

**CATHOLIC YOUTH ORGANIZATION AND AFFILIATE
CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2025 AND 2024**



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**CATHOLIC YOUTH ORGANIZATION AND AFFILIATE
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INDEPENDENT AUDITORS' REPORT

Corporate Members and Board of Directors
Catholic Youth Organization and Affiliate
Washington, DC

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Catholic Youth Organization and Affiliate, which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Catholic Youth Organization and Affiliate as of June 30, 2025 and 2024, and the changes in their net assets and their 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 Consolidated Financial Statements* section of our report. We are required to be independent of Catholic Youth Organization and Affiliate 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Catholic Youth Organization and Affiliate's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated 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 Catholic Youth Organization and Affiliate'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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Catholic Youth Organization and Affiliate'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.



CliftonLarsonAllen LLP

Arlington, Virginia
December 9, 2025

**CATHOLIC YOUTH ORGANIZATION AND AFFILIATE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
ASSETS		
Cash	\$ 311,192	\$ -
Accounts Receivable, Net (Note 1)	111,825	47,950
Pledge Receivable (Note 3)	-	182,100
Prepaid Expenses	90,879	18,178
Due from Affiliated Corporations, Net (Note 3)	-	689,758
Investments (Note 2)	3,059,752	2,345,925
Fixed Assets:		
Furniture and Equipment	120,310	136,654
Automobile	29,047	29,047
Less: Accumulated Depreciation	(104,929)	(108,448)
Fixed Assets, Net	<u>44,428</u>	<u>57,253</u>
 Total Assets	 <u><u>\$ 3,618,076</u></u>	 <u><u>\$ 3,341,164</u></u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable and Accrued Expenses	\$ 36,737	\$ 25,961
Deferred Revenue	83,385	700
Due to Affiliated Corporations, Net (Note 3)	<u>77,973</u>	<u>-</u>
 Total Liabilities	 198,095	 26,661
NET ASSETS		
Net Assets Without Donor Restrictions:		
Invested in Property and Equipment	44,428	57,253
Undesignated Net Assets	<u>3,258,472</u>	<u>2,948,069</u>
Total Net Assets Without Donor Restrictions	3,302,900	3,005,322
 Net Assets With Donor Restrictions (Note 5)	 <u>117,081</u>	 <u>309,181</u>
Total Net Assets	<u>3,419,981</u>	<u>3,314,503</u>
 Total Liabilities and Net Assets	 <u><u>\$ 3,618,076</u></u>	 <u><u>\$ 3,341,164</u></u>

See accompanying Notes to Consolidated Financial Statements.

**CATHOLIC YOUTH ORGANIZATION AND AFFILIATE
CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2025 AND 2024**

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE, SUPPORT, AND GAINS						
Special Program Income	\$ 737,465	\$ -	\$ 737,465	\$ 674,190	\$ -	\$ 674,190
Interest and Investment Income, Net (Note 2)	313,827	-	313,827	260,162	-	260,162
Donated Services (Note 3)	74,547	-	74,547	70,057	-	70,057
Contributions and Bequests	15,200	-	15,200	11,943	10,000	21,943
Registration Fees	-	-	-	177,661	-	177,661
Contribution from Central Pastoral Administration of the Archdiocese of Washington (Note 3)	-	-	-	-	182,100	182,100
Other Income	676	-	676	-	-	-
Net Assets Released from Restrictions	192,100	(192,100)	-	182,100	(182,100)	-
Total Revenue, Support, and Gains	1,333,815	(192,100)	1,141,715	1,376,113	10,000	1,386,113
EXPENSES AND LOSSES						
Program Services (Notes 1 and 3):						
Youth Ministries	297,927	-	297,927	457,417	-	457,417
Athletic Programs	486,556	-	486,556	440,698	-	440,698
Total Program Services	784,483	-	784,483	898,115	-	898,115
Support Services (Note 3):						
Administrative Services	244,827	-	244,827	228,222	-	228,222
Development	6,927	-	6,927	6,631	-	6,631
Total Support Services	251,754	-	251,754	234,853	-	234,853
Total Expenses and Losses	1,036,237	-	1,036,237	1,132,968	-	1,132,968
CHANGE IN NET ASSETS	297,578	(192,100)	105,478	243,145	10,000	253,145
Net Assets - Beginning of Year	3,005,322	309,181	3,314,503	2,762,177	299,181	3,061,358
NET ASSETS - END OF YEAR	<u>\$ 3,302,900</u>	<u>\$ 117,081</u>	<u>\$ 3,419,981</u>	<u>\$ 3,005,322</u>	<u>\$ 309,181</u>	<u>\$ 3,314,503</u>

