



Catholic Education of North Georgia, Inc.

FINANCIAL STATEMENTS

June 30, 2022 and 2021



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REPORT





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INDEPENDENT AUDITORS' REPORT

Board of Directors
Catholic Education of North Georgia, Inc.
Atlanta, Georgia

Opinion

We have audited the accompanying financial statements of Catholic Education of North Georgia, Inc., which comprise the statements of financial position as of June 30, 2022 and **2021**, 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 financial statements referred to above present fairly, in all material respects, the financial position of Catholic Education of North Georgia, Inc. (CENGI) as of June 30, 2022 and 2021, 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. 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 CENGI 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 the CENGI's ability to continue as a going concern within one year after the date that the financial statements are available to be 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 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, including omissions, 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 generally accepted auditing standards, 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 CENGI'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CENGI'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.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Atlanta, Georgia
February 17, 2023



FINANCIAL STATEMENTS



Catholic Education of North Georgia, Inc.
Statements of Financial Position

June 30, 2022

	Without donor restrictions	With donor restrictions	Total
Assets			
Cash and cash equivalents	\$ 15,595,697	\$ -	\$ 15,595,697
Funds on deposit with AoA Deposit and Loan Fund Trust	1,085,905	-	1,085,905
Accounts receivable, net	352,282	-	352,282
Promises to give, net	2,956,887	-	2,956,887
Inventory	574,249	-	574,249
Investments at fair value	24,283,295	50,072,381	74,355,676
Beneficial interest in assets held by foundation	-	11,192,349	11,192,349
Property and equipment, net	73,055,180	-	73,055,180
Other assets	1,134,057	-	1,134,057
Total assets	\$ 119,037,552	\$ 61,264,730	\$ 180,302,282
Liabilities and Net Assets			
Liabilities			
Accounts payable and accrued expenses	\$ 4,897,593	\$ -	\$ 4,897,593
Accounts payable - related parties	549,959	-	549,959
Contract liabilities	8,563,483	-	8,563,483
AOA Deposit and Loan Fund LOC	5,000,000	-	5,000,000
Agency funds	297,326	-	297,326
Total liabilities	19,308,361	-	19,308,361
Net assets			
Without donor restrictions			
Undesignated	96,692,376	-	96,692,376
Designated investment funds	3,036,815	-	3,036,815
With donor restrictions			
Purpose restrictions	-	28,921,107	28,921,107
Time restrictions	-	9,769	9,769
Perpetual in nature	-	32,333,854	32,333,854
Total net assets	99,729,191	61,264,730	160,993,921
Total liabilities and net assets	\$ 119,037,552	\$ 61,264,730	\$ 180,302,282

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

**Catholic Education of North Georgia, Inc.
Statements of Financial Position (Continued)**

June 30, 2021

	Without donor restrictions	With donor restrictions	Total
Assets			
Cash and cash equivalents	\$ 21,966,399	\$ -	\$ 21,966,399
Funds on deposit with AoA Deposit and Loan Fund Trust	1,077,793	-	1,077,793
Accounts receivable, net	232,535	-	232,535
Accounts receivable -Roman Catholic Archdiocese of Atlanta, Inc.	107,000	-	107,000
Promises to give, net	3,448,418	-	3,448,418
Inventory	594,023	-	594,023
Investments at fair value	18,543,061	53,398,529	71,941,590
Beneficial interest in assets held by foundation	-	12,480,152	12,480,152
Property and equipment, net	66,725,000	-	66,725,000
Other assets	942,487	-	942,487
Total assets	\$ 113,636,716	\$ 65,878,681	\$ 179,515,397
Liabilities and Net Assets			
Liabilities			
Accounts payable and accrued expenses	\$ 4,323,063	\$ -	\$ 4,323,063
Accounts payable - related parties	408,703	-	408,703
Contract liabilities	8,348,065	-	8,348,065
Paycheck Protection Program Loans	643,300	-	643,300
Agency funds	396,553	-	396,553
Total liabilities	14,119,684	-	14,119,684
Net assets			
Without donor restrictions			
Undesignated	95,763,589	-	95,763,589
Designated investment funds	3,753,443	-	3,753,443
With donor restrictions			
Purpose restrictions	-	32,087,076	32,087,076
Perpetual in nature	-	33,791,605	33,791,605
Total net assets	99,517,032	65,878,681	165,395,713
Total liabilities and net assets	\$ 113,636,716	\$ 65,878,681	\$ 179,515,397

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

Catholic Education of North Georgia, Inc.
Statements of Activities

For the year ended June 30, 2022

	Without donor restrictions	With donor restrictions	Total
Revenue			
Tuition, net of discounts	\$ 42,274,944	\$ -	\$ 42,274,944
Tuition subsidies	1,236,500	-	1,236,500
Enrollment and application fees	1,078,609	-	1,078,609
Bookstore	1,235,309	-	1,235,309
Student activities	1,389,478	-	1,389,478
Financial aid and scholarships	(3,529,036)	-	(3,529,036)
Total revenue from student tuition, fees and other income	43,685,804	-	43,685,804
Contributions and support	6,928,630	6,115,857	13,044,487
Investment income	310,887	556,327	867,214
Other income	1,878,629	-	1,878,629
Net assets released from restrictions	12,381,747	(12,381,747)	-
Total revenue	65,185,697	(5,709,563)	59,476,134
Expenses			
<i>Program services</i>			
Instructional expenses	26,120,131	-	26,120,131
Student services	14,411,480	-	14,411,480
Operations	5,293,233	-	5,293,233
<i>Support services</i>			
General and administrative	5,697,429	-	5,697,429
Development and fundraising	2,025,371	-	2,025,371
Total expenses	53,547,644	-	53,547,644
Change in net assets before other additions (reductions)	11,638,053	(5,709,563)	5,928,490

(Continued)

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

Catholic Education of North Georgia, Inc.
Statements of Activities (Continued)

For the year ended June 30, 2022

	Without donor restrictions	With donor restrictions	Total
Other additions (reductions)			
Realized and unrealized gain (loss) on investments	(11,938,317)	2,606,614	(9,331,703)
Change in value of beneficial interest	-	(1,639,344)	(1,639,344)
Loss on disposal of assets	(2,535)	-	(2,535)
Forgiveness of Paycheck Protection Program loan	643,300	-	643,300
Total other additions	(11,297,552)	967,270	(10,330,282)
Change in net assets	340,501	(4,742,293)	(4,401,792)
Transfer of net assets	(128,342)	128,342	-
Net assets at beginning of year	99,517,032	65,878,681	165,395,713
Net assets at end of year	\$ 99,729,191	\$ 61,264,730	\$ 160,993,921

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

Catholic Education of North Georgia, Inc.
Statements of Activities (Continued)

For the year ended June 30, 2021

	Without donor restrictions	With donor restrictions	Total
Revenue			
Tuition, net of discounts	\$ 41,815,070	\$ -	\$ 41,815,070
Tuition subsidies	1,232,500	-	1,232,500
Enrollment and application fees	1,111,711	-	1,111,711
Bookstore	954,231	-	954,231
Student activities	866,800	-	866,800
Financial aid and scholarships	(3,789,983)	-	(3,789,983)
Total revenue from student tuition, fees and other income	42,190,329	-	42,190,329
Contributions and support	4,865,913	3,539,860	8,405,773
Investment income	(86,517)	490,335	403,818
Other income	1,869,383	-	1,869,383
Net assets released from restrictions	19,918,187	(19,918,187)	-
Total revenue	68,757,295	(15,887,992)	52,869,303
Expenses			
<i>Program services</i>			
Instructional expenses	25,271,789	-	25,271,789
Student services	13,361,998	-	13,361,998
Operations	4,857,220	-	4,857,220
<i>Support services</i>			
General and administrative	5,167,955	-	5,167,955
Development and fundraising	1,664,043	-	1,664,043
Total expenses	50,323,005	-	50,323,005
Change in net assets before other additions	18,434,290	(15,887,992)	2,546,298

(Continued)

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

Catholic Education of North Georgia, Inc.
Statements of Activities (Continued)

