

**ST. GABRIEL COMMUNICATIONS,  
INC.**

**FINANCIAL STATEMENTS**

**YEARS ENDED JUNE 30, 2024 AND 2023**



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**ST. GABRIEL COMMUNICATIONS, INC.**  
**TABLE OF CONTENTS**  
**YEARS ENDED JUNE 30, 2024 AND 2023**

<b>INDEPENDENT AUDITORS' REPORT.....</b>	<b>1</b>
<b>FINANCIAL STATEMENTS</b>	
<b>STATEMENTS OF FINANCIAL POSITION.....</b>	<b>3</b>
<b>STATEMENTS OF ACTIVITIES .....</b>	<b>4</b>
<b>STATEMENTS OF CASH FLOWS.....</b>	<b>6</b>
<b>NOTES TO FINANCIAL STATEMENTS.....</b>	<b>7</b>



## INDEPENDENT AUDITORS' REPORT

Board of Directors  
St. Gabriel Communications, Inc.  
Green Bay, Wisconsin

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying financial statements of St. Gabriel Communications, Inc., which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities 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 St. Gabriel Communications, Inc. as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 St. Gabriel Communications, Inc. 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 St. Gabriel Communications, Inc.'s ability to continue as a going concern for one year after the date 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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of St. Gabriel Communications, Inc.'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 St. Gabriel Communications, Inc.'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 audits.



**CliftonLarsonAllen LLP**

Oshkosh, Wisconsin  
October 14, 2024

**ST. GABRIEL COMMUNICATIONS, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Interest in Cash	\$ 360,767	\$ 269,728
Accounts Receivable, Net of Allowance for Credit Losses of \$7,880 and \$8,000, Respectively	23,648	54,938
Prepaid Expenses	2,277	444
Investments	138,541	108,975
Software and Equipment, Net	<u>17,270</u>	<u>-</u>
Total Assets	<u><u>\$ 542,503</u></u>	<u><u>\$ 434,085</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 12,930	\$ 6,351
Accrued Expenses	50,851	18,332
Deferred Revenue	-	46,343
Total Liabilities	<u>63,781</u>	<u>71,026</u>
<b>NET ASSETS</b>		
Without Donor Restrictions	351,517	316,743
With Donor Restrictions	<u>127,205</u>	<u>46,316</u>
Total Net Assets	<u><u>478,722</u></u>	<u><u>363,059</u></u>
Total Liabilities and Net Assets	<u><u>\$ 542,503</u></u>	<u><u>\$ 434,085</u></u>

See accompanying Notes to Financial Statements.

**ST. GABRIEL COMMUNICATIONS, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES AND SUPPORT</b>			
Sales	\$ 396,452	\$ -	\$ 396,452
Cost of Sales	(336,922)	-	(336,922)
Gross Margin	59,530	-	59,530
 Fees for Services	 226,492	 -	 226,492
 Bishop's Appeal Grant	 432,273	 -	 432,273
Contributions of Cash and Other Financial Assets	11,553	147,124	158,677
Contributions of Cash and Other Financial Assets - Transfer from St. Therese of the Little Flower, Inc.	120,223	-	120,223
Contributions of Nonfinancial Assets - Transfer from St. Therese of the Little Flower, Inc.	24,820	23,559	48,379
Net Assets Released from Restrictions:			
Subscriptions Assistance	90,013	(90,013)	-
Total Revenues and Support	964,904	80,670	1,045,574
 <b>EXPENSES</b>			
Salaries and Wages	433,756	-	433,756
Personnel Benefits	158,033	-	158,033
Other Personnel Costs	6,587	-	6,587
Purchased Services	280,707	-	280,707
Facilities, Buildings, and Grounds	35,418	-	35,418
Office	21,417	-	21,417
Total Expenses	935,918	-	935,918
 Revenues and Support in Excess of Expenses	 28,986	 80,670	 109,656
 <b>OTHER CHANGE IN NET ASSETS</b>			
Investment Return	5,788	219	6,007
 <b>CHANGE IN NET ASSETS</b>	 34,774	 80,889	 115,663
 Net Assets - Beginning of Year	 316,743	 46,316	 363,059
 <b>NET ASSETS - END OF YEAR</b>	 <u>\$ 351,517</u>	 <u>\$ 127,205</u>	 <u>\$ 478,722</u>

See accompanying Notes to Financial Statements.