See accompanying Notes to Consolidated Financial Statements.

**CATHOLIC YOUTH ORGANIZATION AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2025**

	Program Services			Support Services			Total
	Youth Ministries	Athletic Programs	Total Program Services	Administrative Services	Development	Total Support Services	
Salaries and Wages	\$ 211,518	\$ 85,640	\$ 297,158	\$ 59,907	\$ 5,213	\$ 65,120	\$ 362,278
Benefits	39,852	19,483	59,335	12,626	1,080	13,706	73,041
Total Compensation and Benefits	251,370	105,123	356,493	72,533	6,293	78,826	435,319
Office Costs	4,691	8,262	12,953	7,658	-	7,658	20,611
Conferences, Meetings, and Travel	13,109	1,936	15,045	364	-	364	15,409
Professional Fees	-	207,552	207,552	16,575	-	16,575	224,127
Food and Beverages	3,433	1,664	5,097	1,123	-	1,123	6,220
Insurance	-	-	-	21,864	-	21,864	21,864
Depreciation	-	-	-	18,624	-	18,624	18,624
Rental Equipment	-	117,187	117,187	-	-	-	117,187
Trophies and Awards	-	32,596	32,596	1,500	-	1,500	34,096
Rent	-	-	-	25,000	-	25,000	25,000
Administrative/Accounting Services	-	-	-	114,547	-	114,547	114,547
Bad Debt Expense	-	1,645	1,645	-	-	-	1,645
Repairs and Maintenance	-	-	-	309	-	309	309
Other Expenses	-	-	-	1,279	-	1,279	1,279
Allocation of Program Administration Costs	25,324	10,591	35,915	(36,549)	634	(35,915)	-
Total Expenses by Function	<u>\$ 297,927</u>	<u>\$ 486,556</u>	<u>\$ 784,483</u>	<u>\$ 244,827</u>	<u>\$ 6,927</u>	<u>\$ 251,754</u>	<u>\$ 1,036,237</u>

See accompanying Notes to Consolidated Financial Statements.

**CATHOLIC YOUTH ORGANIZATION AND AFFILIATE
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024**

	Program Services			Support Services			Total
	Youth Ministries	Athletic Programs	Total Program Services	Administrative Services	Development	Total Support Services	
Salaries and Wages	\$ 205,021	\$ 79,079	\$ 284,100	\$ 56,385	\$ 4,939	\$ 61,324	\$ 345,424
Benefits	38,744	13,402	52,146	12,155	1,043	13,198	65,344
Total Compensation and Benefits	243,765	92,481	336,246	68,540	5,982	74,522	410,768
Office Costs	4,803	10,384	15,187	9,810	-	9,810	24,997
Conferences, Meetings, and Travel	180,824	1,690	182,514	2,753	-	2,753	185,267
Professional Fees	-	179,126	179,126	10,411	-	10,411	189,537
Food and Beverages	1,555	557	2,112	1,056	-	1,056	3,168
Insurance	-	-	-	19,015	-	19,015	19,015
Depreciation	-	-	-	18,361	-	18,361	18,361
Rental Equipment	-	128,427	128,427	-	-	-	128,427
Trophies and Awards	25	18,455	18,480	-	-	-	18,480
Rent	-	-	-	25,000	-	25,000	25,000
Administrative/Accounting Services	-	-	-	110,057	-	110,057	110,057
Bad Debt Expense (Recovery)	-	(455)	(455)	-	-	-	(455)
Other Expenses	-	-	-	346	-	346	346
Allocation of Program Administration Costs	26,445	10,033	36,478	(37,127)	649	(36,478)	-
Total Expenses by Function	<u>\$ 457,417</u>	<u>\$ 440,698</u>	<u>\$ 898,115</u>	<u>\$ 228,222</u>	<u>\$ 6,631</u>	<u>\$ 234,853</u>	<u>\$ 1,132,968</u>

