

**Catholic Charities of North Louisiana**

***Financial Statements  
For the Years Ended June 30, 2018 and 2017***



**Catholic Charities of North Louisiana  
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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
of Catholic Charities of North Louisiana

We have audited the accompanying financial statements of Catholic Charities of North Louisiana (a nonprofit organization), which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities, functional expenses, 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 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.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Catholic Charities of North Louisiana, as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of program expenses – by activity on pages 17 and 18 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Cameron, Hines & Company (APAC)*

West Monroe, Louisiana  
September 14, 2018

**Catholic Charities of North Louisiana**  
**Statements of Financial Position**  
**As of June 30, 2018 and 2017**

<u>ASSETS</u>	<u>2018</u>	<u>As Restated 2017</u>
<b>Current Assets</b>		
Cash & Cash Equivalents	\$ 301,372	\$ 415,874
Donated Items on Hand	57,874	32,872
Prepaid Expenses	2,698	9,027
<b>Total Current Assets</b>	<b>361,944</b>	<b>457,773</b>
<b>Noncurrent Assets</b>		
Long-Term Investments	533,364	512,691
Property and Equipment, net	14,992	16,183
<b>Total Noncurrent Assets</b>	<b>548,356</b>	<b>528,874</b>
<b>TOTAL ASSETS</b>	<b>\$ 910,300</b>	<b>\$ 986,647</b>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 15,772	\$ 17,120
Refundable Advances	119,863	175,822
Accrued Liabilities	29,461	6,865
<b>Total Current Liabilities</b>	<b>165,096</b>	<b>199,807</b>
<b>Total Liabilities</b>	<b>165,096</b>	<b>199,807</b>
<b>Net Assets</b>		
Without Donor Restrictions		
Undesignated	130,243	193,434
Designated by the Board for Endowment	591,955	557,680
Invested in Property and Equipment, net of Related Debt	14,992	16,183
<b>Total Without Donor Restrictions</b>	<b>737,190</b>	<b>767,297</b>
With Donor Restrictions	8,014	19,543
<b>Total Net Assets</b>	<b>745,204</b>	<b>786,840</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 910,300</b>	<b>\$ 986,647</b>

The accompanying notes are an integral part of these financial statements.

**Catholic Charities of North Louisiana**  
**Statements of Activities**  
**For The Years Ended June 30, 2018 and 2017**

	<b>2018</b>	<b>2017</b>
<b>Changes in Net Assets Without Donor Restrictions:</b>		
Revenues and Gains		
Contributions	\$ 161,166	\$ 133,618
Grants	16,691	29,944
Use of Contributed Facilities	76,320	76,320
Diocesan Subsidy	40,000	40,000
Special Events Revenue	57,185	75,935
Program Service Fees	43,055	61,569
Gifts-in-Kind	1,616	7,510
Investment Return, net	36,689	37,571
Total Revenues and Gains Without Donor Restrictions	432,722	462,467
Net Assets Released From Restrictions	503,207	381,278
<b>Total Revenues, Gains, and Other Support Without Donor Restrictions</b>	935,929	843,745
<b>Expenses:</b>		
Program Services		
Family Strenghtening Program	686,025	585,755
Total Program Services	686,025	585,755
Supporting Services		
Management and General	148,367	136,592
Fundraising	124,334	119,634
Total Supporting Services	272,701	256,226
<b>Total Expenses</b>	958,726	841,981
<b>Increase/(Decrease) in Net Assets Without Donor Restrictions</b>	(22,797)	1,764

The accompanying notes are an integral part of these financial statements.

**Catholic Charities of North Louisiana**  
**Statements of Activities**  
**For The Years Ended June 30, 2017 and 2016**

	(Continued)	
	2018	2017
<b>Changes in Net Assets With Donor Restrictions:</b>		
Contributions		
Family Strengthening Program	\$ 3,322	\$ 1,678
Lake Providence Location	8,860	14,000
Monroe Location	4,998	8,769
Total Contributions	17,180	24,447
Grants		
Family Strengthening Program	287,398	245,541
Total Grants	287,398	245,541
Gifts-in-Kind to Family Strengthening Program	53,660	37,454
Gifts-in-Kind to Monroe Location	25,561	3,281
Use of Contributed Facilities for Monroe Location	35,424	35,424
Rental Income from Monroe Location	7,100	10,330
Diocesan Subsidy for Monroe Location	20,000	20,000
Diocesan Subsidy for Family Strengthening Program	20,000	-
Special Events Revenue for Monroe Location	18,045	-
Net Assets Released from Restrictions	(503,207)	(381,278)
Increase/(Decrease) in Net Assets With Donor Restrictions	(18,839)	(4,801)
Increase/(Decrease) in Net Assets	(41,636)	(3,037)
<b>NET ASSETS AT BEGINNING OF YEAR</b>	786,840	789,877
<b>NET ASSETS AT END OF YEAR</b>	\$ 745,204	\$ 786,840

The accompanying notes are an integral part of these financial statements.

