

# **FINANCIAL REPORTS**

**WASHINGTON STATE COUNCIL  
July 1, 2020 - April 30, 2021**

**PENNIES FOR HEAVEN FUND, INC.  
August 1, 2020 - April 30, 2021**

**COLUMBUS CHARITIES, INC.  
July 1, 2020 - April 30, 2021**

**INDEPENDENT ACCOUNTANT REVIEW**

**FINANCIAL REVIEW  
July 1, 2019 - June 30, 2020**



**Knights of Columbus  
WASHINGTON STATE COUNCIL  
Fraternal Year 2020-2021**

**FINANCIAL & MEMBERSHIP REPORT OF THE STATE SECRETARY  
Kim Washburn – State Secretary**

Information provided in the following pages outline the Washington State Council financial & membership status as of April 30, 2021. The two accounts that are listed in the Account Summary include the US Bank Savings (US2) and the US Bank Operating Checking Account at US BANK.

**WASHINGTON STATE COUNCIL  
Membership Report (As of April 30, 2021)**

|                             |        |
|-----------------------------|--------|
| Membership - April 30, 2020 | 16,904 |
| Membership – April 30, 2021 | 16,527 |
|                             |        |
| Additions                   | 182    |
| Losses                      | 212    |

**WASHINGTON STATE COUNCIL  
WSC Account Balances Report (As of April 30, 2021)**

| <u>Accounts</u>                              | <u>Balance</u>      |
|--|---------------------|
| ASSETS (Cash and Bank Accounts)              |                     |
| US Bank - Savings                            | \$75,031.85         |
| <u>US Bank - Checking</u>                    | <u>\$138,345.43</u> |
| TOTAL CASH AND BANK ACCOUNTS                 | \$213,377.28        |
|  |                     |
| TOTAL ASSETS                                 | \$213,377.28        |
|  |                     |
| <u>LIABILITIES (Uncleared check balance)</u> | <u>\$8,945.00</u>   |
|  |                     |
| OVERALL TOTAL                                | \$204,432.28        |

Income/Expense by Category 7/01/2020 – 4/30/2021

INCOME

|                     |            |
|---------------------|------------|
| COUNTRY STORE_INC   | 100.00     |
| DISASTER RELIEF_INC | 1,000.00   |
| EXEMPLIFICATION_INC | 105.00     |
| INSURANCE_INC       | 21,098.10  |
| INTEREST_INC        | 11.62      |
| KCIC_INC            | 4,518.25   |
| LAPEL PIN_INC       | 180.00     |
| WHEELCHAIR_INC      | 2,250.00   |
| PER CAPITA_INC      | 105,619.25 |
| PFH1_INC            | 4,087.30   |
| RTL_INC             | 794.24     |
| US Bank_INC         | 25,000.00  |

TOTAL INCOME 164,763.76

EXPENSES

|                  |           |
|------------------|-----------|
| AUDIT_EXP        | 8,900.00  |
| BANK CHARGES_EXP | 15.00     |
| CHAIRMEN_EXP     | 658.59    |
| KCIC_EXP         | 6,217.65  |
| LAPEL PIN_EXP    | 4,394.00  |
| MEETINGS_EXP     | 2,181.23  |
| MEMBERSHIP_EXP   | 13,564.14 |
| MISC_EXP         | 923.87    |
| POSTAGE_EXP      | 987.09    |
| PRINTING_EXP     | 1,015.84  |
| StOFFICERS_EXP   | 1,332.84  |
| SUPPLIES_EXP     | 4,668.84  |
| US BANK_EXP      | 25,000.00 |
| WEB SITE_EXP     | 1,043.85  |
| WSC_EXP          | 410.00    |

TOTAL EXPENSES 71,312.94

OVERALL TOTAL 93,450.82

# Pennies for Heaven Fund, Inc.

## A Non Profit Corporation

**PATRICK L. KELLEY, President**  
4122 s 130<sup>th</sup>  
Tukwila, WA 98168-3132

**Report of the Treasurer (Aug 1, 2020 through April 30, 2021)**  
**Gregory S. Mahoney, Treasurer**

| <b>PENNIES FOR HEAVEN FUND INC. INVESTMENTS</b> |                     |
|---|---------------------|
| <b>Month Ending April 30, 2021</b>              | <b>Investments</b>  |
| Catholic Core Bond Fund                         | \$ 482,288.51       |
| Catholic Limited Duration Fund                  | 271,156.47          |
| Catholic Large Cap Growth Fund                  | 286,619.24          |
| Catholic Large Cap Value Fund                   | 229,803.63          |
| Catholic Small Cap Fund                         | 198,209.97          |
| Catholic International Equity Fund              | 138,530.32          |
| <b>Total Investment Account Value</b>           | <b>1,606,608.14</b> |

