



Roman Catholic Archdiocese of Atlanta, Inc.

FINANCIAL STATEMENTS

June 30, 2022 and 2021

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REPORT





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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Roman Catholic Archdiocese of Atlanta, Inc.
Atlanta, Georgia

Opinion

We have audited the accompanying financial statements of Roman Catholic Archdiocese of Atlanta, Inc. (a nonprofit organization), 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 Roman Catholic Archdiocese of Atlanta, Inc. (Chancery) 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 Chancery 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 Chancery'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 Chancery'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 Chancery'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 4, 2023



FINANCIAL STATEMENTS



Roman Catholic Archdiocese of Atlanta, Inc.
Statements of Financial Position

June 30, 2022

	Without donor restrictions	With donor restrictions	Total
Assets			
Cash and cash equivalents	\$ 329,794	\$ -	\$ 329,794
Funds on deposit with AoA Deposit and Loan Fund Trust	7,021,415	-	7,021,415
Accounts receivable, net	820,973	-	820,973
SPOC receivable, net	5,851,908	-	5,851,908
Promises to give, net	2,847,225	-	2,847,225
Investments at fair value	1,446,985	895,729	2,342,714
Beneficial interest in assets held by Foundation	-	15,856,503	15,856,503
Split-interest agreement	-	2,012,299	2,012,299
Property and equipment, net	4,385,067	-	4,385,067
Other assets	2,168,130	-	2,168,130
Due from related parties	8,569,358	-	8,569,358
Total assets	\$ 33,440,855	\$ 18,764,531	\$ 52,205,386
Liabilities and Net Assets			
Liabilities			
Accounts payable	\$ 7,531,332	\$ -	\$ 7,531,332
Contract liabilities	3,688	-	3,688
Total liabilities	7,535,020	-	7,535,020
Net assets			
Without donor restrictions			
Designated investment funds	13,688,710	-	13,688,710
Designated operating funds	7,000,000	-	7,000,000
Undesignated	5,217,125	-	5,217,125
With donor restrictions			
Purpose and time restrictions	-	2,524,397	2,524,397
Perpetual in nature	-	16,240,134	16,240,134
Total net assets	25,905,835	18,764,531	44,670,366
Total liabilities and net assets	\$ 33,440,855	\$ 18,764,531	\$ 52,205,386

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

**Roman Catholic Archdiocese of Atlanta, Inc.
Statements of Financial Position (Continued)**

June 30, 2021

	Without donor restrictions	With donor restrictions	Total
Assets			
Cash and cash equivalents	\$ 343,264	\$ -	\$ 343,264
Funds on deposit with AoA Deposit and Loan Fund Trust	32,811	-	32,811
Accounts receivable, net	580,144	-	580,144
SPOC receivable, net	7,388,354	-	7,388,354
Promises to give, net	2,016,646	-	2,016,646
Investments at fair value	1,932,879	983,782	2,916,661
Beneficial interest in assets held by Foundation	-	19,167,003	19,167,003
Split-interest agreement	-	2,012,299	2,012,299
Property and equipment, net	4,631,187	-	4,631,187
Other assets	1,630,436	-	1,630,436
Due from related parties	13,126,939	-	13,126,939
Total assets	\$ 31,682,660	\$ 22,163,084	\$ 53,845,744
Liabilities and Net Assets			
Liabilities			
Accounts payable	\$ 4,586,774	\$ -	\$ 4,586,774
Custodial funds payable	573,126	-	573,126
Contract liabilities	407,536	-	407,536
Total liabilities	5,567,436	-	5,567,436
Net assets			
Without donor restrictions			
Designated investment funds	13,601,474	-	13,601,474
Undesignated	12,513,750	-	12,513,750
With donor restrictions			
Purpose and time restrictions	-	2,612,446	2,612,446
Perpetual in nature	-	19,550,638	19,550,638
Total net assets	26,115,224	22,163,084	48,278,308
Total liabilities and net assets	\$ 31,682,660	\$ 22,163,084	\$ 53,845,744

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

Roman Catholic Archdiocese of Atlanta, Inc.
Statements of Activities

For the year ended June 30, 2022

	Without donor restrictions	With donor restrictions	Total
Revenues			
Contributions			
Annual appeal	\$ 8,876,424	\$ 4,086	\$ 8,880,510
Assessments	18,332,596	-	18,332,596
Other	1,839,139	-	1,839,139
Other revenues	1,886,620	8,295	1,894,915
Total revenues	30,934,779	12,381	30,947,160
Expenses			
<i>Program services</i>			
Pastoral	10,955,774	-	10,955,774
Education	8,884,836	-	8,884,836
Social services	1,273,617	-	1,273,617
Communications	1,886,301	-	1,886,301
Plant fund	405,348	-	405,348
<i>Supporting services</i>			
General and administrative	7,456,506	-	7,456,506
Total operating expenses	30,862,382	-	30,862,382
Change in net assets before other additions and (reductions)	72,397	12,381	84,778
Other Additions (Reductions)			
Realized and unrealized loss on investments	(219,863)	(96,348)	(316,211)
Change in value of beneficial interest	-	(3,314,586)	(3,314,586)
Change in value of SPOC receivable	(61,000)	-	(61,000)
Loss on disposal of property and equipment	(923)	-	(923)
Total other additions (reductions)	(281,786)	(3,410,934)	(3,692,720)
Change in net assets	(209,389)	(3,398,553)	(3,607,942)
Net assets at beginning of year	26,115,224	22,163,084	48,278,308
Net assets at end of year	\$ 25,905,835	\$ 18,764,531	\$ 44,670,366

