

**Audited Financial Statements of Chancery Office of Catholic Diocese of Dodge City
Years Ended June 30, 2018 and 2017**

CHANCERY OFFICE OF CATHOLIC DIOCESE OF DODGE CITY		
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION		
	June 30,	
	2018	2017
ASSETS		
Cash and cash equivalents	\$ 260,131	\$ 220,410
Accounts receivable	208,398	332,770
Interest receivable	21,964	21,933
Contributions receivable		377,831
Prepaid expense	37,682	36,484
Due from Related Parties	1,298,369	584,377
Notes receivable, net	1,195,370	1,555,853
Investments	388,811	393,064
Other securities	410,532	410,532
Property and equipment, net	7,068,157	7,341,811
Cash value of life insurance	73,699	69,418
Future Interest Gifts	8,988	44,552
	<u>\$ 10,972,101</u>	<u>\$ 11,389,035</u>
LIABILITIES AND NET ASSETS		
Accounts payable	\$ 33,254	\$ 26,517
Interest payable	143,159	102,937
Custodial accounts	440,707	395,595
Accrued compensated absences	62,415	54,181
Deferred revenue	-	86,500
Bank note payable	1,191,803	1,555,853
Due to related parties	3,215,266	3,215,266
Other bonds payable	-	-
Total Liabilities	<u>\$ 5,086,604</u>	<u>\$ 5,436,849</u>
Net assets (deficit):		
Unrestricted	4,837,299	4,484,700
Temporarily restricted	1,048,198	1,467,486
Total net assets	<u>\$ 5,885,497</u>	<u>\$ 5,952,186</u>
	<u>\$ 10,972,101</u>	<u>\$ 11,389,035</u>

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

The books and records of the Chancery Office of the Catholic Diocese of Dodge City are audited annually by Kennedy, McKee & Company, LLP, CPA's and their report is summarized in this report. The auditors have issued an unqualified opinion on the financial statements for the years ended June 30, 2018 and 2017.

The notes to the financial statements are an integral part of the financial statements and along with the Independent Auditor's Report are available for review in the Finance Office of the Catholic Diocese of Dodge City. If you are interested in seeing this information or discussing either this financial information or the notes, please contact Mr. Daniel M. Stremel, CPA, CDFM, Finance Director at 620-227-1517 or by email at dmstremel@dcdioocese.org during regular business hours.

The Diocesan Finance Council has met with the auditors and have approved the audited financial statements. The members are:
Most Reverend John B. Brungardt, Bishop

Mr. William Baalman, LaCrosse, Chairman
Reverend Robert A. Schremmer, Vicar General, Wright
Mr. John Smithhisler, Dodge City, Vice Chairman
Reverend Donald Bedore, Pastor, Prince of Peace, GB
Mr. Leonard Moeder, Beaver, KS
Mrs. Linda Moeder, Beaver, KS
Mr. Daniel M. Stremel, CPA, CDFM, Director of Finance