| <b>INVESTMENT SUMMARY AUGUST 1, 2020 – APRIL 30, 2021</b> |                     |
|---|---------------------|
| Investment Account – KofC Asset Advisors                  | 1,606,608.14        |
| Christopher Fund  | 87,785.00           |
| Christopher Fund Earnings                                 | 14,246.56           |
| <b>TOTAL ACCOUNT VALUE</b>                                | <b>1,708,639.70</b> |

| <b>BANKING SUMMARY: PENNIES FOR HEAVEN FUND, INC.</b> |                  |
|---|------------------|
| <b>Month Ending April 30, 2021</b>                    |                  |
| US Bank   | Amount           |
| Checking  | \$ 36,286.33     |
| <b>Total PFH Operating Funds</b>                      | <b>36,286.33</b> |

| <b>Income Statement: Pennies for Heaven Fund, Inc.</b> |                      |                      |
|--|----------------------|----------------------|
| <b>August 1, 2020 through April 30, 2021</b>           |                      |                      |
| <b>Category</b>  | <b>PFH1 Checking</b> | <b>OVERALL TOTAL</b> |
| <b>INCOME</b>  |                      |                      |
| PFH1_INC   | \$ 35,834.88         | \$ 35,834.88         |
| PFH_INC  | 65,000.00            | 65,000.00            |
| <b>TOTAL INCOME</b>                                    | <b>100,834.88</b>    | <b>100,834.88</b>    |
|  |                      |                      |
| <b>EXPENSES</b>  |                      |                      |
| PFH1_EXP   | \$ -                 | \$ -                 |
| PFH1_EXP:990 Filing                                    | 900.00               | 900.00               |
| PFH1_EXP:BOD GRANT                                     | 112,000.00           | 112,000.00           |
| PFH1_EXP:Financial Review                              | 2,500.00             | 2,500.00             |
| PFH1_EXP:Postage                                       | 26.35                | 26.35                |
| <b>TOTAL PFH1_EXP</b>                                  | <b>115,426.35</b>    | <b>115,426.35</b>    |
| <b>TOTAL EXPENSES</b>                                  | <b>115,426.35</b>    | <b>115,426.35</b>    |
|  |                      |                      |
| <b>OVERALL TOTAL (Net Income/Expense)</b>              | <b>(14,591.47)</b>   | <b>(14,591.47)</b>   |

| <b>LAST FULL YEAR REPORT</b>                           |                      |                      |
|--|----------------------|----------------------|
| <b>Income Statement: Pennies for Heaven Fund, Inc.</b> |                      |                      |
| <b>August 1, 2019 through July 31, 2020</b>            |                      |                      |
| <b>Category</b>  | <b>PFH1 Checking</b> | <b>OVERALL TOTAL</b> |
| <b>INCOME</b>  |                      |                      |
| PFH1_INC   | 55,242.12            | 55,242.12            |
| PFH_INC  | 65,000.00            | 65,000.00            |
| <b>TOTAL INCOME</b>                                    | <b>120,242.12</b>    | <b>120,242.12</b>    |
|  |                      |                      |
| <b>EXPENSES</b>  |                      |                      |
| <b>Filing Fee_EXP</b>                                  | <b>75.00</b>         | <b>75.00</b>         |
| Meetings_EXP   |                      |                      |
| Meetings_EXP:Regional                                  | 574.48               | 574.48               |
| <b>TOTAL Meetings_EXP</b>                              | <b>574.48</b>        | <b>574.48</b>        |
| PFH1_EXP   |                      |                      |
| PFH1_EXP:BOD GRANT                                     | 122,000.00           | 122,000.00           |
| PFH1_EXP:Officer                                       | 87.89                | 87.89                |
| <b>TOTAL PFH1_EXP</b>                                  | <b>122,087.89</b>    | <b>122,087.89</b>    |
| <b>TOTAL EXPENSES</b>                                  | <b>122,737.37</b>    | <b>122,737.37</b>    |
|  |                      |                      |
| <b>OVERALL TOTAL (Net Income/Expense)</b>              | <b>(2,495.25)</b>    | <b>(2,495.25)</b>    |

The Christopher Fund is worth \$87,785.00. The Combined Christopher Fund from PFH and Supreme match is \$175,570.00.