**Catholic Charities of North Louisiana  
Statement of Functional Expenses  
For The Year Ended June 30, 2018**

	<u>Program Expenses</u>		<u>Supporting Services</u>		<u>Total</u>
	<u>Family Strengthening</u>	<u>Management &amp; General</u>	<u>Fundraising</u>		
Advertising and Promotion	\$ -	\$ -	\$ 2,103	\$ 2,103	
Bank and Credit Card Fees	41	336	1,367	1,744	
Charitable Contributions	-	-	1,500	1,500	
Childcare	2,600	-	-	2,600	
Computer Expenses	1,693	1,620	3,261	6,574	
Conferences and Training	6,166	7,134	3,848	17,148	
Cost of Special Events	-	-	9,309	9,309	
Depreciation	2,551	4,128	-	6,679	
Direct Donor Benefits	-	-	20,938	20,938	
Dues & Subscriptions	1,725	3,467	854	6,046	
Emergency Assistance Provided	102,228	-	-	102,228	
Employee Benefits	23,246	9,756	2,620	35,622	
Employee Screenings	75	180	-	255	
Equipment Rental	-	1,349	-	1,349	
Food and Supplies Distributed	43,373	-	-	43,373	
Insurance	16,756	1,106	552	18,414	
Investment Expenses	-	3,106	-	3,106	
Licenses & Fees	1,612	-	-	1,612	
Meals and Entertainment	618	-	421	1,039	
Payroll Taxes	17,660	6,840	4,483	28,983	
Postage	3,233	-	2,125	5,358	
Printing and Reproduction	2,336	280	5,563	8,179	
Professional Fees	13,257	874	437	14,568	
Rent	1,820	580	-	2,400	
Rent - Donated Facilities	101,299	6,881	3,564	111,744	
Repairs and Maintenance	9,879	621	310	10,810	
Salaries and Wages	269,278	94,867	58,602	422,747	
Supplies	18,369	2,645	600	21,614	
Travel	2,012	-	338	2,350	
Utilities	40,756	2,398	1,440	44,594	
Vehicle Lease	3,026	199	99	3,324	
Volunteer Expenses	416	-	-	416	
<b>Total Functional Expenses</b>	<b>\$ 686,025</b>	<b>\$ 148,367</b>	<b>\$ 124,334</b>	<b>\$ 958,726</b>	

The accompanying notes are an integral part of this financial statement.

**Catholic Charities of North Louisiana**  
**Statement of Functional Expenses**  
**For The Year Ended June 30, 2017**

	<u>Program Expenses</u>		<u>Supporting Services</u>		<u>Total</u>
	<u>Family</u>	<u>Strengthening</u>	<u>Management</u>	<u>Fundraising</u>	
	& General				
Advertising and Promotion	\$ -		\$ -	\$ 1,836	\$ 1,836
Bank and Credit Card Fees	36		470	1,190	1,696
Charitable Contributions	-		27	200	227
Childcare	2,850		-	-	2,850
Computer Expenses	3,799		1,905	2,497	8,201
Conferences and Training	5,835		4,288	2,274	12,397
Cost of Special Events	-		-	15,989	15,989
Depreciation	1,456		3,162	-	4,618
Dues & Subscriptions	1,607		3,380	73	5,060
Emergency Assistance Provided	99,646		-	-	99,646
Employee Benefits	21,576		12,772	4,891	39,239
Employee Screenings	674		25	-	699
Equipment Rental	-		1,037	-	1,037
Food and Supplies Distributed	18,423		-	-	18,423
Insurance	4,947		16,421	-	21,368
Investment Expenses	-		3,629	-	3,629
Meals and Entertainment	219		-	32	251
Licenses & Fees	840		-	-	840
Payroll Taxes	17,259		3,175	5,007	25,441
Postage	2,400		1,060	2,346	5,806
Printing and Reproduction	2,458		545	7,438	10,441
Professional Fees	-		12,956	-	12,956
Rent	1,820		3,110	-	4,930
Rent - Donated Facilities	101,299		6,881	3,564	111,744
Repairs and Maintenance	406		9,244	-	9,650
Salaries and Wages	245,118		46,259	64,367	355,744
Supplies	14,739		3,551	6,700	24,990
Travel	2,483		-	163	2,646
Utilities	33,740		1,793	1,067	36,600
Vehicle Lease	1,577		902	-	2,479
Volunteer Expenses	548		-	-	548
<b>Total Functional Expenses</b>	<b>\$ 585,755</b>		<b>\$ 136,592</b>	<b>\$ 119,634</b>	<b>\$ 841,981</b>

