

FINANCIAL STATEMENTS

June 30, 2025 and 2024

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Independent Auditors' Report

Board of Directors
Catholic Charities of Central and Northern Missouri

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Catholic Charities of Central and Northern Missouri (Catholic Charities), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Catholic Charities as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. 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 Catholic Charities 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 audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the 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 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 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 Catholic Charities 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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Catholic Charities' 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 9, 2026 on our consideration of Catholic Charities' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Catholic Charities' internal control over financial reporting and compliance.

Kerber, Eck & Braeckel LLP

St. Louis, Missouri
January 9, 2026

Catholic Charities of Central and Northern Missouri
STATEMENTS OF FINANCIAL POSITION
June 30,

	2025	2024
Assets		
Cash and cash equivalents	$ 1,937,286	$ 1,967,171
Accounts and grants receivable	30,517	176,961
Investments		
Depositor's fund with the Catholic Diocese of Jefferson City Fund	1,839,673	1,812,894
Inventories	136,402	81,551
Prepaid expenses	-	47,363
Other assets	10,570	10,570
Property and equipment, net	2,814,003	2,952,367
Operating lease right-of-use asset	211,824	309,410
Total assets	$ 6,980,275	$ 7,358,287
Liabilities		
Accounts payable	$ 43,026	$ 57,752
Accrued liabilities		
Payroll and employee benefits	102,450	84,676
Compensated absences	58,000	45,289
Notes payable	1,166,758	1,166,758
Operating lease liability	203,124	300,710
Total liabilities	1,573,358	1,655,185
Net Assets		
Without donor restrictions		
Undesignated	630,844	579,092
Designated for property and equipment	2,814,003	2,952,367
Designated for operating reserve	618,080	598,316
Total net assets without donor restrictions	4,062,927	4,129,775
With donor restrictions	1,343,990	1,573,327
Total net assets	5,406,917	5,703,102
Total liabilities and net assets	$ 6,980,275	$ 7,358,287

The accompanying notes are an integral part of these statements.

Catholic Charities of Central and Northern Missouri
STATEMENTS OF ACTIVITIES
Years ended June 30,

	2025			2024		
	Without donor restrictions	With donor restrictions	Total	Without donor restrictions	With donor restrictions	Total
Support and revenues						
Contributions						
Cash and other financial assets	$ 1,221,819	$ 104,278	$ 1,326,097	$ 1,879,537	$ 420,715	$ 2,300,252
Nonfinancial assets	754,918	-	754,918	227,485	-	227,485
Grants	-	1,464,278	1,464,278	-	2,156,848	2,156,848
Program fees	114,941	-	114,941	79,481	-	79,481
Interest income	80,472	-	80,472	70,375	-	70,375
Other	68,739	-	68,739	21,668	-	21,668
Net assets released from restriction	1,797,893	(1,797,893)	-	2,723,805	(2,723,805)	-
Total support and revenues	4,038,782	(229,337)	3,809,445	5,002,351	(146,242)	4,856,109
Expenses						
Program services						
Community services	515,766	-	515,766	374,190	-	374,190
Health and nutrition	1,222,169	-	1,222,169	597,402	-	597,402
Refugee and immigration	1,752,896	-	1,752,896	2,201,990	-	2,201,990
Parish social ministry	119,384	-	119,384	41,666	-	41,666
Total program services	3,610,215	-	3,610,215	3,215,248	-	3,215,248
Management and general	409,599	-	409,599	785,973	-	785,973
Fundraising	85,816	-	85,816	83,398	-	83,398
Total expenses	4,105,630	-	4,105,630	4,084,619	-	4,084,619
Increase (decrease) in net assets	(66,848)	(229,337)	(296,185)	917,732	(146,242)	771,490
Net assets at beginning of year	4,129,775	1,573,327	5,703,102	3,212,043	1,719,569	4,931,612
Net assets at end of year	$ 4,062,927	$ 1,343,990	$ 5,406,917	$ 4,129,775	$ 1,573,327	$ 5,703,102

The accompanying notes are an integral part of these statements.