Donation History from 1992 to April 30, 2021: We have donated \$2,131,500.00

# **Columbus Charities, Inc.**

## **A Non-Profit Corporation**

**PATRICK L. KELLEY, President**  
4122 s 130<sup>th</sup>  
Tukwila, WA 98168-3132

**Report of the Treasurer (July 1, 2020 through April 30, 2021)**  
Gregory S. Mahoney, Treasurer

### **Asset Advisors Investments: Columbus Charities, Inc.**

#### **Quarter Ending March 31, 2021**

| <b>Fund Name</b>                      | <b>Amount</b>     |
|---------------------------------------|-------------------|
| Catholic Core Bond Fund               | \$36,250.23       |
| Catholic Large Cap Growth Fund        | 33,618.60         |
| Catholic Large Cap Value Fund         | 28,552.33         |
| Catholic Small Cap Fund               | 25,561.59         |
| Catholic International Equity Fund    | 27,639.45         |
| <b>Total Investment Account Value</b> | <b>151,622.20</b> |

### **Banking Summary: Columbus Charities, Inc.**

#### **Month Ending April 30 2021**

| <b>US Bank</b>                  | <b>Amount</b>    |
|---------------------------------|------------------|
| Checking                        | \$ 51,082.93     |
| Savings                         | 25,801.23        |
| <b>Total CC Operating Funds</b> | <b>76,884.16</b> |

**Income Statement: Columbus Charities, Inc.**

**July 1, 2019 through April 30, 2021**

| <b>Category</b>                           | <b>CC USBank<br/>Checking</b> | <b>CC USBank<br/>Savings</b> | <b>OVERALL<br/>TOTAL</b> |
|---|-------------------------------|------------------------------|--------------------------|
| <b>INCOME</b>                             |                               |                              |                          |
| Bishop White_INC                          | \$ -                          | \$ -                         | \$ -                     |
| Bishop White_INC:Mater Dei                | 100.00                        | -                            | 100.00                   |
| <b>TOTAL Bishop White_INC</b>             | <b>100.00</b>                 | <b>-</b>                     | <b>100.00</b>            |
| CHARITY_INC                               | 664.28                        | -                            | 664.28                   |
| CHARITY_INC:Amazon Smile                  | 13.51                         | -                            | 13.51                    |
| CHARITY_INC:Givinga Foundation            | 0.97                          | -                            | 0.97                     |
| <b>TOTAL CHARITY_INC</b>                  | <b>678.76</b>                 | <b>-</b>                     | <b>678.76</b>            |
| <b>INTEREST_INC</b>                       | <b>4.94</b>                   | <b>0.32</b>                  | <b>5.26</b>              |
| TootsieRoll_INC                           | 16,903.74                     | -                            | 16,903.74                |
| TootsieRoll_INC:Candy                     | 112.00                        | -                            | 112.00                   |
| TootsieRoll_INC:GoFundMe                  | -                             | 4,762.17                     | 4,762.17                 |
| TootsieRoll_INC:Special Olympics          | 805.00                        | -                            | 805.00                   |
| <b>TOTAL TootsieRoll_INC</b>              | <b>17,820.74</b>              | <b>4,762.17</b>              | <b>22,582.91</b>         |
| Transfer_INC                              | -                             | -                            | -                        |
| Transfer_INC:Rainy Day Special Olympics   | -                             | 20,000.00                    | 20,000.00                |
| <b>TOTAL Transfer_INC</b>                 | <b>-</b>                      | <b>20,000.00</b>             | <b>20,000.00</b>         |
| <b>WHEELCHAIR_INC</b>                     | <b>150.00</b>                 | <b>-</b>                     | <b>150.00</b>            |
| <b>TOTAL INCOME</b>                       | <b>18,754.44</b>              | <b>24,762.49</b>             | <b>43,516.93</b>         |
| <b>EXPENSES</b>                           |                               |                              |                          |
| Uncategorized                             | \$ -                          | \$ -                         | \$ -                     |
| Audit_Exp                                 |                               |                              |                          |
| Audit_Exp:Financial Review                | 2,500.00                      | -                            | 2,500.00                 |
| Audit_Exp:IRS 990 Filing                  | 700.00                        | -                            | 700.00                   |
| <b>TOTAL Audit_Exp</b>                    | <b>3,200.00</b>               | <b>-</b>                     | <b>3,200.00</b>          |
| <b>BANK CHARGES_EXP</b>                   | <b>-</b>                      | <b>25.00</b>                 | <b>25.00</b>             |
| Filing Fee_EXP                            | 10.00                         | -                            | 10.00                    |
| TootsieRoll_EXP                           |                               |                              |                          |
| TootsieRoll_EXP:Awards                    | 194.73                        | -                            | 194.73                   |
| TootsieRoll_EXP:Banners                   | 100.00                        | -                            | 100.00                   |
| TootsieRoll_EXP:CC BOD Grant              | 4,762.17                      | -                            | 4,762.17                 |
| TootsieRoll_EXP:Grant                     | 11,558.24                     | -                            | 11,558.24                |
| TootsieRoll_EXP:Printing                  | 29.15                         | -                            | 29.15                    |
| <b>TOTAL TootsieRoll_EXP</b>              | <b>16,644.29</b>              | <b>-</b>                     | <b>16,644.29</b>         |
| Transfer_EXP                              |                               |                              |                          |
| Transfer_EXP:Rainy Day Special Olympics F | 20,000.00                     | -                            | 20,000.00                |
| <b>TOTAL Transfer_EXP</b>                 | <b>20,000.00</b>              | <b>-</b>                     | <b>20,000.00</b>         |
| <b>TOTAL EXPENSES</b>                     | <b>39,854.29</b>              | <b>25.00</b>                 | <b>39,879.29</b>         |
| <b>OVERALL TOTAL (Net Income/Expense)</b> | <b>(21,099.85)</b>            | <b>24,737.49</b>             | <b>3,637.64</b>          |