For the year ended June 30, 2021

	Without donor restrictions	With donor restrictions	Total
Other additions (reductions)			
Realized and unrealized gain on investments	5,058,777	8,123,704	13,182,481
Change in value of beneficial interest	-	1,943,101	1,943,101
Loss on disposal of assets	(7,110)	-	(7,110)
Gain on interest rate swap agreements	385,702	-	385,702
Forgiveness of Paycheck Protection Program loan	5,826,541	-	5,826,541
Total other additions	11,263,910	10,066,805	21,330,715
Change in net assets	29,698,200	(5,821,187)	23,877,013
Transfer of net assets	(110,400)	110,400	-
Net assets at beginning of year	69,929,232	71,589,468	141,518,700
Net assets at end of year	\$ 99,517,032	\$ 65,878,681	\$ 165,395,713

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

Catholic Education of North Georgia, Inc.
Statements of Functional Expenses

For the year ended June 30, 2022

	Program Services				Supporting Services		
	Instructional	Student Services	Operations	Total Program Expenses	General and Administrative	Development and Fundraising	Total
Payroll and related expenses	\$ 22,192,462	\$ 7,045,912	\$ 1,159,353	\$ 30,397,727	\$ 4,024,791	\$ 1,181,891	\$ 35,604,409
Advertising	-	-	-	-	85,153	25,788	110,941
Bookstore	-	673,895	-	673,895	-	-	673,895
Cafeteria	-	1,257,424	-	1,257,424	-	-	1,257,424
Depreciation	1,953,480	1,628,956	233,521	3,815,957	156,354	52,926	4,025,237
Dues and subscriptions	9,172	12,127	-	21,299	52,313	1,927	75,539
Events and activities	6,190	1,817,912	-	1,824,102	15,356	519,721	2,359,179
Instructional materials	295,014	127,882	-	422,896	-	-	422,896
Insurance	393,071	251,565	42,758	687,394	38,069	11,429	736,892
Interest	-	-	63,146	63,146	8,915	-	72,061
Miscellaneous	529,018	386,320	437,981	1,353,319	804,409	194,534	2,352,262
Operating supplies	78,439	234,590	237,325	550,354	171,379	10,523	732,256
Professional development	45,954	18,932	690	65,576	32,338	1,827	99,741
Professional fees	10,623	293,033	32,490	336,146	237,127	2,450	575,723
Repairs and maintenance	4,391	195,659	1,824,802	2,024,852	15,395	4,635	2,044,882
Scholarships	-	-	800,000	800,000	-	-	800,000
Subsidies, non-CENGI schools	-	-	331,000	331,000	-	-	331,000
Tuition Aid, non-CENGI schools	-	-	57,000	57,000	-	-	57,000
Utilities	602,317	467,273	73,167	1,142,757	55,830	17,720	1,216,307
Total expenses	\$ 26,120,131	\$ 14,411,480	\$ 5,293,233	\$ 45,824,844	\$ 5,697,429	\$ 2,025,371	\$ 53,547,644

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

Catholic Education of North Georgia, Inc.
Statements of Functional Expenses (Continued)

For the year ended June 30, 2021

	Program Services				Supporting Services		
	Instructional	Student Services	Operations	Total Program Expenses	General and Administrative	Development and Fundraising	Total
Payroll and related expenses	\$ 21,389,469	\$ 7,002,731	\$ 983,150	\$ 29,375,350	\$ 3,642,275	\$ 1,073,327	\$ 34,090,952
Advertising	-	-	-	-	31,685	25,684	57,369
Bookstore	-	577,400	-	577,400	-	-	577,400
Cafeteria	-	920,467	-	920,467	-	-	920,467
Depreciation	1,877,285	1,572,641	221,169	3,671,095	153,631	52,256	3,876,982
Dues and subscriptions	9,151	13,642	-	22,793	46,720	659	70,172
Events and activities	3,520	1,348,390	-	1,351,910	12,797	235,895	1,600,602
Instructional materials	330,422	212,958	-	543,380	-	-	543,380
Insurance	320,969	245,033	54,484	620,486	30,643	10,904	662,033
Interest	236,562	143,164	13,748	393,474	183,879	3,324	580,677
Miscellaneous	466,684	446,276	365,466	1,278,426	541,601	218,914	2,038,941
Operating supplies	57,526	125,913	277,511	460,950	128,162	16,161	605,273
Professional development	19,259	12,049	770	32,078	10,096	9,155	51,329
Professional fees	5,440	110,269	1,508	117,217	332,070	1,500	450,787
Repairs and maintenance	7,910	198,410	2,057,009	2,263,329	3,078	100	2,266,507
Subsidies, non-CENGI schools	-	-	409,762	409,762	-	-	409,762
Tuition Aid, non-CENGI schools	-	-	393,000	393,000	-	-	393,000
Utilities	547,592	432,655	79,643	1,059,890	51,318	16,164	1,127,372
Total expenses	\$ 25,271,789	\$ 13,361,998	\$ 4,857,220	\$ 43,491,007	\$ 5,167,955	\$ 1,664,043	\$ 50,323,005

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

Catholic Education of North Georgia, Inc.
Statements of Cash Flows

<i>For the years ended June 30,</i>	2022	2021
Operating Activities		
Change in net assets	\$ (4,401,792)	\$ 23,877,013
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation expense	4,025,237	3,876,982
Interest expense representing change in deferred bond cost:	-	194,307
Increase in allowance for doubtful promises to give	155,000	-
Realized and unrealized (gain) loss on investments	9,331,703	(13,182,481)
(Gain) loss on interest rate swap agreements	-	(385,702)
Donor restricted contributions and income	6,672,184	4,030,195
Loss on disposal of property and equipment	2,535	7,110
Forgiveness of Paycheck Protection Program loan	(643,300)	(5,826,541)
Change in value of beneficial interest	1,639,344	(1,943,101)
Changes in operating assets and liabilities		
Accounts receivable	(119,747)	143,457
Accounts receivable - Chancery	107,000	182,923
Promises to give	336,531	(889,134)
Inventory	19,774	68,519
Other assets	(191,570)	(205,910)
Accounts payable and accrued expenses	(165,371)	(303,316)
Accounts payable - related parties	141,256	166,141
Contract liabilities	215,418	503,550
Agency funds	(99,227)	90,936
Net cash provided by (used in) operating activities	17,024,975	10,404,948
Investing Activities		
Proceeds from sale of investments	2,100,000	11,414,000
Purchase of investments	(13,845,739)	(740,745)
Purchases of property and equipment	(9,438,076)	(2,767,529)
Additions to beneficial interest in assets held by Foundation	(351,541)	(3,783,496)
(Increase) decrease in funds on deposit with AoA Deposit and Loan Fund Trust	(8,112)	17,936,000
Net cash provided by (used in) investing activities	(21,543,468)	22,058,230

(Continued)

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

Catholic Education of North Georgia, Inc.
Statements of Cash Flows (Continued)

<i>For the years ended June 30,</i>	2022	2021
Financing Activities		
Donor restricted contributions and income	(6,672,184)	(4,030,195)
Proceeds from line of credit, related party	5,000,000	-
Payments on bonds payable	-	(29,550,000)
Proceeds from Paycheck Protection Program loan	-	643,300
Payments on capital lease obligation	(180,025)	(138,250)
Payment for termination of interest rate swap agreement	-	(1,319,000)
Cash provided by (used in) financing activities	(1,852,209)	(34,394,145)
Net change in cash and cash equivalents	(6,370,702)	(1,930,967)
Cash and cash equivalents at beginning of year	21,966,399	23,897,366
Cash and cash equivalents at end of year	\$ 15,595,697	\$ 21,966,399

Schedule of Noncash Transactions

Cash paid for interest	\$ 72,061	\$ 505,181
Capital lease obligation incurred for acquisition of equipment	\$ 220,452	\$ 234,981
Accounts payable and accrued expenses incurred for purchases for property and equipment	\$ 1,024,443	\$ 647,933

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

Catholic Education of North Georgia, Inc. Notes to the Financial Statements

Note 1: DESCRIPTION OF THE ORGANIZATION

Catholic Education of North Georgia, Inc. (CENGI) is a Georgia nonprofit organization, which has been granted tax exempt status under Section 501(c)(3) of the Internal Revenue Code. CENGI owns and operates the following schools:

- Blessed Trinity Catholic High School
- Holy Redeemer Catholic School
- Our Lady of Mercy Catholic High School
- Our Lady of Victory Catholic School
- Queen of Angels Catholic School
- St. Pius X Catholic High School

The Archbishop (Archbishop) of the Roman Catholic Archdiocese of Atlanta (Archdiocese) is the sole member of the corporation and exercises control over CENGI by appointing and approving the Board of Directors.