Catholic Charities of Central and Northern Missouri
STATEMENT OF FUNCTIONAL EXPENSES
Year ended June 30, 2025

	Program services							
	Community services	Health and nutrition	Refugee and immigration	Parish social ministry	Total	Management and general	Fundraising	Total
Salaries and wages	$ 304,641	$ 260,877	$ 921,050	$ -	$ 1,486,568	$ 140,281	$ 11,611	$ 1,638,460
Employee benefits and payroll taxes	70,839	50,564	200,611	-	322,014	45,235	3,311	370,560
Assistance to entities	-	-	-	97,500	97,500	-	-	97,500
Assistance to individuals	21,587	-	165,960	12,654	200,201	-	-	200,201
Dues and subscriptions	5,986	16,972	4,052	-	27,010	9,051	2,299	38,360
Conferences and training	3,691	2,563	9,011	928	16,193	12,171	1,645	30,009
Depreciation expense	20,412	40,824	40,824	-	102,060	20,412	-	122,472
Equipment rental	3,051	2,744	14,093	-	19,888	2,066	298	22,252
Interest expense	-	-	-	-	-	55,598	-	55,598
Miscellaneous expense	15	11	257	3	286	1,748	1,300	3,334
Occupancy	29,041	56,232	219,818	529	305,620	35,439	-	341,059
Supplies	3,233	4,076	14,461	-	21,770	5,994	719	28,483
Postage and printing	298	-	1,993	-	2,291	3,487	12,944	18,722
Professional services	40,189	41,311	147,554	5,179	234,233	68,689	50,323	353,245
Provided services	1,560	741,864	3,727	2,189	749,340	207	96	749,643
Repairs and maintenance	10,194	4,131	9,054	-	23,379	4,672	1,170	29,221
Travel	1,029	-	431	402	1,862	4,549	100	6,511
Total expenses	$ 515,766	$ 1,222,169	$ 1,752,896	$ 119,384	$ 3,610,215	$ 409,599	$ 85,816	$ 4,105,630

The accompanying notes are an integral part of these statements.

Catholic Charities of Central and Northern Missouri
STATEMENT OF FUNCTIONAL EXPENSES
Year ended June 30, 2024

	Program services							
	Community services	Health and nutrition	Refugee and immigration	Parish social ministry	Total	Management and general	Fundraising	Total
Salaries and wages	$ 230,776	$ 168,740	$ 1,089,112	$ -	$ 1,488,628	$ 300,148	$ 35,301	$ 1,824,077
Employee benefits and payroll taxes	69,775	46,364	241,289	-	357,428	63,776	10,958	432,162
Assistance to entities	-	-	-	22,500	22,500	-	-	22,500
Assistance to individuals	29,077	-	493,475	8,427	530,979	-	-	530,979
Dues and subscriptions	3,868	14,155	9,378	150	27,551	15,152	11,462	54,165
Conferences and training	1,391	5,663	12,317	989	20,360	11,538	297	32,195
Depreciation expense	-	7,645	-	-	7,645	118,177	-	125,822
Equipment rental	1,364	4,131	10,018	-	15,513	3,574	-	19,087
Interest expense	-	-	-	-	-	47,818	-	47,818
Miscellaneous expense	446	43	110	10	609	4,792	511	5,912
Occupancy	12,268	20,373	190,628	5,929	229,198	67,842	360	297,400
Supplies	1,846	4,232	17,414	99	23,591	19,904	803	44,298
Postage and printing	209	739	3,246	1	4,195	1,727	13,017	18,939
Professional services	17,694	18,407	68,280	2,572	106,953	123,698	10,683	241,334
Provided services	251	301,078	40,898	989	343,216	109	-	343,325
Repairs and maintenance	2,890	5,310	21,454	-	29,654	6,029	6	35,689
Travel	2,335	522	4,371	-	7,228	1,689	-	8,917
Total expenses	$ 374,190	$ 597,402	$ 2,201,990	$ 41,666	$ 3,215,248	$ 785,973	$ 83,398	$ 4,084,619

The accompanying notes are an integral part of these statements.

Catholic Charities of Central and Northern Missouri
STATEMENTS OF CASH FLOWS
Years ended June 30,

