THE REFORMED CHURCH IN AMERICA CHURCH GROWTH FUND, INC.

Financial Statements
With Independent Auditors' Report

September 30, 2021, 2020 and 2019

CAPINCROUSE LLP

THE REFORMED CHURCH IN AMERICA
CHURCH GROWTH FUND, INC.

Table of Contents

	Page
Independent Auditors' Report	1
Financial Statements	
Statements of Financial Position	2
Statements of Activities	3
Statements of Cash Flows	4
Notes to Financial Statements	6

CAPINCROUSE LLP

INDEPENDENT AUDITORS' REPORT

The Audit Subcommittee of the
General Synod Council
The Reformed Church in America
Church Growth Fund, Inc.
Grand Rapids, Michigan

We have audited the accompanying financial statements of The Reformed Church in America Church Growth Fund, Inc., which comprise the statements of financial position as of September 30, 2021, 2020, and 2019, and the related statements of activities and cash flows for the years 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 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 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.

Opinion
In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Reformed Church in America Church Growth Fund, Inc. as of September 30, 2021, 2020 and 2019, and the changes in their net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Capin Crouse LLP

Grand Rapids, Michigan
December 17, 2021

250 Monroe NW, Suite 400
Grand Rapids, MI 49503
505.50.CAPIN
capincrouse.com

THE REFORMED CHURCH IN AMERICA
CHURCH GROWTH FUND, INC.

Statements of Financial Position

	September 30,		
	2021	2020	2019
ASSETS:			
Cash and cash equivalents	$ 9,273,465	$ 8,225,636	$ 5,405,527
Investments	19,495,709	16,306,405	13,932,599
Beneficial interest in known pool of assets–RCA Endowment Fund	757,124	678,560	623,329
Interest receivable on mortgage and loans receivable	124,966	143,146	150,394
Mortgages and loans receivable–net	55,516,216	57,627,650	60,628,504
Total Assets	$ 85,167,480	$ 82,981,397	$ 80,740,353
LIABILITIES AND NET ASSETS:			
Liabilities:			
Interest payable	$ 81,950	$ 102,092	$ 104,119
Accounts payable and accrued expenses	44,137	92,755	29,857
Debt securities payable	34,862,426	34,409,632	33,459,660
Debt securities payable–officers, directors, and executive staff	16,503	19,214	207,625
Total Liabilities	35,005,016	34,623,693	33,801,261
Net Assets:			
Without donor restrictions	49,405,340	47,679,144	46,315,763
With donor restrictions	757,124	678,560	623,329
Total Net Assets	50,162,464	48,357,704	46,939,092
Total Liabilities and Net Assets	$ 85,167,480	$ 82,981,397	$ 80,740,353

See notes to financial statements

THE REFORMED CHURCH IN AMERICA
CHURCH GROWTH FUND, INC.

Statements of Activities

	Year Ended September 30,		
	2021	2020	2019
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS:			
Operating activities:			
Interest earned on mortgages and loans	$ 2,574,298	$ 2,700,835	$ 2,721,047
Interest and dividends on investments	370,832	440,135	430,552
Total interest and dividends income	2,945,130	3,140,970	3,151,599
Interest expense on debt securities payable	(706,734)	(842,676)	(740,793)
Net interest and dividend income	2,238,396	2,298,294	2,410,806
Other operating income and expenses:			
Fee income	8,771	500	1,600
Contributions and bequests	334,700	123,148	200
Investment realized gains (losses)	20,016	(33,514)	(28,546)
RCA Endowment Fund distributions	29,508	13,938	26,812
	392,995	104,072	66
Operating expenses	(521,666)	(646,280)	(673,854)
Change in Net Assets from Operations	2,109,725	1,756,086	1,737,018
Non-operating income (loss):			
Net unrealized gains on investments	362,474	387,573	548,128
Gain on Canadian exchange	33,997	10,722	11,415
Grants to General Synod Council	(780,000)	(791,000)	(771,000)
Change in non-operating activities	(383,529)	(392,705)	(211,457)
Change in Net Assets Without Donor Restrictions	1,726,196	1,363,381	1,525,561
CHANGE IN NET ASSETS WITH DONOR RESTRICTIONS:			
Change in value of funds held in RCA Endowment Fund	78,564	55,231	11,060
Change in Net Assets With Donor Restrictions	78,564	55,231	11,060
Total Change in Net Assets	1,804,760	1,418,612	1,536,621
Total Net Assets, Beginning of Year	48,357,704	46,939,092	45,402,471
Total Net Assets, End of Year	$ 50,162,464	$ 48,357,704	$ 46,939,092

See notes to financial statements

THE REFORMED CHURCH IN AMERICA
CHURCH GROWTH FUND, INC.