See accompanying Notes to Consolidated Financial Statements.

**CATHOLIC YOUTH ORGANIZATION AND AFFILIATE
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 105,478	\$ 253,145
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	18,624	18,361
Bad Debt Expense (Recovery)	1,645	(455)
Unrealized and Realized Gains on Investments	(267,663)	(228,953)
Loss on Disposal of Fixed Assets	625	316
Changes in Assets and Liabilities:		
Prepaid Expenses	(72,701)	149,933
Accounts Receivable	(65,520)	128,404
Pledge Receivable	182,100	-
Due from Affiliated Corporations	689,758	(80,402)
Accounts Payable and Accrued Expenses	10,776	505
Deferred Revenue	82,685	(176,852)
Due to Affiliated Corporations	77,973	-
Net Cash Provided by Operating Activities	<u>763,780</u>	<u>64,002</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(2,470,917)	(306,721)
Proceeds from Sale of Investments	2,024,753	275,512
Purchases of Property and Equipment	(6,424)	(32,793)
Net Cash Used by Investing Activities	<u>(452,588)</u>	<u>(64,002)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	311,192	-
Cash and Cash Equivalents - Beginning of Year	<u>-</u>	<u>-</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 311,192</u></u>	<u><u>\$ -</u></u>

See accompanying Notes to Consolidated Financial Statements.

**CATHOLIC YOUTH ORGANIZATION AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Catholic Youth Organization (CYO) is responsible for youth work in the Archdiocese, including youth retreats, scouting, youth outreach, athletic programs, junior and senior high school youth groups, and leadership training in youth ministry. Moneys are received directly from participants, parishes, and youth groups to defray the costs of each program and activity.

The geographic territory encompassed by CYO comprises the District of Columbia and the Maryland counties of Montgomery, Prince George's, Charles, Calvert, and St. Mary's. CYO fulfills its mission by operating the following programs:

Youth Ministries – Assists parishes in adolescent ministry through consultation and training of adults. Youth ministry also includes African-American, Hispanic Youth and Young Adult, and national and international activities such as World Youth Day and Catholic Scouting.

Athletic Programs – Offers basketball, baseball, softball, soccer, and track. Most programs are available to children grades 3-8.

Principles of Consolidation

The consolidated financial statements include the accounts of CYO and its affiliate, Mattaponi Pavilion Fund, Inc., collectively referred to as the Organization. MPF is controlled by CYO and was dormant during the years ended June 30, 2025 and 2024. All significant intercompany transactions have been eliminated. CYO and MPF are separate corporations affiliated with the Archdiocese of Washington (the Archdiocese).

Basis of Presentation

The accompanying consolidated financial statements include the financial position, changes in net assets, and cash flows of the Organization on the accrual basis of accounting.

Estimates

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

Cash

Prior to end of June 2025, CYO's cash was held in a pooled bank account by the Central Pastoral Administration. Expenses of CYO were paid from this pooled account and the net cash inflows/outflows for the period are recorded as due to/due from affiliated corporation in the consolidated statement of financial position. At the end of June 2025, CYO opened a checking account with United Bank. A majority of the funds were transferred from the pooled account with the Central Pastoral Administration.