**ST. GABRIEL COMMUNICATIONS, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES AND SUPPORT</b>			
Sales	\$ 551,242	\$ -	\$ 551,242
Cost of Sales	(228,116)	-	(228,116)
Gross Margin	323,126	-	323,126
 Bishop's Appeal Grant	 100,000	 -	 100,000
Contributions of Cash and Other Financial Assets	2,000	50,337	52,337
Contributions - Employee Retention Credit	44,195	-	44,195
Fundraising, Net of Expenses of \$2,980	22,012	-	22,012
Net Assets Released from Restrictions:			
Subscriptions Assistance	53,476	(53,476)	-
Total Revenues and Support	544,809	(3,139)	541,670
 <b>EXPENSES</b>			
Salaries and Wages	251,214	-	251,214
Personnel Benefits	107,556	-	107,556
Other Personnel Costs	4,850	-	4,850
Purchased Services	158,950	-	158,950
Facilities, Buildings, and Grounds	26,400	-	26,400
Office	10,195	-	10,195
Total Expenses	559,165	-	559,165
 Revenues and Support in Deficit of Expenses	 (14,356)	 (3,139)	 (17,495)
 <b>OTHER CHANGE IN NET ASSETS</b>			
Investment Return	8,657	-	8,657
 <b>CHANGE IN NET ASSETS</b>	 (5,699)	 (3,139)	 (8,838)
 Net Assets - Beginning of Year	 322,442	 49,455	 371,897
 <b>NET ASSETS - END OF YEAR</b>	 <u>\$ 316,743</u>	 <u>\$ 46,316</u>	 <u>\$ 363,059</u>

See accompanying Notes to Financial Statements.

**ST. GABRIEL COMMUNICATIONS, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Contributors	\$ 590,950	\$ 177,329
Cash Received from Contributors - Transfer from St. Therese of the Little Flower, Inc.	132,502	-
Cash Received from Contributors - Employee Retention Credit	-	44,195
Cash Received from Subscribers, Advertisers, and Others	607,891	500,645
Cash Paid to Suppliers	(662,168)	(425,507)
Cash Paid to and on Behalf of Employees	(578,136)	(382,567)
Net Cash Flows from Operating Activities	<u>91,039</u>	<u>(85,905)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>		
Proceeds from Sales of Investments	<u>-</u>	<u>150,000</u>
<b>NET CHANGE IN INTEREST IN CASH</b>	91,039	64,095
Interest in Cash - Beginning of Year	<u>269,728</u>	<u>205,633</u>
<b>INTEREST IN CASH - END OF YEAR</b>	<u><u>\$ 360,767</u></u>	<u><u>\$ 269,728</u></u>
<b>RECONCILIATION OF CHANGE IN NET ASSETS TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 115,663	\$ (8,838)
Adjustments to Reconcile Change in Net Assets to Net Cash Flows from Operating Activities:		
Depreciation	7,550	-
Investment Return	(6,007)	(8,657)
Assets Transferred and Liabilities Assumed from St. Therese of the Little Flower, Inc.:		
Investments	(23,559)	-
Net Software and Equipment	(24,820)	-
Accrued Expenses	12,279	-
Changes in Certain Assets and Liabilities:		
Accounts Receivable	31,290	(39,872)
Prepaid Expenses	(1,833)	(444)
Accounts Payable	6,579	1,578
Accrued Expenses	20,240	(18,947)
Deferred Revenue	(46,343)	(10,725)
Net Cash Flows from Operating Activities	<u><u>\$ 91,039</u></u>	<u><u>\$ (85,905)</u></u>

See accompanying Notes to Financial Statements.



**ST. GABRIEL COMMUNICATIONS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**NOTE 1    PRINCIPAL ACTIVITY**

St. Gabriel Communications, Inc. (St. Gabriel) is a nonprofit corporation organized under the laws of the state of Wisconsin. Through September 14, 2023, St. Gabriel was known as The Green Bay Catholic Compass, Inc. St. Gabriel published The Compass newspaper for the purpose of advancing the interest of the Roman Catholic Church in the Diocese of Green Bay until December 31, 2023. St. Gabriel now publishes On Mission, a bi-monthly magazine, and provides communication services in accordance 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.