Beginning with the 2022-2023 school year, Our Lady of Mercy Catholic High School in Fayetteville will be renamed St. Mary's Academy and will operate as a Pre-K-12 Catholic School. The students previously enrolled at Our Lady of Victory School in Tyrone will attend St. Mary's Academy.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less.

Funds on Deposit with AoA Deposit and Loan Fund Trust

CENGI invests funds with the AoA Deposit and Loan Fund Trust. The AoA Deposit and Loan Fund Trust receives funds from various Archdiocese entities and in turn loans funds to Archdiocese entities. CENGI's funds invested in the AoA Deposit and Loan Fund Trust totaled \$1,085,905 and \$1,077,793 at June 30, 2022 and 2021, respectively. CENGI's funds invested in the AoA Deposit and Loan Fund Trust earn interest at the rate of 0.75%.

Catholic Education of North Georgia, Inc. Notes to the Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. CENGI provides for losses on accounts receivable using the allowance method. The allowance is based on experience and other circumstances, which may affect the ability of students' families to meet their obligations.

Receivables are considered impaired if full payment is not received in accordance with the contractual terms. It is CENGI's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. The allowance for doubtful accounts at June 30, 2022 and 2021, was \$85,400.

Promises to Give

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met or explicitly waived by the donor. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date.

CENGI uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. The allowance for doubtful promises to give at June 30, 2022 and 2021 was \$155,000 and \$0, respectively.

Inventory

Inventories are stated at the lower of cost or net realizable value. Cost is determined by the first-in, first-out method. When evidence exists that net realizable value of inventory is lower than its cost, the difference is recognized as a loss in the statement of activities in the period in which it occurs. Inventories consist primarily of books, school apparel and supplies.

Investments

CENGI reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends, or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

At June 30, 2022 and 2021, CENGI's investments included investments in a pooled investment fund known as the AoA Common Fund Trust. The investment allocation within the pooled investment fund includes equities and fixed income investments.

Catholic Education of North Georgia, Inc. Notes to the Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Beneficial Interest in Assets held by Foundation

CENGI is the beneficiary of certain endowments held and administered by the Catholic Foundation of North Georgia (the Foundation), the purpose of which is to support the future needs of CENGI. The Foundation has ownership and control of the endowment funds. Pursuant to financial accounting standards, CENGI's interest in the funds is valued at the net present value of CENGI's expected future cash flows from the funds and has been recorded as net assets with donor restrictions, perpetual in nature and related beneficial interest in assets held by the Foundation in the financial statements.

Property and Equipment

All acquisitions of property and equipment in excess of \$5,000 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method.

Deferred Charges

Bond issuance costs, totaling \$899,276 related to the bonds were capitalized and were being amortized to interest expense over the life of the loan. Unamortized bond issuance costs were netted with the associated bonds payable through the year ended June 30, 2021 when the bonds were paid off. Amortization to interest expense of the bond issuance costs for the year ended June 30, 2021 totaled \$194,307.

Interest Rate Swap Agreements

CENGI held derivative financial instruments for the purpose of hedging the risk of certain identifiable and anticipated transactions. In general, the types of risks hedged are those relating to the variability of LIBOR-based interest payments on bonds payable. In hedging the transactions, CENGI, in the normal course of business, held interest rate swap agreements whose purpose was to provide fixed interest payments on variable interest rate debt. Interest rate swap agreements are further discussed in Note 8.

Net Assets

CENGI reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and are not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of CENGI, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The governing board has designated, from net assets without donor restrictions, net assets for various reserves (Notes 3 and 13).

Catholic Education of North Georgia, Inc. Notes to the Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets (continued)

Net assets with donor restrictions are resources that are subject to donor imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Revenue Recognition

Student tuition, enrollment and application fees, and student activity fees are accounted for under ASC Topic 606, *Revenue from Contracts with Customers* (ASC 606), recognizing revenue when performance obligations under the terms of the contracts with student families are satisfied.

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

Contributed Assets

Contributed investments and other noncash donations are recorded as contributions at their fair value at the date of donation.

Contributed Services

Contributed services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by CENGI. Volunteers provided fund-raising services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Functional Allocation of Expenses

Directly identifiable expenses are charged to program and supporting services. Other expenses that are common to several functions, such as payroll, utilities, insurance, depreciation and interest, are allocated among the programs and supporting activities based on time spent and estimates of asset usage.

Advertising

CENGI uses advertising to promote its programs among the audience it serves. The production costs of advertising are expensed as incurred. During the years ended June 30, 2022 and 2021, advertising costs totaled \$110,941 and \$57,369, respectively.

Catholic Education of North Georgia, Inc. Notes to the Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Development and Fundraising Revenue and Expenses

Fundraising revenue and expenses are related to special events and activities of the various parent associations and other groups whose primary function is to raise additional funds for the schools. Development and fundraising expenses include costs of the development offices and other related fundraising expenses, including advertising, brochures, special events and other similar expenses.

Income Taxes

CENGI is included in the group exemption issued by the United States Conference of Catholic Bishops and thereby has been granted exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the financial statements. Income from certain activities not directly related to CENGI's tax-exempt purpose is subject to taxation as unrelated business income. CENGI considers substantially all of its activities to be directly related to its exempt purpose in 2022 and 2021.

Reclassifications

Certain reclassifications were made to prior year balances to conform with current year presentation. Total net assets and changes in net assets are unchanged due to these reclassifications.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, February 17, 2023. See Note 18 for relevant disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Recently Adopted Accounting Guidance

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This ASU specifies requirements for the recognition and initial measurement of contributions and disclosure requirements for contributed services. The ASU is effective for fiscal years beginning after June 15, 2021, within these financial statements. There were no adjustments resulting from the adoption of this accounting policy.

Accounting Guidance not yet Adopted

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU and its amendments supersedes the leasing guidance in Topic 840, entitled *Leases*. Under the guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. For nonpublic entities, the standard is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. CENGI is currently evaluating the impact of the guidance on its financial statements.

Catholic Education of North Georgia, Inc.
Notes to the Financial Statements

Note 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY

CENGI maintains its financial assets primarily in cash and cash equivalents to provide liquidity to ensure funds are available as CENGI's expenditures become due. The following reflects CENGI's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions:

<i>June 30,</i>	2022	2021
Total assets at year end	\$ 180,302,282	\$ 179,515,397
Less non-financial assets:		
Inventory	(574,249)	(594,023)
Property and equipment, net	(73,055,180)	(66,725,000)
Other assets	(1,134,057)	(942,487)
Total financial assets	105,538,796	111,253,887
Less amounts not available to be used within one year:		
Board designated	3,036,815	3,753,443
Restricted by donor with time or purpose restrictions	61,264,730	65,878,681
Total amounts not available for use	64,301,545	69,632,124
Financial assets available to meet cash needs for general expenditures within one year	\$ 41,237,251	\$ 41,621,763

Part of CENGI's liquidity management policy is to structure its financial assets to be available for its general expenditures and other obligations that come due. Certain amounts have been board-designated for various purposes, however, a portion of these amounts could be made available if necessary.

Catholic Education of North Georgia, Inc.
Notes to the Financial Statements

Note 4: CAPITAL CAMPAIGN AND PROMISES TO GIVE

Promises to give at June 30, 2022 and 2021, consist primarily of pledges related to a capital campaign at St. Pius X Catholic High School announced in September 2019.

Promises to give as of June 30, 2022 and 2021, consist of the following:

<i>June 30,</i>	2022	2021
Promises to give, beginning of year	\$ 3,478,073	\$ 2,584,761
Contributions from promises	2,755,622	2,424,432
Payments received on promises	(3,092,908)	(1,527,708)
Write-offs	(3,500)	(3,412)
	3,137,287	3,478,073
Less net present value adjustment	(25,400)	(29,655)
Less allowance for uncollectible promises to give	(155,000)	-
Total	\$ 2,956,887	\$ 3,448,418
Amounts due in:		
Less than one year	\$ 1,707,765	\$ 1,477,537
Within two to five years	1,429,522	2,000,536
Total	\$ 3,137,287	\$ 3,478,073

Note 5: INVESTMENTS

At June 30, 2022 and 2021, investments consisted of the following:

	2022		2021	
	Cost	Fair Value	Cost	Fair Value
Short-term investments	\$ 1,793,152	\$ 1,793,152	\$ 1,166,762	\$ 1,166,762
Corporate obligations	7,236,109	6,685,792	6,148,441	6,366,136
Equity securities	15,241,437	16,780,062	15,247,211	22,845,630
Equity mutual funds	7,818,903	9,319,756	10,663,129	15,189,918
Debt mutual funds	15,869,950	13,681,739	14,941,792	14,809,581
U.S. government obligations	20,070,534	19,732,269	7,942,881	7,883,170
Pooled investment funds	5,432,417	6,362,906	2,348,305	3,680,393
Total	\$ 73,462,502	\$ 74,355,676	\$ 58,458,521	\$ 71,941,590

Investment income is reported net of related external and direct internal investment expenses in the statement of activities. The amount of expenses netted with income was \$255,931 and \$253,451 for the years ended June 30, 2022 and 2021, respectively.

