
Greenwood congregation:				
Global outreach fund	-	8,141	(8,141)	-
Building and land fund	-	46,450	(27,719)	18,731
	<u>-</u>	<u>54,591</u>	<u>(35,860)</u>	<u>18,731</u>
One Fellowship congregation:				
Benevolent fund	-	3,613	-	3,613
	<u>-</u>	<u>3,613</u>	<u>-</u>	<u>3,613</u>
	<u>\$ 3,202,609</u>	<u>\$ 2,864,442</u>	<u>\$ (3,414,305)</u>	<u>\$ 2,652,746</u>

COLLEGE PARK CHURCH

Notes to Consolidated Financial Statements

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8. REVENUE:

Revenue consists of:

	Year Ended March 31,	
	2021	2020
Registration fees and sales	\$ 84,060	\$ 214,711
Grant revenue	24,114	-
Other income	11,972	24,365
	<u>\$ 120,146</u>	<u>\$ 239,076</u>

9. EMPLOYEE BENEFITS:

TAX SHELTERED ANNUITY 403(b) PLAN

The Church has established a 403(b) plan for all regular full-time employees and part-time employees who regularly work at least twenty hours per week. The Church matches all employee contributions up to 7 percent of an employee's gross salary. Church contributions were approximately \$222,000 and \$237,000 for the years ended March 31, 2021 and 2020, respectively.

OTHER BENEFITS

The Church also provides its full-time employees with the following benefits: group life insurance, group accidental and medical insurance, group long-term care, and employer paid medical insurance premiums. A more complete description of the benefit provisions can be found in the respective plan agreements. Church expenses for these other benefits were approximately \$944,000 and \$1,021,000 for the years ended March 31, 2021 and 2020, respectively.

10. OPERATING LEASES:

The Church leases various office equipment and building space through noncancellable operating leases. These leases expire between November 2021 and July 2023. Operating leases consist of payments for the use of rental space and a mailing machine. Lease payments for the years ended March 31, 2021 and 2020, were approximately \$47,000 and \$44,000, respectively. Future minimum lease payments are as follows:

Year Ending March 31,	
2022	\$ 53,691
2023	15,372
2024	1,250
	<u>\$ 70,313</u>

COLLEGE PARK CHURCH

Notes to Consolidated Financial Statements

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11. RELATED PARTY TRANSACTIONS:

Approximately \$775,000 and \$652,000 of contributions were received from members of the Church's Board of Elders during the years ended March 31, 2021 and 2020, respectively.

A member of the Board of Elders at the Church holds a position of influence with a nonprofit organization. During the years ended March 31, 2021 and 2020, the Church granted approximately \$319,000 and \$-0-, respectively, to the nonprofit organization to fund furniture projects, which in turn helps rebuild lives of individuals broken by addiction or homelessness by equipping them with valuable work skills and providing the gift of work.

A member of the Board of Elders holds a position of influence with a nonprofit organization. For the year ended March 31, 2021, the Church granted approximately \$25,000, to the nonprofit organization to fund discipleship.

A member of the Board of Elders is a missionary with a nonprofit organization. For the year ended March 31, 2021, the Church granted approximately \$24,000, to the nonprofit organization to fund missionary support.

A member of the Board of Elders and a Pastor at the Church hold positions of influence with a nonprofit organization. For each year ended March 31, 2021 and 2020, the Church granted approximately \$40,000 and \$47,500, respectively, to the nonprofit organization to fund projects for mothers in crisis.

12. RISKS AND UNCERTAINTIES:

In March of 2020, the World Health Organization declared the outbreak of the coronavirus (COVID-19) as a pandemic which continues to spread throughout the United States. COVID-19 has caused a severe negative impact on the world economy and has contributed to significant declines and volatility in financial markets as well as caused disruption through mandated and voluntary closings and/or transitions to remote work. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the consolidated financial position and results of the Church for future periods. Management is carefully monitoring the situation.

COLLEGE PARK CHURCH

Notes to Consolidated Financial Statements

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13. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through November 23, 2021, which represents the date the consolidated financial statements were available to be issued. Subsequent events after that date have not been evaluated.

Effective April 1, 2021, the Greenwood congregation officially separated from the Church as an unaffiliated, self-governing entity to form Crosspointe Community Church, Inc., an Indiana nonprofit organization. The Church's Board approved a transfer of the related assets and liabilities to the new entity at the time of separation, as follows:

Cash	\$ 115,261
Prepaid expenses	43,000
Property and equipment, at cost-net of accumulated depreciation of \$143,509	1,576,259
Accounts payable and accrued expenses	(12,505)
Debt	<u>(1,037,365)</u>
	<u>\$ 684,650</u>