

**The National Office of the Pontifical
Mission Societies in the United States**

Combined Financial Statements

December 31, 2023 and 2022



Independent Auditors' Report

To the Audit Committee of The National Office of the Pontifical Mission Societies in the United States

Opinion

We have audited the accompanying combined financial statements of The Society for the Propagation of the Faith, The Society of St. Peter Apostle for Native Clergy, Inc., The Association of the Holy Childhood, Inc., and The Pontifical Mission Societies, Inc. (collectively "The National Office of the Pontifical Mission Societies in the United States" or the "Organization"), which comprise the combined statements of financial position as of December 31, 2023 and 2022, and the related combined statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the combined financial position of the Organization as of December 31, 2023 and 2022, and the combined 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Combined Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Combined 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 the Organization's ability to continue as a going concern within one year after the date that the combined financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Combined 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 generally accepted auditing standards 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 there is substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the combined financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and access the risk 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 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 the Organization'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 the Organization'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.

PKF O'Connor Davies, LLP

June 12, 2024

**The National Office of the Pontifical Mission Societies
in the United States**

Combined Statements of Financial Position

	December 31,	
	2023	2022
ASSETS		
Cash and cash equivalents	\$ 3,505,305	\$ 4,760,888
Investments, at fair value	63,464,135	62,103,231
Due from diocesan offices, net	20,709,866	21,869,311
Accrued interest receivable	105,283	40,432
Legacies, bequests and other receivables, net	220,186	300,199
Property, equipment and intangible assets, net of accumulated depreciation	10,347,708	8,811,163
Beneficial interests in trusts	11,669,377	11,065,556
Other assets	176,757	99,414
	\$ 110,198,617	\$ 109,050,194
 LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 1,698,346	\$ 5,402,465
Due to the Superior Council	24,966,805	24,046,577
Unsaid mass obligations	269,113	738,134
Refundable advances, including revocable gifts	10,611,869	10,564,334
Distributions due to annuitants and beneficiaries	8,349	9,333
Present value of annuity obligations	9,800,460	10,581,774
Obligations under various other split interest agreements	4,884,319	4,089,490
State mandated annuity reserve	1,470,069	1,587,266
Assets held for others	705,503	697,627
Total Liabilities	54,414,833	57,717,000
Net Assets		
Without Donor Restrictions		
Operating	13,017,293	10,776,875
Board designated fund	22,559,543	21,209,566
Board designated insurance reserve	1,127,053	1,216,904
Total Without Donor Restrictions	36,703,889	33,203,345
With donor restrictions	19,079,895	18,129,849
Total Net Assets	55,783,784	51,333,194
	\$ 110,198,617	\$ 109,050,194

See notes to combined financial statements

**The National Office of the Pontifical Mission Societies
in the United States**

Combined Statement of Activities
Year Ended December 31, 2023

	Without Donor Restriction	With Donor Restrictions	Total
OPERATING SUPPORT AND REVENUE			
General offerings and collections	\$ 25,355,617	\$ 27,090	\$ 25,382,707
Legacies and bequests	3,166,090	-	3,166,090
Solidarity funds	-	1,036,648	1,036,648
Dividends and interest income	1,731,931	43,366	1,775,297
Net assets released from restrictions	1,081,184	(1,081,184)	-
Total Operating Support and Revenue	31,334,822	25,920	31,360,742
OPERATING EXPENSES			
Program Services			
Subsidy distributions	21,697,550	-	21,697,550
Program related initiatives	3,585,755	-	3,585,755
Total Program Services	25,283,305	-	25,283,305
Supporting Services			
Management and general	2,760,062	-	2,760,062
Fundraising	2,887,367	-	2,887,367
Total Supporting Services	5,647,429	-	5,647,429
Total Operating Expenses	30,930,734	-	30,930,734
Excess (Deficit) of Operating Support and Revenue over Operating Expenses Before Other Changes	404,088	25,920	430,008
OTHER CHANGES			
Annuity contracts, net of actuarial gains and losses	1,406,921	-	1,406,921
Payments to annuitants and income beneficiaries	(1,843,356)	-	(1,843,356)
Total Other Changes	(436,435)	-	(436,435)
Change in Net Assets from Operations	(32,347)	25,920	(6,427)
NONOPERATING ACTIVITIES			
Valuation adjustments in refundable advances, including revocable gifts	(2,740,730)	202,811	(2,537,919)
Valuation adjustments in beneficial interests in trusts	-	603,821	603,821
Unrealized gain on securities	3,400,787	114,361	3,515,148
Realized gain on sale of securities	2,872,834	3,133	2,875,967
Total Nonoperating Activities	3,532,891	924,126	4,457,017
Change in Net Assets	3,500,544	950,046	4,450,590
NET ASSETS			
Beginning of year	33,203,345	18,129,849	51,333,194
End of year	\$ 36,703,889	\$ 19,079,895	\$ 55,783,784

