

**ST. THERESE OF THE LITTLE FLOWER, INC.**  
**FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2024 AND 2023**



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## INDEPENDENT AUDITORS' REPORT

Board of Directors  
St. Therese of the Little Flower, Inc.  
Green Bay, Wisconsin

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

#### ***Opinion***

We have audited the accompanying financial statements of St. Therese of the Little Flower, 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. Therese of the Little Flower, 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. Therese of the Little Flower, 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. Therese of the Little Flower, 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. Therese of the Little Flower, 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. Therese of the Little Flower, 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. THERESE OF THE LITTLE FLOWER, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 4,660,325	\$ 4,460,549
Interest in Cash Due to Others	(4,209,981)	(4,052,300)
Total Cash and Cash Equivalents	<u>450,344</u>	<u>408,249</u>
Prepaid Expenses	98,715	85,682
Investments	1,161,716	1,103,131
Software and Equipment, Net	59,175	75,511
Assets Transferred to St. Gabriel Communications, Inc.	<u>-</u>	<u>118,332</u>
Total Assets	<u><u>\$ 1,769,950</u></u>	<u><u>\$ 1,790,905</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable	\$ 18,886	\$ 15,607
Accrued Expenses	280,424	223,447
Liabilities Transferred to St Gabriel Communications, Inc.	<u>-</u>	<u>22,295</u>
Total Liabilities	<u>299,310</u>	<u>261,349</u>
<b>NET ASSETS</b>		
Without Donor Restrictions	1,370,640	1,337,686
With Donor Restrictions:		
Restricted for Technology and Television Masses	<u>100,000</u>	<u>191,870</u>
Total Net Assets	<u>1,470,640</u>	<u>1,529,556</u>
Total Liabilities and Net Assets	<u><u>\$ 1,769,950</u></u>	<u><u>\$ 1,790,905</u></u>

See accompanying Notes to Financial Statements.

**ST. THERESE OF THE LITTLE FLOWER, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES AND SUPPORT</b>			
Fees for Services	\$ 2,526,255	\$ -	\$ 2,526,255
Contributions of Cash and Other Financial Assets	150,000	-	150,000
Net Assets Released From Purpose Restriction:			
Technology	32,111	(32,111)	-
Total Revenues and Support	<u>2,708,366</u>	<u>(32,111)</u>	<u>2,676,255</u>
<b>EXPENSES</b>			
Salaries and Wages	1,498,909	-	1,498,909
Personnel Benefits	518,978	-	518,978
Purchased Services	502,356	-	502,356
Facilities, Buildings, and Grounds	100,980	-	100,980
Office	147,362	-	147,362
Transfer to St. Gabriel Communications, Inc.	59,980	-	59,980
Total Expenses	<u>2,828,565</u>	<u>-</u>	<u>2,828,565</u>
Revenues and Support in Deficit of Expenses	(120,199)	(32,111)	(152,310)
<b>OTHER CHANGES IN NET ASSETS</b>			
Interest Income	130,846	-	130,846
Investment Return	58,585	-	58,585
Total Other Changes in Net Assets	<u>189,431</u>	<u>-</u>	<u>189,431</u>
<b>CHANGE IN NET ASSETS FROM CONTINUING OPERATIONS</b>	69,232	(32,111)	37,121
<b>CHANGE IN NET ASSETS TRANSFERRED TO ST. GABRIEL COMMUNICATIONS, INC.</b>	<u>(36,278)</u>	<u>(59,759)</u>	<u>(96,037)</u>
<b>CHANGE IN NET ASSETS</b>	32,954	(91,870)	(58,916)
Net Assets - Beginning of Year	<u>1,337,686</u>	<u>191,870</u>	<u>1,529,556</u>
<b>NET ASSETS - END OF YEAR</b>	<u><u>\$ 1,370,640</u></u>	<u><u>\$ 100,000</u></u>	<u><u>\$ 1,470,640</u></u>

See accompanying Notes to Financial Statements.