	2025	2024
Increase (decrease) in cash and cash equivalents		
Cash flows from operating activities		
Change in net assets	$ (296,185)	$ 771,490
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	122,472	125,822
Gain on disposal of assets	(52,708)	(928)
Change in assets and liabilities		
Accounts and grants receivable	146,444	493,622
Inventories	(54,851)	50,640
Promised contributions receivable	-	7,950
Prepaid expenses	47,363	(47,363)
Accounts payable	(14,726)	(64,767)
Accrued liabilities	30,485	(56,519)
Net cash provided by (used in) operating activities	(71,706)	1,279,947
Cash flows from investing activities		
Purchase of investments	(27,055)	(57,079)
Sale of investments	276	-
Proceeds on sale of property and equipment	68,600	-
Purchase of property and equipment	-	(11,500)
Net cash provided by (used in) investing activities	41,821	(68,579)
Cash flows from financing activities		
Payments of notes payable	-	(9,831)
Net increase (decrease) in cash and cash equivalents	(29,885)	1,211,368
Cash and cash equivalents at beginning of year	1,967,171	765,705
Cash and cash equivalents at end of year	$ 1,937,286	$ 1,967,171
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 55,598	$ 47,818

The accompanying notes are an integral part of these statements.

NOTE A | NATURE OF ENTITY

Catholic Charities of Central and Northern Missouri (Catholic Charities) is a not-for-profit corporation established May 5, 2011 to provide a range of programs and services to those in need in the 38 central and northern Missouri county service area regardless of faith, culture, or situation. Catholic Charities assists the most basic and immediate needs of the poor and vulnerable by providing them help and resources needed for long-term change. Catholic Charities focuses on those areas of greatest need and avoids duplication of services wherever possible.

Community Services:

- Disaster Services: Catholic Charities offers both short and long-term recovery assistance for those affected by natural disasters. Catholic Charities works in collaboration with government agencies, other non-profits, area churches, and county Long-Term Recovery Committees. This program is officially on pause due to strategic planning and awaiting guidance from the Diocese on next steps. For the years ended June 30, 2025 and 2024 revenues were $4,085 and $20,720 and expenses were $12,430 and $11,083, respectively.
- Housing Counseling: Educates clients on the home buying process, addresses barriers to mortgage readiness, and makes the client mortgage-ready if at all possible. This program formally closed in March of 2025 due to lack of need within the area as other agencies were assisting this through the city offices and housing authorities. For the years ended June 30, 2025 and 2024 revenues were $37,750 and $29,706 and expenses were $24,999 and $43,369, respectively.
- Immigrant Outreach and Case Management: The program is focused on homelessness prevention and integrates rent/mortgage assistance and case management to provide immediate relief and supports for long-term recovery. The Hispanic Resource Coordinator provides culturally and linguistically responsive client-centered case management to decrease barriers to access, increase self-sufficiency, and promote physical and emotional wellness. Clients develop a Recovery Plan in collaboration with the Hispanic Resource Coordinator, outlining a case management plan to connect to services and resources. The program also offers rent and mortgage assistance, prioritizing cases to prevent eviction, foreclosure, and homelessness. This program is officially on pause due to strategic planning and awaiting guidance from the Diocese on next steps. For the year ended June 30, 2025 there were no revenues or expenses for the program. For the year ended June 30, 2024 there were no revenues and expenses were $61,343.
- Predatory Loan Relief Program: This program helps individuals replace high-interest payday or title loans with affordable refinancing through Catholic Charities' partnership with a local community bank. Participants receive personalized budget coaching, financial education, and referrals to supportive resources (client-choice food pantry) to strengthen stability. The program's goal is to help families break the cycle of predatory debt and build long-term financial well-being.
- Hope Emotional Support ChatBot: The Hope ChatBot is a free, 24/7 AI-driven service offered by Catholic Charities in partnership with Catholic Charities USA. Trained by clinical psychologists, Hope provides confidential, faith-based emotional support through text conversations – helping users manage stress, anxiety, and everyday emotional challenges. Hope is not a crisis hotline, but if it detects signs of serious distress, it guides users toward licensed counselors or connects them to crisis resources like 988.

Health and Nutrition:

- The Commodity Supplemental Food Program (CSFP, or Senior Food Boxes): This program works to improve the health of low-income persons at least 60 years of age by supplementing their diets with nutritious USDA Food. Catholic Charities, through our partnership with The Food Bank for Central and Northeast Missouri and the United States Department of Agriculture (USDA) distributes Senior Boxes to qualifying residents in Cole County.
- Nutrition Counseling: Catholic Charities' nutrition counseling program helps participants to learn how to incorporate healthy cooking skills and new food knowledge into their lifestyle. Classes are led by a registered dietitian via Mizzou University Extension.
- Community Garden: Catholic Charities' community garden is open March 1 – November 1 every year. Garden participants are required to attend an orientation every year and pay a small fee to utilize the boxes. Catholic Charities' has several ADA compliant boxes for those needing accommodation.
- Food Pantry: Catholic Charities' client-choice food pantry helps individuals move from food insecurity toward long-term stability through a membership model that assigns each household a set number of points to use throughout the month. With four weekly shifts, including evening and weekend hours, members become comfortable shopping in the grocery style pantry and have regular access to fresh produce, dairy, and protein.
- SSM Hope and Healing Bags: This program is a collaboration between Catholic Charities and SSM Health St. Mary's Hospital – Jefferson City, designed to support patients who are identified as food insecure at the time of discharge. Each bag provides two days of nutritious, ready-to-use food for adults and pediatric patients, helping them return home with stability, dignity, and the nourishment they need to heal.