The accompanying notes are an integral part of this financial statement.

**Catholic Charities of North Louisiana**  
**Statements of Cash Flows**  
**For The Years Ended June 30, 2018 and 2017**

	2018	2017
<b>Cash Flows From Operating Activities</b>		
Decrease in Net Assets	\$ (41,636)	\$ (3,037)
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation Expense	6,679	4,618
Net Realized (Gains)/Losses on Investments	4,974	(1,601)
Net Unrealized (Gains)/Losses on Investments	(24,493)	(19,610)
Other	(5,217)	1,395
(Increase)/Decrease in Operating Assets:		
Unconditional Promises to Give	-	1,200
Donated Items on Hand	(25,002)	(1,009)
Prepaid Expenses	6,329	(6,324)
Increase/(Decrease) in Operating Liabilities:		
Accounts Payable	(1,348)	(1,238)
Refundable Advances	(55,959)	(2,985)
Accrued Liabilities	22,596	1,983
Net Cash Provided/(Used) by Operating Activities	(113,077)	(26,608)
 <b>Cash Flows From Investing Activities</b>		
Proceeds from Sales and Maturities of Securities	60,723	105,854
Purchases of Investments	(56,659)	(104,138)
Purchases of Property and Equipment	(5,489)	(11,232)
Net Cash Provided/(Used) by Investing Activities	(1,425)	(9,516)
 <b>Cash Flows From Financing Activities</b>		
Net Cash Provided/(Used) by Financing Activities	-	-
 <b>Net Increase in Cash and Cash Equivalents</b>	(114,502)	(36,124)
 <b>Cash and Cash Equivalents at Beginning of Year</b>	415,874	451,998
 <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	\$ 301,372	\$ 415,874

The accompanying notes are an integral part of these financial statements.

**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2018 and 2017**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Nature of Activities**

Catholic Charities of North Louisiana (the Organization), formerly known as Catholic Charities of Shreveport, is a not-for-profit social service agency of the Diocese of Shreveport, LA (the Diocese), which is part of the United States Conference of Catholic Bishops (USCCB). It was incorporated on July 14, 2010, under the laws of Louisiana. The Organization carries out the social mission of the Catholic Church in Shreveport to serve, mainly in North Louisiana. In addition to Shreveport, the Organization also has locations in Monroe and Lake Providence. The Organization is supported through public contributions, grants, program service fees, special event revenues, and investment income.

The following services are provided through the Family Strengthening Program included in the accompanying financial statements:

**Emergency Assistance** – Provides assistance to low income families or families experiencing emergencies, such as unemployment. Financial assistance is provided to help those in need with rent or utilities.

**Immigration Services** – Provides a wide range of services to immigrants. The main objectives of the program are to advise and guide individuals through the immigration process in an efficient, effective and professionally caring manner, honoring the dignity of each person.

**Financial Education** – Reaches out to families of all ages, races, and religions to help them understand how to better manage their finances. Services include instruction on how to budget income and how to understand basic banking, including beginning a savings plan to pay for future needs.

**Benefits Assistance** – Assists individuals in completing applications for Supplemental Nutritional Assistance Program (SNAP – formerly the Food Stamp Program), as well as other programs that aid families, including Family Independence Temporary Assistance (FITAP), Child Care Assistance Program (CCAP), Kinship Care Subsidiary Program (KCSP), and Child Support Enforcement (CSE).

**Gabriel's Closet** – Provides children's furniture and clothing to clients at no charge.

Emergency Assistance and Immigration Services are the Organization's major programs based on associated revenues and expenses.

**B. Basis of Accounting**

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2018 and 2017**

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**C. Basis of Presentation**

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization has no permanently restricted net assets.