See notes to combined financial statements

**The National Office of the Pontifical Mission Societies
in the United States**

Combined Statement of Activities
Year Ended December 31, 2022

	Without Donor Restriction	With Donor Restrictions	Total
OPERATING SUPPORT AND REVENUE			
General offerings and collections	\$ 27,309,287	\$ 8,400	\$ 27,317,687
Legacies and bequests	2,801,474	-	2,801,474
Solidarity funds	-	50,154	50,154
Dividends and interest income	1,558,877	49,920	1,608,797
Other income	94,145	-	94,145
Net assets released from restrictions	<u>1,352,610</u>	<u>(1,352,610)</u>	<u>-</u>
Total Operating Support and Revenue	<u>33,116,393</u>	<u>(1,244,136)</u>	<u>31,872,257</u>
OPERATING EXPENSES			
Program Services			
Subsidy distributions	23,402,950	-	23,402,950
Program related initiatives	<u>3,258,347</u>	<u>-</u>	<u>3,258,347</u>
Total Program Services	<u>26,661,297</u>	<u>-</u>	<u>26,661,297</u>
Supporting Services			
Management and general	2,635,150	-	2,635,150
Fundraising	<u>2,906,624</u>	<u>-</u>	<u>2,906,624</u>
Total Supporting Services	<u>5,541,774</u>	<u>-</u>	<u>5,541,774</u>
Total Operating Expenses	<u>32,203,071</u>	<u>-</u>	<u>32,203,071</u>
Excess (Deficit) of Operating Support and Revenue over Operating Expenses Before Other Changes	<u>913,322</u>	<u>(1,244,136)</u>	<u>(330,814)</u>
OTHER CHANGES			
Annuity contracts, net of actuarial gains and losses	934,383	-	934,383
Payments to annuitants and income beneficiaries	<u>(2,166,204)</u>	<u>-</u>	<u>(2,166,204)</u>
Total Other Changes	<u>(1,231,821)</u>	<u>-</u>	<u>(1,231,821)</u>
Change in Net Assets from Operations	<u>(318,499)</u>	<u>(1,244,136)</u>	<u>(1,562,635)</u>
NONOPERATING ACTIVITIES			
Valuation adjustments in refundable advances, including revocable gifts	2,904,674	-	2,904,674
Valuation adjustments in beneficial interests in trusts	-	(1,690,270)	(1,690,270)
Unrealized loss on securities	(9,528,033)	(32,296)	(9,560,329)
Realized loss on sale of securities	<u>(589,576)</u>	<u>(121,990)</u>	<u>(711,566)</u>
Total Nonoperating Activities	<u>(7,212,935)</u>	<u>(1,844,556)</u>	<u>(9,057,491)</u>
Change in Net Assets	<u>(7,531,434)</u>	<u>(3,088,692)</u>	<u>(10,620,126)</u>
NET ASSETS			
Beginning of year	<u>40,734,779</u>	<u>21,218,541</u>	<u>61,953,320</u>
End of year	<u>\$ 33,203,345</u>	<u>\$ 18,129,849</u>	<u>\$ 51,333,194</u>

See notes to combined financial statements

**The National Office of the Pontifical Mission Societies
in the United States**

Combined Statement of Functional Expenses
Year Ended December 31, 2023

	Program Services			Supporting Services			Total Expenses
	Subsidy Distributions	Program Related Initiatives	Total	Management and General	Fundraising	Total	
Subsidy distributions to the Superior Council	\$ 21,697,550	\$ -	\$ 21,697,550	\$ -	\$ -	\$ -	\$ 21,697,550
Missio.org and program-related initiative grants	-	924,540	924,540	-	-	-	924,540
Appeals, world mission sunday, and education	-	1,509,122	1,509,122	-	1,330,530	1,330,530	2,839,652
Salaries	-	534,185	534,185	765,331	590,862	1,356,193	1,890,378
Marketing and advertising	-	-	-	-	282,504	282,504	282,504
Bad debt expense	-	-	-	314,242	-	314,242	314,242
Employee benefits and taxes	-	234,575	234,575	336,078	259,464	595,542	830,117
Professional fees	-	-	-	795,200	-	795,200	795,200
Occupancy and information technology	-	274,655	274,655	393,499	303,795	697,294	971,949
Depreciation and amortization expense	-	108,678	108,678	155,712	120,212	275,924	384,602
Total Functional Expenses	<u>\$ 21,697,550</u>	<u>\$ 3,585,755</u>	<u>\$ 25,283,305</u>	<u>\$ 2,760,062</u>	<u>\$ 2,887,367</u>	<u>\$ 5,647,429</u>	<u>\$ 30,930,734</u>

See notes to combined financial statements

**The National Office of the Pontifical Mission Societies
in the United States**

Combined Statement of Functional Expenses
Year Ended December 31, 2022

	Program Services			Supporting Services			Total Expenses
	Subsidy Distributions	Program Related Initiatives	Total	Management and General	Fundraising	Total	
Subsidy distributions to the Superior Council	\$ 23,402,950	\$ -	\$ 23,402,950	\$ -	\$ -	\$ -	\$ 23,402,950
Missio.org and program-related initiative grants	-	884,002	884,002	-	-	-	884,002
Appeals, world mission sunday, and education	-	1,225,260	1,225,260	-	1,510,438	1,510,438	2,735,698
Salaries	-	571,511	571,511	1,099,061	527,549	1,626,610	2,198,121
Marketing and advertising	-	-	-	-	342,149	342,149	342,149
Bad debt expense	-	-	-	259,728	-	259,728	259,728
Employee benefits and taxes	-	254,966	254,966	490,319	235,353	725,672	980,638
Professional fees	-	-	-	168,957	-	168,957	168,957
Occupancy and information technology	-	221,816	221,816	424,234	200,176	624,410	846,226
Depreciation and amortization expense	-	100,792	100,792	192,851	90,959	283,810	384,602
Total Functional Expenses	\$ 23,402,950	\$ 3,258,347	\$ 26,661,297	\$ 2,635,150	\$ 2,906,624	\$ 5,541,774	\$ 32,203,071