Catholic Education of North Georgia, Inc.
Notes to the Financial Statements

Note 6: PROPERTY AND EQUIPMENT

The components of property and equipment at June 30, 2022 and 2021, are as follows:

<i>June 30,</i>	Estimated Useful Lives (in years)	2022	2021
Land improvements	5-20	\$ 10,955,185	\$ 10,713,656
Buildings	40-50	77,842,850	76,989,440
Furniture and equipment	5-10	24,709,950	24,987,883
Automobiles	7	1,339,035	1,344,805
Total depreciable property and equipment		114,847,020	114,035,784
Less accumulated depreciation		(64,504,794)	(62,827,409)
Total depreciable property and equipment, net		50,342,226	51,208,375
Land		16,305,075	14,689,153
Construction in progress		6,407,879	827,472
Property and equipment, net		\$ 73,055,180	\$ 66,725,000

Depreciation expense for the years ended June 30, 2022 and 2021, was \$4,025,237 and \$3,876,982, respectively.

Approximately \$5,145,000 and \$503,000 of the construction in progress at June 30, 2022 and 2021, respectively, represents costs incurred for building renovations at Our Lady of Mercy in preparation of the opening of St. Mary's Academy (Note 1) for the 2022-2023 school year.

Approximately \$1,239,000 and \$48,000 of the construction in progress at June 30, 2022 and 2021, respectively, represents architect fees and construction costs related to the capital campaign project for St. Pius X Catholic High School. The total contract sum was approximately \$14,800,000 when renovations began in May 2022 and will be completed over the next several years. As of June 30, 2022, CENGI had \$447,000 in unpaid liabilities under the renovation contract. The remaining commitments for contracts entered into as of June 30, 2022 is approximately \$13,200,000.

Note 7: BONDS PAYABLE AND LINE OF CREDIT

CENGI previously held tax-exempt educational facilities revenue bonds. All of the educational bonds required monthly interest payments of LIBOR plus .78% and were scheduled to mature in varying annual amounts through April 1, 2028. During the year ended June 30, 2020, CENGI received an \$18,000,000 restricted gift (Note 11) from the Roman Catholic Archdiocese of Atlanta, Inc. (Chancery) to be used to retire some of the outstanding bonds. During the year ended June 30, 2021, the restricted gift and other funds were used to retire all of the outstanding bonds. As discussed in Note 8, CENGI had entered into interest rate swap agreements that provided for fixed rates of interest on the bonds.

Interest expense on the bonds payable and interest rate swap agreements totaled \$386,369 for the year ended June 30, 2021.

Catholic Education of North Georgia, Inc. Notes to the Financial Statements

Note 7: BONDS PAYABLE AND LINE OF CREDIT (Continued)

CENGI entered into a revolving line of credit (LOC) with a financial institution during the year ended June 30, 2018 with a maturity date of June 18, 2021. The LOC had a maximum borrowing limit of \$3,000,000. Interest accrued at a variable rate of the 30 day Libor plus 1% and is payable monthly. There were no draws on the LOC during the year ended June 30, 2021. The financial institution held a security interest on all of CENGI's deposit accounts held at the financial institution.

CENGI entered into a new revolving line of credit (LOC) with a financial institution during the year ended June 30, 2021, with a maturity date of June 15, 2024. The LOC has a maximum borrowing limit of \$3,000,000. Interest accrues at 2% under index (the margin) but no less than 1.25% per annum. There were no draws on the LOC during the years ended June 30, 2022 and 2021. The financial institution requires CENGI to maintain a minimum deposit balance with the lender for \$1,500,000.

The Board of Directors determined CENGI had a need to borrow funds to pay for capital improvements for St. Mary's Academy (Note 1). On June 20, 2021, the Board of Directors approved that CENGI may borrow funds from AoA Deposit and Loan Fund, LLC and executed a line of credit to borrow funds up to \$7,500,000 with an interest rate of 3%. The loan is secured by the real estate asset currently known as Our Lady of Mercy High School. As of June 30, 2022, CENGI had drawn \$5,000,000 of the line of credit.

Note 8: INTEREST RATE SWAP AGREEMENTS

In order to mitigate its exposure to interest rate fluctuations, CENGI entered into interest rate swap agreements that provided for fixed rates of interest on the school bonds (Note 7). The purpose of entering into these swaps was to eliminate long-term interest rate variability by converting LIBOR-based variable-rate payments to fixed-rate payments. CENGI's interest rate swap agreements had been designed and qualified as cash flow hedging instruments. The fair value of the liabilities represented the discounted amount CENGI would have to pay the bank to terminate the agreements at the respective balance sheet dates. The change in fair value of the interest rate swap agreements is recorded in the statements of activities as a gain or loss on interest rate swap agreements.

By using a derivative financial instrument to hedge its exposure to changes in interest rates, CENGI exposed itself to credit and market risk. Credit risk is the failure of the counter party to perform under the terms of the derivative contract. When the fair value of a derivative contract is positive, the counter party owes CENGI, which creates credit risk for CENGI. When the fair value of a derivative contract is negative CENGI owes the counter party and, therefore, it does not possess credit risk. CENGI minimized the credit risk in derivative instruments by entering into transactions with high-quality counter parties.

Market risk is an adverse effect on the value of a financial instrument that results from a change in interest rates. The market risk associated with interest rate contracts is managed by establishing the monitoring parameters that limit the types and degree of market risk that may be undertaken.

Catholic Education of North Georgia, Inc.
Notes to the Financial Statements

Note 8: INTEREST RATE SWAP AGREEMENTS (Continued)

The table below summarize the swap agreement information reported in the financial statements as of June 30, 2021, and for the year then ended.

For the year ended June 30, 2021

Effective date	Expiration date	Notional amount	Fixed interest rate	Variable interest rate	Fair value of liability	Gain (loss) on interest rate swap
1/26/2012	N/A	N/A	3.55%	N/A	\$ -	\$ 3,065
7/1/2020	N/A	N/A	2.90%	N/A	-	382,637
Total		\$ -			\$ -	\$ 385,702

During the year ended June 30, 2021, CENGI terminated the agreement in conjunction with the extinguishment of the bonds (Note 7). CENGI paid \$1,319,000 to the bank in order to terminate the swap agreement.

Note 9: PAYCHECK PROTECTION PROGRAM LOANS

In April and May 2020, in response to the global pandemic, the schools applied for and received loans totaling \$5,826,541 through the Paycheck Protection Program (PPP) under the CARES Act. During the year ended June 30, 2021, the schools received notice that the loans had been forgiven.

During the year ended June 30, 2021, two schools applied for and received a second loan under the Economic Aid to Hard-Hit Small Business, Nonprofits and Venues Act (Economic Aid Act), which was signed into law to help address the domestic economic casualties of the pandemic. Section 311 of the act adds a second temporary program to the SBA's 7(a) Loan Program- Paycheck Protection Program (PPP) Second Draw Loans, which allows certain existing PPP borrowers to make a second borrowing. The schools received \$643,300. During the year ended June 30, 2022, the schools received notice that the loans had been forgiven.

Note 10: AGENCY FUNDS

CENGI has a number of student organizations that are associated with the schools through fundraising and other student activities. All receipts and expenditures by these organizations are handled by the schools but are not considered revenue and expenses of the schools. The excess of receipts over expenditures of these funds are liabilities of the schools and are recorded as agency funds.