Statements of Cash Flows

	Year Ended September 30,		
	2021	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES:			
Change in net assets	$ 1,804,760	$ 1,418,612	$ 1,536,621
Adjustments to reconcile change in net assets to net cash from operating activities:			
Gain on Canadian exchange	(33,997)	(10,722)	(11,415)
Net unrealized/realized gain on investments	(382,490)	(354,059)	(519,582)
Net unrealized gain on the RCA Endowment Fund	(78,564)	(55,231)	(11,060)
Reinvestment of interest in debt securities payable	530,454	616,943	517,488
Accrued interest on mortgages and loans added to outstanding principal	-	(201,431)	-
Changes in:			
Interest receivable on mortgages and loans receivable	18,180	7,248	(14,352)
Interest payable	(20,142)	(2,027)	24,363
Accounts payable and accrued expenses	(48,618)	62,898	4,086
Net Cash Provided by Operating Activities	1,789,583	1,482,231	1,526,149
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of investments	(8,915,908)	(15,237,328)	(11,718,072)
Sale of investments	6,109,094	13,217,581	14,891,562
Mortgages and loans issued	(6,913,058)	(5,205,239)	(8,203,235)
Collections on mortgages and loans	9,058,489	8,418,246	6,409,949
Net Cash Provided (Used) by Investing Activities	(661,383)	1,193,260	1,380,204
CASH FLOWS FROM FINANCING ACTIVITIES:			
Debt securities issued	6,222,150	7,502,582	8,617,501
Debt securities redeemed	(6,302,521)	(7,372,964)	(8,941,668)
Debt securities issued – officers, directors, and executive staff	-	15,000	200,000
Debt securities redeemed – officers, directors, and executive staff	-	-	(56,035)
Net Cash Provided (Used) by Financing Activities	(80,371)	144,618	(180,202)
Change in Cash and Cash Equivalents	1,047,829	2,820,109	2,726,151
Cash and Cash Equivalents, Beginning of Year	8,225,636	5,405,527	2,679,376
Cash and Cash Equivalents, End of Year	$ 9,273,465	$ 8,225,636	$ 5,405,527

(continued)

See notes to financial statements

THE REFORMED CHURCH IN AMERICA
CHURCH GROWTH FUND, INC.

Statements of Cash Flows

(continued)

	Year Ended September 30,		
	2021	2020	2019
ADDITIONAL INFORMATION:			
Cash paid for interest on debt securities payable	$ 197,193	$ 228,345	$ 199,490
ADDITIONAL NONCASH INFORMATION:			
Debt securities payable reinvested at maturity	$ 10,032,038	$ 9,512,251	$ 6,875,467
Debt securities reclassified due to a change in status of officers, directors, and executive staff	$ 2,759	$ 203,518	$ -

See notes to financial statements

THE REFORMED CHURCH IN AMERICA
CHURCH GROWTH FUND, INC.

Notes to Financial Statements

September 30, 2021, 2020, 2019

1. NATURE OF ORGANIZATION:

The Reformed Church in America Church Growth Fund, Inc. (RCACGF) is an agency of the General Synod of the Reformed Church in America (RCA). The term "agency" is defined in the RCA's Book of Church Order. The General Synod Council (GSC) serves as the executive committee, as the Committee of Reference at meetings of the General Synod and as the Board of Trustees of the General Synod of the RCA. RCACGF loans money to churches, classes, and other agencies and affiliates of the Reformed Church in America to assist them in the purchase, construction, or improvement of church buildings, parsonages, and other property used in their ministry, or the purchase of land. RCACGF's main source of revenue is the interest income generated from these loans. A substantial portion of RCACGF's funds available for making loans is derived from the sales of debt securities, referred to as "savings certificates" by RCACGF, issued to investors.

As an agency of the General Synod of the Reformed Church in America, RCACGF is included under the group exemption ruling issued to the General Synod of the Reformed Church in America in January of 1988 by the Department of the Treasury, Internal Revenue Service. This ruling establishes that RCACGF is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986, except for taxes pertaining to unrelated business income. Accordingly, no provision for income taxes has been made in the financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of RCACGF have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

USE OF ESTIMATES

The preparation of 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 amounts reported in the financial statements and accompanying notes. Actual results could differ from their estimates.

CASH AND CASH EQUIVALENTS

RCACGF considers cash on deposit, cash on hand, and money market funds, to be cash equivalents. This cash and cash equivalent account, at times, exceeds federally insured limits. At September 30, 2021, 2020 and 2019, RCACGF has funds of $9,184,726, $7,755,959 and $5,271,433, respectively, in excess of federally insured limits. RCACGF has not experienced any loss on these accounts and does not believe that it is exposed to any significant risk.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

INVESTMENTS

Investments in equity securities with readily determinable fair values and all investments in debt securities are held at fair value, investments in certificates (with an original maturity greater than 3 months) are held at cost, investments in unitized equities are held at net asset value, with realized and unrealized gains and losses and interest and dividends included in the statements of activities. The various investments in stocks, securities, mutual funds, and other investments are exposed to a variety of uncertainties, including interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is possible that changes in the values of these investments could occur in the near term. Such changes could materially affect the amounts reported in the financial statements of the RCACGF.

BENEFICIAL INTEREST IN KNOWN POOL OF ASSETS–RCA ENDOWMENT FUND

The GSC administers the RCA Endowment Fund which holds endowments for the benefit of RCACGF. Investments are reported at fair value, with gains and losses reported in the statements of activities.

