



BRAZOS FELLOWSHIP CHURCH

Financial Statements
With Independent Auditors' Report

December 31, 2016 and 2015

INDEPENDENT AUDITORS' REPORT

Ministry Leadership Team
Brazos Fellowship Church
College Station, Texas

We have audited the accompanying financial statements of Brazos Fellowship Church, which comprise the statement of financial position as of December 31, 2016, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 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 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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.

Ministry Leadership Team
Brazos Fellowship Church
College Station, Texas

Opinion

In our opinion, the financial statements referred to above presents fairly, in all material respects, the financial position of Brazos Fellowship Church as of December 31, 2016, and the changes in its net assets and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Prior Period Financial Statements

The 2015 financial statements were compiled by us, and our report thereon, dated August 10, 2016, stated we did not audit or review those financial statements and, express no opinion or other form of assurance on them.

Capin Crouse LLP

Grapevine, Texas
August 11, 2017

BRAZOS FELLOWSHIP CHURCH

Statements of Financial Position

	December 31,	
	2016 (Audited)	2015 (Compiled)
ASSETS:		
Cash and cash equivalents	\$ 1,225,850	\$ 778,752
Property and equipment–net	<u>5,342,848</u>	<u>5,310,417</u>
Total Assets	<u>\$ 6,568,698</u>	<u>\$ 6,089,169</u>
LIABILITIES AND NET ASSETS:		
Liabilities:		
Accounts payable and accrued expenses	\$ 42,262	\$ 36,334
Notes payable	4,423,171	4,557,427
Capital lease obligations	<u>58,423</u>	<u>92,271</u>
	<u>4,523,856</u>	<u>4,686,032</u>
Net assets:		
Unrestricted:		
Operating	1,040,222	742,418
Equity in property and equipment	<u>650,624</u>	<u>660,719</u>
	1,690,846	1,403,137
Temporarily restricted	<u>353,996</u>	<u>-</u>
	<u>2,044,842</u>	<u>1,403,137</u>
Total Liabilities and Net Assets	<u>\$ 6,568,698</u>	<u>\$ 6,089,169</u>

See notes to financial statements

BRAZOS FELLOWSHIP CHURCH

Statements of Activities

	Year Ended December 31,					
	2016 (Audited)			2015 (Compiled)		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
SUPPORT, REVENUE, AND RECLASSIFICATIONS:						
Contributions	\$ 2,603,047	\$ 372,651	\$ 2,975,698	\$ 2,142,705	\$ 75,569	\$ 2,218,274
Other income	356	-	356	5,431	-	5,431
Net assets released from restrictions	18,655	(18,655)	-	501,486	(501,486)	-
Total Support and Revenue	2,622,058	353,996	2,976,054	2,649,622	(425,917)	2,223,705
EXPENSES:						
Program activities:						
Church activities	1,862,398	-	1,862,398	1,619,345	-	1,619,345
Missions	53,101	-	53,101	23,566	-	23,566
	1,915,499	-	1,915,499	1,642,911	-	1,642,911
Supporting activities:						
General and administrative	405,445	-	405,445	307,089	-	307,089
Fund-raising	13,405	-	13,405	10,576	-	10,576
Total Expenses	2,334,349	-	2,334,349	1,960,576	-	1,960,576
Change in Net Assets	287,709	353,996	641,705	689,046	(425,917)	263,129
Net Assets, Beginning of Year	1,403,137	-	1,403,137	714,091	425,917	1,140,008
Net Assets, End of Year	<u>\$ 1,690,846</u>	<u>\$ 353,996</u>	<u>\$ 2,044,842</u>	<u>\$ 1,403,137</u>	<u>\$ -</u>	<u>\$ 1,403,137</u>

See notes to financial statements