Catholic Education of North Georgia, Inc.
Notes to the Financial Statements

Note 11: RESTRICTIONS ON NET ASSETS

Net assets with donor restrictions are available for the following purposes at June 30, 2022 and 2021:

<i>June 30, 2022</i>	Subject to expenditure for specified purpose and time	Perpetual in Nature	Total
Education	\$ 18,897,011	\$ 21,141,505	\$ 40,038,516
Beneficial interest in assets held by foundation	-	11,192,349	11,192,349
Other	10,033,865	-	10,033,865
Total	\$ 28,930,876	\$ 32,333,854	\$ 61,264,730

<i>June 30, 2021</i>	Subject to expenditure for specified purpose and time	Perpetual in Nature	Total
Education	\$ 25,778,922	\$ 21,311,453	\$ 47,090,375
Beneficial interest in assets held by foundation	-	12,480,152	12,480,152
Debt retirement	28,235	-	28,235
Other	6,279,919	-	6,279,919
Total	\$ 32,087,076	\$ 33,791,605	\$ 65,878,681

Note 12: REVENUE

Revenue from Tuition and Fees

Student tuition and fees are accounted for in accordance with ASC 606. Education provided during the school year is considered the primary performance obligation and, thus, tuition along with registration and application fees are recorded ratably over the course of the CENGI's year as increases in net assets without restrictions, net of applicable discounts. Tuition and fees received in advance are deferred until the applicable school term and are recorded as contract liabilities on the statements of financial position.

Other student activity revenue related to events and activities are recorded either at a point in time or over a period of time depending on the nature of the event or activity. Cafeteria revenue, included in revenue from student tuition, fees and other income, is recognized when meals are provided to students.

Catholic Education of North Georgia, Inc.
Notes to the Financial Statements

Note 12: REVENUE (Continued)

Revenue from Tuition and Fees (continued)

Financial aid and scholarships are awarded based on need and other factors as specified by the scholarship's donor or determined by management and are recognized ratably over the course of the school year as education is provided.

As of June 30, 2022, there are \$8,563,483 of performance obligations to be satisfied, all of which is expected to be recognized as revenue in 2023.

Contributions and Support

The Chancery provides support to CENGI schools through the tuition and operating subsidies. Additionally, the schools receive contributions throughout the year from various donors. CENGI recognizes these items as revenue when received or when an unconditional promise to give is made known, and considers them to be available for use without restriction unless the donor stipulates otherwise.

Fundraising revenue is related to special events and activities of the Home and School Associations and other groups whose primary function is to raise additional funds for the schools.

Disaggregated Revenue

A summary of disaggregated revenue information follows:

<i>For the years ended June 30,</i>	2022	2021
Tuition, net of discounts	\$ 42,274,944	\$ 41,815,070
Tuition subsidies	1,236,500	1,232,500
Enrollment and application fees	1,078,609	1,111,711
Bookstore	1,235,309	954,231
Student activities	1,389,478	866,800
Financial aid and scholarships	(3,529,036)	(3,789,983)
Total revenue from student tuition, fees and other income	43,685,804	42,190,329
Contributions	9,057,452	6,018,840
Contributions from Chancery	1,892,655	979,578
Events and fundraising	2,094,380	1,407,355
Total contributions, subsidies and support	13,044,487	8,405,773
Investment income	867,214	403,818
Other income	1,878,629	1,869,383
Total other income	2,745,843	2,273,201
Total revenue	\$ 59,476,134	\$ 52,869,303

Catholic Education of North Georgia, Inc.
Notes to the Financial Statements

Note 12: REVENUE (Continued)

Contract Balances

<i>June 30,</i>	2022	2021
Contract liabilities, beginning of year	\$ 8,348,065	\$ 7,844,515
Contract liabilities, end of year	\$ 8,563,483	\$ 8,348,065
Receivable from contracts, beginning of year	\$ 232,535	\$ 375,992
Receivable from contracts, end of year	\$ 352,282	\$ 232,535

Note 13: ENDOWMENT AND DESIGNATED INVESTMENT FUNDS

CENGI's endowment and designated investment funds consist of various funds established for educational purposes. The endowment includes both donor-restricted endowment funds and funds designated by the board to function as endowments. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

CENGI has interpreted Georgia's Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value 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 of this interpretation, CENGI classifies as net assets with donor restrictions, perpetual in nature (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment 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 net assets with donor restrictions – perpetual in nature is classified as net assets with donor restrictions – subject to expenditure for specified purpose until those amounts are appropriated for expenditure by CENGI in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, CENGI considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of CENGI and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of CENGI
7. The investment policies of CENGI

Investment Return Objectives, Risk Parameters and Strategies. CENGI has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that CENGI must hold in perpetuity or for a donor-specified period(s) as well as board-designated funds. Under this policy the endowment assets are invested in a manner that is intended to produce a reasonable rate of return under current market conditions with minimal risk. CENGI also has to maintain compliance with the Archdiocese of Atlanta investment policies.

Catholic Education of North Georgia, Inc.
Notes to the Financial Statements

Note 13: ENDOWMENT AND DESIGNATED INVESTMENT FUNDS (Continued)

Spending Policy. CENGI has a policy of appropriating for distribution each year eligible earnings from the prior year plus additional amounts as needed. Some of the donor restricted scholarships require five percent or more to be added to corpus each year. In establishing this policy, CENGI considered the long-term expected return on its endowment. Accordingly, over the long term, CENGI expects the current spending policy to allow its endowment to grow at a rate that will maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return.

The endowment fund held by the Foundation is subject to the investment and distribution policies of the Foundation.

Endowment net assets composition by type of fund as of June 30, 2022 and 2021:

<i>June 30, 2022</i>	Board designated	Subject to expenditure for specified purpose	Perpetual in Nature	Total
Donor-restricted endowment funds				
Education	\$ -	\$ 18,897,011	\$ 21,141,505	\$ 40,038,516
Beneficial interest in assets held by foundation	-	-	11,192,349	11,192,349
	-	18,897,011	32,333,854	51,230,865
Board-designated endowment funds				
Education	3,036,815	-	-	3,036,815
Total	\$ 3,036,815	\$ 18,897,011	\$ 32,333,854	\$ 54,267,680

<i>June 30, 2021</i>	Board designated	Subject to expenditure for specified purpose	Perpetual in Nature	Total
Donor-restricted endowment funds				
Education	\$ -	\$ 25,778,922	\$ 21,311,453	\$ 47,090,375
Beneficial interest in assets held by foundation	-	-	12,480,152	12,480,152
	-	25,778,922	33,791,605	59,570,527
Board-designated endowment funds				
Education	3,753,443	-	-	3,753,443
Total	\$ 3,753,443	\$ 25,778,922	\$ 33,791,605	\$ 63,323,970

Catholic Education of North Georgia, Inc.
Notes to the Financial Statements

Note 13: ENDOWMENT AND DESIGNATED INVESTMENT FUNDS (Continued)

Changes in endowment net assets for the year ended June 30, 2022 and 2021:

<i>For the year ended June 30, 2022</i>	Board designated	Subject to expenditure for specified purpose	Perpetual in Nature	Total
Endowment net assets, beginning of year	\$ 3,753,443	\$ 25,778,922	\$ 33,791,605	\$ 63,323,970
Contributions	-	325,936	63,828	389,764
Transfers	-	10,577	117,765	128,342
Investment return				
Investment income	42,849	556,327	-	599,176
Net realized and unrealized depreciation	(459,477)	(5,854,138)	(1,639,344)	(7,952,959)
Appropriation for expenditure	(300,000)	(1,920,613)	-	(2,220,613)
Total	\$ 3,036,815	\$ 18,897,011	\$ 32,333,854	\$ 54,267,680

<i>For the year ended June 30, 2021</i>	Board designated	Subject to expenditure for specified purpose	Perpetual in Nature	Total
Endowment net assets, beginning of year	\$ 3,131,209	\$ 19,199,794	\$ 30,990,418	\$ 53,321,421
Contributions	-	272,174	39,486	311,660
Transfers	-	(708,152)	818,552	110,400
Investment return				
Investment income	37,555	490,287	48	527,890
Net realized and unrealized appreciation	668,679	8,123,704	1,943,101	10,735,484
Appropriation for expenditure	(84,000)	(1,598,885)	-	(1,682,885)
Total	\$ 3,753,443	\$ 25,778,922	\$ 33,791,605	\$ 63,323,970

Note 14: FAIR VALUE MEASUREMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1 – Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Catholic Education of North Georgia, Inc. Notes to the Financial Statements

Note 14: FAIR VALUE MEASUREMENTS (Continued)

Level 2 – Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
 - observable; or
 - can be corroborated by observable market data

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

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

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

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2022 and 2021.