**LAST FULL YEAR REPORT**

**Income Statement: Columbus Charities, Inc.**

**July 1, 2019 through June 30, 2020**

| Category                     | CC USBank<br>Checking | CC USBank<br>Savings | OVERALL<br>TOTAL  |
|------------------------------|-----------------------|----------------------|-------------------|
| <b>INCOME</b>                |                       |                      |                   |
| Caritas_INC                  | \$ 100.00             | \$ -                 | \$ 100.00         |
| <b>CHARITY_INC</b>           | <b>475.04</b>         | -                    | <b>475.04</b>     |
| <b>INTEREST_INC</b>          | <b>53.48</b>          | <b>24.34</b>         | <b>77.82</b>      |
| RTL_INC                      |                       |                      |                   |
| RTL_INC:Ultrasound           | (2,232.00)            | -                    | (2,232.00)        |
| <b>TOTAL RTL_INC</b>         | <b>(2,232.00)</b>     | -                    | <b>(2,232.00)</b> |
| TootsieRoll_INC              | 124,465.49            | -                    | 124,465.49        |
| TootsieRoll_INC:Candy        | 4,974.00              | -                    | 4,974.00          |
| <b>TOTAL TootsieRoll_INC</b> | <b>129,439.49</b>     | -                    | <b>129,439.49</b> |
| Transfer_INC                 |                       |                      |                   |
| Transfer_INC:Caritas Fund    | 78,000.00             | -                    | 78,000.00         |
| Transfer_INC:CC Checking     | -                     | 200.00               | 200.00            |
| <b>TOTAL Transfer_INC</b>    | <b>78,000.00</b>      | <b>200.00</b>        | <b>78,200.00</b>  |
| <b>WHEELCHAIR_INC</b>        | <b>6,808.00</b>       | -                    | <b>6,808.00</b>   |
| <b>TOTAL INCOME</b>          | <b>212,644.01</b>     | <b>224.34</b>        | <b>212,868.35</b> |