**ST. THERESE OF THE LITTLE FLOWER, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES AND SUPPORT</b>			
Fees for Services	\$ 2,280,808	\$ -	\$ 2,280,808
Contributions of Cash and Other Financial Assets	216,674	88,210	304,884
Contributions - Employee Retention Credit	341,029	-	341,029
Net Assets Released From Purpose Restriction:			
Technology	56,099	(56,099)	-
Total Revenues and Support	<u>2,894,610</u>	<u>32,111</u>	<u>2,926,721</u>
<b>EXPENSES</b>			
Salaries and Wages	1,295,688	-	1,295,688
Personnel Benefits	464,449	-	464,449
Purchased Services	497,186	-	497,186
Facilities, Buildings, and Grounds	93,252	-	93,252
Office	107,813	-	107,813
Total Expenses	<u>2,458,388</u>	<u>-</u>	<u>2,458,388</u>
Revenues and Support in Excess of Expenses	436,222	32,111	468,333
<b>OTHER CHANGE IN NET ASSETS</b>			
Investment Return	<u>37,608</u>	<u>-</u>	<u>37,608</u>
<b>CHANGE IN NET ASSETS FROM CONTINUING OPERATIONS</b>	473,830	32,111	505,941
<b>CHANGE IN NET ASSETS TRANSFERRED TO ST. GABRIEL COMMUNICATIONS, INC.</b>	<u>(1,192)</u>	<u>2,650</u>	<u>1,458</u>
<b>CHANGE IN NET ASSETS</b>	472,638	34,761	507,399
Net Assets - Beginning of Year	<u>865,048</u>	<u>157,109</u>	<u>1,022,157</u>
<b>NET ASSETS - END OF YEAR</b>	<u><u>\$ 1,337,686</u></u>	<u><u>\$ 191,870</u></u>	<u><u>\$ 1,529,556</u></u>

See accompanying Notes to Financial Statements.

**ST. THERESE OF THE LITTLE FLOWER, INC.**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Customers and Contributors	\$ 2,676,255	\$ 2,585,692
Cash Received from Contributors - Employee Retention Credit	-	341,029
Cash Received from Interest Income	130,846	-
Cash Paid to and on Behalf of Employees	(1,964,295)	(1,806,882)
Cash Paid to Suppliers	(730,552)	(752,358)
Cash Transferred to St. Gabriel Communications, Inc.	(59,980)	-
Net Cash Flows from Operating Activities of Continuing Operations	52,274	367,481
Net Cash Flows from Operating Activities Transferred to St. Gabriel Communications, Inc.	(64,198)	(17,735)
Net Cash Flows from Operating Activities	(11,924)	349,746
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Cash Paid for Purchases of Software and Equipment	(10,179)	(76,458)
Cash Paid for Purchase of Investments	-	(175,000)
Proceeds from Sale of Investments	-	175,000
Net Cash Flows from Investing Activities of Continuing Operations	(10,179)	(76,458)
Net Cash Flows from Investing Activities Transferred to St. Gabriel Communications, Inc.	-	(21,020)
Net Cash Flows from Investing Activities	(10,179)	(97,478)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(22,103)	252,268
Cash and Cash Equivalents - Beginning of Year	472,447	220,179
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 450,344</u>	<u>\$ 472,447</u>
<b>RECONCILIATION TO THE STATEMENTS OF FINANCIAL POSITION</b>		
Cash and Cash Equivalents - Continuing Operations	\$ 450,344	\$ 408,249
Cash and Cash Equivalents - Transferred to St. Gabriel Communications, Inc.	-	64,198
Total Cash and Cash Equivalents - End of Year	<u>\$ 450,344</u>	<u>\$ 472,447</u>

See accompanying Notes to Financial Statements.