Short-term investments: Valued at the closing price reported on the active market on which the individual securities are traded.

Equity securities: Valued at the closing price reported on the active market on which the individual securities are traded.

Corporate bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by CENGI are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by CENGI are deemed to be actively traded.

Alternative funds: Valued based on NAV per share or unit as a practical expedient as reported by the fund manager, multiplied by the number of shares or units held as of the measurement date. Accordingly, the NAV based investments have been excluded from the fair value hierarchy leveling.

Promises to give: Valued at estimated net realizable value discounted to present value at 5%. Change in value includes changes in the discount and adjustments to the allowance for uncollectible promises to give.

Beneficial interest in assets held by foundation: The fair value of beneficial interest in assets held by foundation is based upon the net present value of CENGI's expected future cash flows. CENGI does not have the ability to redeem this beneficial interest and withdrawals are limited to the terms of CENGI's agreement with the Foundation.

Catholic Education of North Georgia, Inc.
Notes to the Financial Statements

Note 14: 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 CENGI believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements at the reporting date.

Assets measured at fair value on a recurring basis are summarized for the year ended June 30, 2022:

June 30, 2022	Level 1	Level 2	Level 3	Total
Short-term investments	\$ -	\$ 1,793,152	\$ -	\$ 1,793,152
Corporate obligations - domestic bonds	-	6,556,891	-	6,556,891
Corporate obligations - international bonds	-	128,901	-	128,901
Debt funds - domestic and international	13,681,739	-	-	13,681,739
Equity securities - domestic	14,501,829	-	-	14,501,829
Equity securities - international	1,867,291	-	-	1,867,291
Equity securities - REIT	410,942	-	-	410,942
Equity funds - international	9,319,756	-	-	9,319,756
U.S. agency funds	-	1,696,034	-	1,696,034
U.S. treasury notes	-	18,036,235	-	18,036,235
	39,781,557	28,211,213	-	67,992,770
Investments, measured at net asset value				
Pooled investment funds ^(A)				6,362,906
	\$ 39,781,557	\$ 28,211,213	\$ -	\$ 74,355,676
Promises to give			\$ 2,956,887	\$ 2,956,887
Beneficial interest in assets held by foundation			\$ 11,192,349	\$ 11,192,349

Catholic Education of North Georgia, Inc.
Notes to the Financial Statements

Note 14: FAIR VALUE MEASUREMENTS (Continued)

Assets measured at fair value on a recurring basis are summarized for the year ended June 30, 2021:

<i>June 30, 2021</i>	Level 1	Level 2	Level 3	Total
Short-term investments	\$ -	\$ 1,166,762	\$ -	\$ 1,166,762
Corporate obligations - domestic bonds	-	6,190,211	-	6,190,211
Corporate obligations - international bonds	-	175,925	-	175,925
Debt funds - domestic and international	14,809,581	-	-	14,809,581
Equity securities - domestic	21,553,406	-	-	21,553,406
Equity securities - international	952,220	-	-	952,220
Equity securities - REIT	340,004	-	-	340,004
Equity funds - international	15,189,918	-	-	15,189,918
U.S. agency funds	-	3,425,500	-	3,425,500
U.S. treasury notes	-	4,457,670	-	4,457,670
	52,845,129	15,416,068	-	68,261,197
Investments, measured at net asset value				
Pooled investment funds ^(A)				3,680,393
	\$ 52,845,129	\$ 15,416,068	\$ -	\$ 71,941,590
Promises to give			\$ 3,448,418	\$ 3,448,418
Beneficial interest in assets held by foundation			\$ 12,480,152	\$ 12,480,152

^(A) Investments that are measured at fair value using the net asset value per share have been excluded from the fair value hierarchy.

Catholic Education of North Georgia, Inc.
Notes to the Financial Statements

Note 14: FAIR VALUE MEASUREMENTS (Continued)

The following is a reconciliation of the change in fair value for the years ended June 30, 2022 and 2021, for Level 3:

<i>For the years ended June 30,</i>	2022	2021
Promises to give		
Receivable at beginning of year	\$ 3,478,073	\$ 2,584,761
New pledges received	2,755,622	2,424,432
Payments on pledges	(3,092,908)	(1,527,708)
Write-offs	(3,500)	(3,412)
	3,137,287	3,478,073
Less net present value adjustment	(25,400)	(29,655)
Less allowance for uncollectible promises to give	(155,000)	-
Receivable at end of year	\$ 2,956,887	\$ 3,448,418
Beneficial interest in assets held by foundation		
Balance, beginning of year	\$ 12,480,152	\$ 6,753,555
Additions to assets held by foundation	351,541	3,783,496
Change in value	(1,639,344)	1,943,101
Balance, end of year	\$ 11,192,349	\$ 12,480,152
Interest rate swap liability		
Liability at beginning of year	\$ -	\$ (1,704,702)
Cash payment to terminate swap agreement	-	1,319,000
Gain on swap agreement	-	385,702
Liability at end of year	\$ -	\$ -

Changes in Fair Value Levels

The change in value of the interest rate swap liability in 2021, is attributable to the revaluation of the interest rate swap agreements based on the current market conditions and the cash payment to terminate the swap agreement and is included in the change in net assets for the year ended June 30, 2021.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significant of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. For the years ended June 30, 2022 and 2021, there were no significant transfers in or out of Levels 1, 2, or 3.

Catholic Education of North Georgia, Inc. Notes to the Financial Statements

Note 15: CONCENTRATIONS OF CREDIT RISK

The Financial Accounting Standards Board requires disclosure about financial instruments and related off-balance sheet risk and concentrations of credit risk. The students attending the schools are primarily with families who are members of various parishes within the Archdiocese. Any off-balance sheet risk or credit risk is dependent on the financial situation of the families and subsequent support of the Archdiocese.

CENGI places its cash with financial institutions and AoA Deposit and Loan Fund Trust. All bank accounts with financial institutions are insured by the Federal Deposit Insurance Company (FDIC) up to \$250,000. Cash and cash equivalents held by financial institutions exceeded federally insured limits during the years ended June 30, 2022 and 2021. Funds on deposit with AoA Deposit and Loan Fund Trust are not FDIC insured.

Note 16: RELATED-PARTY TRANSACTIONS

Employee Retirement Plan

CENGI participates in a defined contribution plan (the Plan) which is administered by RCAA Administrative Services, Inc. (Services) and covers substantially all lay employees who are over the age of twenty-one and have completed one year of service. Contributions to the Plan are determined based on a percentage of covered employees' salaries, not in excess of amounts allowable under the Internal Revenue Code. CENGI's contributions to the Plan on behalf of the employees were \$1,222,000 and \$1,196,000, for the years ended June 30, 2022 and 2021, respectively.

Health and Life Insurance

Health and life insurance for CENGI's employees and clergy are provided under the plans administered by Services and AoA Group Health Care Plan, LLC. Expenses related to insurance premiums during the years ended June 30, 2022 and 2021, totaled \$5,632,000 and \$5,449,000, respectively.

At June 30, 2022 and 2021, CENGI owed related parties \$549,959 and \$408,703, respectively, for retirement, health insurance, and other expenses.

Tuition and Operating Subsidies

During the years ended June 30, 2022 and 2021, CENGI received from Chancery approximately \$1,236,500 and \$1,232,500, respectively, for tuition subsidies to be used for financial aid.

During the years ended June 30, 2022 and 2021, CENGI received from Chancery approximately \$1,893,000 and \$980,000, respectively, as operating subsidies.

G.R.A.C.E. Scholars, Inc.

During the year ended June 30, 2022, CENGI donated \$800,000 to G.R.A.C.E. Scholars, Inc. to be used to fund scholarships for students enrolled in the new K through 12th grade school, St. Mary's Academy, a division of CENGI.

Catholic Education of North Georgia, Inc.
Notes to the Financial Statements

Note 16: RELATED-PARTY TRANSACTIONS (Continued)

Other

CENGI issued tax-exempt bonds (Note 7) to finance land, buildings and equipment at various CENGI schools. Through June 2020, repayment of the debt has primarily been through the annual parish school assessment provided to CENGI by the Chancery. The parish school assessment totaled \$0 for the year ended June 30, 2021. Accounts receivable—Chancery of \$107,000 June 30, 2021, represents amounts owed to CENGI for the parish school assessment.

