ALL SAINTS CATHOLIC PARISH AND
ASCP-RC

COMBINED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

JUNE 30, 2021

All Saints Catholic Parish and ASCP-RC
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INDEPENDENT AUDITORS' REPORT

To the Finance Advisory Council
of All Saints Catholic Parish and ASCP-RC

Report on the Financial Statements

Opinion

We have audited the accompanying combined financial statements of All Saints Catholic Parish and ASCP-RC (Organization), which comprise the combined statement of financial position as of June 30, 2021, and the related combined statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the combined financial statements.

In our opinion, except for the effects on the combined financial statements of the matters described in the Basis for Qualified Opinion paragraph, the accompanying combined financial statements present fairly, in all material respects, the financial position of All Saints Catholic Parish and ASCP-RC as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified Opinion

All Saints Catholic Parish and ASCP-RC's fixed assets have a recorded value of $10,878,814 (net of accumulated depreciation) on the combined statement of financial position at June 30, 2021, and All Saints Catholic Parish and ASCP-RC's depreciation expense of $462,491 is included in All Saints Catholic Parish and ASCP-RC's combined statement of activities and changes in net assets for the year then ended. We were unable to obtain sufficient appropriate audit evidence about the carrying amount of those assets as of June 30, 2020 or 2021. Consequently, we were unable to determine whether the amounts are materially stated in accordance with accounting principles generally accepted in the United States of America.

Also, as explained in Note 2 to the combined financial statements, All Saints Catholic Parish and ASCP-RC has decided not to adopt the functional allocation of expenses required by Accounting Standards Update 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* as an update to the Financial Accounting Standards Board *Accounting Standards Codification* Topic 958. Consequently, the accompanying combined financial statements do not include a combined statement of functional allocation of expenses. Accounting principles generally accepted in the United States of America require not-for-profit organizations to present expenses by natural and functional categories. There is no effect on total expenses on the accompanying combined financial statements of All Saints Catholic Parish and ASCP-RC.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of All Saints Catholic Parish and ASCP-RC and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the combined financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about All Saints Catholic Parish and ASCP-RC's ability to continue as a going concern for one year after the date that the combined financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these combined financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the combined financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the combined financial statements.

- Obtain an understanding of internal control relevant to the audit 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 All Saints Catholic Parish and ASCP-RC's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the combined financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about All Saints Catholic Parish and ASCP-RC's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining information is presented for purposes of additional analysis and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

Salmon Sims Thomas

Salmon Sims Thomas & Associates
A Professional Limited Liability Company

September 15, 2021

All Saints Catholic Parish and ASCP-RC
Combined Statement of Financial Position
June 30, 2021

ASSETS

Assets		
Cash and cash equivalents	$	3,875,415
Investments		241,592
Tuition receivable		2,289
Deposits		29,292
Other assets		15,708
Property and equipment, net		10,878,814
TOTAL ASSETS	$	15,043,110

LIABILITIES AND NET ASSETS

Liabilities		
Accounts payable	$	42,640
Accrued payroll and related liabilities		82,417
Deferred revenue		572,304
Due to the Diocese of Dallas		2,510
Paycheck Protection Program payable		300,582
Total Liabilities		1,000,453
Net Assets		
Without donor restrictions		13,262,080
With donor restrictions		780,577
Total Net Assets		14,042,657
TOTAL LIABILITIES AND NET ASSETS	$	15,043,110