**D. Use of Estimates**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affected the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

**E. Cash and Cash Equivalents**

For purposes of the Statement of Cash Flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents, including the investment in a money market fund held by Stephens Inc.

**F. Grants Receivable**

Grants receivable expected to be collected within one year are recorded at net realizable value. Conditional promises to give are not included in revenue until the conditions are substantially met.

**G. Property and Equipment**

Property and equipment are stated at cost or fair value at date of donation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

Office equipment	3 years
Office furniture	7 years
Leasehold improvements	15 years

Additions and betterments of \$500 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

**H. Investments**

The Organization carries investments in equity securities with readily determinable fair values at their fair values in the Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statement of Activities.

**I. Restricted and Unrestricted Revenue**

Contributions received are recorded as increased in net assets without donor restrictions, or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions.

**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2018 and 2017**

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**J. Donated Assets**

Donated marketable securities and other noncash donations are recorded as contributions at their fair values at the date of donation.

**K. Donated Use of Facilities**

The Diocese provides facilities at no cost to the Organization. A contribution has been recognized for the fair value of the rent for the year.

**L. Donated Services**

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization.

**M. Special Events Revenue**

The Organization conducts special events in which a portion of the gross proceeds paid by the Participant represents payment for the direct cost of the benefits received by the participant at the event. Unless a verifiable, objective means exists to demonstrate otherwise, the fair value of meals and entertainment provided at special events is measured by the actual cost to the organization. The direct costs of the special events, which ultimately benefit the donor rather than the Organization, are netted with special events revenue as direct donor benefits in the accompanying statement of activities.

**N. Allocation of Functional Expenses**

Expenses are allocated to program and supporting services on the following bases:

- (a) Management and general expenses are allocated on the basis of direct salaries, wages, and temporary services.
- (b) Building and occupancy costs are allocated on the basis of square footage.
- (c) Advertising costs were allocated to fundraising.

**O. Income Taxes**

The Organization is exempt from federal income tax as a subordinate organization of the United States Conference of Catholic Bishops, which is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization's tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 5090(a)(2).

**P. Reclassifications**

Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2018 and 2017**

**2. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents at June 30, 2018 and 2017, consisted of the following:

	<u>2018</u>	<u>2017</u>
Checking account at Origin Bank	\$ 130,454	\$ 124,295
Savings at LCFCU	25	-
Paypal	489	5,052
Money Market account at Origin Bank	101,817	241,538
Money Market account at Stephens, Inc.	58,590	44,989
Money Market account at LCFCU	9,997	-
Total Cash and Cash Equivalents	<u>\$ 301,372</u>	<u>\$ 415,874</u>

The money market sweep account at Stephens, Inc. is invested in the Federated Government Obligations Fund, a money market mutual fund, and is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

**3. CONCENTRATIONS OF CREDIT RISK ARISING FROM CASH DEPOSITS IN EXCESS OF INSURED LIMITS**

The Organization maintains its cash balances in various institutions located in Shreveport, Louisiana. The balances are insured either by the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC), or the National Credit Union Administration (NCUA) up to \$250,000. The organization's uninsured cash balances totaled \$-0- at June 30, 2018, and \$115,833 at June 30, 2017.

**4. PROPERTY AND EQUIPMENT**

Property and equipment at June 30, 2018 and 2017, consisted of the following:

	<u>2018</u>	<u>2017</u>
Office Equipment	\$ 21,482	\$ 17,843
Office Furniture	9,464	7,614
Leasehold Improvements	4,350	4,350
Software	2,409	2,409
Total	<u>37,705</u>	<u>32,216</u>
Less: Accumulated Depreciation	<u>22,713</u>	<u>16,033</u>
Net Property and Equipment	<u>\$ 14,992</u>	<u>\$ 16,183</u>

Depreciation expense was \$6,679 and \$4,618 and for the years ended June 30, 2018 and 2017, respectively.

**5. INVESTMENTS**

Generally accepted accounting principles provide a framework for measuring fair value. That framework establishes a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2018 and 2017**

At June 30, 2018 and 2017, the Organization's investments consisted of publicly traded equities, mutual funds, and exchange-traded funds totaling \$533,364 and \$512,691. Investments are reported at fair value using a Level 1 measure.