In June 2020, the Chancery made a restricted gift to CENGI of \$18,000,000 to be used to reduce the \$29,550,000 of bond debt. This restriction was released during the year ended June 30, 2021 in relation to the bond payoff (Note 7). Now that the bond debt has been retired, CENGI will no longer receive the parish school assessment. CENGI is increasing tuition to help cover the cost of operations, but plans to offer substantial discounts to active Catholic parishioners. Management anticipates that the tuition charged to current active Catholic parishioners will not increase due to these changes in tuition structure.

Note 17: UNCERTAINTAINES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of CENGI. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

Note 18: SUBSEQUENT EVENTS

Management evaluated all events or transactions that occurred after June 30, 2022 through February 17, 2023, the date the School's financial statements were available to be issued. The following occurred:

Opening of St. Mary's Academy

On July 1, 2022, Our Lady of Mercy Catholic High School in Fayetteville was renamed St. Mary's Academy and began operations as a PreK-12 Catholic School. The students previously enrolled at Our Lady of Victory Catholic School in Tyrone, Georgia, a CENGI school, also began attending St. Mary's Academy for the fall semester of 2022.



ACCOMPANYING INFORMATION





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INDEPENDENT AUDITORS' REPORT ON ACCOMPANYING INFORMATION

Board of Directors
Catholic Education of North Georgia, Inc.
Atlanta, Georgia

We have audited the financial statements of Catholic Education of North Georgia, Inc. as of and for the years ended June 30, 2022 and **2021**, and our report thereon dated, February 17, 2023, which expressed an unmodified opinion on those financial statements, appears on pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying information on pages 35 to 39 is presented for the purpose of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Atlanta, Georgia
February 17, 2023

Catholic Education of North Georgia, Inc.
Combining Statement of Financial Position

June 30, 2022

	Catholic Education of North Georgia	St. Pius X	Blessed Trinity	Our Lady of Mercy	Holy Redeemer	Queen of Angels	Our Lady of Victory	Combining Adjustments	Total
Assets									
Cash and cash equivalents	\$ 5,548,830	\$ 5,498,181	\$ 2,227,722	\$ 812,720	\$ 560,544	\$ 646,035	\$ 301,665	\$ -	\$ 15,595,697
Funds on deposit with CENGI	-	22,910,292	10,967,313	1,333,855	8,481,754	2,731,524	140,037	(46,564,775)	-
Funds on deposit with AoA Deposit and Loan Fund Trust	1,085,905	-	-	-	-	-	-	-	1,085,905
Accounts receivable, net	50,118	34,269	149,588	58,343	22,418	8,173	29,373	-	352,282
Promises to give, net	-	2,956,887	-	-	-	-	-	-	2,956,887
Inventory	-	155,768	310,022	-	-	108,459	-	-	574,249
Investments	74,307,230	48,446	-	-	-	-	-	-	74,355,676
Beneficial interest in assets held by Foundation	-	8,254,572	1,565,691	60,591	600,233	661,581	49,681	-	11,192,349
Property and equipment, net	430,266	21,257,271	19,426,386	17,000,801	5,025,155	6,282,142	3,633,159	-	73,055,180
CENGI Deposit and Loan Fund receivable	10,798,000	-	-	-	-	-	-	(10,798,000)	-
Other assets	8,844	731,375	201,838	255	93,971	97,774	-	-	1,134,057
Total assets	\$ 92,229,193	\$ 61,847,061	\$ 34,848,560	\$ 19,266,565	\$ 14,784,075	\$ 10,535,688	\$ 4,153,915	\$ (57,362,775)	\$ 180,302,282
Liabilities and Net Assets									
Liabilities									
Accounts payable and accrued expenses	\$ 8,174	\$ 1,952,430	\$ 1,246,588	\$ 665,461	\$ 426,586	\$ 539,173	\$ 59,181	\$ -	\$ 4,897,593
Accounts payable - related parties	-	274,387	96,623	97,645	68,208	6,071	7,025	-	549,959
Deposits payable	46,564,775	-	-	-	-	-	-	(46,564,775)	-
Contract liabilities	-	3,068,140	3,494,676	197,814	344,561	1,458,292	-	-	8,563,483
AoA Deposit and Loan Fund payable	-	-	-	5,000,000	-	-	-	-	5,000,000
CENGI Deposit and Loan Fund LOC	-	-	8,014,000	-	1,387,500	1,396,500	-	(10,798,000)	-
Agency funds	-	297,326	-	-	-	-	-	-	297,326
Total liabilities	46,572,949	5,592,283	12,851,887	5,960,920	2,226,855	3,400,036	66,206	(57,362,775)	19,308,361
Net assets									
Without donor restrictions									
Undesignated	4,173,775	37,722,675	19,237,431	13,245,054	11,956,987	6,318,426	4,038,028	-	96,692,376
Designated investment funds	3,036,815	-	-	-	-	-	-	-	3,036,815
	7,210,590	37,722,675	19,237,431	13,245,054	11,956,987	6,318,426	4,038,028	-	99,729,191
With donor restrictions									
Purpose restrictions	18,445,654	10,212,287	107,521	-	-	155,645	-	-	28,921,107
Time restrictions	-	-	9,769	-	-	-	-	-	9,769
Perpetual in nature	20,000,000	8,319,816	2,641,952	60,591	600,233	661,581	49,681	-	32,333,854
Total net assets	45,656,244	56,254,778	21,996,673	13,305,645	12,557,220	7,135,652	4,087,709	-	160,993,921
Total liabilities and net assets	\$ 92,229,193	\$ 61,847,061	\$ 34,848,560	\$ 19,266,565	\$ 14,784,075	\$ 10,535,688	\$ 4,153,915	\$ (57,362,775)	\$ 180,302,282

See Independent Auditors' Report on Accompanying Information.

Catholic Education of North Georgia, Inc.
Combining Statement of Activities

For the year ended June 30, 2022

	Catholic Education of North Georgia	St. Pius X	Blessed Trinity	Our Lady of Mercy	Holy Redeemer	Queen of Angels	Our Lady of Victory	Combining Adjustments	Total
Revenues									
Tuition, net of discounts	\$ -	\$ 16,102,360	\$ 13,704,272	\$ 2,439,441	\$ 4,527,289	\$ 4,534,739	\$ 966,843	\$ -	\$ 42,274,944
Tuition subsidies	-	200,000	120,000	525,000	50,000	51,500	290,000	-	1,236,500
Enrollment and application fees	-	377,600	439,650	59,639	27,750	158,370	15,600	-	1,078,609
Bookstore	-	588,294	647,015	-	-	-	-	-	1,235,309
Student activities	-	106,835	333,747	37,384	409,352	484,490	17,670	-	1,389,478
Financial aid and scholarships	-	(992,015)	(817,230)	(780,290)	(258,160)	(164,020)	(342,321)	(175,000)	(3,529,036)
Total revenue from student tuition, fees and other income	-	16,383,074	14,427,454	2,281,174	4,756,231	5,065,079	947,792	(175,000)	43,685,804
Contributions and support	-	8,050,479	1,444,653	829,094	645,690	412,623	139,293	(370,000)	11,151,832
Contributions from Chancery	-	-	-	1,490,000	-	-	402,655	-	1,892,655
Investment income	883,451	129,851	76,752	3,607	60,207	30,283	746	(317,683)	867,214
Other income	-	1,581,977	90,246	24,575	132,284	34,266	15,281	-	1,878,629
Total revenue	883,451	26,145,381	16,039,105	4,628,450	5,594,412	5,542,251	1,505,767	(862,683)	59,476,134
Expenses									
<i>Program services</i>									
Instructional expenses	-	9,313,051	8,110,917	1,928,577	2,681,349	3,177,406	908,831	-	26,120,131
Student services	-	7,046,391	3,992,478	861,895	1,183,052	926,367	401,297	-	14,411,480
Operations	1,733,000	1,258,162	1,354,248	578,162	390,349	461,987	62,325	(545,000)	5,293,233
<i>Support services</i>									
General and administrative	799,039	1,716,485	1,232,251	759,108	598,300	600,328	309,601	(317,683)	5,697,429
Development and fundraising	-	915,870	498,037	180,352	196,569	215,020	19,523	-	2,025,371
Total expenses	2,532,039	20,249,959	15,187,931	4,308,094	5,049,619	5,381,108	1,701,577	(862,683)	53,547,644
Change in net assets before other additions (reductions)	(1,648,588)	5,895,422	851,174	320,356	544,793	161,143	(195,810)	-	5,928,490
Other additions (reductions)									
Realized and unrealized gain (loss) on investments	(9,331,703)	-	-	-	-	-	-	-	(9,331,703)
Change in value of beneficial interest	-	(1,205,383)	(229,901)	(8,138)	(89,709)	(98,747)	(7,466)	-	(1,639,344)
Loss on disposal of property	-	-	-	-	-	(2,535)	-	-	(2,535)
Forgiveness of Paycheck Protection Program loans	-	-	-	454,550	-	-	188,750	-	643,300
Total other additions (reductions)	(9,331,703)	(1,205,383)	(229,901)	446,412	(89,709)	(101,282)	181,284	-	(10,330,282)
Change in net assets	(10,980,291)	4,690,039	621,273	766,768	455,084	59,861	(14,526)	-	(4,401,792)
Net assets at beginning of year	56,636,535	51,564,739	21,375,400	12,538,877	12,102,136	7,075,791	4,102,235	-	165,395,713
Net assets at end of year	\$ 45,656,244	\$ 56,254,778	\$ 21,996,673	\$ 13,305,645	\$ 12,557,220	\$ 7,135,652	\$ 4,087,709	\$ -	\$ 160,993,921