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

Roman Catholic Archdiocese of Atlanta, Inc.
Statements of Activities (Continued)

For the year ended June 30, 2021

	Without donor restrictions	With donor restrictions	Total
Revenues			
Contributions			
Annual appeal	\$ 8,247,706	\$ 5,372	\$ 8,253,078
Assessments	17,561,888	-	17,561,888
Other	1,229,464	-	1,229,464
Other revenues	1,579,029	6,667	1,585,696
Total revenues	28,618,087	12,039	28,630,126
Expenses			
<i>Program services</i>			
Pastoral	11,955,631	-	11,955,631
Education	6,763,591	-	6,763,591
Social services	1,189,713	-	1,189,713
Communications	1,883,699	-	1,883,699
Plant fund	547,793	-	547,793
<i>Supporting services</i>			
General and administrative	7,535,876	-	7,535,876
Total operating expenses	29,876,303	-	29,876,303
Change in net assets before other additions and (reductions)	(1,258,216)	12,039	(1,246,177)
Other Additions (Reductions)			
Realized and unrealized gain on investments	277,623	142,537	420,160
Change in value of beneficial interest	-	3,744,865	3,744,865
Change in value of SPOC receivable	132,000	-	132,000
Forgiveness of Paycheck Protection Program loan	2,137,633	-	2,137,633
Total other additions (reductions)	2,547,256	3,887,402	6,434,658
Change in net assets	1,289,040	3,899,441	5,188,481
Net assets at beginning of year	24,826,184	18,263,643	43,089,827
Net assets at end of year	\$ 26,115,224	\$ 22,163,084	\$ 48,278,308

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

Roman Catholic Archdiocese of Atlanta, Inc.
Statements of Functional Expenses

For the year ended June 30, 2022

	Program services					Supporting services		Total Expenses
	Pastoral	Education	Social Services	Communications	Plant Fund Expenses	Total Program Expenses	General and Administrative Expenses	
Salaries and benefits	\$ 4,833,654	\$ 2,058,377	\$ 298,636	\$ 1,186,947	\$ -	\$ 8,377,614	\$ 4,082,980	\$ 12,460,594
Assessments	333,720	-	-	-	-	333,720	-	333,720
Depreciation	-	-	-	-	401,898	401,898	-	401,898
Education, professional development and events	2,140,964	3,230,317	35,339	124,793	-	5,531,413	247,009	5,778,422
Insurance	19,549	-	-	-	3,450	22,999	105,404	128,403
Miscellaneous	1,282,303	96,022	106,263	8,775	-	1,493,363	699,262	2,192,625
Professional fees	744,282	84,809	33,871	95,796	-	958,758	968,866	1,927,624
Repairs and maintenance	82,018	56,965	1,220	6,593	-	146,796	781,663	928,459
Subsidies	1,360,162	3,335,540	792,968	-	-	5,488,670	-	5,488,670
Supplies	113,626	16,002	4,849	462,540	-	597,017	202,320	799,337
Utilities	45,496	6,804	471	857	-	53,628	369,002	422,630
Total expenses	\$ 10,955,774	\$ 8,884,836	\$ 1,273,617	\$ 1,886,301	\$ 405,348	\$ 23,405,876	\$ 7,456,506	\$ 30,862,382

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

Roman Catholic Archdiocese of Atlanta, Inc.
Statements of Functional Expenses (Continued)

For the year ended June 30, 2021

	Program services						Supporting services	Total Expenses
	Pastoral	Education	Social Services	Communications	Plant Fund Expenses	Total Program Expenses	General and Administrative Expenses	
Salaries and benefits	\$ 5,163,335	\$ 2,011,684	\$ 325,501	\$ 1,172,662	\$ -	\$ 8,673,182	\$ 4,430,212	\$ 13,103,394
Assessments	318,712	-	-	-	-	318,712	-	318,712
Depreciation	-	-	-	-	543,765	543,765	-	543,765
Education, professional development and events	1,264,907	3,146,437	31,154	126,899	-	4,569,397	249,552	4,818,949
Insurance	22,411	-	-	-	4,028	26,439	126,290	152,729
Miscellaneous	560,977	74,762	52,034	13,568	-	701,341	302,986	1,004,327
Professional fees	403,505	64,148	9,898	133,939	-	611,490	960,579	1,572,069
Repairs and maintenance	64,482	25,128	1,462	4,545	-	95,617	861,513	957,130
Subsidies	4,046,426	1,427,577	766,532	-	-	6,240,535	-	6,240,535
Supplies	69,389	9,639	1,990	431,104	-	512,122	255,482	767,604
Utilities	41,487	4,216	1,142	982	-	47,827	349,262	397,089
Total expenses	\$ 11,955,631	\$ 6,763,591	\$ 1,189,713	\$ 1,883,699	\$ 547,793	\$22,340,427	\$ 7,535,876	\$ 29,876,303