**CATHOLIC YOUTH ORGANIZATION AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable and Allowance for Credit Losses

Accounts receivable represent amounts due from parishes for program fees. Accounts receivables are presented in the consolidated financial statements net of an allowance for credit losses. The allowance for credit losses is evaluated on a regular basis by CYO's management and is based on historical collection experience, the current and expected economic environment, and the CYO's assessment of specific risks associated with each customer. CYO's estimate of the expected credit losses is subject to inherent uncertainty, and actual losses could differ from estimates. CYO maintained an allowance for credit losses of \$9,630 and \$14,265, for each of the years ended June 30, 2025 and 2024, respectively.

Investments

Investments are recorded at fair value. Management reviews and evaluates the fair values provided by external investment managers and believes that the valuation methods and assumptions used in determining their fair values are reasonable.

Fair Value Measurements

CYO accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement. CYO uses a framework for measuring fair value to establish a fair value hierarchy based on the quality of inputs used to measure fair value.

CYO has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Financial assets recorded on the consolidated statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Financial assets whose values are based on unadjusted quoted prices for identical assets in an active market that CYO has the ability to access. Securities value using Level 1 inputs include those traded on an active exchange, such as the New York Stock Exchange. Securities valued using Level 1 input includes actively traded mutual funds.

Level 2 – Financial assets whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset. Level 2 inputs include, among others, quoted prices for similar assets in active market or nonactive markets.

Level 3 – Financial assets whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset.

**CATHOLIC YOUTH ORGANIZATION AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Certain automobiles and equipment are stated at cost, if purchased. Property received as a gift is recorded at fair value on the date of transfer. All acquisitions greater than \$250 are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of five years.

In accordance with canon law, all real property is titled to the Archbishop of Washington.

Net Assets

Net assets and revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions; accordingly, the net assets of CYO and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions – Net assets subject to donor-imposed stipulations that may be met either by actions of CYO and/or the passage of time.

Revenue is reported as increase in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of net assets with donor restrictions (i.e., the donor stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Revenue Recognition

The majority of CYO's program fees includes participation fees for CYO's sports seasons. Fees received in advance are deferred. The performance obligation is satisfied, and revenue is therefore recognized ratably over time during the season.

Contributions and grants received, which include unconditional promises to give (pledges), are recognized as revenue without donor restrictions in the period received at their net present value unless their use is restricted by donor stipulation. All pledges receivable at June 30, 2024, were expected to be collected in less than one year.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by CYO. CYO recognizes in-kind contribution revenue and a corresponding expense in an amount approximating the estimated fair value at the time of the donation. The Central Pastoral Administration provides administrative services to CYO. A portion of the services provided is recorded as donated services revenue for the years ended June 30, 2025 and 2024 (see Note 3).

**CATHOLIC YOUTH ORGANIZATION AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donated Services (Continued)

In addition, a substantial number of unpaid volunteers have made significant contributions of time to various programs and fundraising activities. The value of this contributed time is not reflected in these consolidated statements as the services provided do not meet the requirements for financial reporting.

Income Taxes

CYO and MPF are recognized as exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code. Management annually reviews its tax positions and has determined that there are no material uncertain tax positions that require recognition in the consolidated financial statements.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statements of activities. Salaries are allocated based on estimates of time and effort. Certain other administrative costs, such as depreciation, rent expense, and mileage reimbursements, have been allocated among the programs based on the percentage of time spent by employees in each program.

Liquidity

CYO's board requires that the majority of long-term fund assets be invested in liquid securities in order to deal with unplanned cash requirements that may arise. Prior to the end of June 2025, CYO did not own and operate its own bank account for payment of expenditures. Cash was held in a pooled bank account by the Central Pastoral Administration, a related party, and the net cash inflows/outflows were recorded through a due to/due from affiliate account. The net balance due from the Central Pastoral Administration at year-end is included in the amount below. At the end of June 2025, CYO opened a checking account with United Bank. A majority of the funds were transferred from the pooled account with the Central Pastoral Administration.

