

**Christ the King Roman Catholic Church Operating Funds**

**Statement of Cash Receipts and Disbursements and Cash Balances**

**For Years Ended June 30, 2018 and 2017**

**With Report of Certified Public Accountants**



PETERS & CHANDLER, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

*Founded in 1954*

**INDEPENDENT AUDITOR'S REPORT**

To the Finance Committee of  
Christ the King Roman Catholic Church

We have audited the accompanying financial statements of the operating funds of Christ the King Roman Catholic Church, which comprise the statements of cash receipts and disbursements and cash balances for the years ended June 30, 2018 and 2017, and the related notes to the financial statement.

***Management's Responsibility for the Financial Statement***

Management is responsible for the preparation and fair presentation of these financial statement in accordance with the cash basis of accounting as described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financials statement 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 audit. 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 involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statement. 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 presents fairly, in all material respects, the cash receipts, disbursements and the changes in cash balances of the operating funds of Christ the King Roman Catholic Church for the year ended June 30, 2018 and 2017, in accordance with the cash basis of accounting as described in Note 1.

***Basis of Accounting***

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

CERTIFIED PUBLIC ACCOUNTANTS

Oklahoma City, Oklahoma  
November 7, 2018

**Christ the King Roman Catholic Church Operating Funds**  
**Statements of Cash Receipts and Disbursements and Cash Balances**  
**For Years Ended June 30, 2018 and 2017**