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

Roman Catholic Archdiocese of Atlanta, Inc.
Statements of Cash Flows

<i>For the years ended June 30,</i>	2022	2021
Operating Activities		
Change in net assets	\$ (3,607,942)	\$ 5,188,481
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation expense	401,898	543,765
Change in value of SPOC receivable	61,000	(132,000)
Change in value of beneficial interest	3,314,586	(3,744,865)
Allowance for doubtful accounts	(2,000,000)	(1,065,000)
Restricted contributions and investment income	(12,381)	(12,039)
Realized and unrealized loss (gain) on investments	316,211	(420,160)
Changes in operating assets and liabilities		
Accounts receivable	1,759,171	3,867,069
Promises to give	(830,579)	1,462,550
Other assets	(537,694)	(101,412)
Accounts payable	2,944,558	1,050,845
Custodial funds payable	(573,126)	107,322
Contract liabilities	(403,848)	407,536
Net cash provided by (used in) operating activities	831,854	7,152,092
Investing Activities		
Purchases of property and equipment	(155,778)	(994,305)
Payments received on SPOC receivable	1,475,446	348,089
Proceeds from sale of investments	1,505,814	9,314
Purchases of investments	(1,248,078)	(126,965)
Increase in funds on deposit with AOA Deposit and Loan Fund Trust	(6,988,604)	(245)
Additions to beneficial interest in assets held by Foundation	(4,086)	(5,372)
Advances (to) from related parties	4,557,581	(6,355,439)
Net cash provided by (used in) investing activities	(857,705)	(7,124,923)
Financing Activities		
Restricted contributions and investment income	12,381	12,039
Net cash provided by (used in) financing activities	12,381	12,039
Net change in cash and cash equivalents	(13,470)	39,208
Cash and cash equivalents at beginning of year	343,264	304,056
Cash and cash equivalents at end of year	\$ 329,794	\$ 343,264

Schedule of Noncash Transactions:

Transfers of CIP to Special Projects Oversight Committee receivable	\$ -	\$ 720,000
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The accompanying notes are an integral part of these financial statements.

Roman Catholic Archdiocese of Atlanta, Inc.

Notes to Financial Statements

Note 1: DESCRIPTION OF THE ORGANIZATION

The accompanying financial statements include the accounts and transactions of the Roman Catholic Archdiocese of Atlanta, Inc. (Chancery), which is a Georgia nonprofit corporation with one member which has been granted exempt status under Section 501(c)(3) of the Internal Revenue Code.

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

Chancery was established on January 29, 2019, for the purpose of operating the offices of the Archbishop, the auxiliary bishops, the chancellor of the Archdiocese, the tribunals and pastoral ministry functions, vocation functions, and such other governance and ministry functions under the direction of the Archbishop. Prior to incorporation, Chancery operated as part of an unincorporated association. On the date of incorporation, all of the related property and operations were transferred to Roman Catholic Archdiocese of Atlanta, Inc.

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. Estimates that are particularly susceptible to significant change in the near term are related to the allowance for doubtful accounts and the discount to net present value on SPOC receivable.

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

Chancery invests funds with the AoA Deposit and Loan Fund Trust. AoA Deposit and Loan Fund Trust receives funds from various Archdiocese entities and in turn loans funds to Archdiocese entities. Chancery's funds invested in the AoA Deposit and Loan Fund Trust totaled \$7,021,415 and \$32,811 at June 30, 2022 and 2021, respectively. Chancery's funds invested in the AoA Deposit and Loan Fund Trust earn interest at the rate of .75%.

Roman Catholic Archdiocese of Atlanta, Inc. Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounts Receivable

Accounts receivable are primarily due from Archdiocese of Atlanta parishes, missions, and schools for assessments and reimbursements owed to Chancery and are stated at unpaid balances, less an allowance for doubtful accounts. Chancery 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 the organizations to meet their obligations.

Receivables are considered impaired if full payment is not received in accordance with contractual terms. It is Chancery'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 \$4,500,000 and \$6,500,000, respectively.

The Chancery Special Project Oversight Committee (SPOC) receivable (Note 4) is due from parishes for special projects and is expected to be repaid over 20 years. The SPOC receivable has been discounted to net present value.

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 the 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.

Chancery 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.

Investments

Chancery reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statement 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, Chancery's investments are 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

Roman Catholic Archdiocese of Atlanta, Inc. Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Beneficial Interest in Assets held by Foundation

Chancery 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 Chancery. The Foundation has ownership and control of the endowment funds. Pursuant to financial accounting standards, Chancery's interest in the funds is valued at the net present value of Chancery'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 foundation in the financial statements.

Split-Interest Agreement

Accounting standards require that trusts held by a third party be recorded as contributions and net assets at the present value of Chancery's ultimate interest.

Charitable Remainder Trust – Donors have established and funded a trust under which specified distributions are to be made to a designated beneficiary or beneficiaries over the trust's term. Upon termination of the trust, Chancery receives a specified percentage of the assets remaining in the trusts. Chancery has a 100% interest in the charitable remainder trust.

Net asset classifications are based on terms of the gift or Chancery's interpretation of relevant state law. Split-interest agreements with donor restrictions are categorized as either time restricted or, in instances where donor restrictions specify that the principal is to be held in perpetuity, perpetual in nature. After the initial contribution is recorded, net increases or decreases in the value of Chancery's interest is reflected as a change in the value of split-interest agreement.