**ST. THERESE OF THE LITTLE FLOWER, INC.**  
**STATEMENTS OF CASH FLOWS (CONTINUED)**  
**YEARS ENDED JUNE 30, 2024 AND 2023**

**RECONCILIATION OF CHANGE IN NET ASSETS TO NET  
CASH FLOWS FROM OPERATING ACTIVITIES**

Change in Net Assets from Continuing Operations	\$ 37,121	\$ 505,941
Adjustments to Reconcile Change in Net Assets to Net Cash Flows from Operating Activities:		
Depreciation	26,515	16,120
Investment Return	(58,585)	(37,608)
Changes in Certain Assets and Liabilities:		
Prepaid Expenses	(13,033)	(86,556)
Accounts Payable	3,279	(13,795)
Accrued Expenses	56,977	(16,621)
Net Cash Flows from Operating Activities of Continuing Operations	52,274	367,481
Net Cash Flows from Operating Activities Transferred to St. Gabriel Communications, Inc.	(64,198)	(17,735)
Net Cash Flows from Operating Activities	<u>\$ (11,924)</u>	<u>\$ 349,746</u>

**NONCASH INVESTING AND FINANCING ACTIVITIES**

Interest and Dividends Reinvested Directly Back Into Investment Funds - Continuing Operations	<u>\$ 58,585</u>	<u>\$ 37,608</u>
Interest and Dividends Reinvested Directly Back Into Investment Funds - Transferred to St. Gabriel Communications, Inc.	<u>\$ 42</u>	<u>\$ 83</u>

*See accompanying Notes to Financial Statements.*

**ST. THERESE OF THE LITTLE FLOWER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**NOTE 1    PRINCIPAL ACTIVITY**

St. Therese of the Little Flower, Inc. (St. Therese) is a nonprofit corporation organized under the laws of the state of Wisconsin for the purpose of providing services such as financial, accounting, information technology, communications, and other administrative services in accordance with and in support of the mission of the Catholic Diocese of Green Bay. On December 31, 2023, St. Therese transferred responsibility for communications to St Gabriel Communications, Inc.

**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.

**Cash and Cash Equivalents**

St. Therese defines cash and cash equivalents as highly liquid, short-term investments with a maturity at the date of acquisition of three months or less. St. Therese is the holder of a pooled cash account with interdiocesan entities. These accounts sweep daily to St. Therese, leaving a zero balance in the other entities. The balances owed to the various entities are shown as interest in cash due to others. The total of the pooled cash account, at times, may exceed federally insured limits. St. Therese has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

**Prepaid Expenses**

St. Therese occasionally enters into contracts for purchases related to the maintenance of software and software hosting or other items. The maintenance contracts are amortized over the life of the respective contract. As of June 30, 2024 and 2023, the total amount of prepaid expense was \$98,715 and \$85,682, respectively, for continuing operations and \$-0- and \$275, respectively, transferred to St. Gabriel Communications, Inc., all of which was related to software and maintenance contracts.

**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. THERESE OF THE LITTLE FLOWER, 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

**Impairment of Long-Lived Assets**

St. Therese reviews long-lived assets, including property and equipment and intangible assets, 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.

**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.

**Revenue**

Fees for services are reflected as support in the year when the services are provided. Revenue from fees for services is recognized over time and totaled \$2,526,255 and \$2,280,808 during the years ended June 30, 2024 and 2023, respectively, for continuing operations and \$240,590 and \$409,747, respectively, transferred to St. Gabriel Communications, Inc.

**ST. THERESE OF THE LITTLE FLOWER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

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

**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 Restriction.

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. Therese received Employee Retention Credit (ERC) funding from the Internal Revenue Service in the amount of \$341,029 in compliance with the program.

Grants related to this program are included in Contributions – Employee Retention Credit on the statement of activities. St. Therese recognized \$341,029 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. Therese 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**

St. Therese 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, St. Therese 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. THERESE OF THE LITTLE FLOWER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**NOTE 3 LIQUIDITY AND AVAILABILITY**

St. Therese 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
Cash and Cash Equivalents - Continuing Operations	\$ 450,344	\$ 408,249
Cash and Cash Equivalents - Transferred to St. Gabriel Communications, Inc.	-	64,198
Investments - Continuing Operations	1,161,716	1,103,131
Investments - Transferred to St. Gabriel Communications, Inc.	-	22,658
Subtotal	1,612,060	1,598,236
Less: Donor Restricted Net Assets	(100,000)	(191,870)
Total Financial Assets Available for General Expenditure	<u>\$ 1,512,060</u>	<u>\$ 1,406,366</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. Therese 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 - Transferred to St. Gabriel Communications, Inc.	\$ -	\$ 22,658	Daily	30 Days
Treasury Money Market Fund - Continuing Operations	1,161,716	1,103,131	Daily	30 Days
Total	<u>\$ 1,161,716</u>	<u>\$ 1,125,789</u>		

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

**ST. THERESE OF THE LITTLE FLOWER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**NOTE 4 INVESTMENTS (CONTINUED)**

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>

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. Therese 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. Therese 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.