Refugee and Immigration:

- Refugee Services: For more than 40 years the Diocese of Jefferson City, and later Catholic Charities, welcomed refugees fleeing war, violence, and persecution around the world. The team provided culturally competent services that included initial housing support; essential household items; food; orientation and needs assessments; school enrollment assistance; connections to community and government services; and also comprehensive case management. Some families were also paired with volunteer support networks. This program formally closed in March of 2025 due to significant shifts and reductions in federal funding for refugee resettlement. For the years ended June 30, 2025 and 2024 revenues were $1,225,253 and $1,695,195 and expenses were $1,112,074 and $1,621,163, respectively.
- Immigration Services: Catholic Charities provides low-fee immigration legal services to promote family unity, stability, and self-sufficiency. DOJ-Accredited staff assist U.S. Citizens, Lawful Permanent Residents, and immigrants with a wide range of immigration matters before USCIS, including family-based petitions, renewals, humanitarian applications, and citizenship. In addition, the program supports the Diocese of Jefferson City by processing R-1 Religious Worker visas and related immigration needs for priests and religious personnel serving in our parishes.

Parish Social Ministry (PSM):

- PSM partners with Catholic parishes across the Diocese of Jefferson City to empower parishioners to live out their baptismal call by addressing the needs of their local

communities. This program supports the development and growth of parish-based ministries, helping to identify unmet needs, recruit and train volunteers, and secure additional funding where needed. Current PSM initiatives include:

- Charity and Mercy Grants: Financial support for parish based social concerns initiatives.
- Prison Ministry: Logistical assistance and coordination for parish-led ministries serving the incarcerated.
- Faith Based Health Ministry Network: Provides meeting space and support to parish nurses and other health ministry leaders, fostering enhanced collaboration with community organizations and local health providers.
- Catholic Campaign for Human Development: A national United States Conference of Catholic Bishops grant program that provides support to grassroots non-profits dedicated to social transformation.

NOTE B | SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

Cash and cash equivalents are defined as cash balances held in bank accounts and short-term investments with an original maturity no longer than three months. Deposit accounts designated for long-term purposes or received with donor-imposed restrictions limiting the use to long-term purposes are not considered cash and cash equivalents.

Catholic Charities also maintains deposits with The Catholic Diocese of Jefferson City Fund (DJC Fund). However, Catholic Charities does not consider funds on deposit with the DJC Fund to be cash equivalents and accounts for them like other investments.

Accounts Receivable and Grants Receivable

Accounts receivables are stated at unpaid balances, less an allowance for credit losses. Catholic Charities provides for losses on accounts receivable using the allowance method. The allowance is based on past experience and other circumstances. It is Catholic Charities' policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

Grants receivable are stated at unpaid balances, less an allowance for doubtful accounts. The allowance is based on past experience and other circumstances.

As of June 30, 2025 and 2024, accounts and grants receivable have been determined to be fully collectible.

Investments

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for the asset or liability.

Fair value of the underlying investments is determined using Level 1 inputs for investments with quoted market prices for identical securities in active markets; and Level 2 inputs for cash and cash equivalents and fixed income securities, which are quoted prices for similar securities in active markets. Level 2 inputs are derived using the market approach, which is a valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable (that is similar) assets, liabilities, or a group of assets and liabilities, such as a business.

Inventory

Inventory is comprised of donated housing and personal items and food and is stated at the lower cost or net realizable value. Catholic Charities determined the estimated cost of food at $1.97 and $1.79 per pound at June 30, 2024 and December 31, 2023, respectively, which approximates net realizable value.

