



Financial Statements
and
Independent Auditors' Report



Diocese of Belleville Catholic Service and Ministry Appeal

February 28, 2025 and February 29, 2024

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Independent Auditors' Report

Members of the Diocesan Finance Council
and the Board of Directors
The Diocese of Belleville Catholic
Service and Ministry Appeal

Opinion

We have audited the financial statements of the Diocese of Belleville Catholic Service and Ministry Appeal (the CSMA), which comprise the statements of financial position as of February 28, 2025 and February 29, 2024 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the CSMA as of February 28, 2025 and February 29, 2024, 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 the CSMA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the CSMA's ability to continue as a going concern for one year after the date that the financial statements are 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 the CSMA'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 the CSMA'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.

Heuber, Eck & Braeckel LLP

Springfield, Illinois

July 2, 2025

Diocese of Belleville Catholic Service and Ministry Appeal
STATEMENTS OF FINANCIAL POSITION
February 28 and February 29

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash	\$ 149,852	\$ 233,518
Due from related party	1,275	57,718
Prepaid expenses	3,787	31,628
	<u>154,914</u>	<u>322,864</u>
Total assets	<u>\$ 154,914</u>	<u>\$ 322,864</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	\$ 75,913	\$ 243,863
NET ASSETS		
Without donor restrictions	<u>79,001</u>	<u>79,001</u>
Total liabilities and net assets	<u>\$ 154,914</u>	<u>\$ 322,864</u>

The accompanying notes are an integral part of these statements.

Diocese of Belleville Catholic Service and Ministry Appeal
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
For the years ended February 28 and February 29

	<u>2025</u>	<u>2024</u>
Support and revenue		
Contributions	\$ 1,144,043	\$ 1,492,538
Interest income	17,770	9,824
	<u>1,161,813</u>	<u>1,502,362</u>
Expenses		
Program services	1,017,749	1,353,903
Supporting services		
Management and general	5,800	5,600
Fundraising	138,264	142,201
Total supporting services	<u>144,064</u>	<u>147,801</u>
Total expenses	<u>1,161,813</u>	<u>1,501,704</u>
Change in net assets	-	658
Net assets - beginning of year	<u>79,001</u>	<u>78,343</u>
Net assets - end of year	<u>\$ 79,001</u>	<u>\$ 79,001</u>

The accompanying notes are an integral part of these statements.

Diocese of Belleville Catholic Service and Ministry Appeal

STATEMENTS OF FUNCTIONAL EXPENSES

Year ended February 28, 2025

	Program Services					Supporting Services			
	Benefit of Parishes and Agencies	Educational	Christian Services	Pastoral Services	Total	Management and General	Fundraising	Total	Total
Benefits of parishes and agencies	\$ 63,846	\$ -	\$ -	\$ -	\$ 63,846	\$ -	\$ -	\$ -	\$ 63,846
Office of Education	-	127,874	-	-	127,874	-	-	-	127,874
Sr. Thea Bowman School	-	76,615	-	-	76,615	-	-	-	76,615
St. Vincent de Paul	-	-	72,587	-	72,587	-	-	-	72,587
Catholic Urban Programs	-	-	139,622	-	139,622	-	-	-	139,622
Office of Faith Formation	-	-	52,779	-	52,779	-	-	-	52,779
Day Star Community Program	-	-	119,178	-	119,178	-	-	-	119,178
Office of Life, Marriage and Family	-	-	32,192	-	32,192	-	-	-	32,192
Fund for Ministry	-	-	29,795	-	29,795	-	-	-	29,795
Newman Center	-	-	-	93,689	93,689	-	-	-	93,689
Office of Worship	-	-	-	64,329	64,329	-	-	-	64,329
Prison Ministry	-	-	21,358	-	21,358	-	-	-	21,358
Griffin Center	-	-	12,922	-	12,922	-	-	-	12,922
Hispanic Ministry	-	-	-	52,779	52,779	-	-	-	52,779
Seminaries	-	22,691	-	-	22,691	-	-	-	22,691
Accounting	-	-	-	-	-	5,800	-	5,800	5,800
Bishop Designated	-	-	-	8,360	8,360	-	-	-	8,360
Development and drive expense	-	27,133	-	-	27,133	-	138,264	138,264	165,397
Total	\$ 63,846	\$ 254,313	\$ 480,433	\$ 219,157	\$ 1,017,749	\$ 5,800	\$ 138,264	\$ 144,064	\$ 1,161,813