INTEREST RECEIVABLE

Interest is accrued on mortgages and loans receivable when earned. There were no loans on non-accrual status at September 30, 2021, 2020 and 2019.

MORTGAGES AND LOANS RECEIVABLE

Loans are reported at the principal balance outstanding net of an allowance for doubtful loans. During the year ended September 30, 2020, RCACGF offered payment relief to all of their borrowers due to the COVID-19 pandemic. The borrowers were offered the following three payment relief options:

- Six months of interest only payments (16 borrowers participated)
- Three months with no loan payment. The interest still accrued and was added to the outstanding loan balance (6 borrowers participated). A seventh borrower was given six months of no loan payment with the deferred interest added to the outstanding loan balance.
- Three months with no loan payment, where the interest still accrued and was added to the outstanding loan balance, followed by three months of interest only payments (28 borrowers participated)

There were no payment relief options offered in the years ended September 30, 2021 and 2019.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

ALLOWANCE FOR DOUBTFUL LOANS

An allowance has been established for possible loan losses. The provision for losses charged to operations is based upon management's judgment of current and projected overall economic conditions, anticipated loan growth in the coming 12 months, the changes to the credit rating assigned to each loan as determined by financial ratio analysis and qualitative factors relating to each loan historical loan losses, the level of loan losses experienced in the most recent 12 months, current levels and trends of loans under modification, and the current level of loan delinquencies and the delinquency trend over the past 12 months. Management believes that the allowance is adequate for loan losses inherent in the portfolio. While management uses available information to recognize losses on loans, future additions or reductions in the allowances may be necessary based on changes in economic conditions.

A loan is considered impaired when it is probable that the principal will not be fully collected. Impairment is recognized by allocating a portion of the allowance for doubtful loans to such a loan to the extent that the recorded investment of an impaired loan exceeds its value. A loan's value is based on the loan's collateral or the expected future cash flows. Allocations for impaired loans are considered in relation to the overall adequacy of the allowance for doubtful loans and adjustments are made to the provision for doubtful loans as deemed necessary. There were no loan impairments during the years ended September, 30, 2021, 2020 or 2019.

A loan is considered non-performing when placed on non-accrual status. Management considers a number of different factors when determining if a loan should be placed on non-accrual status. These factors include: how long the loan has been delinquent; prospect for the resumption of payments and the borrower's ability to bring all delinquent payments current; and the value of collateral compared to the loan balance relating to the likelihood of a loan loss.

CLASSES OF NET ASSETS

Net assets without donor restrictions include all resources which are not subject to donor-imposed restrictions of a more specific nature than those which only obligate the organization to utilize funds to further its mission.

Net assets with donor restrictions consist of endowment fund investments to be held in perpetuity, and the unappropriated income from which is to be paid to RCACGF.

OPERATING MEASURES

RCACGF classifies its statements of activities into operating and non-operating activities. Operating activities include all income and expenses related to carrying out RCACGF's mission, including interest earned on mortgages and loans, interest and dividends and investment realized gains and losses. Non-operating activities include grants to related organizations (GSC), net unrealized gains and losses on investments, and gains and losses on Canadian exchange.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued:

CONTRIBUTIONS

Contributions are recorded as revenue upon receipt of cash or unconditional promises to give (pledges). Contributions are considered without donor restrictions unless specifically restricted by the donor. For the years ended September 30, 2021, 2020 and 2019, RCACGF did not have any contributions with donor imposed restrictions.

FUNCTIONAL ALLOCATION OF EXPENSES

Expenses are recognized when incurred in accordance with the accrual basis of accounting. The financial statements report certain categories of expenses that are attributable to one or more program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include certain office expenses, which are allocated on the basis of estimates of time and effort.

RECENTLY ADOPTED ACCOUNTING STANDARDS

In 2018, the FASB issued ASU No. 2018-08, which updates the *Not-for-Profit Entities* topic of the FASB ASC. This ASU clarifies the scope and accounting guidance for contributions made. RCACGF adopted the provisions of this new standard during the year ended September 30, 2021, and has implemented the guidance on a modified retrospective approach, meaning, changes are only applied to the portion of expense that has not yet been recognized before the adoption of this ASU and there is no impact to beginning net assets as of September 30, 2021, 2020 and 2019.

In 2018, the FASB issued ASU No. 2018-13, *Fair Value Measurement (topic 820): Changes to the Disclosure Requirements for Fair Value Measurement.* RCACGF adopted the provisions of this new standard during the year ended September 30, 2021. Adoption of this new standard had no effect on change in net assets or net assets in total for the years ending September 30, 2021, 2020, and 2019.

THE REFORMED CHURCH IN AMERICA
CHURCH GROWTH FUND, INC.

