

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

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

**For Years Ended June 30, 2017 and 2016**

**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, 2017 and 2016, 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, 2017 and 2016, 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 16, 2017

**Christ the King Roman Catholic Church Operating Funds**  
**Statement of Cash Receipts and Disbursements and Cash Balances**  
**For Years Ended June 30, 2017 and 2016**

	2017				2016			
	PARISH OPERATIONS		PARISH SCHOOL AND CAFETERIA PROGRAM	TOTAL	PARISH OPERATIONS		PARISH SCHOOL AND CAFETERIA PROGRAM	TOTAL
	UNRESTRICTED	RESTRICTED			UNRESTRICTED	RESTRICTED		
<b>Cash Receipts - Operating:</b>								
Sunday and Holy Day Collections	\$ 2,862,055	\$ -	\$ -	\$ 2,862,055	\$ 2,782,926	\$ -	\$ -	\$ 2,782,926
Special Gifts, Bequests and Drives:								
Peru Missions (Note 7)	-	166,862	-	166,862	-	167,242	-	167,242
Capital Improvements	-	59,858	-	59,858	-	48,573	-	48,573
Greystone Project	-	3,485	-	3,485	-	81,694	-	81,694
Other	-	288,140	27,036	315,176	-	242,024	27,924	269,948
Endowment (Note 3)	-	87,506	81,597	169,103	-	15,429	45,841	61,270
School Annual Appeal	-	-	48,033	48,033	-	-	128,248	128,248
Other - Archdiocesan Collections	15,140	39,936	-	55,076	18,306	60,691	-	78,997
Interest Received and Other Investment Income (Losses)	2,872	2,192	38,066	43,130	3,740	1,744	36,036	41,520
Tuition and Aftercare	10,362	-	2,378,592	2,388,954	9,315	-	2,270,405	2,279,720
Fees	4,360	-	129,904	134,264	840	-	97,967	98,807
Cafeteria Income	-	-	173,869	173,869	-	-	172,009	172,009
Stipends and Interest	-	5,355	-	5,355	-	5,056	-	5,056
Poor Box and Interest	-	20,418	-	20,418	-	36,455	-	36,455
Oil and Gas Royalties and Lease Bonus	10,851	-	-	10,851	12,365	-	-	12,365
School Activity	-	-	57,788	57,788	-	-	45,808	45,808
Inter-Scholastic Sports	-	-	23,216	23,216	-	-	33,099	33,099
Other	84,692	-	-	84,692	93,642	-	-	93,642
<b>Total Cash Receipts - Operating</b>	<b>2,990,332</b>	<b>673,752</b>	<b>2,958,101</b>	<b>6,622,185</b>	<b>2,921,134</b>	<b>658,908</b>	<b>2,857,337</b>	<b>6,437,379</b>
<b>Cash Disbursements - Operating:</b>								
Salaries, Wages, and Stipends	906,061	3,150	1,892,708	2,801,919	887,293	3,540	1,846,070	2,736,903
Payroll Taxes	56,566	-	128,282	184,848	55,059	-	124,696	179,755
Utilities	85,105	-	92,766	177,871	73,762	-	81,392	155,154
Insurance	164,628	-	398,179	562,807	146,227	-	370,663	516,890
Telephone	14,105	-	11,703	25,808	13,523	-	13,494	27,017
Building and Ground Maintenance	164,816	-	149,980	314,796	149,069	-	166,525	315,594
Instructor Materials and Supplies	-	-	169,574	169,574	-	-	135,876	135,876
Cafeteria Food Costs and Miscellaneous Expenses	-	-	115,833	115,833	-	-	104,689	104,689
Parish Council and Board	117,635	-	-	117,635	127,059	-	-	127,059
ACDO Assessment	191,005	-	-	191,005	158,142	-	-	158,142
Archdiocese (Special Collections)	-	39,048	-	39,048	-	60,842	-	60,842
Equipment Leasing, Repairs, and Maintenance	23,442	-	6,416	29,858	18,874	-	6,191	25,065
Office Expenses and Supplies	29,683	-	1,865	31,548	27,104	-	2,182	29,286
Rectory Expense	17,091	-	-	17,091	21,943	-	-	21,943
Sanctuary Expense	40,328	-	-	40,328	40,070	-	-	40,070
High School Subsidy	30,561	-	-	30,561	25,303	-	-	25,303
Automobile Expense	6,822	-	1,414	8,236	9,613	-	1,705	11,318
Religious Education Classes	48,292	-	-	48,292	46,233	-	-	46,233
Custodial Supplies	20,180	-	16,737	36,917	23,222	-	15,446	38,668
Postage	16,301	-	1,548	17,849	12,829	-	2,161	14,990
Retirement (Note 6)	72,378	-	61,985	134,363	61,840	-	61,324	123,164
Publications	1,198	-	-	1,198	488	-	1,150	1,638
Travel and Meetings	9,267	-	961	10,228	10,678	-	477	11,155
Social Ministry Distributions	34,631	15,916	-	50,547	37,301	11,174	-	48,475
Poor Box Distributions (Note 5)	-	29,325	-	29,325	-	28,361	-	28,361
Peru Missions (Note 7)	-	167,463	-	167,463	-	171,638	-	171,638
Capital Improvements	-	44,267	-	44,267	-	88,978	-	88,978
Greystone Project	-	-	-	-	-	2,225	-	2,225
School Annual Appeal	-	-	15,674	15,674	-	-	131,446	131,446
School Activity	-	-	59,321	59,321	-	-	53,479	53,479
Inter-Scholastic Sports	-	-	31,714	31,714	-	-	27,859	27,859
Special Projects and Other	105,920	233,988	19,463	359,371	123,114	291,145	19,039	433,298
<b>Total Cash Disbursements - Operating</b>	<b>2,156,015</b>	<b>533,157</b>	<b>3,176,123</b>	<b>5,865,295</b>	<b>2,068,746</b>	<b>657,903</b>	<b>3,165,864</b>	<b>5,892,513</b>
<b>Excess of Cash Receipts (Disbursements) - Operating</b>	<b>834,317</b>	<b>140,595</b>	<b>(218,022)</b>	<b>756,890</b>	<b>852,388</b>	<b>1,005</b>	<b>(308,527)</b>	<b>544,866</b>
<b>Other Receipts (Disbursements):</b>								
Purchase of Furniture, Equipment, Building Improvements, and Vehicle	(69,495)	-	(18,180)	(87,675)	(7,085)	-	(4,700)	(11,785)
Purchase of Endowment Assets	-	(85,069)	(78,998)	(164,067)	-	(16,805)	(45,637)	(62,442)
Other	11,397	-	-	11,397	(3,311)	-	-	(3,311)
<b>Excess of Cash Receipts (Disbursements)</b>	<b>\$ 776,219</b>	<b>\$ 55,526</b>	<b>\$ (315,200)</b>	<b>516,545</b>	<b>\$ 841,992</b>	<b>\$ (15,800)</b>	<b>\$ (358,864)</b>	<b>467,328</b>
<b>Operating Funds Cash:</b>								
Beginning of Year				4,221,448				3,754,120
End of Year, Including \$524,667 and \$464,252 of Restricted Funds, Cash at June 30, 2017 and 2016, Respectively (Note 2)				<u>4,737,993</u>				<u>4,221,448</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, 2017 and 2016 are as follows:

	2017	2016
Poor Box	\$ 28,386	\$ 37,185
Faith in Action	3,705	3,690
North Highland Fund	2,589	2,554
Social Ministry Special Fund	9,496	19,939
Community Foundation Grant	27,546	28,494
Stipends	21,331	19,126
Nashert Memorial	803	800
Family to Family	12,320	23,423
Grand Piano	1,842	1,834
Samaritan Fund	11,223	14,663
Peru Missions Holding	25,801	13,950
Birthday Club Scholarship Fund	1,779	1,772
School Activity Funds	32,979	34,512
Interscholastic Sports	12,886	21,319
Habitat House	10,829	10,569
Archdiocesan Collections	3,809	2,921
Special Projects	1,458	1,458
Wolf Memorial	13,987	19,560
Dolan Memorial	5,680	7,790
School Annual Appeal	60,690	28,196
Other	235,528	170,497
	\$ 524,667	\$ 464,252

### 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, 2017 and 2016 is as follows:

	2017	2016
Endowments (A):		
Parish Buildings Endowment Fund	\$ 605,322	\$ 522,420
Family Center Endowment Fund	748,643	658,647
Educational Endowment Funds Included in		
Elementary School Program Fund:		
Scholarships	1,936,104	1,771,262
Parish School	538,869	455,625
Restricted:		
Children Under 12 Fund	28,833	26,402
Bellinghausen Adult Education Fund	15,737	14,648
Rev. G. K. Mayfield Memorial Fund	15,042	14,002
Amy Smith Memorial Fund	46,806	41,169
	\$ 3,935,356	\$ 3,504,175

# 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, 2017 and 2016 consist of the following:

	2017	2016
St. Lawrence Ministry	\$ 9,600	\$ 9,600
Domestic Missions	10,020	10,020
Foreign Missions	1,200	1,200
Other	8,505	7,541
	\$ 29,325	\$ 28,361

### 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, 2017 and 2016 were \$86,612 and \$83,628, respectively.

The priests’ retirement is provided for by the Archdiocese. The Parish paid \$47,751 and \$39,536 in priests’ retirement assessments to the Archdiocese during the years ended June 30, 2017 and 2016, respectively.

### NOTE 7 – PERU MISSION ACTIVITIES

During the years ended June 30, 2017 and 2016, the Parish received contributions designated to the Peru Missions in the amount of \$166,862 and \$167,242, respectively, and made distributions for support and expenses in the amount of \$167,463 and \$171,638, respectively.

### NOTE 8 – SUBSEQUENT EVENTS

The Parish has evaluated subsequent events through November 16, 2017, the date the financial statements were available to be issued.