The split-interest agreement totaling \$2,012,299 at June 30, 2022 and 2021, is donor restricted due to time restrictions.

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.

Net Assets

Chancery 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 Chancery, 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 the course of its operations. The governing board has designated from net assets without donor restrictions net assets to be designated as investment funds (Note 11). Additionally, the governing board has also designated from net assets without donor restrictions an operating reserve fund of \$7,000,000 as of June 30, 2022.

Roman Catholic Archdiocese of Atlanta, Inc. Notes to 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

Georgia Bulletin, student tax, and various other 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 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.

Functional Allocation of Expenses

Directly identifiable expenses are charged to program and supporting services. Other expenses that are common to several functions are allocated among the programs and supporting activities based on time spent and estimates of asset usage.

Income Taxes

Chancery 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 Chancery's tax-exempt purpose is subject to taxation as unrelated business income. Chancery considers 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.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, February 4, 2023. See Note 16 for disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Roman Catholic Archdiocese of Atlanta, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 and has been applied retrospectively to the disclosures relating to the year ended June 30, 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. Chancery is currently evaluating the impact of the guidance on its financial statements.

Note 3: FINANCIAL ASSET AVAILABILITY

Chancery maintains its financial assets to provide liquidity to ensure funds are available as Chancery's expenditures become due. The following reflects Chancery'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	\$ 52,205,386	\$ 53,845,744
Less non-financial assets		
Property and equipment, net	(4,385,067)	(4,631,187)
Other assets	(2,168,130)	(1,630,436)
Total financial assets	45,652,189	47,584,121
Less amounts not available to be used within one year:		
SPOC receivable, net	(5,851,908)	(7,388,354)
Investments at fair value - custodial funds	-	(573,126)
Investments with donor restrictions	(895,729)	(983,782)
Beneficial interest in assets held by Foundation	(15,856,503)	(19,167,003)
Split-interest agreement	(2,012,299)	(2,012,299)
Due from related party	(8,569,358)	(13,126,939)
Total amounts not available for use	(33,185,797)	(43,251,503)
Financial assets available to meet cash needs for general expenditures within one year	\$ 12,466,392	\$ 4,332,618

Roman Catholic Archdiocese of Atlanta, Inc.
Notes to Financial Statements

Note 3: FINANCIAL ASSET AVAILABILITY (Continued)

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

Note 4: SPOC RECEIVABLE

The Chancery Special Project Oversight Committee (SPOC) authorized and funded construction projects for three parishes. The three projects, which totaled approximately \$12,000,000, were completed and transferred to the parishes. One of the projects was completed during the year ended June 30, 2020 and the remaining two were completed during the year ended June 30, 2019. The projects were transferred to the parishes upon completion. At the time of transfer, Chancery recorded three non-interest bearing receivables from the parishes for the same amount. The receivables have no set repayment terms, but Chancery expects that the receivables will be repaid over a term of approximately 20 years. During the year ended June 30, 2021, two of the parishes had additional costs for expansion projects totaling \$720,000. The outstanding receivable balances at June 30, 2022 and 2021 of \$8,420,908 and \$9,896,354, respectively, have been discounted to net present value of \$5,851,908 and \$7,388,354 using a discount rate of 3.5% and 4%, respectively. Future estimated receipts on the SPOC receivable are as follows:

For the years ending June 30,

2023	\$ 350,000
2024	350,000
2025	425,000
2026	375,000
2027	400,000
Thereafter	6,520,908
	8,420,908
Net present value discount	(2,569,000)
Total	\$ 5,851,908

Note 5: PROMISES TO GIVE

Promises to give of \$2,847,225 and \$2,016,646 at June 30, 2022 and 2021, respectively, represent unconditional promises to give related to the Annual Appeal. The Annual Appeal is made by the Archbishop to the parishioners for support of Chancery’s operations and approximates 8% of the parishes’ annual revenue from the second preceding year. Substantially all of the promises to give are due in less than one year. Promises to give at June 30, 2022 and 2021, have been reduced by a valuation allowance of \$1,940,000.

Roman Catholic Archdiocese of Atlanta, Inc.
Notes to Financial Statements

Note 6: INVESTMENTS

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

	2022		2021	
	Cost	Market Value	Cost	Market Value
AoA Common Fund Trust	\$ 2,830,675	\$ 2,342,714	\$ 3,036,361	\$ 2,916,661

Investment income is reported net of related external and direct internal investment expenses in the statement of activities and changes in net assets. The amount of expenses netted with income was \$10,552 and \$10,322 for the years ended June 30, 2022 and 2021, respectively.

Note 7: 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	15	\$ 8,897	\$ 8,897
Buildings	40-50	8,448,668	8,448,668
Furniture and equipment	3-10	3,623,009	3,478,314
Automobiles	5-7	266,359	255,277
		12,346,933	12,191,156
Less accumulated depreciation		(8,041,159)	(7,639,262)
		4,305,774	4,551,894
Land		79,293	79,293
Property and equipment, net		\$ 4,385,067	\$ 4,631,187

Depreciation expense for the years ended June 30, 2022 and 2021 was \$401,898 and \$543,765, respectively.