Notes to Financial Statements

September 30, 2021, 2020, 2019

3. INVESTMENTS:

Investments include the following:

	September 30,		
	2021	2020	2019
Investments held at fair value:			
Fixed income–asset backed securities	41,641	248,181	$ 409,346
Fixed income–corporate bonds	7,087,079	5,856,675	4,065,766
Fixed income–government and municipal bonds	6,326,361	6,683,963	6,254,177
Corporate stocks	3,562,428	3,279,823	2,863,066
Exchange-traded funds	246,248	237,763	340,244
	$ 17,263,757	$ 16,306,405	$ 13,932,599
Investments held at cost:			
Investment certificates	$ 1,014,509	$ -	$ -
Investments held at net asset value:			
Unitized equities	1,217,443	-	-
Total investments	$ 19,495,709	$ 16,306,405	$ 13,932,599

Investments held at net asset value consist of funds held at a financial institution whereas RCACGF owns units in a fund and the underlying assets are invested in various securities. These fund investments consist of several underlying equity funds. The main purpose of these funds is to hold varying levels of investment types to provide diversification to RCACGF's investment portfolio. As of September 30, 2021, there were no unfunded commitments or redemption restrictions for these investments held at net asset value. There were no investments held at net asset value at September 30, 2020 and 2019.

THE REFORMED CHURCH IN AMERICA
CHURCH GROWTH FUND, INC.

Notes to Financial Statements

September 30, 2021, 2020, 2019

4. FAIR VALUE MEASUREMENTS:

The table below presents the level within the fair value hierarchy at which investments are measured at September 30, 2021, 2020 and 2019:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
As of September 30, 2021:				
Investments held at fair value:				
Fixed income–asset backed securities	$ 41,641	$ -	$ 41,641	$ -
Fixed income–corporate bonds	7,087,079	-	7,087,079	-
Fixed income–government and municipal bonds	6,326,361	-	6,326,361	-
Corporate stocks	3,562,428	3,562,428	-	-
Exchange-traded funds	246,248	246,248	-	-
Total investments	$ 17,263,757	$ 3,808,676	$ 13,455,081	$ -
Beneficial interest in known pool of assets- RCA Endowment Fund	$ 757,124	$ -	$ 757,124	$ -
As of September 30, 2020:				
Investments:				
Fixed income–asset backed securities	$ 248,181	$ -	$ 248,181	$ -
Fixed income–corporate bonds	5,856,675	-	5,856,675	-
Fixed income–government and municipal bonds	6,683,963	-	6,683,963	-
Corporate stocks	3,279,823	3,279,823	-	-
Exchange-traded funds	237,763	237,763	-	-
Total investments	$ 16,306,405	$ 3,517,586	$ 12,788,819	$ -
Beneficial interest in known pool of assets- RCA Endowment Fund	$ 678,560	$ -	$ 678,560	$ -

4. FAIR VALUE MEASUREMENTS, continued:

The table below presents the level within the fair value hierarchy at which investments are measured at September 30, 2021, 2020 and 2019, continued:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
As of September 30, 2019:				
Investments:				
Fixed income–asset backed securities	$ 409,346	$ -	$ 409,346	$ -
Fixed income–corporate bonds	4,065,766	-	4,065,766	-
Fixed income–government and municipal bonds	6,254,177	-	6,254,177	-
Corporate stocks	2,863,066	2,863,066	-	-
Exchange-traded funds	340,244	340,244	-	-
Total investments	$ 13,932,599	$ 3,203,310	$ 10,729,289	$ -
Beneficial interest in known pool of assets- RCA Endowment Fund	$ 623,329	$ -	$ 623,329	$ -

The following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis:

Level 1 Fair Value Measurements

The fair value of these financial instruments is based on quoted market prices or dealer quotes. These investments consist of corporate stocks and exchange-traded funds.

Level 2 Fair Value Measurements

Beneficial interest in known pool of assets (RCA Endowment Fund) – RCACGF owns units in a pool of assets and the holding entity (GSC) owns the underlying assets consisting of publicly traded investments, certificates of deposit, money market funds, U.S. government bonds, international bonds, federal tax-exempt securities, corporate bonds, asset-backed securities and equities. The beneficial interests have no redemption limitations, and therefore are recorded as Level 2 in the fair value table.

4. FAIR VALUE MEASUREMENTS, continued:

The following is a description of the valuation methodologies used for instruments measured at fair value on a recurring basis, continued:

Level 2 Fair Value Measurements, continued

Fixed income-asset backed securities, corporate, government and municipal bonds – The fair value of these financial instruments is based on yields currently available on comparable securities of issuers with similar credit ratings.

Level 3 Fair Value Measurements

In certain cases where Level 1 or Level 2 inputs are not available, investments are classified as Level 3 that use unobservable inputs in which there is little or no market data, and require the reporting entity to develop its own assumptions. RCACGF did not have any investments valued with Level 3 inputs as of or for the years ended September 30, 2021, 2020 and 2019.

5. LIQUIDITY AND AVAILABILITY OF RESOURCES:

Financial assets are considered unavailable when illiquid or not convertible to cash within one year, unfunded portions of line of credit commitments, or liquidity reserve limits required for church extension funds. The following table reflects the RCACGF's financial assets as of September 30, 2021, 2020 and 2019, reduced by amounts not available for general expenditure within one year.