Ms. Georgina Paz, Controller
Mr. Mark Roth, Development Director

CHANCERY OFFICE OF CATHOLIC DIOCESE OF DODGE CITY						
CONSOLIDATED STATEMENTS OF ACTIVITIES						
	Year ended June 30, 2018			Year ended June 30, 2017		
	Unrestricted	Temporarily restricted	Total	Unrestricted	Temporarily restricted	Total
Revenues and other support:						
Contributions	\$ 1,685,077	\$ 45,176	\$ 1,730,253	\$ 1,275,087	\$ 399,342	\$ 1,674,429
Extension Society grants	56,924	-	56,924	91,820	-	91,820
Program fees	244,774	-	244,774	81,487	-	81,487
Insurance commissions and fees	375,266	29,119	404,385	355,523	53,422	408,945
Advertising	55,165	-	55,165	57,241	-	57,241
Subscriptions	1,000	-	1,000	865	-	865
Administrative Fees	73,157	-	73,157	14,250	-	14,250
Interest and dividends	89,076	28,313	117,389	90,619	16,987	107,606
Realized gain (loss) on investments	-	-	-	-	-	-
Unrealized gain (loss) on investments	(6,881)	-	(6,881)	7,593	-	7,593
Changes in the value of split interest agreements	-	(338)	(338)	-	(3,387)	(3,387)
Other income	7,337	-	7,337	-	-	-
Gain on disposition of property	1,425	-	1,425	9,364	-	9,364
Net assets released from restrictions:						
Payment	521,558	(521,558)	-	99,841	(99,841)	-
Total revenues and other support	<u>3,103,878</u>	<u>(419,288)</u>	<u>2,684,590</u>	<u>2,083,690</u>	<u>366,523</u>	<u>2,450,213</u>
Expenses:						
Program services:						
Catholic education and formation	203,917	-	203,917	188,936	-	188,936
Family life and handicapped ministry	51,212	-	51,212	55,742	-	55,742
Youth ministry	352,848	-	352,848	184,525	-	184,525
Hispanic ministry	123,769	-	123,769	131,958	-	131,958
Seminary, vocations and priests continuing education	8,500	-	8,500	12,054	-	12,054
Support of the Greater Church	185,427	-	185,427	181,781	-	181,781
Catholic Chairities of SW Kansas	109,584	-	109,584	76,873	-	76,873
Cathedral Building Expense	260,154	-	260,154	264,701	-	264,701
Clergy Expense	180,941	-	180,941	160,136	-	160,136
Southwest Kansas Register	144,145	-	144,145	207,782	-	207,782
Stewardship	92,719	-	92,719	94,287	-	94,287
Ministry support	47,433	-	47,433	47,605	-	47,605
Parish services and insurance	109,109	-	109,109	67,208	-	67,208
Total program services	<u>1,869,758</u>	<u>-</u>	<u>1,869,758</u>	<u>1,673,588</u>	<u>-</u>	<u>1,673,588</u>
Supporting activities:						
Administration and operation	682,160	-	682,160	697,938	-	697,938
Fundraising	199,361	-	199,361	182,899	-	182,899
Total supporting activities	<u>881,521</u>	<u>-</u>	<u>881,521</u>	<u>880,837</u>	<u>-</u>	<u>880,837</u>
Total expenses	<u>2,751,279</u>	<u>-</u>	<u>2,751,279</u>	<u>2,554,425</u>	<u>-</u>	<u>2,554,425</u>
Change in net assets	352,599	(419,288)	(66,689)	(470,735)	366,523	(104,212)
Net assets (deficit), beginning of year	4,484,700	1,467,486	5,952,186	4,955,435	1,100,963	6,056,398
Net assets (deficit), end of year	<u>\$ 4,837,299</u>	<u>\$ 1,048,198</u>	<u>\$ 5,885,497</u>	<u>\$ 4,484,700</u>	<u>\$ 1,467,486</u>	<u>\$ 5,952,186</u>

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

CHANCERY OFFICE OF CATHOLIC DIOCESE OF DODGE CITY
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended June 30,	
	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Cash received from:		
Contributions	\$ 1,737,720	\$ 1,166,885
Program fees	158,274	105,487
Interest and dividend income	100,769	84,268
Advertising	55,165	57,241
Subscriptions	1,000	865
Administrative Fees	197,529	14,250
Other income	411,722	418,309
Cash disbursed for:		
Program expenses	(1,869,758)	(1,673,588)
General supporting expenses	(261,185)	(329,873)
Fund raising	(68,032)	(182,900)
Interest expense	(199,361)	(74,078)
Net cash provided (used) by operating act.	<u>263,843</u>	<u>(413,134)</u>
Cash flows from investing activities:		
Proceeds from sale of property & equipment	1,425	-
Purchase of property & equipment	(25,325)	(9,449)
Proceeds from sale of investments	-	30,000
Proceeds from annuities	35,226	-
Notes receivable repaid	373,220	160,259
Notes receivable issued	(12,737)	-
Deposit & Loan deposit (withdrawal)	(700,000)	300,000
Net change in custodial accounts	45,112	(18,995)
Net cash provided (used) by investing act.	<u>(283,079)</u>	<u>461,815</u>
Cash flows from financing activities:		
Retricted contributions	423,007	21,511
Payment of notes payable	(364,050)	(154,308)
Net cash provided (used) by financing act.	<u>58,957</u>	<u>(132,797)</u>
Net increase in cash and cash equivalents	39,721	(84,116)
Cash and cash equivalents, beginning of year	<u>220,410</u>	<u>304,526</u>
Cash and cash equivalents, end of year	<u>\$ 260,131</u>	<u>\$ 220,410</u>
Reconciliation of change in net assets to net cash provided by operating activities:		
Change in net assets	(66,689)	(104,212)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	298,979	306,964
Unrealized gain on investments	6,881	(7,593)
Gain on sale of property and equipment	(1,425)	-
Nonoperating restricted contributions	(45,176)	(399,342)
Noncash interest & dividends	(2,628)	(21,678)
Changes in value of split-interest agreements	338	3,388
Accrued interest added to note receivable	(13,992)	(1,661)
(Increase) decrease in operating assets:		
Accounts receivable	124,372	(197,578)
Interest receivable	(31)	1,988
Prepaid expense	(1,198)	(4,871)
Cash value of life insurance	(4,281)	(2,444)
Increase (decrease) in operating liabilities:		
Accounts payable	6,737	1,517
Interest payable	40,222	38,203
Accrued compensated absences	8,234	(49,815)
Deferred revenue	(86,500)	(24,000)
Net cash provided (used) by operating activities	<u>\$ 263,843</u>	<u>\$ (461,134)</u>

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