Note 8: PAYCHECK PROTECTION PROGRAM LOAN

In April and May 2020, in response to the global pandemic, RCAA Administrative Services, Inc. (Services) applied for and received loans totaling approximately \$3,595,000 through the Paycheck Protection Program (PPP) under the CARES Act. On May 20, 2021, and June 11, 2021, Services received notice that the full amount of the loans and related interest had been forgiven.

Payroll for various Archdiocesan entities originates under Services' federal identification number and, therefore, the PPP loans were funded through Services. However, some salaries, wages and other payroll costs are ultimately transferred to the entities for which the employees provide their time and effort, and are included within those entities' financial statements, rather than in Services'. As a result, approximately \$2,138,000 of the forgiven funds were transferred to Chancery during the year ended June 30, 2021 and recorded as forgiveness of Paycheck Protection Program loan on the statements of activities.

Roman Catholic Archdiocese of Atlanta, Inc.
Notes to Financial Statements

Note 9: NET ASSETS

Net assets with donor restrictions, including donor-restricted endowment funds, are available for the following purposes on June 30, 2022 and 2021:

<i>June 30, 2022</i>	Subject to expenditure for specified purpose or time restriction	Perpetual in Nature	Total
Community service	\$ -	\$ 563,568	\$ 563,568
Village of St. Joseph	422,367	372,207	794,574
Education	89,731	7,313,961	7,403,692
Operations	-	3,926,867	3,926,867
Religious purposes	2,012,299	4,063,531	6,075,830
Total	\$ 2,524,397	\$ 16,240,134	\$ 18,764,531

<i>June 30, 2021</i>	Subject to expenditure for specified purpose or time restriction	Perpetual in Nature	Total
Community service	\$ -	\$ 670,576	\$ 670,576
Village of St. Joseph	497,993	372,207	870,200
Education	102,158	8,676,771	8,778,929
Operations	-	5,014,268	5,014,268
Religious purposes	2,012,295	4,816,816	6,829,111
Total	\$ 2,612,446	\$ 19,550,638	\$ 22,163,084

Note 10: REVENUE

Contributions and Support

The Chancery records revenue from the Annual Appeal which is made by the Archbishop to the parishioners for support of Chancery's operations. The Chancery also assesses the parishes a specified percentage of their prior year income which is recorded as assessment revenue. Additionally, Chancery receives contributions throughout the year from various donors. Chancery recognizes these items as revenue when assessments are billed or when contributions or unconditional promise to give are received and considers them to be available for use without restriction unless the donor stipulates otherwise.

Roman Catholic Archdiocese of Atlanta, Inc.
Notes to Financial Statements

Note 10: REVENUE (Continued)

Georgia Bulletin, Student Taxes and Other Fees

The Chancery receives revenue for subscriptions and advertising for the Georgia Bulletin along with student taxes for the Office of Catholic Schools and other fees for various conferences and workshops. Revenue is earned and recognized in the period in which the obligation is met such as when the Georgia Bulletin is published for subscription and advertising revenue, over the course of the school year for student taxes or at the time conferences and workshops are held. As of June 30, 2022, there are \$3,688 of performance obligations to be satisfied, all of which is expected to be recognized as revenue in 2023. At June 30, 2021 there were \$407,536 in performance obligations to be satisfied which were recognized into revenue during the year ended June 30, 2022.

Disaggregated Revenue

A summary of disaggregated revenue information follows:

<i>For the years ended June 30,</i>	2022	2021
Contributions		
Annual Appeal	\$ 8,880,510	\$ 8,253,078
General assessment	15,993,374	15,231,726
School financial aid assessment	2,339,222	2,330,162
Other	1,839,139	1,229,464
Other revenues		
Investment income	47,404	20,228
Georgia Bulletin	1,010,416	1,013,418
Other	837,095	552,050
Total revenue	\$ 30,947,160	\$ 28,630,126

Contract Balances

<i>June 30,</i>	2022	2021
Contract liabilities, beginning of year	\$ 407,536	\$ -
Contract liabilities, end of year	\$ 3,688	\$ 407,536
Receivable from contracts, beginning of year	\$ 148,628	\$ 166,588
Receivable from contracts, end of year	\$ 134,143	\$ 148,628

The receivable from contracts balances above represent amounts owed to Chancery for Georgia Bulletin subscription services.

Roman Catholic Archdiocese of Atlanta, Inc. Notes to Financial Statements

Note 11: ENDOWMENT AND DESIGNATED INVESTMENT FUNDS

Chancery's endowment and designated investment funds consist of a number of funds established for various 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.

Chancery 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, Chancery classifies as net assets with perpetual donor restrictions (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 Chancery in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, Chancery 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 Chancery 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 Chancery
7. The investment policies of Chancery

Investment Return Objectives, Risk Parameters and Strategies. Chancery 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 Chancery 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. Chancery also has to maintain compliance with the Archdiocese investment policies.

Spending Policy: Chancery has a policy of appropriating for distribution each year eligible earnings from the prior year that are needed to fund operations or programs. In establishing this policy, Chancery considered the long-term expected return on its endowment. Accordingly, over the long term, Chancery 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.