See notes to combined financial statements

**The National Office of the Pontifical Mission Societies
in the United States**

Combined Statements of Cash Flows

	Year Ended December 31,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 4,450,590	\$ (10,620,126)
Adjustments to reconcile change in net assets to cash used by operating activities:		
Depreciation and amortization	384,602	384,602
Unrealized depreciation (appreciation) in market values of securities	(3,515,148)	9,560,329
Realized loss (gain) on the sales of securities	(2,875,967)	711,566
Bad debt expense	314,242	259,728
Maturing of annuity contracts	(1,283,941)	(625,570)
Loss in net present value of annuities	(5,783)	(247,204)
Valuation adjustments in beneficial interests in trusts	(603,821)	1,690,270
Changes in operating assets and liabilities		
Due from diocesan offices	845,203	(4,139,214)
Accrued interest receivable	(64,851)	1,796
Legacies, bequests and other receivables	80,013	334,173
Other assets	(77,343)	(46,009)
Accounts payable and accrued expenses	(3,704,119)	4,197,705
Due to the Superior Council	920,228	24,289
Unsaid mass obligations	(469,021)	(20,391)
Refundable advances, including revocable gifts	47,535	(2,426,195)
Distributions due to annuitants and beneficiaris	(984)	1,795
Obligations under various other split interest agreements	794,829	(645,918)
State mandated annuity reserve	(117,197)	(61,609)
Assets held for others	7,876	(3,519)
Net Cash Used in Operating Activities	(4,873,057)	(1,669,502)
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipt of new annuity contracts	508,410	462,047
Purchase of donor list	(1,525,000)	(500,000)
Purchase of cloud migration	(227,000)	-
Purchase of customer relationship management project	(169,147)	-
Sales of investments	14,883,484	9,511,094
Purchase of investments	(9,853,273)	(8,024,090)
Net Cash Provided by Investing Activities	3,617,474	1,449,051
Net Change in Cash and Cash Equivalents	(1,255,583)	(220,451)
CASH AND CASH EQUIVALENTS		
Beginning of year	4,760,888	4,981,339
End of year	\$ 3,505,305	\$ 4,760,888

See notes to combined financial statements

The National Office of the Pontifical Mission Societies in the United States

Notes to Combined Financial Statements
December 31, 2023 and 2022

1. Organization and Tax Status

The National Office of The Society for the Propagation of the Faith, The Society of St. Peter Apostle for Native Clergy, Inc., The Association of the Holy Childhood, Inc., and The Pontifical Mission Societies, Inc. (collectively “The National Office of the Pontifical Mission Societies in the United States” or the “Organization”), is the principal agency of the Roman Catholic Church (the “Church”) that fosters awareness and interest in all aspects of the missionary activity of the Church, and gathers financial support for the most basic needs of the worldwide missionary Apostolate of the Church.

In accordance with Organization policies, The National Office of The Society for the Propagation of the Faith in the United States (“SPOF”) makes available to The Society for the Propagation of the Faith in Vatican City the excess for that year of general fund unrestricted public support and revenue, over administrative, program, and fundraising expenses, and inter-fund transfers and adjusted for any board designated funds. This distribution is approved by the Board of Directors. Funds available for distribution are distributed in the following year to assist the worldwide Missionary Apostolate of the Church, providing support for the evangelizing and pastoral programs, and the service and structure of the Church consisting of over 1,100 mission dioceses.

Similarly, at the end of each year and in accordance with the International Statutes, The Society of St. Peter Apostle for Native Clergy, Inc. (“SPA”) makes available to The Society of St. Peter Apostle in Vatican City the excess for that year of unrestricted public support and revenue over administrative, program, and fundraising expenses and adjusted for any Board designated funds. This distribution, which is made with the approval of the Board of Directors, is used to support the training of native clergy in the mission dioceses of the Church and for the formation of men and women candidates to religious life.

The Association of the Holy Childhood, Inc., also known as the Missionary Childhood Association (“MCA”) conducts animation and fundraising programs in Catholic schools and religious education programs throughout the United States. The excess of unrestricted public support and revenue over administrative, program and fundraising expenses are distributed in the following year to assist mission dioceses in their outreach and service to children in the mission dioceses, including in education, and Christian and missionary formation. This distribution is made with the approval of the Board of Directors.

On December 13, 2022 the Organization incorporated The Pontifical Mission Societies, Inc. (“PMS”) in the State of Florida. PMS is the principal agency of the Roman Catholic Church in the United States for fostering awareness and interest in all aspects of missionary activity of the Roman Catholic Church. The Organization has filed an application for recognition of exemption from income taxes under section 501(c)(3) of the Internal Revenue Code.

The entities were incorporated in the State of New York and are exempt from income taxes under section 501(c)(3) of the Internal Revenue Code by virtue of their inclusion in the Official Catholic Directory under the group ruling letter issued annually by the Internal Revenue Service to the United States Conference of Catholic Bishops.

**The National Office of the Pontifical Mission Societies
in the United States**

Notes to Combined Financial Statements
December 31, 2023 and 2022

2. Summary of Significant Accounting Policies

Principles of Combination

All significant intercompany transactions have been eliminated in combination. The public support and revenue of the Organization includes the net collected (defined as public support and revenue less expenses) from local Archdiocesan and Diocesan Mission offices throughout the United States. The financial statements of the entities have been combined as the entities are the principal agency of the Church in funding missionary activity in the United States of America and the entities share a common Board of Directors.

Basis of Presentation and Use of Estimates

The accompanying combined financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from these estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all highly liquid investments with a maturity of three months or less at time of purchase.

Allowance for Doubtful Accounts

An allowance for doubtful accounts is established for each class of receivables where there exists doubt as to whether an amount will be fully collected. The allowance is based on multiple factors including historical experience with bad debts, the credit quality of the diocese, estate or donor, the aging of such receivables and current macroeconomic conditions, as well as expectations of conditions in the future, if applicable. The Organization's allowance for doubtful accounts is based on the assessment of the collectability of assets pooled together with similar risk characteristics. Due from diocesan offices are reflected in the combined statements of financial position net of allowance for doubtful accounts of \$189,625 as of December 31, 2023. No allowance was deemed necessary at December 31, 2022. Legacies, bequests and other receivables are reflected in the combined statements of financial position net of an allowance for doubtful accounts of \$401,106 as of December 31, 2023 and December 31, 2022.