Property and Equipment

Property and equipment are stated at cost if purchased or at fair value as of the date received, if contributed. Significant additions over the amounts listed below are capitalized as a part of property and equipment as follows:

Buildings and leasehold improvements	$ 15,000
Vehicles	10,000
Equipment and furnishings	5,000

Depreciation is provided for in amounts sufficient to relate to cost of depreciable assets to operations over their estimated service lives on a straight-line basis as follows:

Buildings and leasehold improvements	7 - 39 years
Vehicles	5 years
Equipment and furnishings	5 - 7 years

Leases

Catholic Charities determines if an arrangement is a lease at inception of the contract. Right-of-use assets represent Catholic Charities' right to use the underlying assets for the lease term, and lease liabilities represent Catholic Charities' obligation to make lease payments arising from the leases. Right-of-use assets and lease liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. The estimated risk-free rate is used, which is derived from information available at the lease commencement date, in determining the present value of lease payments.

Leases with an initial term of 12 months or less are not recorded in the Statements of Financial Position.

Catholic Charities does not separate lease and non-lease components by class of underlying asset. Catholic Charities also does not reassess at adoption (i) expired or existing contracts for whether they are or contain a lease, (ii) the lease classification of any existing leases, or (iii) initial indirect costs for existing leases.

Catholic Charities has elected the practical expedient for all leased assets that do not have a readily determinable rate implicit in the lease to use the risk-free rate.

Net Assets

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

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor or certain grantor restrictions. The Board of Directors has designated, from net assets without donor restrictions, net assets for an operating reserve and property and equipment.

Net assets with donor restrictions – Net assets subject to donor or certain grantor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be satisfied by actions of Catholic Charities or the passage of time. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Contributed Nonfinancial Assets

No amounts have been reflected in the financial statements for donated services. Catholic Charities pays for most services requiring specific expertise. However, individuals volunteer their time and perform a variety of tasks that assist Catholic Charities with specific programs, fundraising activities, and various committee assignments.

Contributed nonfinancial assets include donated food used in the health and nutrition program. Food contributions received are valued at net realizable value, which is estimated at $1.97 and $1.79 per pound for the year's ended June 30, 2025 and 2024, respectively. This estimate represents the average cost of the primary items maintained at the food pantry. Such donations are recorded as inventory and contributions when received and expensed when distributed to families in the service area. The per pound cost is based on a national cost level and studies performed by Feeding America which is one of the nation's leading domestic nongeneralized charities. Absent any explicit restrictions by the donor, Catholic Charities reports the contribution of nonfinancial assets as support and revenue without donor restrictions. All gifts of contributed nonfinancial assets received during the years ended June 30, 2025 and 2024 were without donor restrictions.

Revenue and Revenue Recognition

Contributions and grants are recognized when cash, securities, or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the condition on which they depend have been substantially met.

Program fees are recognized when the performance obligations of providing the services are met. Program fees received in advance are deferred to the applicable period in which the related services are performed.

Functional Allocation of Expenses

The costs of providing various programs and activities have been summarized on a functional basis in the Statements of Activities. The Statements of Functional Expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited as described in Note K.

Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

Catholic Charities qualifies as a charitable organization as defined by Internal Revenue Code Section 501(c)(3) and accordingly it is exempt from Federal income taxes under Internal Revenue Code Section 501(a) and similar provisions of state law. Income from certain activities not directly related to Catholic Charities' exempt purpose is subject to taxation as unrelated business income. Catholic Charities had no unrelated business income for the years ended June 30, 2025 and 2024.

Catholic Charities files an IRS Form 990 *Return of Organization Exempt from Income Tax*. Returns are generally subject to examination by the IRS for three years after they are filed.

Reclassifications

Certain reclassifications have been made to the 2024 financial statements to conform to the 2025 financial statement presentation. The reclassifications had no impact on previously reported net assets.

Subsequent Events

In preparing these financial statements, Catholic Charities has evaluated events and transactions for potential recognition or disclosure through January 9, 2026, the date the financial statements were available to be issued.

NOTE C | LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following represents financial assets as of the financial position date, reduced by amounts not available for general use within one year of the financial position date because of contractual or donor-imposed restrictions or internal designations. Amounts not available include amounts set aside for operating and other reserves that could be drawn upon if the Board of Directors approves the actions.