The following reflects CYO's financial assets as of the date of the consolidated statements of financial position, reduced by amounts not available for general use within one year of the consolidated statements of financial position.

	2025	2024
Financial Assets:		
Cash	\$ 311,192	\$ -
Receivables, Net	111,825	47,950
Pledge Receivable	-	182,100
Due from Affiliated Corporations	-	689,758
Investments	3,059,752	2,345,925
Subtotal	3,482,769	3,265,733
Less: Donor-Imposed Purpose Restrictions	(117,081)	(127,081)
Total	<u>\$ 3,365,688</u>	<u>\$ 3,138,652</u>

**CATHOLIC YOUTH ORGANIZATION AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

In preparing these consolidated financial statements, CYO has evaluated events and transactions for potential recognition or disclosure through December 9, 2025, the date that the consolidated financial statements were available to be issued.

NOTE 2 INVESTMENTS AND FAIR VALUE MEASUREMENTS

The following is a summary of the fair value measurements of the CYO's investments within the fair value hierarchy with a disclosure of the investments as of June 30:

	2025		
	Level 1	Level 2	Level 3
Equities	\$ 1,839,293	\$ -	\$ -
Mutual Funds	42,309	-	-
Corporate Bonds	-	313,138	-
Government Bonds	-	535,125	-
Government Asset	-	305,750	-
Assets Measured at Fair Value	<u>\$ 1,881,602</u>	<u>\$ 1,154,013</u>	<u>\$ -</u>
Cash and Cash Equivalents			24,137
Total			<u>\$ 3,059,752</u>

	2024		
	Level 1	Level 2	Level 3
Equities	\$ 1,482,227	\$ -	\$ -
Mutual Funds	40,359	-	-
Corporate Bonds	-	274,711	-
Government Bonds	-	393,689	-
Government Asset	-	27,001	-
Taxable Municipal Bonds	-	77,390	-
Foreign Bonds	-	19,870	-
Assets Measured at Fair Value	<u>\$ 1,522,586</u>	<u>\$ 792,661</u>	<u>\$ -</u>
Cash and Cash Equivalents			30,678
Total			<u>\$ 2,345,925</u>

**CATHOLIC YOUTH ORGANIZATION AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 2 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

Interest and investment income consist of the following for the years ended June 30:

	2025	2024
Investment Return:		
Interest and Dividends, Net	\$ 72,194	\$ 53,933
Unrealized and Realized Gains	267,663	228,953
Investment Fees	(26,030)	(22,724)
Total	<u>\$ 313,827</u>	<u>\$ 260,162</u>

NOTE 3 RELATED PARTY TRANSACTIONS

Contribution from Archdiocese of Washington

CYO recognized contribution revenue from the Archdiocese of Washington of \$0 and \$182,100 for the years ended June 30, 2025 and 2024, respectively. Amounts are in support of and generally pledged in advance of the next fiscal year's operations and are recorded as with donor restrictions in recognition of the time restriction for the following fiscal year. At June 30, 2025 and 2024, the amount pledged for the subsequent year's support is \$0 and \$182,100, respectively, and is reflected as pledge receivable in the accompanying consolidated statements of financial position.

Reimbursement of Insurance Costs

CYO paid \$21,864 and \$19,015 in 2025 and 2024, respectively, for participation in the Archdiocesan insurance programs, which are self-insured up to certain limits for property casualty and workers' compensation. CYO also paid \$46,177 and \$39,216 in 2025 and 2024, respectively, for participation in the Archdiocesan employee benefit plans, including retirement, health care, unemployment and life insurance.