**ST. THERESE OF THE LITTLE FLOWER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**NOTE 4 INVESTMENTS (CONTINUED)**

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

	June 30, 2024			
	Level 1	Level 2	Level 3	Total
St. Francis Xavier Corp. Treasury Money Market Fund - Continuing Operations	\$ -	\$ 1,161,716	\$ -	\$ 1,161,716
	June 30, 2023			
	Level 1	Level 2	Level 3	Total
St. Francis Xavier Corp.: Fixed Income Fund - Transferred to St. Gabriel Communications, Inc.	\$ -	\$ 22,658	\$ -	\$ 22,658
Treasury Money Market Fund - Continuing Operations	-	1,103,131	-	1,103,131
Total Investments	<u>\$ -</u>	<u>\$ 1,125,789</u>	<u>\$ -</u>	<u>\$ 1,125,789</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.

Investment return from continuing operations in the statements of activities for the years ended June 30 consisted of the following:

	2024	2023
Interest and Dividends on Investments	\$ 42	\$ 83
Realized and Unrealized Gains on Investments	58,543	37,525
Total Investment Return	<u>\$ 58,585</u>	<u>\$ 37,608</u>

**ST. THERESE OF THE LITTLE FLOWER, 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 - Continuing Operations	\$ 1,339,400	\$ 1,330,578
Less: Accumulated Depreciation	<u>(1,280,225)</u>	<u>(1,255,067)</u>
Net Software and Equipment - Continuing Operations	<u>\$ 59,175</u>	<u>\$ 75,511</u>
Software and Equipment - Transferred to St. Gabriel Communications, Inc.	\$ -	\$ 54,528
Less: Accumulated Depreciation	<u>-</u>	<u>(23,327)</u>
Net Software and Equipment - Transferred to St. Gabriel Communications, Inc.	<u>\$ -</u>	<u>\$ 31,201</u>

Depreciation expense from continuing operations of \$26,515 and \$16,120 was recorded on the accompanying statements of activities in office expense for the years ended June 30, 2024 and 2023, respectively. Depreciation expense transferred to St. Gabriel Communications, Inc. of \$6,382 and \$8,092 was recorded on the accompanying statements of activities in change in net assets transferred to St. Gabriel Communications, Inc. for the years ended June 30, 2024 and 2023, respectively.

**NOTE 6 LEASES**

St. Therese leases certain office space and equipment under operating lease agreements with other diocesan entities on a month-to-month basis. Total rent expense for the years ended June 30, 2024 and 2023 was \$100,980 and \$93,252, respectively, for continuing operations and \$6,882 and \$12,720, respectively, transferred to St. Gabriel Communications, Inc.



**ST. THERESE OF THE LITTLE FLOWER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**NOTE 7 INTERDIOCESAN TRANSACTIONS**

St. Therese 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 \$2,561,311 and \$2,673,455 for the years ended June 30, 2024 and 2023, respectively, including \$246,114 and \$412,788 for the years ended June 30, 2024 and 2023, respectively, transferred to St. Gabriel Communications, Inc., and mostly relates to contributions and earned revenues from support services provided. Total expenses paid to other diocesan corporations were \$563,735 and \$375,922 for the years ended June 30, 2024 and 2023, respectively, including \$168,601 and \$-0- for the years ended June 30, 2024 and 2023, respectively, transferred to St. Gabriel Communications, Inc., and relates to transfers to St. Gabriel Communications, Inc., for occupancy, and administrative and support services.

**ST. THERESE OF THE LITTLE FLOWER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**NOTE 8 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. Therese's natural expense categories are allocated on the basis of estimates of time and effort.