Diocese of Belleville Catholic Service and Ministry Appeal

STATEMENTS OF FUNCTIONAL EXPENSES

Year ended February 29, 2024

	Program Services					Supporting Services			
	Benefit of Parishes and Agencies	Educational	Christian Services	Pastoral Services	Total	Management and General	Fundraising	Total	Total
Benefits of parishes and agencies	\$ 87,297	\$ -	\$ -	\$ -	\$ 87,297	\$ -	\$ -	\$ -	\$ 87,297
Office of Education	-	174,595	-	-	174,595	-	-	-	174,595
Sr. Thea Bowman School	-	114,757	-	-	114,757	-	-	-	114,757
St. Vincent de Paul	-	-	98,937	-	98,937	-	-	-	98,937
Catholic Urban Programs	-	-	197,054	-	197,054	-	-	-	197,054
Office of Faith Formation	-	-	70,166	-	70,166	-	-	-	70,166
Day Star Community Program	-	-	167,955	-	167,955	-	-	-	167,955
Office of Life, Marriage, and Family	-	-	34,099	-	34,099	-	-	-	34,099
Fund for Ministry	-	-	25,739	-	25,739	-	-	-	25,739
Newman Center	-	-	-	113,487	113,487	-	-	-	113,487
Office of Worship	-	-	-	75,510	75,510	-	-	-	75,510
Prison Ministry	-	-	22,599	-	22,599	-	-	-	22,599
Griffin Center	-	-	35,459	-	35,459	-	-	-	35,459
Hispanic Ministry	-	-	-	72,166	72,166	-	-	-	72,166
Seminaries	-	27,196	-	0	27,196	-	-	-	27,196
Accounting	-	-	-	-	-	5,600	-	5,600	5,600
Bishop Designated	-	-	-	11,640	11,640	-	-	-	11,640
Development and drive expense	-	25,247	-	-	25,247	-	142,201	142,201	167,448
Total	\$ 87,297	\$ 341,795	\$ 652,008	\$ 272,803	\$ 1,353,903	\$ 5,600	\$ 142,201	\$ 147,801	\$ 1,501,704

The accompanying notes are an integral part of these statements.

Diocese of Belleville Catholic Service and Ministry Appeal
STATEMENTS OF CASH FLOWS
For the years ended February 28 and February 29

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities		
Change in net assets	\$ -	\$ 658
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Change in assets and liabilities		
Contribution receivable	-	3,244
Due from related party	56,443	(37,811)
Prepaid expenses	27,841	3,664
Accounts payable and accrued expenses	(167,950)	118,398
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	(83,666)	88,153
Cash at beginning of year	<hr/>	<hr/>
	233,518	145,365
Cash at end of year	<hr/> <hr/>	<hr/> <hr/>
	\$ 149,852	\$ 233,518

The accompanying notes are an integral part of these statements.

Diocese of Belleville Catholic Service and Ministry Appeal
NOTES TO FINANCIAL STATEMENTS
February 28, 2025 and February 29, 2024

NOTE A | SUMMARY OF ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. Financial Reporting Entity

The Diocese of Belleville Catholic Service and Ministry Appeal (the CSMA) is a not-for-profit corporation established under the laws of the State of Illinois, and it operates as a religious organization. The CSMA is located in Southern Illinois, and it accounts for the contributions received from the diocesan-wide appeal and the funding of various programs of the Catholic Diocese of Belleville, Illinois (the Diocese) as annually determined.

2. Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting and, accordingly, report all significant receivables, payables, and other liabilities.

3. Financial Statement Presentation

The CSMA is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Net Assets without Donor Restrictions - These net assets generally result from revenues generated by receiving contributions that have no donor restrictions and providing services, less expenses incurred in providing program-related services, raising contributions, and performing administrative functions.