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

All Saints Catholic Parish and ASCP-RC
Combined Statement of Activities and Changes in Net Assets
For the Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and Support			
Contributions	$ 2,923,669	$ 733,087	$ 3,656,756
Fundraisers	847,836	-	847,836
Tuition (net of discounts)	2,277,472	-	2,277,472
Investment income	19,031	46,419	65,450
Fees	213,946	-	213,946
Gifts and bequests	91,404	-	91,404
Other revenues	20,550	-	20,550
Paycheck Protection Program	712,689	-	712,689
	7,106,597	779,506	7,886,103
Net assets released from restriction	566,076	(566,076)	-
Total Revenues and Support	7,672,673	213,430	7,886,103
Expenses			
Program services			
Salaries and related expenses	1,527,124	-	1,527,124
Contributions to others	175,765	-	175,765
Ministry and education	169,008	-	169,008
Supporting services			
Salaries and related expenses	2,469,638	-	2,469,638
Assessment	470,108	-	470,108
Professional fees	124,416	-	124,416
Supplies	94,132	-	94,132
Insurance	136,091	-	136,091
Utilities	218,629	-	218,629
Equipment, repairs and maintenance	806,030	-	806,030
Dues and subscriptions	38,143	-	38,143
Rent	29,939	-	29,939
Software and licenses	43,093	-	43,093
Other administrative expenses	492,969	-	492,969
Depreciation	465,155	-	465,155
Fundraising	55,345	-	55,345
Total Expenses	7,315,585	-	7,315,585
Increase in Net Assets	357,088	213,430	570,518
Net Assets, beginning of year	12,904,992	567,147	13,472,139
Net Assets, end of year	$ 13,262,080	$ 780,577	$ 14,042,657

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

All Saints Catholic Parish and ASCP-RC
Statement of Cash Flows
For the Year Ended June 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:	
Increase in Net Assets	$ 570,518
Adjustments to reconcile increase in net assets	
to net cash provided by operating activities:	
Depreciation	465,155
Unrealized gain on investments	(53,038)
Realized gain on investments	(83)
Reinvested dividends and interest	(2,969)
Donated stock	(61,847)
Forgiveness of Paycheck Protection Program loans	(712,689)
(Increase) Decrease in assets:	
Tuition receivable	9,065
Deposits	(29,292)
Other assets	(3,363)
Increase (Decrease) in liabilities:	
Accounts payable	28,295
Accrued payroll and related liabilities	8,558
Deferred revenue	143,825
Due to the Diocese of Dallas	2,520
Other accrued liabilities	-
Net Cash Provided by Operating Activities	364,655
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of investments	(9,750)
Proceeds from sale of investments	73,343
Purchase of property and equipment	(402,271)
Net Cash Used in Investing Activities	(338,678)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds from Paycheck Protection Program loan	300,582
Net Cash Provided by Financing Activities	300,582
NET INCREASE IN CASH	326,559
CASH, BEGINNING OF PERIOD	3,548,856
CASH, END OF PERIOD	$ 3,875,415

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

NOTE 1: ORGANIZATION

All Saints Catholic Parish (Parish) is a nonprofit organization founded in 1976 and incorporated in the state of Texas in 2018. The Parish is dedicated to supporting the Catholic Diocese of Dallas (Diocese) and providing services to the Dallas, Texas community of Catholic parishioners. Revenues of the Parish are derived primarily through contributions from members and attendees living in the geographic area where the Parish is located and tuition fees.

The Parish operates a school under the assumed name of All Saints Catholic School (School) that educates students beginning at the age of 3 through 8th grade. The School provides a faith-filled, nurturing environment and a rigorous academic program that forms students who are ready to lead, serve, and inspire others. The School has a tax entity identification number and operates as a separate entity for internal accounting purposes.

ASCP-RC (Corporation) is a nonprofit corporation incorporated in the state of Texas in 2019. The purpose of the Corporation is to acquire, maintain, develop, improve, hold, lease and use real property and improvements thereon within the geographic boundaries of the Diocese for the benefit of the community of the Christian faithful of All Saints Catholic Parish. Pursuant to this purpose, the Corporation is affiliated with and supports the charitable and educational activities of the Parish. The Corporation is operated under the control of a common Board of Directors with the Parish.

The Parish, the School and ASCP-RC are here referred to collectively as “the Organization”.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of the Organization is presented to assist in understanding the combined financial statements. The combined financial statements and notes are representations of the Organization’s management, which is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America (U.S. GAAP), except as described below, and have been consistently applied in the preparation of the combined financial statements.