	June 30, 2025	June 30, 2024
Cash and cash equivalents	$ 1,937,286	$ 1,967,171
Accounts and grants receivable	30,517	176,961
Investments	1,839,673	1,812,894
Total financial assets	3,807,476	3,957,026
Contractual or donor-imposed restrictions		
Restricted by donor for time or purpose	(1,343,990)	(1,573,327)
Board designated for operating reserve	(618,080)	(598,316)
Financial assets available to meet cash needs for general expenditures within one year	$ 1,845,406	$ 1,785,383

NOTE D | PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30, :

	2025	2024
Buildings and leasehold improvements	$ 3,031,897	$ 3,031,897
Land	96,000	96,000
Equipment and furnishings	73,426	73,426
Vehicles	121,667	246,666
	3,322,990	3,447,989
Less accumulated depreciation	(508,987)	(495,622)
	$ 2,814,003	$ 2,952,367

NOTE E | NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods at June 30, :

	2025	2024
Subject to expenditure for specified purpose		
Missouri Stop Human Trafficking Conference	$ 8,829	$ 8,829
Operation Rice Bowl	26,290	24,926
Parish Nurse	1,757	9,116
HCO Management	19,818	19,818
Catholic Campaign for Human Development	34,079	34,079
DJC Charity and Mercy Grants	1,021,351	1,086,600
Disaster Response	-	736
Health and Nutrition Grants	51,017	35,572
Knox Tornado	2,785	5,984
NVOAD Lowes Grant	1,120	9,120
UW Hope Chatbot	-	7,500
UW CEMO 24 Pantry	10,188	2,263
KofC Food Pantry	-	2,694
Subject to the passage of time		
Spring Appeal	166,756	326,090
	$ 1,343,990	$ 1,573,327

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended June 30,:

	2025	2024
Satisfaction of purpose restrictions		
Prison Ministry	$ 5,000	$ -
Refugee and Immigration	1,254,590	1,771,100
Family Immigrations Services	12,895	244,422
Financial stability	-	20,000
Disaster Relief	3,935	39,654
Health and Nutrition Grants	46,127	52,500
Parish Nurse	7,359	10,885
DJC Charity and Mercy Grants	97,500	22,500
Shikles Auditorium Project	-	430,296
UW Hope Chatbot	7,500	-
Community Garden	6,894	-
Counseling	30,003	42,206
	1,471,803	2,633,563
Expiration of time restrictions	326,090	90,242
	$ 1,797,893	$ 2,723,805

NOTE F | RETIREMENT PLAN

Catholic Charities' employees participate in two non-ERISA 403(b) plans sponsored by the Diocese of Jefferson City, one for lay employees and the other for Diocesan priests. Contributions on behalf of eligible Catholic Charities employees totaled $26,594 and $36,034 for the years ended June 30, 2025 and 2024, respectively.

NOTE G | RELATED PARTIES

Catholic Charities is related through the Bishop of the Diocese of Jefferson City to the following entities: The Catholic Diocese of Jefferson City – Chancery Office; The Catholic Diocese of Jefferson City Fund; Diocesan Excellence in Education Fund, Inc.; The Diocese of Jefferson City Parish Development Corporation; Priests' Mutual Benefit Society; Fr. Augustine Tolton Regional Catholic High School in Columbia; Helias Catholic High School in Jefferson City; The Jefferson City Diocesan Chancery Building Fund, Inc.; The Diocese of Jefferson City Jubilee Retirement Trust Fund; Diocese of Jefferson City Real Estate Corporation; and all parishes within the Jefferson City Diocese. Catholic Charities maintains separate books and records. All financial information for the above entities is presented separately and is excluded from this report.

The Catholic Diocese of Jefferson City Fund holds investments in the deposit and loan program for Catholic Charities of $1,839,673 and $1,812,894 as of June 30, 2025 and 2024, respectively. During the year's ended June 30, 2025 and 2024, The Catholic Diocese of Jefferson City Fund paid $58,565 and $57,079, respectively, in interest income to Catholic Charities for these investments.

On March 22, 2023, Catholic Charities and The Catholic Diocese of Jefferson City (the Diocese) entered into an agreement in which the Diocese will provide support services in the areas of general administration and operations, finance, human resources, insurance, employee benefits, fundraising, donor development and donor relations. Catholic Charities will reimburse the Diocese its full cost of providing these services. For fundraising, donor development and donor relations services, Catholic Charities is required to pay the Diocese $25,000 per year in increments of $2,083. Billings for all other services will be rendered periodically by the Diocese and paid by Catholic Charities as provided in the billings. During the years ended June 30, 2025 and 2024, Catholic Charities paid the Diocese $41,763 and $20,416 respectively, for these services.