**The National Office of the Pontifical Mission Societies
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Notes to Combined Financial Statements
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2. Summary of Significant Accounting Policies (continued)

Fair Value Measurements

The Organization follows U.S. GAAP guidance on “Fair Value Measurements” which establishes a fair value hierarchy organized into three levels based upon the input assumptions used in pricing assets. Level 1 inputs have the highest level of reliance and are related to assets with unadjusted quoted prices in active markets and excludes listed equities and other securities held indirectly through comingled funds. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

The fair values by input levels of the Organization’s investments are included in Note 8 to the combined financial statements.

The Organization follows U.S. GAAP guidance which removed the requirements to categorize within the fair value hierarchy alternative investments where fair value is measured using the Net Asset Value (“NAV”) per share as a practical expedient.

The Organization holds alternative investments (see Note 8) which are valued on a monthly or quarterly basis using the NAV for the fund which is calculated by a third party. The fair value of alternative investments has been estimated using NAV as reported by the management of the respective alternative investment funds. U.S. GAAP guidance provides for the use of NAV as a “Practical Expedient” for estimating fair value of alternative investments. The NAV reported by each alternative investment fund is used as a practical expedient to estimate the fair value of the Organization’s interest.

The Organization holds beneficial interests in temporary and irrevocable trusts which are administered by third parties. The amounts are based on Level 3 inputs. The following is a description of valuation methodologies used for these beneficial interests.

- Valued at the fair value of the underlying trust investments determined by the closing price reported in the active or observable market in which the individual market securities that are held within the trust are traded, as reported to the Organization by the third-party trustees.
- Valued based upon the present value of future distributions to be received using current cash flows and an assumed rate of return on the underlying assets of 3.75%.
- Valued based on the present value of forecasted lease payments per the underlying lease.

**The National Office of the Pontifical Mission Societies
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Notes to Combined Financial Statements
December 31, 2023 and 2022

2. Summary of Significant Accounting Policies (continued)

Fair Value Measurements (continued)

The preceding methods 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 methods are 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.

Investments

Investments in publicly traded debt and equity securities are recorded at fair value, determined on the basis of quoted market values. Investments in alternative investments that are not readily marketable are carried at an estimation of fair value as determined by the respective investment manager. Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are determined based on average cost and are recorded in the combined statements of activities in the period in which the securities are sold. Dividends and interest are recognized as earned.

Investment Income Recognition

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of the change in net assets.

Investment Policy

The overall investment policy of the Organization with respect to investments is to make prudent investments that are designed to emphasize total return and seek investments which: 1) follow the United States Conference of Catholic Bishops (USCCB) guidance as well as 2) support and/or recognize the importance of environmental, social and governance factors. Investment discretion is delegated to the investment managers retained by the Organization who abide by the investment policy, objectives and directives which have been approved by the Organization's Investment Committee.

Net Asset Presentation

Resources for various purposes are classified for accounting and reporting purposes into net asset categories established according to nature and purpose as follows:

Without donor restrictions – consist of resources available for the general support of the Organization's operations. Net assets without donor restrictions may be used at the discretion of the Organization's management and Board of Directors.

**The National Office of the Pontifical Mission Societies
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Notes to Combined Financial Statements
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2. Summary of Significant Accounting Policies (continued)

Net Asset Presentation (continued)

With donor restrictions – represent amounts restricted by donors to be used for specific activities or at some future date, or which require the Organization to maintain in perpetuity, including funds that are subject to restrictions of gift instruments requiring that the principal be invested in perpetuity and the income be used for specific or general purposes. When a donor restriction expires, that is, when a time restriction ends or a purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statements of activities as net assets released from restrictions. Income and gains earned on endowment fund investments are available to be used in the “with donor restrictions” or “without donor restrictions” net asset classes based upon stipulations by the donors.

Property and Equipment

Property and equipment are recorded at cost. Depreciation of furniture and equipment is recorded on a straight-line basis over 3 to 10 years. Depreciation of building improvements is recorded on a straight-line basis over 10 to 40 years. Depreciation of building is recorded on a straight-line basis over 40 years. Expenditures over \$15,000 with an estimated useful life of more than 3 years are capitalized to the asset accounts.

Property and equipment are reviewed for impairment if the use of the asset significantly changes or another indicator of possible impairment is identified. If the carrying amount of the asset is not recoverable, the value is written down to the asset’s fair value less costs to sell. There were no impairment losses on long-lived assets for the years ended December 31, 2023 and 2022.

Split Interest Agreements

The Organization is a party to certain split-interest agreements. The split-interest agreements include annuity funds, pooled income funds, and trust funds. The assets resulting from split-interest agreements are recorded at fair value. Obligations arising from split-interest agreements are recorded as liabilities and are estimated based upon the present value of future cash flows.

Outstanding Legacies and Bequests

The Organization has been named as a beneficiary under various wills and other agreements where the total realizable amount is not presently determinable. The Organization’s share is not recorded until the Organization has an irrevocable right to the gift and the proceeds are measurable. As such, there is no provision for uncollectible legacies receivable once the amounts have been recognized as a receivable.

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Notes to Combined Financial Statements
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2. Summary of Significant Accounting Policies (continued)

Assets Held for Others

The Organization also receives amounts to be held under various safekeeping and similar arrangements. Such inflows of resources are recorded as assets by the Organization at fair value, with a corresponding liability of equal value. Certain of these assets may give rise to future revenues of the Organization.

Annuity Funds

The assets received under charitable gift annuity agreement contracts are held as general assets of the Organization and the related annuity liability is a general obligation of the Organization. The present value of the liability to annuitants is determined by using certain interest assumptions and applicable mortality tables.