Roman Catholic Archdiocese of Atlanta, Inc.
Notes to Financial Statements

Note 11: ENDOWMENT AND DESIGNATED INVESTMENT FUNDS (Continued)

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

June 30, 2022	Board designated	Subject to expenditure for specified purpose or time restriction	Perpetual in Nature	Total
Donor-restricted endowment funds				
Community service	\$ -	\$ -	\$ 563,568	\$ 563,568
Village of St. Joseph	-	422,367	372,207	794,574
Education	-	89,727	7,313,965	7,403,692
Operations	-	-	3,926,867	3,926,867
Religious purposes	-	-	4,063,531	4,063,531
Total donor-restricted endowment funds	-	512,094	16,240,138	16,752,232
Board-designated endowment funds				
Priests Welfare	251,055	-	-	251,055
Parishes	12,290,067	-	-	12,290,067
Seminary	1,147,588	-	-	1,147,588
Total board-designated endowment funds	13,688,710	-	-	13,688,710
Total	\$ 13,688,710	\$ 512,094	\$ 16,240,138	\$ 30,440,942

Roman Catholic Archdiocese of Atlanta, Inc.
Notes to Financial Statements

Note 11: ENDOWMENT AND DESIGNATED INVESTMENT FUNDS (Continued)

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

<i>June 30, 2021</i>	Board designated	Subject to expenditure for specified purpose or time restriction	Perpetual in Nature	Total
Donor-restricted endowment funds				
Community service	\$ -	\$ -	\$ 670,576	\$ 670,576
Village of St. Joseph	-	497,993	372,207	870,200
Education	-	102,158	8,676,771	8,778,929
Operations	-	-	5,014,268	5,014,268
Religious purposes	-	-	4,816,816	4,816,816
Total donor-restricted endowment funds	-	600,151	19,550,638	20,150,789
Board-designated endowment funds				
Priests Welfare	282,170	-	-	282,170
Parishes	12,023,314	-	-	12,023,314
Seminary	1,295,990	-	-	1,295,990
Total board-designated endowment funds	13,601,474	-	-	13,601,474
Total	\$ 13,601,474	\$ 600,151	\$ 19,550,638	\$ 33,752,263

Roman Catholic Archdiocese of Atlanta, Inc.
Notes to Financial Statements

Note 11: ENDOWMENT AND DESIGNATED INVESTMENT FUNDS (Continued)

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

<i>For the year ended June 30, 2022</i>	Board designated	Subject to expenditure for specified purpose or time restriction	Perpetual in Nature	Total
Endowment net assets, beginning of year	\$ 13,601,474	\$ 600,151	\$ 19,550,638	\$ 33,752,263
Transfer to increase board designated investment funds	300,000	-	-	300,000
Contributions	-	-	4,086	4,086
Investment return				
Investment income	17,255	8,291	-	25,546
Net realized and unrealized depreciation	(219,863)	(96,348)	-	(316,211)
Change in value of beneficial interest in funds held by Foundation	-	-	(2,333,386)	(2,333,386)
Distributions	-	-	(981,200)	(981,200)
Appropriation for expenditure	(10,156)	-	-	(10,156)
Total	\$ 13,688,710	\$ 512,094	\$ 16,240,138	\$ 30,440,942

<i>For the year ended June 30, 2021</i>	Board designated	Subject to expenditure for specified purpose or time restriction	Perpetual in Nature	Total
Endowment net assets, beginning of year	\$ 13,320,190	\$ 450,942	\$ 15,800,402	\$ 29,571,534
Contributions	-	-	5,371	5,371
Investment return				
Investment income	12,975	6,667	-	19,642
Net realized and unrealized appreciation (depreciation)	277,623	142,542	-	420,165
Change in value of beneficial interest in funds held by Foundation	-	-	3,744,865	3,744,865
Appropriation for expenditure	(9,314)	-	-	(9,314)
Total	\$ 13,601,474	\$ 600,151	\$ 19,550,638	\$ 33,752,263

Roman Catholic Archdiocese of Atlanta, Inc. Notes to Financial Statements

Note 12: 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.

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 at June 30, 2022 and 2021.

Promises to give are valued at estimated net realizable value discounted to present value. 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 Chancery's expected future cash flows. Chancery does not have the ability to redeem this beneficial interest and withdrawals are limited to the terms of Chancery's agreement with the Foundation.

Split-interest agreements - Reported at fair value utilizing Level 3 inputs that reflect management's own assumptions about the assumptions that market participants would use in pricing the assets. The fair value of the charitable remainder trust is estimated at the present value of expected future cash inflows.

Roman Catholic Archdiocese of Atlanta, Inc.
Notes to Financial Statements

Note 12: FAIR VALUE MEASUREMENTS (Continued)

AoA Common Fund Trust – 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.