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

	2024		
	Program Services	Management and General	Total
Salaries and Wages	\$ 1,578,206	\$ 40,637	\$ 1,618,843
Personnel Benefits	552,217	10,905	563,122
Purchased Services	555,556	7,944	563,500
Rent	107,862	-	107,862
Office	154,959	-	154,959
Transfer to St. Gabriel Communications, Inc.	168,601	-	168,601
Total Expenses	<u>3,117,401</u>	<u>59,486</u>	<u>3,176,887</u>
Less: Expenses Transferred to St. Gabriel Communications, Inc.	<u>(333,677)</u>	<u>(14,645)</u>	<u>(348,322)</u>
Total Expenses per Statement of Activities	<u>\$ 2,783,724</u>	<u>\$ 44,841</u>	<u>\$ 2,828,565</u>
	2023		
	Program Services	Management and General	Total
Salaries and Wages	\$ 1,477,141	\$ 50,997	\$ 1,528,138
Personnel Benefits	539,371	14,195	553,566
Purchased Services	673,995	8,472	682,467
Rent	105,972	-	105,972
Office	119,333	-	119,333
Other	9,990	-	9,990
Total Expenses	<u>2,925,802</u>	<u>73,664</u>	<u>2,999,466</u>
Less: Expenses Transferred to St. Gabriel Communications, Inc.	<u>(512,549)</u>	<u>(28,529)</u>	<u>(541,078)</u>
Total Expenses per Statement of Activities	<u>\$ 2,413,253</u>	<u>\$ 45,135</u>	<u>\$ 2,458,388</u>

**ST. THERESE OF THE LITTLE FLOWER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2024 AND 2023**

**NOTE 9 RETIREMENT PLAN**

St. Therese 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 for the years ended June 30, 2024 and 2023 was \$129,301 and \$112,244, respectively, for continuing operations and \$10,794 and \$21,164, respectively, transferred to St. Gabriel Communications, Inc..

**NOTE 10 TRANSFER TO ST. GABRIEL COMMUNICATIONS, INC.**

On December 31, 2023, St. Therese transferred responsibility for communications to St Gabriel Communications, Inc. The operations of the communications department are presented as transferred to St. Gabriel Communications, Inc. in the accompanying statements of financial position and activities.

The following is a reconciliation of the major line items constituting the change in net assets transferred to St. Gabriel Communications, Inc. for the years ended June 30:

	2024			2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUES AND SUPPORT</b>						
Fees for Services	\$ 240,590	\$ -	\$ 240,590	\$ 409,747	\$ -	\$ 409,747
Contributions of Cash and Other Financial Assets	5,000	5,794	10,794	26,404	106,375	132,779
Net Assets Released From Purpose Restriction:						
Television Masses	66,454	(66,454)	-	103,735	(103,735)	-
Total Revenues and Support	312,044	(60,660)	251,384	539,886	2,640	542,526
<b>EXPENSES</b>						
Salaries and Wages	119,934	-	119,934	232,450	-	232,450
Personnel Benefits	44,144	-	44,144	89,117	-	89,117
Purchased Services	61,144	-	61,144	185,281	-	185,281
Facilities, Buildings, and Grounds	6,882	-	6,882	12,720	-	12,720
Office	7,597	-	7,597	11,520	-	11,520
Other	-	-	-	9,990	-	9,990
Transfer to St. Gabriel Communications, Inc.	108,621	-	108,621	-	-	-
Total Expenses	348,322	-	348,322	541,078	-	541,078
Revenues and Support in Deficit of Expenses	(36,278)	(60,660)	(96,938)	(1,192)	2,640	1,448
<b>OTHER CHANGE IN NET ASSETS</b>						
Investment Return	-	901	901	-	10	10
<b>CHANGE IN NET ASSETS TRANSFERRED TO ST. GABRIEL COMMUNICATIONS, INC.</b>	<u>\$ (36,278)</u>	<u>\$ (59,759)</u>	<u>\$ (96,037)</u>	<u>\$ (1,192)</u>	<u>\$ 2,650</u>	<u>\$ 1,458</u>