	September 30,		
	2021	2020	2019
Financial assets:			
Cash and cash equivalents	$ 9,273,465	$ 8,225,636	$ 5,405,527
Investments	19,495,709	16,306,405	13,932,599
Beneficial interest in known pool of assets–RCA Endowment Fund	757,124	678,560	623,329
Interest receivable on mortgage and loans receivable	124,966	143,146	150,394
Mortgages and loans receivable	57,216,216	59,327,650	62,328,504
Financial assets, at year end	86,867,480	84,681,397	82,440,353
Less those unavailable for general expenditure within one year due to:			
Loans receivable collectible beyond one year	(55,756,303)	(58,453,636)	(60,909,586)
Beneficial interest in known pool of assets–RCA Endowment Fund (Note 8)	(757,124)	(678,560)	(623,329)
RCACGF required liquidity reserves*	(3,946,968)	(3,870,499)	(3,800,410)
	$ 26,407,085	$ 21,678,702	$ 17,107,028

5. LIQUIDITY AND AVAILABILITY OF RESOURCES, continued:

RCACGF is substantially supported by interest earned on mortgages and loans and investment income for which a substantial portion does not carry restrictions. As part of RCACGF's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. For the years ended September 30, 2021, 2020 and 2019, RCACGF has available an unsecured line of credit in the amount of $5 million which could be drawn upon in the event of an unanticipated liquidity need.

*RCACGF's policy is to maintain, at all times, cash, cash equivalents and investments that are not loaned to churches in the aggregate amount, that are not less than 10% of the aggregate principal balance of the outstanding term savings certificates of the RCACGF and not less than 15% of the aggregate principal balance of the outstanding demand savings certificates.

6. MORTGAGES AND LOANS RECEIVABLE:

Mortgages and loans receivable were comprised of:

- Secured loans receivable: which are loans collateralized by mortgages on the properties owned by the respective borrowers. They are collectible in installments and mature at various dates through fiscal year ending 2049.

- Unsecured loans receivable: which are unsecured and are collectible in installments and mature at various dates through fiscal year ending 2026.

Mortgages and loans receivable balances consisted of the following:

	September 30,		
	2021	2020	2019
Secured loans receivable	$ 56,593,836	$ 58,381,636	$ 61,843,229
Unsecured loans receivable	622,380	946,014	485,275
	57,216,216	59,327,650	62,328,504
Allowance for doubtful loans	(1,700,000)	(1,700,000)	(1,700,000)
Mortgages and loans receivable–net	$ 55,516,216	$ 57,627,650	$ 60,628,504

RCACGF evaluates loans for impairment on an individual basis if the loan is more than 90 days delinquent. These loans are then given a specific allowance based on the estimated net realizable value of property serving as collateral. All other loans are evaluated for allowance on a collective basis. At September 30, 2021, 2020 and 2019, all loans were collectively evaluated and no impairment was noted.

6. MORTGAGES AND LOANS RECEIVABLE, continued:

Status for performing and nonperforming real estate loans is based on payment activity for the year. Payment activity is reviewed by management on a monthly basis to determine how loans are performing. Loans are considered to be nonperforming when days delinquent is greater than 60 days in the previous month.

The following table presents credit exposure by performance status:

	September 30,		
	2021	2020	2019
Performing	$ 57,216,216	$ 59,327,650	$ 62,328,504
Non-performing	-	-	-
	$ 57,216,216	$ 59,327,650	$ 62,328,504

RCACGF classifies loans as past due if the loan is more than 30 days past due but less than 90 days delinquent. There were no past due loans or loans classified as delinquent or impaired as of September 30, 2021, 2020 and 2019.

	September 30,		
Interest rate	2021	2020	2019
3.0%- 3.5%	$ 337,834	$ 558,337	$ 760,882
3.6- 4.0%	30,857,749	8,448,816	9,701,661
4.1%- 4.5%	17,260,098	34,488,243	32,626,785
4.6%- 5%	8,730,816	15,653,678	19,012,106
5.1- 5.5%	-	118,355	119,260
5.6- 7.0%	29,719	60,221	107,810
	57,216,216	59,327,650	62,328,504
Allowance for doubtful loans	(1,700,000)	(1,700,000)	(1,700,000)
	$ 55,516,216	$ 57,627,650	$ 60,628,504

6. MORTGAGES AND LOANS RECEIVABLE, continued:

The table below shows principal payments scheduled to be received on loans over the next five years and thereafter.

Year Ending September 30,	
2022	$ 1,459,913
2023	1,935,985
2024	1,956,312
2025	1,949,535
2026	1,807,797
Thereafter	48,106,674
	$ 57,216,216

At September 30, 2021, RCACGF had 124 loans with balances as follows:

Loan Balance	Number of Loans	Principal Outstanding	Percent of Loan Portfolio
Less than $50,001	16	$ 359,256	1%
$50,001-$100,000	22	1,772,071	3%
$100,001-$250,000	29	4,580,426	8%
$250,001-$500,000	26	9,449,096	16%
$500,001-$1,000,000	14	9,459,598	16%
$1,000,001-$2,000,000	12	16,918,307	30%
$2,000,001-$5,000,000	5	14,677,462	26%
	124	$ 57,216,216	100%

6. MORTGAGES AND LOANS RECEIVABLE, continued:

Although RCACGF has no geographical restrictions within the United States on where loans are made, aggregate loans equal to or in excess of five percent of total balances at September 30, 2021, were located in the following states:

State	Number of Loans	Principal Outstanding	Percent of Loan Portfolio
Michigan	33	$ 17,559,598	31%
California	11	8,185,650	14%
Iowa	8	5,163,002	9%
Illinois	4	4,723,357	8%
New York	17	3,268,236	6%
New Jersey	19	3,592,683	6%
Pennsylvania	5	3,195,546	6%
	97	$ 45,688,072	80%

THE REFORMED CHURCH IN AMERICA
CHURCH GROWTH FUND, INC.