	2018				2017			
	PARISH OPERATIONS		PARISH SCHOOL AND CAFETERIA PROGRAM		PARISH OPERATIONS		PARISH SCHOOL AND CAFETERIA PROGRAM	
	UNRESTRICTED	RESTRICTED	PROGRAM	TOTAL	UNRESTRICTED	RESTRICTED	PROGRAM	TOTAL
<b>Cash Receipts - Operating:</b>								
Sunday and Holy Day Collections	\$ 2,898,945	\$ -	\$ -	\$ 2,898,945	\$ 2,862,055	\$ -	\$ -	\$ 2,862,055
Special Gifts, Bequests and Drives:								
Peru Missions (Note 7)	-	165,018	-	165,018	-	166,862	-	166,862
Capital Improvements	-	49,454	-	49,454	-	59,858	-	59,858
Greystone Project	-	-	-	-	-	3,485	-	3,485
Other	-	222,139	39,443	261,582	-	288,140	27,036	315,176
Endowment (Note 3)	-	15,480	101,717	117,197	-	87,506	81,597	169,103
School Annual Appeal	-	-	126,154	126,154	-	-	48,033	48,033
Other - Archdiocesan Collections	17,627	75,230	-	92,857	15,140	39,936	-	55,076
Interest Received and Other Investment Income (Losses)	63,778	11,448	103,863	179,089	2,872	2,192	38,066	43,130
Tuition and Aftercare	8,122	-	2,492,990	2,501,112	10,362	-	2,378,592	2,388,954
Fees	10,390	-	135,452	145,842	4,360	-	129,904	134,264
Cafeteria Income	-	-	149,621	149,621	-	-	173,869	173,869
Stipends and Interest	-	17,098	-	17,098	-	5,355	-	5,355
Poor Box and Interest	-	18,026	-	18,026	-	20,418	-	20,418
School Activity	-	-	73,994	73,994	-	-	57,788	57,788
SOAR Program	-	-	7,500	7,500	-	-	-	-
Inter-Scholastic Sports	-	-	48,766	48,766	-	-	23,216	23,216
Other	91,832	-	-	91,832	84,692	-	-	84,692
<b>Total Cash Receipts - Operating</b>	<b>\$ 3,111,172</b>	<b>\$ 573,893</b>	<b>\$ 3,279,500</b>	<b>\$ 6,964,565</b>	<b>\$ 2,990,332</b>	<b>\$ 673,752</b>	<b>\$ 2,958,101</b>	<b>\$ 6,622,185</b>
<b>Cash Disbursements - Operating:</b>								
Salaries, Wages, and Stipends	\$ 942,536	\$ 5,188	\$ 1,971,141	\$ 2,918,865	\$ 906,061	\$ 3,150	\$ 1,892,708	\$ 2,801,919
Payroll Taxes	58,072	-	130,216	188,288	56,566	-	128,282	184,848
Utilities	76,405	-	91,670	168,075	85,105	-	92,766	177,871
Insurance	168,354	-	407,171	575,525	164,628	-	398,179	562,807
Telephone	15,367	-	17,527	32,894	14,105	-	11,703	25,808
Building and Ground Maintenance	135,009	-	151,232	286,241	164,816	-	149,980	314,796
Instructor Materials and Supplies	-	-	159,450	159,450	-	-	169,574	169,574
Cafeteria Food Costs and Miscellaneous Expenses	-	-	92,695	92,695	-	-	115,833	115,833
Parish Council and Board	124,168	-	-	124,168	117,635	-	-	117,635
ACDO Assessment	144,448	-	-	144,448	191,005	-	-	191,005
Archdiocese (Special Collections)	-	76,503	-	76,503	-	39,048	-	39,048
Equipment Leasing, Repairs, and Maintenance	13,703	-	4,659	18,362	23,442	-	6,416	29,858
Office Expenses and Supplies	29,282	-	3,095	32,377	29,683	-	1,865	31,548
Rectory Expense	30,765	-	-	30,765	17,091	-	-	17,091
Sanctuary Expense	51,795	-	-	51,795	40,328	-	-	40,328
High School Subsidy	23,112	-	-	23,112	30,561	-	-	30,561
Automobile Expense	15,262	-	1,293	16,555	6,822	-	1,414	8,236
Religious Education Classes	48,634	-	-	48,634	48,292	-	-	48,292
Custodial Supplies	19,861	-	14,746	34,607	20,180	-	16,737	36,917
Postage	18,448	-	1,291	19,739	16,301	-	1,548	17,849
Retirement (Note 6)	61,865	-	64,220	126,085	72,378	-	61,985	134,363
Publications	282	-	645	927	1,198	-	-	1,198
Travel and Meetings	10,800	-	2,735	13,535	9,267	-	961	10,228
Social Ministry Distributions	36,851	15,193	-	52,044	34,631	15,916	-	50,547
Poor Box Distributions (Note 5)	-	27,537	-	27,537	-	29,325	-	29,325
Peru Missions (Note 7)	-	168,457	-	168,457	-	167,463	-	167,463
Capital Improvements	-	7,756	-	7,756	-	44,267	-	44,267
School Annual Appeal	-	-	106,441	106,441	-	-	15,674	15,674
School Activity	-	-	77,692	77,692	-	-	59,321	59,321
Inter-Scholastic Sports	-	-	46,519	46,519	-	-	31,714	31,714
Special Projects and Other	135,907	174,974	26,134	337,015	105,920	233,988	19,463	359,371
<b>Total Cash Disbursements - Operating</b>	<b>\$ 2,160,926</b>	<b>\$ 475,608</b>	<b>\$ 3,370,572</b>	<b>\$ 6,007,106</b>	<b>\$ 2,156,015</b>	<b>\$ 533,157</b>	<b>\$ 3,176,123</b>	<b>\$ 5,865,295</b>
<b>Excess of Cash Receipts (Disbursements) - Operating</b>	<b>\$ 950,246</b>	<b>\$ 98,285</b>	<b>\$ (91,072)</b>	<b>\$ 957,459</b>	<b>\$ 834,317</b>	<b>\$ 140,595</b>	<b>\$ (218,022)</b>	<b>\$ 756,890</b>
<b>Other Receipts (Disbursements):</b>								
Purchase of Furniture, Equipment, Building Improvements, and Vehicle	(213,331)	-	(6,040)	(219,371)	(69,495)	-	(18,180)	(87,675)
Proceeds from Sale of Furniture, Equipment, Building	-	-	-	-	-	-	-	-
Purchase of Endowment Assets	-	(15,861)	(101,522)	(117,383)	-	(85,069)	(78,998)	(164,067)
Other	10,713	-	-	10,713	11,397	-	-	11,397
<b>Excess of Cash Receipts (Disbursements)</b>	<b>\$ 747,628</b>	<b>\$ 82,424</b>	<b>\$ (198,634)</b>	<b>\$ 631,418</b>	<b>\$ 776,219</b>	<b>\$ 55,526</b>	<b>\$ (315,200)</b>	<b>\$ 516,545</b>
<b>Operating Funds Cash:</b>								
Beginning of Year				4,737,993				4,221,448
End of Year, Including \$584,928 and \$524,667 of Restricted Funds								
Cash at June 30, 2018 and 2017, Respectively (Note 2)				<u>\$ 5,369,411</u>				<u>\$ 4,737,993</u>

The accompanying notes are an integral part of this statement.

# Christ the King Roman Catholic Church Operating Funds

## Notes to Statement of Cash Receipts and Disbursements and Cash Balances

### NOTE 1 – BASIS OF PRESENTATION

The accompanying statement for Christ the King Roman Catholic Church (the “Parish”) is prepared on the cash basis of accounting; consequently, certain support and revenue are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred. The Parish School and Cafeteria Program revenues and expenses are considered unrestricted; however, they are presented separately from unrestricted Parish operations on the accompanying statement. Details of release from restriction are presented in the accompanying statement. Accordingly, the accompanying statement is not intended to present financial position or results of operations in conformity with generally accepted accounting principles.