The records of the annuity fund are maintained in conformity with the regulations prescribed by the New York State Department of Financial Services. Such regulations provide that:

- (a) Net assets must be Board restricted to the extent of 10% of the net present value of annuities. An additional statutory cushion to this reserve of 15% is also required.
- (b) Investments in bonds are to be reported to the New York State Department of Financial Services at cost; with no subsequent increases and declines in fair value recognized. However, for financial reporting purposes, increases or declines in the fair value of bonds are recognized and included within unrealized appreciation (depreciation) in the fair value of investments.

A reconciliation of the ending balances of the present value of annuity obligations included on the combined statements of financial position is as follows for the years ended December 31:

	2023	2022
Present value of annuity obligations, beginning of year	\$ 10,581,774	\$ 10,992,501
New annuity contracts	508,410	462,047
Matured annuity contracts	(1,283,941)	(625,570)
Loss in net present value of annuities	(5,783)	(247,204)
Present value of annuity obligations, end of year	\$ 9,800,460	\$ 10,581,774

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2. Summary of Significant Accounting Policies (continued)

Annuity Funds (continued)

Annuity contracts, net of actuarial gains and losses are as follows for the years ended at December 31:

	<u>2023</u>	<u>2022</u>
Matured annuity contracts released	\$ 1,283,941	\$ 625,570
Gain in net present value of annuities	<u>122,980</u>	<u>308,813</u>
Annuity contracts, net of actuarial gains and losses	<u>\$ 1,406,921</u>	<u>\$ 934,383</u>

The difference between the gain in net present value of annuities included in the combined statements of activities and the (gain) loss in net present value of annuities included within the present value of annuity obligations on the combined statements of financial position is due to adjustments in the state mandated annuity reserves each year. The change in state mandated annuity reserves was \$117,197 and \$61,609 for the years ended December 31, 2023 and 2022, respectively.

Pooled Income Funds

The Organization maintains a Pooled Income Fund (the "Fund") for the management and investment of irrevocable remainder interests in property contributed to the Organization by donors retaining, or creating, life interests for one or more named beneficiaries living at the time of the transfer. Donors are assigned a specific number of units based on the proportion of the fair value of their contributions to the total fair value of the pooled income fund on the date of the donor's entry to the Fund. Until a donor's death, the donor (or the donor's designated beneficiary or beneficiaries) is paid, the actual income (as defined under the arrangement) earned on the donor's assigned units. Upon the donor's death, the value of these assigned units reverts to the Organization.

The Organization has received a private letter ruling from the Internal Revenue Service stating that the Fund meets the definition of a "pooled income fund" under Section 642(c)(5) of the Internal Revenue Code of 1954. Accordingly, all transfers to the Fund qualify for deductibility of federal income, estate and gift tax purposes.

Advertising

Advertising is expensed as it is incurred.

Trust Funds

The Organization is a party to certain split-interest agreements involving both revocable and irrevocable trusts. Revocable agreements have been treated as refundable advances, a liability, in the accompanying combined statements of financial position because the donor may revoke all, or part, of the trust prior to the death of the donor.

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2. Summary of Significant Accounting Policies (continued)

Trust Funds (continued)

Liabilities applicable to irrevocable split-interest agreements are measured at the present value of the estimated future payments to income beneficiaries using a discount rate of 5% to 7% and applicable mortality tables. On an annual basis, the Organization revalues the liability based on changes in life expectancy and other actuarial assumptions.

Upon the termination of the irrevocable trust funds, the Organization acquires full right to the net assets, which are then reclassified from a net asset with donor restrictions to a net asset without donor restrictions in the accompanying combined financial statements.

Accounting for Uncertainty in Income Taxes

The Organization recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Management has determined that the Organization has no uncertain tax positions that would require financial statement recognition or disclosure. The Organization would be subject to Unrelated Business Income Tax ("UBIT") on the net income derived from unrelated business activities had it engaged in such activities. The Organization is no longer subject to examination by the applicable taxing jurisdictions for periods prior to the year ended December 31, 2020.

Functional Allocation of Expenses

The cost of providing various programs and other activities has been summarized on a functional basis in the combined statements of activities. Specific expenses that are readily identifiable to a single program or activity are charged to that function. Certain expenses are attributable to more than one program or supporting function and have been allocated in a reasonable ratio by management. These expenses include salaries, employee benefits and taxes, occupancy and information technology, and depreciation and amortization expense, which are allocated based on estimates of time and effort along with space utilized for related activities allocated based on square footage.

Operating Measure

The combined statements of activities separately report changes in net assets from operating and nonoperating activities. The Organization includes in its definition of operations all revenue, support and expenses that are an integral part of its programs and supporting activities. Contributions specifically restricted by donors for operating purposes are included in operating revenue and support. Dividends and interest income earned on certain contributions retained in perpetuity is reported as operating revenue.

Nonoperating activities consist of valuation adjustments in refundable advances (including revocable gifts), valuation adjustments in beneficial interests in trusts, and realized and unrealized gain (loss) on securities.

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2. Summary of Significant Accounting Policies (*continued*)

Intangible Assets

Finite-lived intangible assets that are acquired from a third party are recorded at cost on their acquisition dates and are amortized on a straight-line basis over the economic useful life of the asset once substantially complete and put into service. The Organization reviews its finite-lived intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of an asset to be held and used is measured by comparison of the carrying amount of an asset to the undiscounted future net cash flows expected to be generated by the asset. If such asset is not recoverable, a potential impairment loss is recognized to the extent the carrying amount of the asset exceeds the fair value of the asset. At December 31, 2023 and 2022 intangible assets consist of a donor list, a cloud migration project, and a new customer relationship management (“CRM”) platform that are still in development and not substantially complete.