Investment return for the years ended June 30, 2018 and 2017, is comprised of:

	<u>2018</u>	<u>2017</u>
Interest and Dividend Income	\$ 17,170	\$ 17,961
Net Realized and Unrealized Gains/(Losses)	19,519	19,610
Brokerage Fees	(3,106)	(3,629)
<b>Total Investment Return</b>	<u>\$ 33,583</u>	<u>\$ 33,942</u>

**6. ENDOWMENT FUNDS**

In 2012, the Organization received a bequest of marketable securities. The Board of Directors designated this investment fund as a general endowment fund to support the mission of the Organization. Since it resulted from an internal designation and is not donor-restricted, it is classified and reported as net assets without donor restrictions.

The primary objective is the long-term growth of the fund's assets. It is recognized that short-term fluctuations may result in the loss of capital earned on occasion. However, in the absence of contributions and withdrawals, the asset value of the funds should grow in the long run and earn rates of return greater than those of an appropriate market index while avoiding excess risk. The next objective is the preservation of purchasing power. Asset growth, exclusive of contributions and withdrawals, should exceed the rate of inflation. The final objective is to preserve the value of the assets by earning a positive return over the investment time horizon. The Organization has adopted the total return concept to determine dollars available for distribution. This concept is based on a three year rolling annual average of asset values. An annual distribution of 3% to 5% is to be determined.

To satisfy its long-term rate of return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that is balanced between equity-based investments and fixed income investments to achieve its long-term return objectives within prudent risk constraints.

Composition of and changes in endowment net assets for the year ended June 30, 2018 and 2017, were as follows:

	<u>2018</u>	<u>2017</u>
Board-Designated Endowment Net Assets, Beginning	\$ 557,680	\$ 553,513
Investment Income, net of Brokerage Fees	9,782	15,323
Net Appreciation/(Depreciation)	24,493	19,610
Amounts Appropriated for Expenditure	-	(30,766)
<b>Board-Designated Endowment Net Assets, Ending</b>	<u>\$ 591,955</u>	<u>\$ 557,680</u>

**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2018 and 2017**

**7. REFUNDABLE ADVANCES**

The Organization records grant awards accounted for as exchange transactions as refundable advances until related services are performed, at which time they are recognized as revenue. The activity in the refundable advance account for the years ended June 30, 2018 and 2017, is reported as follows:

	<b>2018</b>	<b>2017</b>
Refundable Advances, Beginning	\$ 175,822	\$ 178,807
Grant Awards Received	119,863	312,547
Grant Expenditures	(175,822)	(315,532)
Refundable Advances, Ending	\$ 119,863	\$ 175,822

**8. NET ASSETS WITH DONOR RESTRICTIONS**

Changes in net assets with donor restrictions consist of the following:

	6/30/16	Additions	Releases	6/30/17	Additions	Releases	6/30/18
Family Strengthening	\$ -	\$ 284,576	\$ 284,576	\$ -	\$ 288,648	\$ 288,648	\$ -
Lake Providence	23,161	14,000	17,618	19,543	8,860	20,389	8,014
Monroe	-	79,084	79,084	-	117,188	117,188	-
<b>Totals</b>	\$ 23,161	\$ 377,660	\$ 381,278	\$ 19,543	\$ 414,696	\$ 426,225	\$ 8,014

**9. DONATED FACILITIES AND SERVICES**

The fair value of donated use of facilities and donated services included as contributions in the financial statements and the corresponding program expenses for the years ended June 30, 2018 and 2017, is as follows:

	<b>Rent</b>	
	<b>2018</b>	<b>2017</b>
Emergency Assistance	\$ 34,312	\$ 34,312
Immigration Services	17,997	17,997
Financial Education	7,670	7,670
Benefits Assistance	5,587	5,587
Gabriel's Closet	35,733	35,733
Management and General	6,881	6,881
Fundraising	3,564	3,564
<b>Totals</b>	\$ 111,744	\$ 111,744

Numerous volunteers have donated significant amounts of time to the Organization's fund-raising campaign and program services. Although no amounts have been reflected in the financial statements, management estimates the fair value of those services to be approximately \$71,870 and \$71,870 for the years ended June 30, 2018 and 2017, respectively.

**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2018 and 2017**

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**10. ADVERTISING**

The Organization uses advertising to promote its programs among the client it serves. The production costs of advertising are expensed as incurred. During the years ended June 30, 2018 and 2017, advertising costs totaled \$2,104 and \$1,836, of which \$-0- was donated.