**Interest in Cash**

St. Gabriel 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. St. Gabriel has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

**Accounts Receivable**

The majority of St. Gabriel accounts receivable is due from private parties within the Diocese region. Accounts receivable are due within 30 days or according to separately stated terms and are stated as amounts due, net of allowance for credit losses. St. Gabriel determines an allowance for credit losses by identifying troubled accounts and by using historical experience applied to an aging of accounts that is adjusted for reasonable expectations of future collection performance, net of estimated recoveries. St. Gabriel periodically assesses its methodologies for estimating credit losses in consideration of actual experience, trends, and changes in the overall economic environment.

**Investments**

Investments are generally recorded at fair value based upon quoted market prices, when available, or estimates of fair value. Investment income or loss and unrealized gains or losses are included in the accompanying statements of activities as increases or decreases in net assets without donor restrictions unless the income or loss is restricted by donor or law.

**ST. GABRIEL COMMUNICATIONS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Software and Equipment**

Software and equipment are stated at cost, if purchased, or fair market value at date of the gift, if donated. All acquisitions of property in excess of \$5,000 and equipment in excess of \$1,000 and all expenditures for improvements and betterments that materially prolong the useful lives of assets are capitalized. Maintenance, repairs, and minor improvements are expensed as incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income.

Software and equipment are depreciated using the straight-line method over their estimated useful lives.

Software and Equipment	3 to 5 Years
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**Impairment of Long-Lived Assets**

St. Gabriel reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. To date, there have been no such losses.

**Deferred Revenue**

Revenues and deposits applying to services to be rendered in future periods are recorded as deferred revenue when received and reflected as revenue in the year when the revenues are earned or services are provided.

**Net Assets**

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

*Net Assets Without Donor Restrictions* – Net assets available for use in general operation and not subject to donor (or certain grantor) restrictions.

*Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

**ST. GABRIEL COMMUNICATIONS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenue Recognition**

Sales and fees for services are reflected as support when the goods or services are provided. Unearned revenues are reflected as deferred revenue on the statements of financial position and were as follows at June 30:

	2024	2023	2022
Deferred Revenue	\$ -	\$ 46,343	\$ 57,068

Revenue from sales and fees for services is recognized over time and totaled \$622,944 and \$551,242 during the years ended June 30, 2024 and 2023, respectively.

The timing of revenue recognition, billings, and cash collections results in receivables. Net accounts receivable for sales and fees for services were as follows at June 30:

	2024	2023	2022
Accounts Receivable, Net	\$ 23,648	\$ 54,938	\$ 15,066

**Contribution Recognition**

Contributions are recognized when cash, securities or 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.

All donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as Net Assets Released from Restrictions.

Grants from the government are recognized when all condition of such grants are fulfilled or there is reasonable assurance that they will be fulfilled. During 2023, St. Gabriel received Employee Retention Credit (ERC) funding from the Internal Revenue Service in the amount of \$44,195 in compliance with the program.

Grants related to this program are included in Contributions – Employee Retention Credit on the statement of activities. St. Gabriel recognized \$44,195 of contributions related to performance requirements being met and costs being incurred in compliance with the program during the year ended June 30, 2023.

In connection with its annual budget process, St. Gabriel 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.

**ST. GABRIEL COMMUNICATIONS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Shipping and Handling Costs**

Shipping and handling costs charged to customers have been included in sales. Shipping and handling costs incurred by St. Gabriel have been included in cost of sales.

**Tax-Exempt Status**

St. Gabriel has received notification that it qualifies as a tax-exempt organization under Section 501(c)(3) covered by the U.S. Internal Revenue Service (IRS) 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.

St. Gabriel incurred no unrelated business income tax for the years ended June 30, 2024 and 2023.

**Accounting Standards Update**

On July 1, 2023, St. Gabriel adopted FASB ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modifies the measurement of expected credit losses. St. Gabriel adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on St. Gabriel's financial statements but did result in changes to St. Gabriel's accounting policies, including the recognition of credit losses based on expected future credit losses rather than incurred credit losses. St. Gabriel also updated its accounting policies for determining the recoverability of accounts receivable.

St. Gabriel extends credit to customers in the normal course of business. St. Gabriel uses a combination of historical loss experience, current economic conditions, and forward-looking information to estimate credit losses for financial assets. St. Gabriel considers various factors such as borrower creditworthiness and probability of default to estimate credit losses.

**Subsequent Events**

In preparing these financial statements, St. Gabriel has evaluated events and transactions for potential recognition or disclosure through October 14, 2024, the date the financial statements were available to be issued.

