

LIVING JUSTICE SOCIETY OF THE DIOCESE OF GREEN BAY, INC.
Green Bay, Wisconsin

FINANCIAL STATEMENTS
June 30, 2015

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Living Justice Society of the Diocese of Green Bay, Inc.
Green Bay, Wisconsin

We have audited the accompanying financial statements of Living Justice Society of the Diocese of Green Bay, Inc. (a Wisconsin corporation), which comprise the statement of financial position as of June 30, 2015, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Living Justice Society of the Diocese of Green Bay, Inc. as of June 30, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

CliftonLarsonAllen LLP

Oshkosh, Wisconsin
September 8, 2015

LIVING JUSTICE SOCIETY OF THE DIOCESE OF GREEN BAY, INC.
STATEMENT OF FINANCIAL POSITION
June 30, 2015

ASSETS

Interest in cash	<u>\$ 32,776</u>
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LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable and accrued expenses	\$ 800
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NET ASSETS

Temporarily restricted	<u>31,976</u>
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TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 32,776</u></u>
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The accompanying notes are an integral part of the financial statements.

LIVING JUSTICE SOCIETY OF THE DIOCESE OF GREEN BAY, INC.
STATEMENT OF ACTIVITIES
Year Ended June 30, 2015

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES AND SUPPORT			
Contributions	\$ 3,000	\$ 52,517	\$ 55,517
Net assets released from restrictions	65,483	(65,483)	-
Total revenues and support	<u>68,483</u>	<u>(12,966)</u>	<u>55,517</u>
EXPENSES			
Other personnel related expenses	638	-	638
Purchased services	54,678	-	54,678
Office	167	-	167
Grants and direct assistance	13,000	-	13,000
Total expenses	<u>68,483</u>	<u>-</u>	<u>68,483</u>
CHANGE IN NET ASSETS	-	(12,966)	(12,966)
NET ASSETS, BEGINNING OF YEAR	<u>-</u>	<u>44,942</u>	<u>44,942</u>
NET ASSETS, END OF YEAR	<u>\$ -</u>	<u>\$ 31,976</u>	<u>\$ 31,976</u>

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

LIVING JUSTICE SOCIETY OF THE DIOCESE OF GREEN BAY, INC.
STATEMENT OF CASH FLOWS
Year Ended June 30, 2015

CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from contributors	\$ 112,678
Cash paid to suppliers	(71,978)
Cash paid to and on behalf of employees	(538)
Cash paid for grants and assistance	<u>(13,000)</u>
NET CHANGE IN INTEREST IN CASH	27,162
INTEREST IN CASH - BEGINNING OF YEAR	<u>5,614</u>
INTEREST IN CASH - END OF YEAR	<u><u>\$ 32,776</u></u>
RECONCILIATION OF CHANGE IN NET ASSETS TO	
NET CASH FLOWS FROM OPERATING ACTIVITIES	
Change in net assets	\$ (12,966)
Adjustments to reconcile change in net assets to net cash flows from operating activities:	
Changes in certain assets and liabilities:	
Accounts receivable	57,161
Accounts payable and accrued expenses	<u>(17,033)</u>
Net cash flows from operating activities	<u><u>\$ 27,162</u></u>

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

LIVING JUSTICE SOCIETY OF THE DIOCESE OF GREEN BAY, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 1 - NATURE OF OPERATIONS

Living Justice Society of the Diocese of Green Bay, Inc. (Living Justice Society) is a not-for-profit corporation organized under the laws of the state of Wisconsin for the purpose of protecting human life and dignity, strengthening marriage and family life, nurturing diversity, and promoting structures that diminish the perpetuation of the cycle of poverty for the purpose of advancing the interests of the Roman Catholic Church in accord with, and in support of, the mission of the Catholic Diocese of Green Bay.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net Assets

Net assets, revenues, gains, and losses are classified into one of three classes of net assets based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of Living Justice Society are classified and reported as follows:

Unrestricted - Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted - Net assets that result from contributions whose use by Living Justice Society is limited by donor-imposed stipulations that either expire with the passage of time or can be fulfilled and removed by actions of Living Justice Society pursuant to those stipulations.

Permanently Restricted - Net assets resulting from contributions with donor-imposed stipulations that require Living Justice Society to hold the gift in perpetuity. There were no permanently restricted net assets at June 30, 2015.

Interest in Cash

Living Justice Society participates in a pooled cash account with an interdiocesan entity. This account sweeps daily to a zero balance. The total of the pooled cash account, at times, may exceed federally insured limits. Living Justice Society has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

LIVING JUSTICE SOCIETY OF THE DIOCESE OF GREEN BAY, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contribution Recognition

Contributions are recognized as revenue when they are received or unconditionally pledged. Contributions that are unrestricted by the donor are reported as increases in unrestricted net assets. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by Living Justice Society.

In connection with its annual budget process, Living Justice Society is made aware of an estimated grant for its support from The Catholic Foundation for the Diocese of Green Bay, Inc. (the Foundation). Management does not consider this estimated grant as an unconditional promise to pay by the Foundation. The grant is recorded as revenue in the year in which it is actually received.

Tax-Exempt Status

Living Justice Society has received notification that it qualifies as a tax-exempt organization under Section 501(c)(3) covered by the U.S. Internal Revenue Service group exemption letter of the United States Conference of Catholic Bishops and corresponding provisions of state law and, accordingly, is not subject to federal or state income taxes.

Subsequent Events

In preparing these financial statements, Living Justice Society has evaluated events and transactions for potential recognition or disclosure through September 8, 2015, the date the financial statements were available to be issued.

LIVING JUSTICE SOCIETY OF THE DIOCESE OF GREEN BAY, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2015

NOTE 3 - FUNCTIONAL EXPENSES

The costs of providing program and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the program and supporting services benefitted as follows for the year ended June 30, 2015:

Program services	\$ 67,859
Management and general	<u>624</u>
Total	<u>\$ 68,483</u>

NOTE 4 - RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets were available for the following purposes as of June 30, 2015:

Campaign for Human Development office expenses	\$ 28,754
Campaign for Human Development grants	<u>3,222</u>
Total	<u>\$ 31,976</u>

NOTE 5 - INTERDIOCESAN TRANSACTIONS

Living Justice Society was a party to various transactions with other diocesan corporations during the year ended June 30, 2015. Total revenues and support from other diocesan corporations were \$3,537 for the year ended June 30, 2015, and mostly relates to contributions. Total expenses paid to other diocesan corporations were \$54,145 for the year ended June 30, 2015, and related to occupancy and administrative and support services.

This information is an integral part of the accompanying financial statements.