Reclassifications

Certain amounts in the 2022 combined financial statements have been reclassified to conform to the 2023 combined financial statement presentation.

Subsequent Events Evaluation by Management

Management has evaluated subsequent events for disclosure and/or recognition in the combined financial statements through the date that the combined financial statements were available to be issued, which date is June 12, 2024.

3. Concentration of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of cash and cash equivalents and receivables along with certain investments. The Organization places its cash and cash equivalents along with its investments at high credit quality financial institutions. A significant portion of such cash and cash equivalents and investments is not insured by the Federal Deposit Insurance Corporation (“FDIC”) or Securities Investor Protection Corporation (“SIPC”). Management believes there is a very low risk of loss due to the failure of these institutions.

Concentrations of credit risk with respect to amounts due from Diocesan offices and other receivables are generally diversified due to the large number of individual diocesan offices composing the underlying population.

The Organization is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; injuries to employees, errors and omissions; natural disasters, etc. The Organization is covered by the Protected Insurance Plan (the “Plan”) of the Archdiocese of New York. The Plan provides for uniform property and blanket liability coverage on all premises and their contents, workers' compensation for all lay employees and directors' liability coverage. The Plan is administered by an independent insurance agent, and is covered by an umbrella policy.

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4. Cash and Cash Equivalents

Cash and cash equivalents consist of the following at December 31:

	2023	2022
Cash in bank	\$ 3,504,805	\$ 4,760,388
Petty cash	500	500
	\$ 3,505,305	\$ 4,760,888

5. Property, Equipment and Intangible Assets

Property and equipment, net, consist of the following at December 31:

	2023	2022
Building and improvements	\$ 13,367,142	\$ 13,367,142
Furniture and fixtures	7,694	7,694
Intangible asset - Donor list	2,025,000	500,000
Intangible asset - Cloud migration	227,000	-
Intangible asset - CRM	169,147	-
	15,795,983	13,874,836
Less accumulated depreciation and amortization	(5,448,275)	(5,063,673)
	\$ 10,347,708	\$ 8,811,163

6. Retirement Plan – Defined Contribution Plan

The Organization sponsors a defined contribution plan (the "DC Plan") covering employees with more than one year of service. The DC Plan matches employee contributions up to 50% of the first 3% of employee contribution. The DC Plan provides for a 4% discretionary employer contribution. Costs recognized during the years ended December 31, 2023 and 2022 related to defined contribution plans approximated \$56,000 and \$111,000, respectively.

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Notes to Combined Financial Statements
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7. Net Assets with Donor Restrictions

Net assets with donor restrictions consist of time restricted net assets related to beneficial interests, pooled income and irrevocable trust funds. A reconciliation of net assets with donor restricted activities for the year ended and balances as of December 31, 2023 are detailed as follows:

	Purpose Restricted			Perpetual in Nature			Total
	Solidarity Funds	Mater Ecclesiae Funds	Accumulated Endowment Earnings	Beneficial Interest	Donor Funds	Time Restricted	
Balance - January 1, 2023	\$ 441,789	\$ 7,002	\$ (104,366)	\$ 11,065,556	\$ 1,847,805	\$ 4,872,063	\$ 18,129,849
Additional gifts received during year	1,036,648	8,401	-	-	-	221,500	1,266,549
Investment income	-	-	160,860	-	-	-	160,860
Valuation adjustments for the year	-	-	-	603,821	-	-	603,821
Assets released to meet time or purposes during the year	(905,596)	-	-	-	-	(175,588)	(1,081,184)
Balance - December 31, 2023	<u>\$ 572,841</u>	<u>\$ 15,403</u>	<u>\$ 56,494</u>	<u>\$ 11,669,377</u>	<u>\$ 1,847,805</u>	<u>\$ 4,917,975</u>	<u>\$ 19,079,895</u>

A reconciliation of net assets with donor restricted activities for the year ended and balances as of December 31, 2022 are detailed as follows:

	Purpose Restricted			Perpetual in Nature			Total
	Solidarity Funds	Mater Ecclesiae Funds	Accumulated Endowment Earnings	Beneficial Interest	Donor Funds	Time Restricted	
Balance - January 1, 2022	\$ 445,386	\$ 125,390	\$ -	\$ 12,755,826	\$ 1,847,805	\$ 6,044,134	\$ 21,218,541
Additional gifts received during year	50,154	8,400	-	-	-	-	58,554
Investment income	-	-	(104,366)	-	-	-	(104,366)
Valuation adjustments for year	-	-	-	(1,690,270)	-	-	(1,690,270)
Assets released to meet time or purposes during the year	(53,751)	(126,788)	-	-	-	(1,172,071)	(1,352,610)
Balance - December 31, 2022	<u>\$ 441,789</u>	<u>\$ 7,002</u>	<u>\$ (104,366)</u>	<u>\$ 11,065,556</u>	<u>\$ 1,847,805</u>	<u>\$ 4,872,063</u>	<u>\$ 18,129,849</u>

8. Investments

As of December 31, 2023 and 2022, the Organization's investments at fair value were comprised of the following:

	2023		2022	
Money market funds	\$ 3,053,010	5%	\$ 2,427,281	4%
Common and preferred stock	14,695,008	23%	12,853,320	21%
State and local municipality bonds	834,028	1%	732,945	1%
United States government and federal agencies' securities	3,359,451	5%	2,934,850	5%
Corporate bonds	2,812,520	4%	2,883,031	5%
Mutual funds	34,547,769	55%	35,170,753	56%
Alternative investments	4,162,349	7%	5,101,051	8%
	<u>\$ 63,464,135</u>	<u>100%</u>	<u>\$ 62,103,231</u>	<u>100%</u>

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8. Investments (continued)

A breakout of the investments by category is as follows for the year ended December 31:

	2023	2022
General fund	\$ 8,694,076	\$ 6,582,472
MCA	2,464,754	2,033,642
Quasi-endowment fund	14,003,842	12,402,908
Annuity fund	16,809,974	17,351,656
Trust fund	19,892,424	20,375,646
Pooled income fund	1,599,065	3,356,907
	\$ 63,464,135	\$ 62,103,231

The following summarized the inputs used to measure the fair value of investments at December 31, 2023:

	Level 1	Level 2	Level 3	Investments Measured at NAV (**)	Total
Money market funds	\$ 3,053,010	\$ -	\$ -	\$ -	\$ 3,053,010
Common and preferred stock	14,695,008	-	-	-	14,695,008
State and local municipality bonds	-	834,028	-	-	834,028
United States government and federal agencies' securities	-	3,359,451	-	-	3,359,451
Corporate bonds	-	2,812,520	-	-	2,812,520
Mutual funds	34,547,769	-	-	-	34,547,769
MISIF LLC *	-	-	-	-	-
Alternative investments	-	-	-	4,162,349	4,162,349
Investments Subtotal	52,295,787	7,005,999	-	4,162,349	63,464,135
Other Assets					
Beneficial interests in temporary and perpetual trusts	-	-	11,669,377	-	11,669,377
	\$ 52,295,787	\$ 7,005,999	\$ 11,669,377	\$ 4,162,349	\$ 75,133,512

During the year ended December 31, 2023 there were no transfers in or out of Levels 1, 2, or 3 of the fair value hierarchy.

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8. Investments (continued)

The following summarized the inputs used to measure the fair value of investments at December 31, 2022:

	Level 1	Level 2	Level 3	Investments Measured at NAV (**)	Total
Money market funds	\$ 2,427,281	\$ -	\$ -	\$ -	\$ 2,427,281
Common and preferred stock	12,853,320	-	-	-	12,853,320
State and local municipality bonds	-	732,945	-	-	732,945
United States government and federal agencies' securities	-	2,934,850	-	-	2,934,850
Corporate bonds	-	2,883,031	-	-	2,883,031
Mutual funds	35,170,753	-	-	-	35,170,753
MISIF LLC *	-	-	-	-	-
Alternative investments	-	-	-	5,101,051	5,101,051
Investments Subtotal	<u>50,451,354</u>	<u>6,550,826</u>	<u>-</u>	<u>5,101,051</u>	<u>62,103,231</u>
Other Assets					
Beneficial interests in temporary and perpetual trusts	-	-	11,065,556	-	11,065,556
	<u>\$ 50,451,354</u>	<u>\$ 6,550,826</u>	<u>\$ 11,065,556</u>	<u>\$ 5,101,051</u>	<u>\$ 73,168,787</u>

* The funds are illiquid in an investment of MISIF LLC with liquidation being at the discretion of Missio Corp (the "Fund Manager"). The Organization had requested a full liquidation of the investment in a letter to the Fund Manager with a response received denying the request. Management of the Organization is diligently working to redeem the investment, however there is no timeline and no guarantee of investment return. Management has determined this investment has incurred a loss other than a temporary impairment and accordingly has written the cost down to zero and recorded a realized loss of \$10,220,188 in a prior year.

** As discussed in Note 2, investments that are measured using the practical expedient are not classified within the fair value hierarchy.

The Organization's policy is to report transfers at the end of the reporting period.

Alternative investments consist of non-traditional, not readily marketable investments, some of which may be structured as offshore limited partnerships, venture capital funds, hedge funds, private equity funds and common trust funds. The underlying investments of such funds, whether invested in stock or other securities, are generally not currently traded in a public market and typically are subject to restrictions on resale. Values determined by investment managers and general partners of underlying securities that are thinly traded or not traded in an active market may be based on historical cost, appraisals, a review of the investees' financial results, financial conditions and prospects, together with comparisons to similar companies for which quoted market prices are available or other estimates that require varying degrees of judgment.

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8. Investments (continued)

Because of the inherent uncertainty of valuations, the estimated fair values may differ significantly from the values that would have been used had a ready market for such investments existed or had such investments been liquidated, and those differences could be material.

Information regarding investments valued at NAV at December 31, 2023 is as follows:

<u>Investment Funds</u>	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Domestic Real Estate Investments (a)				
American Core Realty Fund, LP	\$ 2,253,359	-	Quarterly	60 days in advance
International Real Estate Investments (b)				
Pine River Fund Ltd.	28,065	-	N/A *	N/A
Exchange Traded Equity Investments (c)				
Millenium International Ltd	1,880,925	-	Quarterly	60 days in advance
	<u>\$ 4,162,349</u>	<u>\$ -</u>		

* The investments are currently in the liquidation process with an expectation to fully liquidate in 2024.

- a. This category includes one open-ended fund. The open-ended fund invests broadly in United States based commercial, industrial, and residential multi-family real estate.
- b. This category includes one hedge fund which invests in infrastructure projects located in Central America.
- c. This category includes one hedge fund that invest primarily in equity securities with some fixed income and commodity activity.

9. Endowments

Interpretation of Relevant Law

The New York Prudent Management of Institutional Funds Act (“NYPMIFA”) requires the preservation of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result, the Organization classifies as donor restricted net assets (a) the original value of gifts donated to the endowment fund that are perpetual in nature, (b) the original value of subsequent gifts to the endowment fund that are perpetual in nature and (c) accumulations of investment returns to the endowment fund that are perpetual in nature made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified as perpetual in nature is classified as temporary in nature until those amounts are appropriated for expenditure by those charged with governance in a manner consistent with the standard of prudence prescribed by NYPMIFA.