**11. EMPLOYEE BENEFIT PLANS**

The Organization provides a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code to its full-time employees through the Diocese. The Organization contributes from 0% to 5% of gross salaries to the plan, depending on the length of service, for qualified employees. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code if they wish. Plan expenses for the years ended June 30, 2018 and 2017, were \$5,282 and \$5,282.

**12. RELATED PARTY TRANSACTIONS**

**Transactions with national organizations** – The Organization maintains its tax exempt status by operating as a subordinate organization of the United States Conference of Catholic Bishops. No transactions occurred between the entities.

The Organization also has a relationship with its national affiliate. The Organization is required to remit annual dues to the national affiliate. These dues totaled \$1,000 for both years ended June 30, 2018 and 2017. The Organization also receives contributions and reimbursements from the national affiliate. Total receipts for the years ended June 30, 2018 and 2017, were \$-0- and \$2,271.

**Transactions with local organizations** – The Diocese of Shreveport (the Diocese) administers an employee retirement savings plan, a flexible spending account, and insurance plans available to the Organization’s employees. For the years ended June 30, 2018 and 2017, the Organization made \$5,282 and \$5,282 in employer contributions to the Diocese Employee Retirement Savings Plan and \$31,200 and \$27,983 in employer contributions for health, life, and disability insurance plans. The Organization also reimburses the Diocese for various operating expenses, including property insurance, paid by the Diocese throughout the year on behalf of the Organization. No amounts were outstanding as of June 30, 2018 and 2017.

The Diocese also donated the use of facilities to the Organization, reimbursed the Organization for a portion of its utilities expense, and provided the Organization with a subsidy. The amounts for the years ended June 30, 2018 and 2017, were as follows:

	<u>2018</u>	<u>2017</u>
Donated Use of Facilities	\$ 121,056	\$ 111,744
Utilities Reimbursement	4,451	3,271
Subsidy	80,000	60,000
Total Received From The Diocese	<u>\$ 205,507</u>	<u>\$ 175,015</u>

**Catholic Charities of North Louisiana**  
**Notes to the Financial Statements**  
**For the Years Ended June 30, 2018 and 2017**

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**Transactions with board members and employees** – The following related party transactions occurred between the Organization and its board members and/or staff:

	<b>2018</b>	<b>2017</b>
Contributions	\$ 11,895	\$ 19,450

**13. OPERATING LEASE**

The Organization signed a 36 month lease commencing September, 2016 and ending in September, 2019. Lease payments are \$275 per month. During the fiscal years ended June 30, 2018 and 2017, lease payments of \$3,305 and \$2,479 were paid. Future minimum lease payments for the remainder of the lease period are as follows:

Fiscal Year Ending June 30:		
2019	\$	3,305
2020		826
Total	\$	4,131

**14. LIQUIDITY AND AVAILABILITY**

The board-designated endowment is subject to an annual spending rate of 3% to 5% as described in Note 6. Although the Organization does not intend to spend from this board-designated endowment (other than amounts appropriated for general expenditure as part of the Board's annual budget approval and appropriation), these amounts could be made available if necessary.

**15. RESTATEMENT OF PRIOR YEAR FINANCIAL STATEMENTS**

The Organization adopted Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities* for the fiscal year ended June 30, 2018. The financial statement presentation for the fiscal year ended June 30, 2017 has been restated to conform with the new presentation. The net effect of the restatement resulted in no change in total net assets

**16. SUBSEQUENT EVENTS**

Subsequent events were evaluated through September 14, 2018, which is the date the financial statements were available to be issued.

**Catholic Charities of North Louisiana  
Schedule of Program Expenses - By Activity  
For The Year Ended June 30, 2018**