The accompanying statement presents operating funds of the Parish and includes certain other custodial funds, including certain School Activity Funds, which are maintained in separate cash accounts. The Parish holds certain other custodial funds on behalf of associated programs and organizations. These funds are maintained in the Parish’s operating fund cash accounts, and are included in the Operating Funds Cash account balance.

### NOTE 2 – RESTRICTED CASH BALANCES

Restricted cash balances included in net operating funds cash at June 30, 2018 and 2017 are as follows:

	2018	2017
Archdiocesan Collections	\$ 2,536	\$ 3,809
Birthday Club Scholarship Fund	1,810	1,779
Community Foundation Grant	24,074	27,546
Dolan Memorial	9,671	5,680
Faith in Action	3,770	3,705
Family to Family	24,676	12,320
Grand Piano	1,874	1,842
Habitat House	11,960	10,829
Interscholastic Sports	15,413	12,886
North Highland Fund	1,883	2,589
Peru Missions Holding	21,782	24,639
Poor Box	19,350	28,386
Religious Education	4,451	4,375
Samaritan Fund	9,640	11,223
School Activity Funds	29,281	32,979
School Annual Appeal	80,989	60,690
SOAR Program	7,500	-
Special Projects	1,458	1,458
St. Lawrence Ministry	36,404	-
Stipends	21,116	21,331
Wolf Memorial	14,971	13,987
Other	240,319	242,614
	\$ 584,928	\$ 524,667

### NOTE 3 – UNRESTRICTED, ENDOWMENT, AND RESTRICTED FUND INVESTMENTS

Investments held by the various operating funds are not included in the operating funds cash balance. Investments are held and invested by the Catholic Foundation of Oklahoma, Inc. in a fiduciary capacity for the Parish. These investments consist of mutual funds investing primarily in equity securities. The fair value of the investment balances of these funds at June 30, 2018 and 2017 is as follows:

	2018	2017
Endowments (A):		
Parish Buildings Endowment Fund	\$ 642,793	\$ 605,322
Family Center Endowment Fund	781,553	748,643
Educational Endowment Funds Included in		
Elementary School Program Fund:		
Scholarships	2,017,371	1,936,104
Parish School	594,425	538,869
Restricted:		
Children Under 12 Fund	30,450	28,833
Bellinghausen Adult Education Fund	16,404	15,737
Rev. G. K. Mayfield Memorial Fund	15,680	15,042
Amy Smith Memorial Fund	51,345	46,806
	\$ 4,150,021	\$ 3,935,356

# Christ the King Roman Catholic Church Operating Funds

## Notes to Statement of Cash Receipts and Disbursements and Cash Balances

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- (A) The Parish has established and maintains these funds as endowments. These endowment funds include realized investment gains and losses and certain investment interest income. Additionally, the Parish may transfer certain funds not required for normal operations to these funds. The documentation supporting establishment of these funds provides that principal is not to be invaded except in dire emergency as approved by the pastor and parish council.

Investment income received from such investments is reflected as cash receipts of the appropriate operating fund.

### NOTE 4 – INCOME TAXES

The Parish has been granted an exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code and, as such, is not subject to income taxes.

### NOTE 5 – POOR BOX DISBURSEMENTS

Poor box disbursements for the years ended June 30, 2018 and 2017 consist of the following:

	2018	2017
St. Lawrence Ministry	\$ 9,600	\$ 9,600
Domestic Missions	9,340	10,020
Foreign Missions	1,200	1,200
Other	7,393	8,505
	\$ 27,533	\$ 29,325

### NOTE 6 – RETIREMENT PLANS

The Parish is a participant, along with other Catholic organizations, in a defined contribution retirement plan sponsored by the Archdiocese of Oklahoma City (“Archdiocese”). The plan covers substantially all full-time lay employees of the Parish. Retirement payments related to the plan for the years ended June 30, 2018 and 2017 were \$89,973 and \$86,612, respectively.

The priests’ retirement is provided for by the Archdiocese. The Parish paid \$36,112 and \$47,751 in priests’ retirement assessments to the Archdiocese during the years ended June 30, 2018 and 2017, respectively.

### NOTE 7 – PERU MISSION ACTIVITIES

During the years ended June 30, 2018 and 2017, the Parish received contributions designated to the Peru Missions in the amount of \$165,018 and \$166,862, respectively, and made distributions for support and expenses in the amount of \$168,457 and \$167,463, respectively.

### NOTE 8 – SUBSEQUENT EVENTS

The Parish has evaluated subsequent events through November 7, 2018, the date the financial statements were available to be issued.

Effective August 31, 2018, the Parish entered into an agreement to purchase property at 2009 Elmhurst Avenue to expand their church and school campus. The property was purchased for \$400,000 using funds from the unrestricted savings account, with the approval of the Finance Committee and the Parish Council.