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Notes to Combined Financial Statements
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9. Endowments (continued)

Investment Policy

The Organization's investments are overseen by an investment committee that charges selected investment managers with the task of making investments for the interest and purpose of providing investment returns for the investments. The assets must be invested with the care, skills, and diligence that a prudent person acting in this capacity would undertake.

The Organization's spending policy is based on a total return approach utilizing both income and capital appreciation to be withdrawn for spending. The maximum allowable expenditure in a year shall be no more than 5-7% payout of the rolling five year average market value of its investments, determined quarterly. Carryover of unspent distributions and special payments in excess of the annual spending policy are allowable expenditures only with special approval of those charged with governance.

The Organization's endowments consisted of the following at December 31:

	2023	2022
Board Designated Funds		
Quasi endowment	\$ 22,559,543	\$ 21,209,566
Donor-restricted endowment funds	1,847,805	1,847,805
Accumulated earnings (losses) on donor endowment	56,494	(104,366)
	\$ 24,463,842	\$ 22,953,005

The following table summarizes changes in the endowment funds for the year ended December 31, 2023:

	Total	Quasi- Endowment	Donor- Restricted	Accumulated Earnings (Losses)
Endowment net assets, beginning of the year	\$ 22,953,005	\$ 21,209,566	\$ 1,847,805	\$ (104,366)
Investment income	321,379	278,013	-	43,366
Realized gains on sale of securities	331,468	328,335	-	3,133
Unrealized gains on investments	1,399,827	1,285,466	-	114,361
Endowment assets appropriated for expenditure	(541,837)	(541,837)	-	-
Endowment net assets, end of year	\$ 24,463,842	\$ 22,559,543	\$ 1,847,805	\$ 56,494

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Notes to Combined Financial Statements
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9. Endowments (continued)

Investment Policy (continued)

The following table summarizes changes in the endowment funds for the year ended December 31, 2022:

	Total	Quasi- Endowment	Donor- Restricted	Accumulated Earnings (Losses)
Endowment net assets, beginning of the year	\$ 25,362,683	\$ 23,514,878	\$ 1,847,805	\$ -
Investment income	366,968	317,048	-	49,920
Realized losses on sale of securities	(443,884)	(411,588)	-	(32,296)
Unrealized losses on investments	(1,790,925)	(1,668,935)	-	(121,990)
Endowment assets appropriated for expenditure	(541,837)	(541,837)	-	-
Endowment net assets, end of year	<u>\$ 22,953,005</u>	<u>\$ 21,209,566</u>	<u>\$ 1,847,805</u>	<u>\$ (104,366)</u>

Underwater Endowment Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or NYPMIFA requires the Organization to retain as a fund of perpetual duration.

A deficiency of this nature existed for the various donor restricted endowment funds as of December 31, 2022. The deficiency resulted from unfavorable market conditions. The Organization has interpreted NYPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. The endowment funds are no longer in a deficiency as of December 31, 2023.

10. Unsaid Mass Obligations

The Organization had the following unsaid mass obligations as of December 31:

	2023	2022
Mass intentions	\$ 258,913	\$ 397,634
Gregorian masses	10,200	340,500
	<u>\$ 269,113</u>	<u>\$ 738,134</u>

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11. Liquidity and Availability of Financial Assets

The Organization's financial assets reduced by amounts not available for general use within one year, due to contractual or donor-imposed restrictions, are composed of the following at December 31:

	2023	2022
Financial assets at year end:		
Cash and cash equivalents	\$ 3,505,305	\$ 4,760,888
Investments, at fair value	63,464,135	62,103,231
Due from diocesan offices, net	20,709,866	21,869,311
Accrued interest receivable	105,283	40,432
Legacies, bequests and other receivables, net	220,186	300,199
Beneficial interests in trusts	11,669,377	11,065,556
Accumulated losses on donor endowment	-	(104,366)
Total Financial Assets	99,674,152	100,035,251
Less amounts not available to be used within one year:		
Long term legacies, bequests, and other receivables	(64,547)	(77,456)
Refundable advances, including revocable gifts	(10,611,869)	(10,564,334)
Obligations under various other split interest agreements	(4,884,319)	(4,089,490)
Net assets with purpose restrictions	(19,079,895)	(18,129,849)
Present value of annuity obligations	(9,800,460)	(10,581,774)
State mandated annuity reserve	(1,470,069)	(1,587,266)
Assets held for others	(705,503)	(697,627)
Board designated insurance reserve	(1,127,053)	(1,216,904)
Board designated funds	(22,559,543)	(21,209,566)
Total Amounts Not Available to be Used Within One Year	(70,303,258)	(68,154,266)
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	\$ 29,370,894	\$ 31,880,985

As part of the Organization's strategy, management structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. As part of the Organization's liquidity management strategy, the Organization seeks to maintain adequate liquidity to meet its obligations, including planned expenditures as approved by those charged with governance.

Throughout the year, the Organization receives significant contributions from donors that are utilized to fund the ongoing programs that are central to its annual operations, and provide the resources needed to meet the cash needs for general operational expenses. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining adequate reserves to provide reasonable assurance that long-term goals will be achieved.

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11. Liquidity and Availability of Financial Assets (*continued*)

To ensure a high likelihood of achieving these objectives, management routinely monitors its liquidity, forecasts its future cash requirements and predicts cash flows. During the years ended December 31, 2023 and 2022, the Organization managed the level of liquidity and operating reserves required to meet the three guiding principles as outlined above.

12. Subsequent Events

On February 12, 2024, the Board of Directors of the Organization approved a resolution to merge MCA and SPA into the surviving corporation, SPOF. In connection with the merger, the name of the surviving corporation will be changed from the Society for the Propagation of the Faith to the Pontifical Mission Societies in the United States (“TPMS”). The merger application is currently pending approval by the New York State Attorney General.

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