**ST. GABRIEL COMMUNICATIONS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**NOTE 3 LIQUIDITY AND AVAILABILITY**

St. Gabriel regularly monitors liquidity required to meet its operating needs, liabilities, and other obligations as they become due. Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at June 30:

	2024	2023
Interest in Cash	\$ 360,767	\$ 269,728
Accounts Receivable	23,648	54,938
Investments	138,541	108,975
Subtotal	522,956	433,641
Less: Donor-Restricted Net Assets	(127,205)	(46,316)
Total Financial Assets Available for General Expenditure	<u>\$ 395,751</u>	<u>\$ 387,325</u>

**NOTE 4 INVESTMENTS**

Investments are held by St. Francis Xavier Investment Corp. (St. Francis Xavier Corp.), an interdiocesan entity. St. Francis Xavier Corp. has grouped their investments and created a unitized fixed income fund, equity fund, and treasury money market fund. St. Gabriel owns units in the fixed income and treasury money market funds.

Investments are carried at fair value and consisted of the following at June 30:

	Fair Value		Redemption Frequency	Termination Notice Period
	2024	2023		
St. Francis Xavier Corp.:				
Fixed Income Fund	\$ 23,778	\$ -	Daily	30 Days
Treasury Money Market Fund	114,763	108,975	Daily	30 Days
Total	<u>\$ 138,541</u>	<u>\$ 108,975</u>		

The treasury money market fund is intended to be utilized by intermediate and short-term money.

The fixed income fund is intended to be utilized by intermediate and long-term money. The target allocation of the fixed income fund is:

Intermediate Fixed Income	95 %
Cash	5
Total	<u>100 %</u>

**ST. GABRIEL COMMUNICATIONS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**NOTE 4 INVESTMENTS (CONTINUED)**

As defined by current authoritative guidance, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, St. Gabriel uses various valuation methods including the market, income, and cost approaches. The assumptions used in the application of these valuation methods are developed from the perspective of market participants pricing the asset or liability. Inputs used in the valuation methods can be either readily observable, market corroborated, or generally unobservable inputs. Whenever possible, St. Gabriel attempts to utilize valuation methods that maximize the use of observable inputs and minimize the use of unobservable inputs.

The fair value hierarchy ranks the quality and reliability of the information used to determine the fair values. Assets and liabilities measured, reported, and/or disclosed at fair value will be classified and disclosed in one of the following three categories:

*Level 1* – Quoted market prices in active markets for identical assets or liabilities.

*Level 2* – Observable market-based inputs or unobservable inputs that are corroborated by market data.

*Level 3* – Unobservable inputs that are not corroborated by market data.

The table below presents the balances of assets measured at fair value on a recurring basis at June 30:

2024				
	Level 1	Level 2	Level 3	Total
St. Francis Xavier Corp. Fixed Income Fund	\$ -	\$ 23,778	\$ -	\$ 23,778
Treasury Money Market Fund	-	114,763	-	114,763
Total Investments	<u>\$ -</u>	<u>\$ 138,541</u>	<u>\$ -</u>	<u>\$ 138,541</u>
2023				
	Level 1	Level 2	Level 3	Total
St. Francis Xavier Corp. Treasury Money Market Fund	<u>\$ -</u>	<u>\$ 108,975</u>	<u>\$ -</u>	<u>\$ 108,975</u>

The fair value of the investment in the fixed income fund and the treasury money market fund has been estimated using the net asset value per share of the fund as determined by the fund administrator. The funds are valued on a daily basis.

**ST. GABRIEL COMMUNICATIONS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**NOTE 5 SOFTWARE AND EQUIPMENT**

Software and equipment consisted of the following at June 30:

	2024	2023
Software and Equipment	\$ 57,507	\$ 4,144
Less: Accumulated Depreciation	(40,237)	(4,144)
Net Software and Equipment	<u>\$ 17,270</u>	<u>\$ -</u>

Depreciation expense of \$7,550 and \$-0- was recorded on the accompanying statements of activities in office expense for the years ended June 30, 2024 and 2023, respectively.

**NOTE 6 CONTRIBUTED NONFINANCIAL ASSETS**

For the years ended June 30, contributed nonfinancial assets recognized within the statements of activities included:

	2024	2023
Investments with Donor Restrictions	\$ 23,559	\$ -
Software and Equipment	24,820	-
Total Contributed Nonfinancial Assets	<u>\$ 48,379</u>	<u>\$ -</u>

St. Gabriel recognized contributed nonfinancial assets within revenues and support, including contributed investments and software and equipment. Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions.