	<b>Family Strengthening Program Expenses - By Activity</b>					<b>Totals</b>
	<b>Emergency Assistance</b>	<b>Immigration Services</b>	<b>Financial Education</b>	<b>Benefits Assistance</b>	<b>Gabriel's Closet</b>	
Advertising and Promotion	\$ -	\$ -	\$ -	\$ -	\$ -	-
Bank and Credit Card Fees	-	6	35	-	-	41
Charitable Contributions	-	-	-	-	-	-
Childcare	-	2,600	-	-	-	2,600
Computer Expenses	-	704	989	-	-	1,693
Conferences and Training	-	1,605	3,064	1,497	-	6,166
Cost of Special Events	-	-	-	-	-	-
Depreciation	-	-	862	527	1,162	2,551
Direct Donor Benefits	-	-	-	-	-	-
Dues & Subscriptions	-	1,575	150	-	-	1,725
Emergency Assistance Provided	102,228	-	-	-	-	102,228
Employee Benefits	14	15,203	2,244	5,785	-	23,246
Employee Screenings	-	25	-	25	25	75
Equipment Rental	-	-	-	-	-	-
Food and Supplies Distributed	-	-	-	-	43,373	43,373
Insurance	5,708	2,946	1,289	921	5,892	16,756
Investment Expenses	-	-	-	-	-	-
Licenses & Fees	-	1,612	-	-	-	1,612
Meals and Entertainment	-	350	-	268	-	618
Payroll Taxes	-	6,618	7,132	3,910	-	17,660
Postage	-	3,011	222	-	-	3,233
Printing and Reproduction	-	763	1,344	229	-	2,336
Professional Fees	4,516	2,331	1,020	728	4,662	13,257
Rent	1,820	-	-	-	-	1,820
Rent - Donated Facilities	34,312	17,997	7,670	5,587	35,733	101,299
Repairs and Maintenance	3,210	2,028	810	518	3,313	9,879
Salaries and Wages	-	96,474	96,500	76,304	-	269,278
Supplies	-	12,167	2,709	1,689	1,804	18,369
Travel	-	192	24	1,796	-	2,012
Utilities	12,391	7,264	2,938	2,658	15,505	40,756
Vehicle Lease	1,031	532	233	166	1,064	3,026
Volunteer Expenses	-	-	-	-	416	416
<b>Totals</b>	<b>\$ 165,230</b>	<b>\$ 176,003</b>	<b>\$ 129,235</b>	<b>\$ 102,608</b>	<b>\$ 112,949</b>	<b>\$ 686,025</b>

See Independent Auditors' Report.

**Catholic Charities of North Louisiana  
Schedule of Program Expenses - By Activity  
For The Year Ended June 30, 2017**

	<b>Family Strengthening Program Expenses - By Activity</b>					<b>Totals</b>
	<b>Emergency Assistance</b>	<b>Immigration Services</b>	<b>Financial Education</b>	<b>Benefits Assistance</b>	<b>Gabriel's Closet</b>	
Advertising and Promotion	\$ -	\$ -	\$ -	\$ -	\$ -	-
Bank and Credit Card Fees	35	1	-	-	-	36
Charitable Contributions	-	-	-	-	-	-
Childcare	-	2,350	-	-	500	2,850
Computer Expenses	357	1,995	-	495	952	3,799
Conferences and Training	57	1,225	10	4,363	180	5,835
Cost of Special Events	-	-	-	-	-	-
Depreciation	-	-	862	594	-	1,456
Dues & Subscriptions	-	1,360	-	97	150	1,607
Emergency Assistance Provided	99,646	-	-	-	-	99,646
Employee Benefits	-	9,036	1,261	11,205	74	21,576
Employee Screenings	98	171	-	163	242	674
Equipment Rental	-	-	-	-	-	-
Food and Supplies Distributed	-	-	-	-	18,423	18,423
Insurance	-	4,947	-	-	-	4,947
Investment Expenses	-	-	-	-	-	-
Meals and Entertainment	-	83	-	136	-	219
Other	-	840	-	-	-	840
Payroll Taxes	1,981	5,306	3,726	4,791	1,455	17,259
Postage	94	1,965	76	40	225	2,400
Printing and Reproduction	-	536	260	997	665	2,458
Professional Fees	-	-	-	-	-	-
Rent	1,820	-	-	-	-	1,820
Rent - Donated Facilities	34,312	17,997	7,670	5,587	35,733	101,299
Repairs and Maintenance	-	-	-	-	406	406
Salaries and Wages	32,621	69,717	50,235	67,690	24,855	245,118
Supplies	808	2,561	1,258	4,376	5,736	14,739
Travel	-	363	-	2,120	-	2,483
Utilities	9,266	5,213	2,132	1,964	15,165	33,740
Vehicle Lease	275	751	-	-	551	1,577
Volunteer Expenses	-	-	-	-	548	548
<b>Totals</b>	<b>\$ 181,370</b>	<b>\$ 126,417</b>	<b>\$ 67,490</b>	<b>\$ 104,618</b>	<b>\$ 105,860</b>	<b>\$ 585,755</b>

See Independent Auditors' Report.