Basis of Presentation and Combination

In accordance with U.S. GAAP, the financial statements of the Corporation have been combined with the financial statements of the Parish due to common leadership. All significant interorganizational transactions and accounts have been eliminated.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation

Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

> Net Assets With Donor Restrictions - Net assets subject to donor-imposed stipulations that may or will be met by actions of the Organization and/or the passage of time.
>
> Net Assets Without Donor Restrictions - Net assets not subject to donor-imposed stipulations. Net assets that are without donor restrictions but have been designated for a particular purpose by the finance advisory council, if any, are reflected as Designated Net Assets.

Revenues are reported as increases in net assets without donor restrictions unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of net assets with donor restrictions (*i.e.*, the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets. Contributions of assets other than cash are recorded at their estimated fair value at the date of donation.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Significant estimates used in preparing these combined financial statements include those assumed in recording the depreciable lives of fixed assets and the realizable value of receivables. It is at least reasonably possible that the significant estimates used will change within the next year. Actual results could vary from estimates.

Departure from U.S. GAAP

The Organization has not implemented the functional allocation of expenses requirement of ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* due to time and budget limitations. There is no effect on the total expenses presented in these financial statements due to this departure from U.S. GAAP.

Cash and Cash Equivalents

For purposes of the combined statement of cash flows, the Organization considers all highly-liquid investments with original maturity dates of three months or less to be cash equivalents. The Organization places its cash and cash equivalents, which, at times, may exceed federally insured limits, with high-credit quality financial institutions. The Organization has not experienced any losses on such amounts.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment/Depreciation

Property and equipment are stated at cost when purchased or fair value at the date of donation, less accumulated depreciation. Major expenditures and expenditures which substantially increase useful lives are capitalized. Maintenance and repairs, which do not improve or extend the lives of the respective assets, are included in the combined statement of activities and changes in net assets when incurred. When property or equipment is sold or otherwise disposed of, the asset and related accumulated depreciation are removed, and any gain or loss is included in the combined statement of activities and changes in net assets.

Depreciation is calculated using the straight-line convention over the estimated useful lives of the respective assets. Estimated useful lives are as follows:

Building and improvements	15-40 years
Furniture and fixtures	5-7 years
Equipment	5-10 years

Fair Value Measurements

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) Topic 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value 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) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC Topic 820 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the fund has the ability to access.

Level 2 Inputs to the valuation methodology include

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements (Continued)

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodology used for assets measured at fair value. There has been no change in the methodology used at June 30, 2021.

> *Balanced Pool Funds:* Valued at the net asset value (NAV) of shares held at year end. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. These funds are classified within Level 2 of the valuation hierarchy because the NAV's unit price is quoted on a private market; however, the unit price is based on underlying investments which are traded on an observable active market. The funds consist of a mix of US and international equity, fixed income, and money market funds.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Income Taxes

All Saints Catholic Parish and ASCP-RC are nonprofit organizations that are exempt from federal income taxes under Section 501(a) of the Internal Revenue Code (IRC) of 1986, as amended, as organizations described in Section 501(c)(3) of the IRC. The Organization has been classified as an organization that is not a private foundation under IRC Section 509(a)(2), and as such, contributions to the Organization qualify for deductions as charitable contributions. However, income generated from activities unrelated to the Organization's exempt purpose is subject to tax under IRC Section 511.

Accounting for Uncertainty in Income Taxes

Management has concluded that any tax positions that would not meet the more-likely-than-not criterion of FASB ASC Topic 740-10, *Accounting for Income Taxes*, would be immaterial to the combined financial statements taken as a whole. Accordingly, the accompanying combined financial statements do not include any provision for uncertain tax positions, and no related interest or penalties have been recorded in the combined statement of activities and changes in net assets or accrued in the combined statement of financial position. Federal and state tax returns of the Organization are generally open to examination by the relevant taxing authorities for a period of three years from the date the returns are filed.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

The Organization receives revenue for services that is recognized when the control of the promised service is transferred to customers in an amount that reflects the consideration the Organization expects to be entitled to receive in exchange for those services under FASB ASC Topic 606. The Organization's service revenue includes fees for Faith Formation and ministry activities. Service revenue is primarily paid in the period of service and recognized as of year end. Revenues for services in future periods are recorded as deferred revenue. The School's service revenue includes tuition fees, which are charged annually and recognized monthly on a straight-line basis over the school year. The School therefore has deferred revenue for all tuition received at year end for the following school year.