The investments and software and equipment will be used to support and provide communication services. St. Gabriel estimated the fair value of the donated software and equipment on the basis of estimates of wholesale values that would be received for selling similar products in the United States. The fair value of the donated investments was estimated based on the net asset value per share of the fund at the time of the donation.

**NOTE 7 FUNCTIONAL CLASSIFICATION OF EXPENSES**

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. St. Gabriel's natural expense categories are allocated on the basis of estimates of time and effort.

**ST. GABRIEL COMMUNICATIONS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**NOTE 7 FUNCTIONAL CLASSIFICATION OF EXPENSES (CONTINUED)**

Expenses by function for the years ended June 30 are as follows:

	2024			
	Program Services	Management and General	Fundraising	Total
Salaries and Wages	\$ 412,020	\$ 21,736	\$ -	\$ 433,756
Personnel Benefits	150,478	7,555	-	158,033
Other Personnel Costs	6,587	-	-	6,587
Purchased Services	266,437	29,124	-	295,561
Facilities, Buildings, and Grounds	35,418	-	-	35,418
Office	343,485	-	-	343,485
Total Expenses by Function	1,214,425	58,415	-	1,272,840
Less: Expenses Included with Revenues on the Statements of Activities:				
Cost of Sales	(336,922)	-	-	(336,922)
Total Expenses Included in the Expenses Section on the Statements of Activities	<u>\$ 877,503</u>	<u>\$ 58,415</u>	<u>\$ -</u>	<u>\$ 935,918</u>
	2023			
	Program Services	Management and General	Fundraising	Total
Salaries and Wages	\$ 240,559	\$ 10,655	\$ -	\$ 251,214
Personnel Benefits	103,947	3,609	-	107,556
Other Personnel Costs	4,850	-	-	4,850
Purchased Services	170,133	28,824	-	198,957
Facilities, Buildings, and Grounds	26,400	-	-	26,400
Office	198,304	-	-	198,304
Fundraising Expenses	-	-	2,980	2,980
Total Expenses by Function	744,193	43,088	2,980	790,261
Less: Expenses Included with Revenues on the Statements of Activities:				
Cost of Sales	(228,116)	-	-	(228,116)
Cost of Direct Benefit to Donors	-	-	(2,980)	(2,980)
Total Expenses Included in the Expenses Section on the Statements of Activities	<u>\$ 516,077</u>	<u>\$ 43,088</u>	<u>\$ -</u>	<u>\$ 559,165</u>



**ST. GABRIEL COMMUNICATIONS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**NOTE 8 RETIREMENT PLAN**

St. Gabriel participates in the Catholic Diocese of Green Bay Employees' Retirement Plan. The defined contribution retirement plan covers most lay employees. The vesting period of the plan is six months. Contributions are 9% of an employee's wages and are made each pay period. Retirement plan expense was \$37,268 and \$22,973 for the years ended June 30, 2024 and 2023, respectively.

**NOTE 9 LEASES**

St. Gabriel leases certain office space and equipment under operating lease agreements with another diocesan entity on a month-to-month basis. Total rent expense was \$35,418 and \$26,400 for the years ended June 30, 2024 and 2023, respectively.

**NOTE 10 INTERDIOCESAN TRANSACTIONS**

St. Gabriel was a party to various transactions with other diocesan corporations during the years ended June 30, 2024 and 2023. Total revenues and support from other diocesan corporations were \$986,444 and \$251,664 for the years ended June 30, 2024 and 2023, respectively, and relate to donations, advertising, subscriptions, and communications and marketing-related services. The revenues from other diocesan corporations constitute a substantial portion of St. Gabriel's total revenues for the years ended June 30, 2024 and 2023. Total expenses paid to other diocesan corporations were \$220,363 and \$202,778 for the years ended June 30, 2024 and 2023, respectively, and relates to administrative and support services.

**NOTE 11 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions are restricted for the following purposes as of June 30:

	2024	2023
Subject to Expenditure for Specified Purpose:		
Circulation Assistance	\$ 40,456	\$ 33,534
Compass in the Classroom	-	69
Homeless Shelter	6,669	4,158
Prison Ministry	9,636	8,555
On Mission Greatest Needs	3,000	-
Television Masses	67,444	-
Total Net Assets With Donor Restrictions	<u>\$ 127,205</u>	<u>\$ 46,316</u>