Net Assets with Donor Restrictions - These net assets result from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, either temporarily until the donor restriction expires, that is until the stipulated time restriction ends, or the purpose of the restriction is accomplished, or permanently, in which the donor has stipulated the funds be maintained in perpetuity.

Diocese of Belleville Catholic Service and Ministry Appeal
NOTES TO FINANCIAL STATEMENTS
February 28, 2025 and February 29, 2024

NOTE A | SUMMARY OF ACCOUNTING POLICIES

3. Financial Statement Presentation

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from donor restrictions. The CSMA has elected to present all contributions with donor restrictions, which are fulfilled in the same time period, within the net assets without donor restrictions class. There were no net assets with donor restrictions at February 28, 2025 and February 29, 2024.

4. Cash and Cash Equivalents

Cash and cash equivalents consist of short-term highly-liquid investments, which are readily convertible into cash within ninety (90) days of purchase. There were no cash equivalents at February 28, 2025 and February 29, 2024.

5. Contribution Receivable

The CSMA considers all receivables to be fully collectible; accordingly, no allowance for credit losses is considered necessary. If amounts become uncollectible, they will be charged to operations when that determination is made.

6. Revenue Recognition

The CSMA records revenue from contributions at the time they are received and at the appropriate net asset classification, depending on the existence and/or nature of any donor stipulated funds.

7. Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited based on estimates made by management.

Diocese of Belleville Catholic Service and Ministry Appeal
NOTES TO FINANCIAL STATEMENTS
February 28, 2025 and February 29, 2024

NOTE A | SUMMARY OF ACCOUNTING POLICIES

8. Income Taxes

The Diocese of Belleville Catholic Service and Ministry Appeal is a not-for-profit corporation under Section 501(c)(3) of the Internal Revenue Code and, as such, is exempt from income taxes under Section 501(a) of the Code.

The CSMA has recognized in the financial statements the effects of all tax positions and continually evaluates expiring statutes of limitations, audits, changes in tax law, and new authoritative rulings. The CSMA is not aware of any circumstances or events that make it reasonably possible that unrecognized tax benefits may increase or decrease within 12 months of the statement of financial position date. Penalties and interest assessed by taxing authorities are included in the provision for income taxes, if applicable. There were no penalties or interest paid during 2025 and 2024.

9. 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

10. Subsequent Events

Management has evaluated subsequent events for recognition and disclosure in the financial statements through July 2, 2025, which is the date the financial statements were available to be issued. Through July 2, 2025, no subsequent events required recognition or disclosure in the financial statements.

NOTE B | RELATED-PARTY TRANSACTIONS

The CSMA enters into transactions with the Diocese, parishes, schools and other agencies of the Diocese. The CSMA had a receivable due from the Diocese of \$ 1,275 and \$ 57,718 as of February 28, 2025 and February 29, 2024, respectively.

Diocese of Belleville Catholic Service and Ministry Appeal
NOTES TO FINANCIAL STATEMENTS
February 28, 2025 and February 29, 2024

NOTE C | CONCENTRATION OF CREDIT RISK

The CSMA maintains a cash balance at a financial institution in Belleville, Illinois. This account is insured up to \$ 250,000 by the Federal Deposit Insurance Corporation. From time to time, the account balance may exceed the insured limits. The CSMA has not experienced any losses from this account as of February 28, 2025, and through the date of this report.

NOTE D | LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following table reflects the CSMA’s financial assets as of February 28, 2025 and February 29, 2024. Financial assets are considered unavailable when illiquid or not convertible to cash within one year.

	<u>2025</u>	<u>2024</u>
Financial assets		
Cash	\$ 149,852	\$ 233,518
Due from related party	<u>1,275</u>	<u>57,718</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 151,127</u>	<u>\$ 291,236</u>

The CSMA’s goal is to structure its financial assets to be available to meet the obligations to encourage development and provide funding for unique programs and projects which address special needs within each vicariate of the Diocese.