Rent and Administrative Services

The Central Pastoral Administration rents office space to CYO valued and reimbursed at \$25,000 for each of the years ended June 30, 2025 and 2024. The Central Pastoral Administration also provides administrative services to CYO, which were valued at \$114,547 and \$110,057 for the years ended June 30, 2025 and 2024, respectively. CYO reimbursed the Central Pastoral Administration for these services in the amount of \$40,000 for each of the years ended June 30, 2025 and 2024. In addition, CYO recorded donated services from the Central Pastoral Administration valued at \$74,547 and \$70,057 for the years ended June 30, 2025 and 2024, respectively, equal to the difference between the total value of services provided and the amount reimbursed. Donated services are valued based on an analysis of time spent by individual employees on the administration of CYO. In-kind administrative services benefited supporting services of CYO and are reflected as such in the accompanying consolidated statements of functional expenses. There were no donor-imposed restrictions associated with the in-kind contributions.

**CATHOLIC YOUTH ORGANIZATION AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 3 RELATED PARTY TRANSACTIONS (CONTINUED)

Net Due to/from Affiliated Corporations

The Central Pastoral Administration pays certain expenses and processes cash receipts on behalf of CYO. At June 30, 2025, \$77,973 was due to Central Pastoral Administration and at June 30, 2024, \$689,758, was due from the Central Pastoral Administration and this was included in the due to/from affiliated corporations on the consolidated statements of financial position.

NOTE 4 RETIREMENT PLAN

CYO participates in the Retirement Plan of the Archdiocese of Washington (the Retirement Plan), a defined benefit plan, which was frozen effective December 31, 2012. No further benefits will be accrued. To have been eligible for participation in the Retirement Plan, an employee must have completed one year of service, been at least 21 years of age, and regularly worked 20 or more hours per week. Information as to vested and nonvested benefits, as well as plan assets and unfunded liabilities, related solely to CYO is not readily determinable. In accordance with ASC 715-30-55-63, *Defined Benefit Plans - Pension*, CYO accounts for its participation in the Retirement Plan as a multiemployer plan.

Effective January 1, 2013, CYO also participates in a 403(b) plan, the Archdiocese of Washington Retirement Savings Plan (the Plan). The Plan is a defined contribution plan covering all employees immediately upon date of hire who regularly work 20 hours or more per week. Participants are eligible to make contributions as salary deductions from 1% to 100% of pay up to a specified maximum amount per year. For the first 4% of salary an employee contributes to the Plan, CYO provides a 50% match. CYO also provides an annual contribution between 1% and 4% based on years of service, regardless of employee participation in the Plan. Employer contributions vest at a rate of 20% per year for five years.

During the years ended June 30, 2025 and 2024, CYO's portion of retirement costs was \$28,180 and \$27,121, respectively.

NOTE 5 NET ASSETS WITH DONOR RESTRICTIONS

The following summarizes the nature of net assets with donor restrictions and the purpose for which such net assets may be used as of June 30:

	2025	2024
Scouting and Other Programs	\$ 117,081	\$ 127,081
Future Time Periods	-	182,100
Total	<u>\$ 117,081</u>	<u>\$ 309,181</u>

Net assets released from restriction during the year ended June 30, 2025, resulted from satisfaction of the time restriction.

**CATHOLIC YOUTH ORGANIZATION AND AFFILIATE
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE 30, 2025 AND 2024**

NOTE 6 CONCENTRATIONS

Cash

At June 30, 2025, CYO maintains its cash with a high credit quality financial institution and is covered by the Federal Deposit Insurance Corporation (FDIC) insurance limits of up to \$250,000. The amount in excess of FDIC insurance limits was \$61,192 as of June 30, 2025. Prior to June 2025, CYO did not have its own bank account.

Contributions Revenue and Receivable

During the year ended June 30, 2024, approximately 89% of total support, excluding in-kind donations, was earned from the Archdiocese. The same donor represented 100% of pledge receivable as of June 30, 2024.

There were no concentrations in contributions revenue and receivable as of and for the year ended June 30, 2025.