Notes to Financial Statements

September 30, 2021, 2020 and 2019

7. DEBT SECURITIES PAYABLE:

RCACGF's primary means of financing its activities is by selling savings certificates. These debt securities are unsecured general debt obligations, and each investor will have a claim against the assets of RCACGF equal with other debt securities holders and unsecured creditors. The average weighted interest rate on savings certificates was 1.72%, 2.21% and 2.38% at September 30, 2021, 2020 and 2019, respectively. RCACGF was indebted as summarized below:

	September 30, 2021		September 30, 2020		September 30, 2019	
Term (Months)	Number	Aggregate Principal Balance	Number	Aggregate Principal Balance	Number	Aggregate Principal Balance
Demand	129	$ 9,181,500	126	$ 8,552,284	126	$ 8,673,635
12	99	6,129,465	77	4,085,642	85	4,333,994
18	36	1,860,581	50	2,783,368	25	1,482,422
24	66	2,420,589	44	1,259,993	47	1,537,020
30	150	8,058,552	172	8,466,212	145	6,623,532
36	92	2,359,463	109	3,506,422	116	4,762,021
48	22	790,110	25	954,839	27	1,106,287
60	156	3,452,626	164	3,765,165	193	4,256,444
63	-	-	14	412,638	14	407,049
120	35	626,043	39	642,283	36	484,881
	785	$ 34,878,929	820	$34,428,846	814	$33,667,285

Investors have no right to the early redemption of their debt securities prior to their maturity. If an investor requests an early redemption, RCACGF may impose an early redemption fee.

7. DEBT SECURITIES PAYABLE, continued:

The debt securities mature at various dates through 2031. Debt securities at September 30, 2021, were comprised of:

Interest Rate	Year of Maturity	Amount
.50-1.50%	Demand	$ 9,181,500
1.00-3.50%	2022	15,203,729
1.25-2.75%	2023	4,521,756
1.40-3.00%	2024	4,298,641
1.50-3.00%	2025	528,710
2.00-2.25%	2026	592,041
2.25%	2027	15,000
3.00%	2028	118,551
3.50-3.75%	2029	138,276
3.00-3.25%	2030	147,049
2.00-2.25%	2031	133,676
		$ 34,878,929

RCACGF had 109 investors with aggregate balances of $100,000 or more as of September 30, 2021. The balances over $100,000 were distributed as follows:

	September 30, 2021		
Aggregate Debt Securities Balances by Investor	Number of Investors	Aggregate Balance	Percentage of Outstanding Debt Securities
$100,000 – $200,000	59	$ 7,675,883	22%
$200,001 – $300,000	26	6,158,590	18%
$300,001 – $500,000	14	5,529,554	16%
Greater than $500,000	10	8,500,110	24%
	109	$ 27,864,137	80%

7. DEBT SECURITIES PAYABLE, continued:

At September 30, 2021, RCACGF's investors were concentrated in five states as follows:

State	Number of Investors	Aggregate Balance	Percent of Outstanding Debt Securities
Michigan	76	$ 10,616,375	30%
New York	101	7,087,608	20%
Iowa	51	5,184,653	15%
New Jersey	50	3,784,194	11%
Illinois	18	1,765,314	5%
	296	$ 28,438,144	81%

The officers, directors, and executive staff of RCACGF may be investors in RCACGF on the same terms and conditions as other investors. As of the years ended September 30, 2021, 2020 and 2019, as a group, they held debt securities aggregating $16,503, $19,214 and $207,625, respectively.

8. NET ASSETS WITH DONOR RESTRICTIONS:

The net assets with donor restrictions represent three endowments that are invested within the RCA Endowment Fund. Per the terms of the endowment agreements, the income earned from these investments is to be used for general purposes. The disclosures required by the *Reporting Endowment Funds* topic of the FASB Accounting Standards Codification (ASC) have not been included in these financial statements due to immateriality. The following classifications reflect the nature of restrictions to net assets with donor restrictions at September 30, 2021, 2020 and 2019:

	September 30,		
	2021	2020	2019
Restricted by purpose:			
Accumulated endowment earnings	$ 595,653	$ 517,089	$ 461,858
Restricted in perpetuity	161,471	161,471	161,471
	$ 757,124	$ 678,560	$ 623,329

9. LINE OF CREDIT:

The RCACGF holds a $5,000,000 unsecured line of credit with PNC Bank. Amounts outstanding under this line of credit will bear interest at a rate per annum equal to the Daily LIBOR plus 1.75%. The agreement requires the RCACGF to reduce the outstanding principal balance thereof to zero for a period of at least sixty (60) consecutive days prior to the expiration date. The line of credit expires March 31, 2022. RCACGF had no outstanding balance on this line of credit for the years ended September 30, 2021, 2020 and 2019.