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 Chancery 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 years ended June 30, 2022 and 2021:

<i>June 30, 2022</i>	Level 1	Level 2	Level 3	Total
Investments, measured at net asset value				
AoA Common Fund Trust ^(A)			\$ 2,342,714	\$ 2,342,714
Promises to give		\$ 2,847,225	\$ 2,847,225	\$ 2,847,225
Beneficial interest in assets held by Foundation		\$ 15,856,503	\$ 15,856,503	\$ 15,856,503
Split-interest agreements		\$ 2,012,299	\$ 2,012,299	\$ 2,012,299
<i>June 30, 2021</i>	Level 1	Level 2	Level 3	Total
Investments, measured at net asset value				
AoA Common Fund Trust ^(A)			\$ 2,916,661	\$ 2,916,661
Promises to give		\$ 2,016,646	\$ 2,016,646	\$ 2,016,646
Beneficial interest in assets held by Foundation		\$ 19,167,003	\$ 19,167,003	\$ 19,167,003
Split-interest agreement		\$ 2,012,299	\$ 2,012,299	\$ 2,012,299

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

Roman Catholic Archdiocese of Atlanta, Inc.
Notes to Financial Statements

Note 12: 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	\$ 2,016,646	\$ 3,479,196
New promises received	6,091,249	6,525,054
Payments on promises	(5,260,670)	(7,987,604)
Receivable at end of year	\$ 2,847,225	\$ 2,016,646
Beneficial interest in assets held by Foundation		
Balance, beginning of year	\$ 19,167,003	\$ 15,416,766
Additions to assets held by Foundation	4,086	5,372
Change in value	(2,333,386)	3,744,865
Distribution	(981,200)	-
Balance, end of year	\$ 15,856,503	\$ 19,167,003

Changes in Fair Value Level

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 significance 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.

Note 13: 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 activity of Chancery is primarily with parishes and missions within the Archdiocese, which covers approximately fifty percent of the State of Georgia.

Chancery has cash deposits with financial institutions, which fluctuate from time to time in excess of the insured limitation of the Federal Deposit Insurance Corporation (FDIC). Funds on deposit with AoA Deposit and Loan Fund Trust are not FDIC insured.

Roman Catholic Archdiocese of Atlanta, Inc.
Notes to Financial Statements

Note 14: RELATED PARTY TRANSACTIONS

Funds on Deposit and Investments with Related Parties

Investment funds are invested with the AoA Common Fund Trust and other funds are on deposit are with the AoA Deposit and Loan Fund Trust (Note 2).

Annual Appeal

Promises to give (Note 5) represent the balance outstanding on pledges made under the Annual Appeal. Promises to give under the Annual Appeal are from the individual members of the various parishes of the Archdiocese of Atlanta.

Assessments

Each year Chancery assesses the parishes a specified percentage of their prior year income. For the years ended June 30, 2022 and 2021, Chancery recorded total parish assessment revenue of approximately \$15,993,000 and \$15,232,000, respectively. Additionally, during the years ended June 30, 2022 and 2021, Chancery also recorded approximately \$2,339,000 and \$2,330,000, respectively, for financial aid and financial aid assessments to the parishes that is paid to schools within the Archdiocese. There are receivables from parish assessments of approximately \$4,929,000 and \$6,695,000 at June 30, 2022 and 2021, respectively. The receivable balances have been reduced by valuation allowances of \$4,500,000 and \$6,500,000 at June 30, 2022 and 2021, respectively.

Catholic Education of North Georgia, Inc.

The Archbishop previously guaranteed approximately \$30,000,000 of bonds payable for Catholic Education of North Georgia, Inc. (CENGI). In June 2020, the Chancery made a restricted gift to CENGI of \$18,000,000 to be used to reduce the bond debt. During the year ended June 30, 2021, all of the CENGI bonds were retired.

Subsidies

Chancery provided subsidies totaling \$5,488,670 and \$6,240,535 during the years ended June 30, 2022 and 2021, respectively to various parishes, schools and other organizations within the Archdiocese. Subsidies payable of \$1,931,000 at June 30, 2021, represents subsidies payable to various parishes. There were no subsidies payable to parishes at June 30, 2022.

Custodian Fund

At June 30, 2021, Chancery held custodian funds totaling \$573,126. During the year ended June 30, 2022 the funds were transferred to AoA Canon 281.2 Trust.

Roman Catholic Archdiocese of Atlanta, Inc.
Notes to Financial Statements

Note 14: RELATED-PARTY TRANSACTIONS (Continued)

RCAA Administrative Services, Inc.

RCAA Administrative Services, Inc. (Services) provides services for the benefit of the Archdiocese and certain affiliated organizations subject to canonical administration of the Archbishop, including Chancery. These services include cash receipts and cash disbursements processing and payroll, accounting and IT services. Receivables from Services are included in due from related party on the statement of financial position as of June 30, 2022 and 2021, respectively.

During the year ended June 30, 2022, RCAA Administrative Services, Inc. (Services) transferred approximately \$7,000,000 to Chancery to be deposited with the AoA Deposit and Loan Fund Trust and reducing the related party receivable between Chancery and Services.

Note 15: UNCERTAINTIES

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 Chancery. 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 16: SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date that the financial statements were available to be issued, February 4, 2023. The following occurred.