Recent Accounting Pronouncements

In February 2016, the FASB issued Accounting Standards Update (ASU) 2016-02, *Leases*, which will supersede the current lease requirements in ASC 840. The new standard requires lessees to recognize a right-of-use (ROU) asset and a related lease liability for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the combined statement of activities and changes in net assets. Currently, leases are classified as either capital or operating, with only capital leases recognized on the combined statement of financial position. The new standard is effective for private entities for annual periods beginning after December 15, 2021. The Organization is currently assessing the impact that adoption of ASU 2016-02 will have on its combined financial statements. The Organization will be adopting this update in fiscal year 2023.

Date of Management Review

Subsequent events have been evaluated for potential recognition or disclosure through September 15, 2021, which is the date the combined financial statements were available to be issued.

NOTE 3: INVESTMENTS

As of June 30, 2021, investments consisted of balanced pool funds totaling $241,592. The balanced pool funds include equities, fixed income, and money market funds and are Level 2 assets within the fair value hierarchy.

NOTE 4: PROPERTY AND EQUIPMENT

At June 30, 2021, property and equipment consisted of the following:

Land	$ 1,646,182
Building and improvements	15,971,859
Furniture and fixtures	551,135
Equipment	635,118
Less accumulated depreciation	(7,925,480)
	$ 10,878,814

On June 1, 2021, the Parish and the School transferred all land, buildings, and improvements to the Corporation. During this process, the Organization evaluated accumulated depreciation and reversed approximately $3,000,000 of accumulated depreciation relating to the fiscal year ended June 30, 2020 and prior. See note 11.

NOTE 5: RELATED PARTY TRANSACTIONS

The Catholic Diocese of Dallas (Diocese), a Section 501(c)(3) tax exempt organization, provides planning and direction in the administration of pastoral, vocational, educational, and other services to the Organization. The Diocese provides casualty and group health insurance and priest post-retirement benefits for the Organization. The Organization pays a monthly assessment to the Diocese based on contributions received, adjusted for certain defined deductions. Additionally, the Organization collects contributions during the year for Diocese initiatives; these amounts are not considered revenue to the Organization and are remitted within a timely manner (30 days) to the Diocese. For the year ended June 30, 2021, the Organization remitted approximately $510,000 to the Diocese. As of June 30, 2021, the Organization owed the Diocese $2,510.

NOTE 6: OPERATING LEASES

The Organization has obligations under noncancelable lease agreements for use of certain office equipment. Future minimum annual lease payments required under these agreements are approximately as follows:

For the years ending June 30,	
2022	$ 31,600
2023	31,600
2024	30,000
2025	1,100
2026 and thereafter	-
	$ 94,300

NOTE 7: NET ASSETS WITH DONOR RESTRICTIONS

At June 30, 2021, net assets with donor restrictions consisted of the following:

School Endowment Fund	$	206,644
Music Fund		287,721
Audio/Visual		18,187
Technology (Innovation Lab)		41,873
Salaries (School)		92,639
Scholarships		128,513
Marketing		5,000
	$	780,577

Net assets released from restrictions during 2021 were as follows:

Capital Campaign	$	8,901
Music Fund		29,292
Maintenance Fund		67,693
Our Faith Our Future		375,882
HVAC		1,135
Technology (Innovation Lab)		7,513
Salaries (School)		75,660
	$	566,076

NOTE 8: RETIREMENT PLAN

The Organization and its employees participate in the Diocese' 403(b) Retirement for Lay Employees (Plan). After one year of employment, eligible employees receive a mandatory employer contribution of 3% of annual salary. Employees who contribute to the Plan receive an employer matching contribution of up to an additional 4% of annual pay. Aggregate employer contributions for the year ended June 30, 2021 totaled $113,894.

NOTE 9: LIQUIDITY AND AVAILABILITY

The Organization is partially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations become due.