RCACGF was in compliance with all debt covenants for the years ended September 30, 2021, 2020 and 2019.

10. EMPLOYEE BENEFITS:

RETIREMENT PLAN

All current full time employees are eligible for participation in a 403(b) defined contribution retirement plan, which is administered by the Board of Benefits Services of the Reformed Church in America, Inc. (BOBS). RCACGF contributes eleven percent of all eligible employees' salaries to the 403(b) plan. RCACGF's contribution to this plan, included in expenses, were approximately $21,000, $23,000 and $25,000 for the years ended September 30, 2021, 2020 and 2019, respectively.

MEDICAL BENEFITS

All current full time employees are eligible for participation in a health insurance program, which is administered by The Reformed Benefits Association. The employer does not incur any liability for claims made by employees. The costs incurred for the plan premiums were approximately $34,000, $44,000 and $52,000 for the years ended September 30, 2021, 2020 and 2019, respectively.

THE REFORMED CHURCH IN AMERICA
CHURCH GROWTH FUND, INC.

Notes to Financial Statements

September 30, 2021, 2020 and 2019

11. FUNCTIONAL ALLOCATION OF EXPENSES BY NATURAL CLASS:

The following tables present the functional allocation of expenses for the years ended September 30, 2021 and 2020, with comparative totals for 2019. There were no joint costs for the years ended September 30, 2021, 2020 and 2019.

Year Ended September 30, 2021:

	Program Services	Management and General	Total
Grants to the GSC	$ 780,000	$ -	$ 780,000
Interest on certificates	706,734	-	706,734
Salaries and benefits	143,231	213,615	356,846
Professional fees	16,736	60,151	76,887
Office expenses and other	54,743	22,851	77,594
Travel and staff development	4,513	-	4,513
Meetings and events	-	5,826	5,826
Total	$ 1,705,957	$ 302,443	$ 2,008,400

Years Ended September 30, 2020 and 2019 (comparative totals):

	2020			
	Program Services	Management and General	Total	2019 Total
Grants to the GSC	$ 791,000	$ -	$ 791,000	$ 771,000
Interest on certificates	842,676	-	842,676	740,793
Salaries and benefits	208,520	265,897	474,417	492,592
Professional fees	6,826	66,766	73,592	60,922
Office expenses and other	43,914	24,568	68,482	78,672
Travel and staff development	12,614	-	12,614	26,562
Meetings and events	-	17,175	17,175	15,106
Total	$ 1,905,550	$ 374,406	$ 2,279,956	$ 2,185,647
2019 Total	$ 1,811,060	$ 374,587	$ 2,185,647	

12. RELATIONSHIP TO THE RCA; RELATED PARTY TRANSACTIONS:

Although a separate not-for-profit corporation, RCACGF functions as a part of the Reformed Church in America (RCA) under the ultimate ecclesiastical supervision of the General Synod through the General Synod Council (GSC). There is a close working relationship with the GSC based on RCACGF's primary purpose of making loans to RCA churches and other assemblies, the making of grants to the GSC, and the General Synod's election of RCACGF's Board of Directors.

As a result, the RCACGF's mission and purpose are unavoidably intertwined with those of the RCA and its agencies, assemblies, and institutions, and there are numerous relationships with these parties. Those relationships include the sharing of certain employees included in shared service fees; combined funds in GSC investments and the RCA Endowment Fund, the RCA's management of those assets, and the potential for the GSC to invest in RCACGF's debt securities; the making of grants to the GSC; the sharing of office space, office supplies, computers, and other office resources; and the payment of retirement benefits to BOBS. RCACGF also has debt securities outstanding to agencies, assemblies, and institutions of the RCA and may have debt securities outstanding to GSC employees, officers, and directors or their family members, each on the same terms as debt securities available generally at the time of purchase.

The schedule below summarizes related party assets, liabilities, revenues, and expenses and the amounts attributable to them:

	September 30,		
	2021	2020	2019
Assets:			
Beneficial interest in known pool of assets– RCA Endowment Fund	$ 757,124	$ 678,560	$ 623,329
Liabilities:			
GSC investment in debt securities payable	$ 847,521	$ 527,171	$ 508,861
BOBS investment in debt securities payable	495,213	283,947	-
Accounts payable to GSC	27,652	57,400	1,063
	$ 1,370,386	$ 868,518	$ 509,924

12. RELATIONSHIP TO THE RCA; RELATED PARTY TRANSACTIONS, continued:

	Year Ended September 30,		
	2021	2020	2019
Revenues:			
GSC investment income	$ -	$ -	$ 47,087
Grant from GSC	-	50,449	-
RCA Endowment Fund distributions	29,508	13,938	26,812
Change in value of funds held in RCA Endowment Fund	78,564	55,231	11,060
	$ 108,072	$ 119,618	$ 84,959
Expenses:			
Grants to GSC	$ 780,000	$ 791,000	$ 771,000
Fees paid to GSC for shared services	84,665	154,397	147,245
Retirement contributions paid to BOBS	20,999	22,566	25,002
Interest on GSC's investment in debt securities	20,349	18,310	8,861
Interest on BOBS' investment in debt securities	11,266	8,947	-
	$ 917,279	$ 995,220	$ 952,108

Additionally, a former member of RCACGF's investment advisory committee is a partner at a firm which managed approximately $1,000,000 of RCACGF's investments. Fees paid to this firm for advisory services were $2,597 and $2,462 for the years ending September 30, 2020 and 2019, respectively. This committee member's term ended on June 30, 2020, and the account was closed in March 2021.