See Independent Auditors' Report on Accompanying Information.

Catholic Education of North Georgia, Inc.
Investments at Fair Value

<i>June 30,</i>	2022				2021	
	Operational Savings	Deposit and Loan Funds	Designated Investment Funds	Endowment Funds	Total Fair Value	Total Fair Value
Catherine Brisbane Tuition Assistance Fund	\$ -	\$ -	\$ 640,122	\$ -	\$ 640,122	\$ 728,557
Catholic Schools Fund	-	-	-	38,546,947	38,546,947	45,654,656
Deposit and Loan Fund	-	19,787,969	-	-	19,787,969	22,528,109
Gertrude Aulbach Tuition Assistance	-	-	607,555	-	607,555	691,839
George Aulbach Scholarship Fund	-	-	480,362	-	480,362	546,530
High School Scholarship Fund	-	-	1,314,158	-	1,314,158	1,791,899
CENGI bonds	12,930,117	-	-	-	12,930,117	-
St. Pius - Thomas Mall Notre Dame Scholarship Fund	-	-	48,446	-	48,446	-
Investment balances at end of year	\$ 12,930,117	\$ 19,787,969	\$ 3,090,643	\$ 38,546,947	\$ 74,355,676	\$ 71,941,590

Catholic Education of North Georgia, Inc.
Changes in Designated Investment and Endowment Fund Balances

For the year ended June 30, 2022

	June 30, 2021 Balance	Additions					Change in value of beneficial interest	Total Additions	Deductions			Net Increase (Decrease) in Funds	June 30, 2022 Balance
		Donations and Pledges	Investment Income	Transfers (to) from Operating Funds	Realized and Unrealized Gain (Loss) on Investments	Total Distributions to Beneficiary			Income Transferred to Operating Funds	Total Deductions			
Changes in Designated Investment Fund Balances													
Catherine Brisbane Tuition Asst. Fund	\$ 728,557	\$ -	\$ 8,975	\$ -	\$ (97,410)	\$ -	\$ (88,435)	\$ -	\$ -	\$ -	\$ (88,435)	\$	640,122
Gertrude Aulbach Tuition Assistance	691,839	-	8,535	-	(92,819)	-	(84,284)	-	-	-	(84,284)	-	607,555
George Aulbach Scholar Fund	546,530	-	6,725	-	(72,893)	-	(66,168)	-	-	-	(66,168)	-	480,362
High School Scholarship Fund	1,786,517	-	18,614	-	(196,355)	-	(177,741)	-	300,000	300,000	(477,741)	-	1,308,776
Total	\$ 3,753,443	\$ -	\$ 42,849	\$ -	\$ (459,477)	\$ -	\$ (416,628)	\$ -	\$ 300,000	\$ 300,000	\$ (716,628)	\$	\$ 3,036,815
Changes in Endowment Fund Balances													
Blessed Trinity Catholic High School beneficial interests	\$ 1,795,592	\$ -	\$ -	\$ -	\$ -	\$ (229,901)	\$ (229,901)	\$ -	\$ -	\$ -	\$ (229,901)	\$	1,565,691
Blessed Trinity Catholic High School endowment	1,089,512	75,998	8,999	19,042	-	-	104,039	-	-	-	104,039	-	1,193,551
Catholic Schools Inc.	45,553,363	-	546,429	-	(5,854,138)	-	(5,307,709)	1,800,000	-	1,800,000	(7,107,709)	-	38,445,654
Holy Redeemer Catholic School beneficial interests	689,942	-	-	-	-	(89,709)	(89,709)	-	-	-	(89,709)	-	600,233
Queen of Angels Catholic School beneficial interests	760,328	-	-	-	-	(98,747)	(98,747)	-	-	-	(98,747)	-	661,581
Our Lady of Mercy Catholic High School beneficial interests	68,729	-	-	-	-	(8,138)	(8,138)	-	-	-	(8,138)	-	60,591
Our Lady of Victory Catholic School beneficial interests	57,147	-	-	-	-	(7,466)	(7,466)	-	-	-	(7,466)	-	49,681
St. Pius X Catholic High School beneficial interests	9,108,414	-	-	351,541	-	(1,205,383)	(853,842)	-	-	-	(853,842)	-	8,254,572
St. Pius X Catholic High School endowment	447,500	313,766	898	(242,240)	-	-	72,424	-	120,613	120,613	(48,189)	-	399,311
Total	\$ 59,570,527	\$ 389,764	\$ 556,326	\$ 128,343	\$ (5,854,138)	\$ (1,639,344)	\$ (6,419,049)	\$ 1,800,000	\$ 120,613	\$ 1,920,613	\$ (8,339,662)	\$	\$ 51,230,865

Catholic Education of North Georgia, Inc.
Property and Equipment

For the year ended June 30, 2021

	Estimated Useful Lives (in years)	June 30, 2021 Balance	Additions	Reductions	June 30, 2022 Balance	Catholic Education of North Georgia	St. Pius	Blessed Trinity	Our Lady of Mercy	Holy Redeemer	Queen of Angels	Our Lady Victory	June 30, 2022 Total
Land	Not depreciated	\$ 14,689,153	\$ 1,615,922	\$ -	\$ 16,305,075	\$ 430,266	\$ 8,555,313	\$ 2,773,983	\$ 2,025,442	\$ 1,196,372	\$ 1,058,825	\$ 264,874	\$ 16,305,075
Land improvements	15	10,713,656	244,004	2,475	10,955,185	-	3,200,160	5,414,085	-	920,950	1,365,980	54,010	10,955,185
Buildings	40-50	76,989,440	1,242,469	389,059	77,842,850	-	20,681,528	22,140,913	16,480,765	5,952,090	6,855,848	5,731,706	77,842,850
Furniture, fixtures, and equipment	5-10	24,987,883	1,636,435	1,914,368	24,709,950	-	5,409,717	9,398,752	2,253,190	2,494,369	3,573,647	1,580,275	24,709,950
Automobiles	7	1,344,805	46,992	52,762	1,339,035	-	459,261	554,909	324,865	-	-	-	1,339,035
Construction in progress	Not depreciated	827,472	5,856,653	276,246	6,407,879	-	1,239,438	23,091	5,145,350	-	-	-	6,407,879
		129,552,409	10,642,475	2,634,910	137,559,974	430,266	39,545,417	40,305,733	26,229,612	10,563,781	12,854,300	7,630,865	137,559,974
Less: accumulated depreciation		(62,827,409)	(4,025,237)	(2,347,852)	(64,504,794)	-	(18,288,146)	(20,879,347)	(9,228,811)	(5,538,626)	(6,572,158)	(3,997,706)	(64,504,794)
Total		\$ 66,725,000	\$ 6,617,238	\$ 287,058	\$ 73,055,180	\$ 430,266	\$ 21,257,271	\$ 19,426,386	\$ 17,000,801	\$ 5,025,155	\$ 6,282,142	\$ 3,633,159	\$ 73,055,180

See Independent Auditors' Report on Accompanying Information.