Subsequent to June 30, 2022, Catholic Construction Services, Inc. (CSSI) is being dissolved and the assets and operations of CSSI are being transferred into a new department within Chancery



ACCOMPANYING INFORMATION





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INDEPENDENT AUDITORS' REPORT ON ACCOMPANYING INFORMATION

**Board of Directors
Roman Catholic Archdiocese of Atlanta, Inc.
Atlanta, Georgia**

We have audited the financial statements of Roman Catholic Archdiocese of Atlanta, Inc. as of and for the years ended June 30, 2022 and 2021, and our report thereon dated February 4, 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 29 through 31 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 4, 2023

Roman Catholic Archdiocese of Atlanta, Inc.
Investments at Fair Value

<i>June 30,</i>	2022			2021
	Designated Investment Funds	Endowment Funds	Total Fair Value	Total Fair Value
Arch Fund for the Poor	\$ 266,753	\$ -	\$ 266,753	\$ -
Cline Fund	19,129	-	19,129	21,509
Priests' Senate	-	-	-	573,126
Priests Welfare	251,055	-	251,055	282,170
Seminary Fund - Junior Clergy	154,993	-	154,993	174,130
Seminary Fund - Endowment	36,051	-	36,051	40,483
Seminary Fund - Father McGuire	-	12,586	12,586	14,170
Seminary Fund - General Fund	905,615	-	905,615	1,028,068
Seminary Fund - Monsignor Clancy	-	86,996	86,996	97,839
Village - General Endowment	-	609,536	609,536	685,166
Investment balances at end of year	\$ 1,633,596	\$ 709,118	\$ 2,342,714	\$ 2,916,661

Roman Catholic Archdiocese of Atlanta, Inc.
Changes in Designated Investment and Endowment Fund Balances

For the year ended June 30, 2022

	June 30, 2021 Balance	Additions				Total Additions	Distributions to Beneficiary	Income Transferred to Operating Funds	Total Deductions	Net Increase (Decrease) in Funds	June 30, 2022 Balance
		Contributions and Additions	Investment Income	Realized and Unrealized Gain (Loss) on Investments							
Changes in Designated Investment Fund Balances											
Arch Fund for the Poor	\$ -	\$ 300,000	\$ 1,244	\$ (34,491)	\$ 266,753	\$ -	\$ -	\$ -	\$ 266,753	\$ 266,753	
Fitzgerald Mission Fund	12,023,314	-	-	-	-	-	-	-	-	12,023,314	
Junior Clergy Seminary Fund	170,299	-	1,809	(20,946)	(19,137)	-	-	-	(19,137)	151,162	
Priests' Seminary Fund	40,426	-	419	(4,851)	(4,432)	-	-	-	(4,432)	35,994	
Priests Welfare	282,170	-	2,934	(34,049)	(31,115)	-	-	-	(31,115)	251,055	
Satzky Family Fund	23,853	-	-	-	-	-	-	-	-	23,853	
Seminary Fund	1,037,024	-	10,625	(122,922)	(112,297)	10,156	-	10,156	(122,453)	914,571	
Thomas D. Cline Fund	24,388	-	224	(2,604)	(2,380)	-	-	-	(2,380)	22,008	
Total	\$ 13,601,474	\$ 300,000	\$ 17,255	\$ (219,863)	\$ 97,392	\$ 10,156	\$ -	\$ 10,156	\$ 87,236	\$ 13,688,710	
Changes in Endowment Fund Balances											
Village of St. Joseph Fund	\$ 870,204	\$ -	\$ 7,119	\$ (82,749)	\$ (75,630)	\$ -	\$ -	\$ -	\$ (75,630)	\$ 794,574	
Father McGuire Scholarship Fund	13,737	-	150	(1,734)	(1,584)	-	-	-	(1,584)	12,153	
Monsignor Clancy Educational Fund	99,845	-	1,022	(11,865)	(10,843)	-	-	-	(10,843)	89,002	
Beneficial interest in funds held by Foundation	19,167,003	4,086	-	(2,333,386)	(2,329,300)	981,200	-	981,200	(3,310,500)	15,856,503	
Total	\$ 20,150,789	\$ 4,086	\$ 8,291	\$ (2,429,734)	\$ (2,417,357)	\$ 981,200	\$ -	\$ 981,200	\$ (3,398,557)	\$ 16,752,232	

Roman Catholic Archdiocese of Atlanta, Inc.
Property and Equipment

For the year ended June 30, 2022

	Beginning	Additions	Reductions	Ending
Land				
Village of St. Joseph	\$ 65,793	\$ -	\$ -	\$ 65,793
Locust Grove Cemetery	13,500	-	-	13,500
Total land	79,293	-	-	79,293
Land improvements				
Village of St. Joseph	8,897	-	-	8,897
Total land improvements	8,897	-	-	8,897
Buildings				
St. John Neumann School	3,322,424	-	-	3,322,424
St. George Village Chapel	504,396	-	-	504,396
St. Peter Claver School	4,476,059	-	-	4,476,059
Village of St. Joseph	145,789	-	-	145,789
Total buildings	8,448,668	-	-	8,448,668
Furniture, fixtures, and equipment				
Atlanta University Lykes House	135,569	-	-	135,569
Chancery Offices	1,605,149	144,695	-	1,749,844
Computer software	626,763	-	-	626,763
Kennesaw State University	42,276	-	-	42,276
Our Lady of Americas	125,434	-	-	125,434
St. George Village Chapel	24,000	-	-	24,000
St. Peter Claver School	665,698	-	-	665,698
Village of St. Joseph	64,934	-	-	64,934
Other	188,491	-	-	188,491
Total furniture, fixtures and equipment	3,478,314	144,695	-	3,623,009
Automobiles	255,277	11,082	-	266,359
Total land, buildings, improvements and equipment	\$ 12,270,449	\$ 155,777	\$ -	\$ 12,426,226