13. COMMITMENTS:

The RCACGF supports the ministry of the denomination and its churches by distributing up to 50% of its net operating income to the GSC for use as ministry grants, as designated by the RCACGF. Net operating income is defined as income less expenses exclusive of loan loss reserve and all unrealized gains and losses. The 50% distribution amount will be subject to review annually by the RCACGF board of directors. Designated ministry grants and amounts will include: (a) up to 25% of net operating income to support church multiplication, (b) up to $50,000 annually to support the Next Generation Missional Engagement Fund, and (c) other ministry programs as may be designated by the RCACGF board of directors allowed under the bylaws of the RCACGF. The amounts contributed for these designated ministries are subject to change by the board of directors.

At September 30, 2021, 2020 and 2019, RCACGF had outstanding loan commitments estimated at approximately $4,905,000, $3,375,000 and $8,523,000, respectively.

14. CONCENTRATIONS OF CREDIT RISK:

The financial instrument that potentially subjects the RCACGF to concentrations of credit risk consists primarily of mortgages and loans receivable. Concentrations of credit risk with respect to mortgages and loans receivable are limited to a certain extent by the secured position of RCACGF in most instruments, the number of organizations comprising RCACGF's mortgages receivable base and their dispersion across geographic areas, and RCACGF's policy of limiting the maximum loan amount to any one borrower.

The creditworthiness of each loan applicant is assessed on a case-by-case basis. Currently, 98.91% of loans are secured by a first mortgage on the existing facility or real property, but some of them may be secured by a pledge of personal property or by a junior lien. The remaining 1.09% are unsecured and are collectible in installments and mature at various dates through 2026. Other credit considerations are represented by the terms of the loan, loan to value ratios, and other credit factors. RCACGF maintains a policy to review all loans monthly to determine past due or delinquent status based on contractual terms and how recently payments have been received. Typically, RCACGF will not consider a loan for the purpose of constructing a new building until the congregation or other organization has met an equity interest in the property to the satisfaction of RCACGF.

As disclosed in Note 1, RCACGF loans money to churches, classes, and other agencies and affiliates of the Reformed Church in America to assist them in the purchase, construction, or improvement of church buildings, parsonages, and other property used in their ministry, or the purchase of land. As of September 30, 2021, 2020 and 2019, RCACGF's mortgages and loans receivable from those organizations are disclosed in Note 6.

15. RISKS AND UNCERTAINTIES:

COVID-19

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. 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 financial position and results of RCACGF for future periods. Management is carefully monitoring the situation and evaluating its options as circumstances evolve.

15. RISKS AND UNCERTAINTIES, continued:

VISION 2020

There are differences within the RCA regarding theology and ministry practices. As a way to address these issues and the disagreement surrounding them within the denomination, the General Synod in June 2018 appointed a vision team to identify possible scenarios, strategies, and consequences for the following three future options for the RCA: (a) staying together, (b) radical reconstituting and reorganization of the denomination, or (c) grace-filled separation of the denomination. The vision group presented an interim report to General Synod in June 2019, with the intent to present a final report to the General Synod in June 2020. Due to the COVID-19 pandemic, the 2020 General Synod is not scheduled to be held until October 2021. The vision team released its final report, however due to this postponement, no action has been taken relating to the report. Depending on how RCACGF borrowers and investors view the report and General Synod's ultimate action on it, there remains the possibility that some churches borrowing from RCACGF may leave the RCA and pay off loans, which could result in decreased operating income. Likewise, there is a possibility that some investors may choose to redeem their debt securities, either immediately if they hold Demand Savings Certificates, or upon maturity if they hold Term Savings Certificates. Decreased reinvestments or increased redemptions could affect liquidity, the ability to operate loan programs, and the ability to repay debt securities.

16. SUBSEQUENT EVENTS:

Subsequent events have been evaluated through December 17, 2021, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.

The General Synod met in October 2021. At this meeting, General Synod voted to form a team that is tasked to develop a restructuring plan for the denomination "with a view to optimizing the RCA's sustained spiritual and organizational health". General Synod also adopted new regulations that provide for mutually generous separation when churches leave the RCA over the next five years. In anticipation of some churches leaving the denomination, General Synod also approved bylaws changes for RCACGF, allowing loans to be outstanding and disbursed to churches formerly organized as an RCA local church or collegiate church. The RCACGF board of directors approved these bylaws changes in November 2021.