As of June 30, 2025 and 2024 Catholic Charities owed the Diocese $0 and $10,458, respectively. The Diocese issued a note payable to Catholic Charities during 2023, which is disclosed in Note M.

Catholic Charities sold several vehicles to the Diocese and received $68,600 during the year ended June 30, 2025.

NOTE H | CONCENTRATION OF CREDIT RISK

Catholic Charities places its cash and cash equivalents with credit-worthy high quality financial institutions. Account balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000. From time to time, cash balances may exceed Federal insurance limits. Catholic Charities has not experienced any losses in its accounts with these financial institutions and believes it is not exposed to any significant risks.

Catholic Charities receives a substantial amount of its revenue through various federal agencies. A significant reduction in the level of this support, if it were to occur, could have a significant effect on Catholic Charities' programs and activities. Revenue from these various federal agencies accounted for approximately 35% and 39% of total support and revenues for the years ended June 30, 2025 and 2024, respectively.

Investment securities are exposed to various risks, such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risk in the near term would materially affect the amounts reported in the financial statements.

NOTE I | INVESTMENTS

Catholic Charities deposits funds in excess of three months of operating needs in interest bearing accounts, including accounts on deposit with The Catholic Diocese of Jefferson City Fund. The Depositor's fund program operates similar to a money market account and pays interest on the deposited funds competitive with current market rates. The interest rate on deposits at June 30, 2025 and 2024 was 3.25%.

The fair values of investments at June 30, 2025 are as follows:

	Fair value	Level 1	Level 2	Level 3
Depositor's Fund	$ 1,839,673	$ -	$ 1,839,673	$ -

The fair values of investments at June 30, 2024 are as follows:

	Fair value	Level 1	Level 2	Level 3
Depositor's Fund	$ 1,812,894	$ -	$ 1,812,894	$ -

NOTE J | OPERATING LEASE

On August 1, 2022, Catholic Charities entered into an operating lease agreement for office space expiring on July 31, 2027 that requires monthly payments of $8,700.

Catholic Charities' lease is an operating lease, and the following are the relevant disclosures:

	2025	2024
Operating lease cost and cash flows	$ 104,400	$ 95,700
Weighted average discount rate	2.66%	2.66%
Weighted average remaining lease term (months)	25	37

The minimum future operating lease payments are as follows:

Year ended June 30,	
2026	$ 104,400
2027	104,400
2028	8,700
Total minimum payments required	217,500
Less imputed interest	(14,376)
Present value of lease liability	$ 203,124

NOTE K | FUNCTIONAL EXPENSES

The financial statements report certain categories of expenses that are attributed to more than one program or supporting functions. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries and wages and payroll taxes and employee benefits which are allocated based on estimated time and effort and occupancy costs which are allocated based on estimated usage.

NOTE L | COMMITMENTS

During fiscal year 2021, Catholic Charities entered into a managed energy service agreement of a carport solar array to be installed on its property but owned by an independent party (Sponsor). The agreement will run for 20 years with a commitment to purchase the solar array for $1 at the expiration of the agreement. Payments are due monthly and commenced in August 2021. Monthly payments of $3,833 are due for the first 12 months of the agreement, then increase by 2% each year. As part of the agreement Catholic Charities will not pay for any electricity it uses, as the electric utility account will be in the name of the Sponsor. After five years, Catholic Charities may buy out the agreement for the principal amount then-outstanding. Catholic Charities paid approximately $49,000 and $39,000 under the agreement during the years then ended June 30, 2025 and 2024, respectively.

In addition, the agreement requires Catholic Charities to enter into a separate agreement with the vendor/installer of the solar array for periodic maintenance and monitoring, to insure the solar array for full replacement cost, and in the event of damage to restore the solar array system to full operational capacity. The first year's payment under the maintenance and monitoring agreement was $800 and will increase by 2.5% annually.

NOTE M | NOTES PAYABLE

On June 30, 2023, Catholic Charities received an unsecured promissory note in the amount of $1,176,589 at an interest rate of 4.0% from the Diocese of Jefferson City Fund. Beginning August 1, 2023, monthly interest and principal payments are due in the amount of $8,700, however, the Diocese of Jefferson City Fund is allowing Catholic Charities to make interest only payments in the amount of $3,333. The note matures on August 1, 2038.