NOTE 9: LIQUIDITY AND AVAILABILITY (CONTINUED)

The following reflects the Organization's financial assets, reduced by the amounts not available for general use because of contractual or donor-imposed restrictions within one year of the combined statement of financial position date:

Financial assets available at year end	$ 4,119,296
Less those unavailable for general expenditures within one year, due to:	
Donor-imposed restrictions	(780,577)
Financial assets available within one year to meet cash needs for general expenditures within one year	$ 3,338,719

NOTE 10: PAYCHECK PROTECTION PROGRAM LOAN

Both the Parish and the School received funding of $301,539 in May 2020 and $411,150 in April 2020, respectively, under the Paycheck Protection Program (PPP) as part of the *Coronavirus Aid, Relief, and Economic Security Act* (CARES Act) to provide payroll assistance. All funding was spent as of June 30, 2021. In accordance with the provisions of the PPP loan program, the Organization may apply for forgiveness of all or a portion of the loan which was used by the Organization, during the 24-week period from the funding disbursement date, to pay eligible payroll cost, interest on mortgage obligations incurred before February 15, 2020, rent obligations under leases dated before February 15, 2020, and utility obligations under service agreements dated before February 15, 2020. At least 60% of the loan proceeds must be used for payroll costs. In addition, the Organization is required to maintain full-time equivalent employee levels through the end of the 24-week period to avoid a reduction in forgiveness.

Both the Parish and the School received full forgiveness of the loans in November 2020 and January 2021, respectively, from the Small Business Administration. As such, the entire amount of $712,689 was included in revenues in the combined statement of activities and changes in net assets for the year ended June 30, 2021.

The Parish received additional funding of $300,582 in February 2021 during the second round of the PPP, which has not been forgiven as of the date of this report. The note bears interest at 1%, with principal and interest due monthly until its maturity in February 2026. In accordance with the provisions of the PPP loan program, the Organization may apply for forgiveness of all or a portion of the loan which was used by the Organization, during the 24-week period from the funding disbursement date, to pay eligible payroll cost and other expenses; at least 60% of the loan proceeds must be used for payroll costs. The Parish expects to receive full forgiveness of the loan during the year ended June 30, 2022. A liability has been included in the combined statement of financial position as of June 30, 2021.

NOTE 11: PRIOR PERIOD RESTATEMENT

During the year ended June 30, 2021, the Parish and School transferred their recorded buildings, land and land improvements as well as accumulated depreciation to ASPC-RC effective May 31, 2021. As part of this transfer, the Parish and School recalculated accumulated depreciation as of June 30, 2020. Had the accumulated depreciation been properly recorded as of June 30, 2020, assets would have increased by $2,936,100, and net assets without donor restrictions would have increased $2,936,100. The combined statement of activities and changes in net assets as of June 30, 2020 has been restated.

As part of the audit of the fiscal year ended June 30, 2021, the June 30, 2020 statement of financial position accounts were audited. Adjustments were made to the previously reported (unaudited) asset and liability balances. The net effect on the previously reported net assets as of June 30, 2020 is presented below for the Parish and School.

The schedule below illustrates the restatement and reclassifications to net assets as of June 30, 2020.

	Parish	School	Total
Net Assets, June 30, 2020, Previously Presented	$ 9,241,020	$ 1,122,987	$ 10,364,007
Restatement of accumulated depreciation	2,894,422	41,678	2,936,100
Audit adjustments, June 30, 2020	(53,510)	225,542	172,032
Net Assets, June 30, 2020, Restated	$ 12,081,932	$ 1,390,207	$ 13,472,139

SUPPLEMENTAL SCHEDULES

All Saints Catholic Parish and ASCP-RC
Combining Statements of Financial Position
June 30, 2021

ASSETS

	All Saints Catholic Parish		ASCP-RC		
	Parish	School		Eliminations	Total
Assets:					
Cash and cash equivalents	$ 2,013,779	$ 1,861,636	$ -	$ -	$ 3,875,415
Investments	241,592	-	-	-	241,592
Tuition receivable	-	2,289	-	-	2,289
Deposits	29,292	-	-	-	29,292
Other assets	-	15,708	-	-	15,708
Property and equipment, net	18,582	191,039	10,669,193	-	10,878,814
TOTAL ASSETS	$ 2,303,245	$ 2,070,672	$ 10,669,193	$ -	$ 15,043,110

LIABILITIES AND NET ASSETS

	Parish	School	ASCP-RC	Eliminations	Total
Liabilities:					
Accounts payable	$ -	$ 42,640	$ -	$ -	$ 42,640
Accrued payroll and related liabilities	75,971	6,446	-	-	82,417
Deferred revenue	29,733	542,571	-	-	572,304
Due to the Diocese of Dallas	2,510	-	-	-	2,510
Paycheck Protection Program payable	300,582	-	-	-	300,582
Total Liabilities	408,796	591,657	-	-	1,000,453
Net Assets:					
Without donor restrictions	1,381,897	1,210,990	10,669,193	-	13,262,080
With donor restrictions	512,552	268,025	-	-	780,577
Total Net Assets	1,894,449	1,479,015	10,669,193	-	14,042,657
TOTAL LIABILITIES AND NET ASSETS	$ 2,303,245	$ 2,070,672	$ 10,669,193	$ -	$ 15,043,110

See independent auditors' report.

All Saints Catholic Parish and ASCP-RC
Combining Statements of Activities and Changes in Net Assets
For the Year Ended June 30, 2021

	All Saints Catholic Parish		ASCP-RC		
	Parish	**School**		**Eliminations**	**Total**
Without Donor Restrictions					
Revenues and Support					
Contributions	$ 2,923,669	$ -	$ -	$ -	$ 2,923,669
Fundraisers	192,144	655,692	-	-	847,836
Tuition (net of discounts)	-	2,277,472	-	-	2,277,472
Investment income	16,033	2,998	-	-	19,031
Fees	107,611	106,335	-	-	213,946
Gifts and bequests	220,396	60,000	-	(188,992)	91,404
Subsidy from Parish	-	250,000	-	(250,000)	-
Other revenues	-	20,550	-	-	20,550
Paycheck Protection Program	301,539	411,150	-	-	712,689
	3,761,392	3,784,197	-	(438,992)	7,106,597
Net assets released from restriction	482,903	83,173	-	-	566,076
Total Revenues and Support	4,244,295	3,867,370	-	(438,992)	7,672,673
Expenses					
Program services					
Salaries and related expenses	280,040	1,247,084	-	-	1,527,124
Contributions to others	84,739	280,018	-	(188,992)	175,765
Ministry and education	104,410	64,598	-	-	169,008
Supporting services					
Salaries and related expenses	1,456,134	1,013,504	-	-	2,469,638
Assessment and subsidy	715,564	4,544	-	(250,000)	470,108
Professional fees	109,240	15,176	-	-	124,416
Supplies	47,637	46,495	-	-	94,132
Insurance	75,966	60,125	-	-	136,091
Utilities	134,465	84,164	-	-	218,629
Equipment, repairs and maintenance	644,842	161,188	-	-	806,030
Dues and subscriptions	32,097	6,046	-	-	38,143
Rent	16,952	12,987	-	-	29,939
Software and licenses	-	43,093	-	-	43,093
Other administrative expenses	91,600	401,369	-	-	492,969
Depreciation	406,737	28,979	29,439	-	465,155
Fundraising	55,345	-	-	-	55,345
Total Expenses	4,255,768	3,469,370	29,439	(438,992)	7,315,585
Change in Net Assets Without Donor Restrictions	(11,473)	398,000	(29,439)	-	357,088
With Donor Restrictions					
Contributions	527,054	206,033	-	-	733,087
Investment income	46,419	-	-	-	46,419
Net assets released from restriction	(482,903)	(83,173)	-	-	(566,076)
Change in Net Assets With Donor Restrictions	90,570	122,860	-	-	213,430
Change in Total Net Assets	79,097	520,860	(29,439)	-	570,518
Net Assets, beginning of year, restated	12,081,932	1,390,207	-	-	13,472,139
Transfer of Property	(10,266,580)	(432,052)	10,698,632	-	-
Net Assets, end of year	$ 1,894,449	$ 1,479,015	$ 10,669,193	$ -	$ 14,042,657

See independent auditors' report.