|   |                    |                    |                     |
|---|--------------------|--------------------|---------------------|
| <b>EXPENSES</b>                           |                    |                    |                     |
| <b>Audit_Exp</b>                          | <b>1,000.00</b>    | <b>0.00</b>        | <b>1,000.00</b>     |
| <b>BANK CHARGES_EXP</b>                   | <b>35.00</b>       | <b>0.00</b>        | <b>35.00</b>        |
| Caritas Fund_EXP                          |                    |                    |                     |
| Caritas Fund_EXP:Catholic Investors Fund  | 128,000.00         | 0.00               | 128,000.00          |
| <b>TOTAL Caritas Fund_EXP</b>             | <b>128,000.00</b>  | <b>0.00</b>        | <b>128,000.00</b>   |
| Credit Card_EXP                           |                    |                    |                     |
| Credit Card_EXP:Postage                   | 32.94              | 0.00               | 32.94               |
| <b>TOTAL Credit Card_EXP</b>              | <b>32.94</b>       | <b>0.00</b>        | <b>32.94</b>        |
| <b>Filing Fee_EXP</b>                     | <b>20.00</b>       | <b>0.00</b>        | <b>20.00</b>        |
| MEETINGS_EXP                              |                    |                    |                     |
| MEETINGS_EXP:Pre-Convention               | 1,548.30           | 0.00               | 1,548.30            |
| MEETINGS_EXP:Regional                     | 327.78             | 0.00               | 327.78              |
| MEETINGS_EXP:Summer Meeting               | 490.97             | 0.00               | 490.97              |
| <b>TOTAL MEETINGS_EXP</b>                 | <b>2,367.05</b>    | <b>0.00</b>        | <b>2,367.05</b>     |
| MILEAGE_EXP                               |                    |                    |                     |
| MILEAGE_EXP:Summer Meeting                | 114.00             | 0.00               | 114.00              |
| <b>TOTAL MILEAGE_EXP</b>                  | <b>114.00</b>      | <b>0.00</b>        | <b>114.00</b>       |
| PRINTING_EXP                              |                    |                    |                     |
| PRINTING_EXP:Summer Meeting Printing      | 3.00               | 0.00               | 3.00                |
| <b>TOTAL PRINTING_EXP</b>                 | <b>3.00</b>        | <b>0.00</b>        | <b>3.00</b>         |
| SPECIAL OLYMPICS_EXP                      | 428.28             | 0.00               | 428.28              |
| SPECIAL OLYMPICS_EXP:Chairman Expense     | 214.54             | 0.00               | 214.54              |
| <b>TOTAL SPECIAL OLYMPICS_EXP</b>         | <b>642.82</b>      | <b>0.00</b>        | <b>642.82</b>       |
| TootsieRoll_EXP                           |                    |                    |                     |
| TootsieRoll_EXP:Aprons                    | 862.00             | 0.00               | 862.00              |
| TootsieRoll_EXP:Candy                     | 5,850.00           | 0.00               | 5,850.00            |
| TootsieRoll_EXP:CC BOD Grant              | 20,800.00          | 0.00               | 20,800.00           |
| TootsieRoll_EXP:Grant                     | 91,091.82          | 0.00               | 91,091.82           |
| <b>TOTAL TootsieRoll_EXP</b>              | <b>118,603.82</b>  | <b>0.00</b>        | <b>118,603.82</b>   |
| Transfer_EXP                              |                    |                    |                     |
| Transfer_EXP:Savings                      | 200.00             | 0.00               | 200.00              |
| Transfer_EXP:Transfer Setup Caritas Fund  | 0.00               | 78,000.00          | 78,000.00           |
| <b>TOTAL Transfer_EXP</b>                 | <b>200.00</b>      | <b>78,000.00</b>   | <b>78,200.00</b>    |
| <b>TOTAL EXPENSES</b>                     | <b>251,018.63</b>  | <b>78,000.00</b>   | <b>329,018.63</b>   |
| <b>OVERALL TOTAL (Net Income/Expense)</b> | <b>(38,374.62)</b> | <b>(77,775.66)</b> | <b>(116,150.28)</b> |

The Columbus Charities, Inc. total donation history from 1987 to April 30, 2021: \$1,514,260.43.



## Knights of Columbus Washington State Council

April 22, 2021

To Sabey CPA, PLLC  
PO Box #53  
Mercer Island, Washington 98040

We are providing this letter in connection with your review of the financial statements of WASHINGTON STATE COUNCIL, KNIGHTS OF COLUMBUS AND AFFILIATES, which comprise the combined statement of assets and net assets – cash basis as of June 30, 2020 and the related combined statements of cash receipts and disbursements – cash basis and functional expenses – cash basis for the year then ended and the related notes to the financial statements, for the purpose of obtaining limited assurance as a basis for reporting whether you are aware of any material modifications that should be made to the financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

We confirm, to the best of our knowledge and belief, as of April 22, 2021, the following representations made to you during your reviews.

- 1) We acknowledge our responsibility and have fulfilled our responsibilities for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, as set out in the terms of the engagement.
- 2) We are responsible for the fair presentation of the supplementary information accompanying the basic financial statements that is presented for the purpose of additional analysis of the basic financial statements.
- 3) We have made available to you all—
  - a. Financial records and related data, of which we are aware, that are relevant to the preparation and fair presentation of the financial statements.
  - b. Minutes of the meetings of trustees, board of directors, and committees of directors (or other similar bodies, as applicable), or summaries of actions of recent meetings for which minutes have not yet been prepared.
  - c. Additional information you have requested from us for the purpose of the review.
  - d. Unrestricted access to personnel from whom you determined it necessary to obtain review evidence.
- 4) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 5) All transactions have been recorded and have been properly reflected in the financial statements.
- 6) There are no uncorrected misstatements.
- 7) We acknowledge and have fulfilled our responsibility for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 8) We acknowledge our responsibility for designing, implementing, and maintaining internal control to prevent and detect fraud.
- 9) We have no knowledge of any fraud or suspected fraud affecting the entity involving management, employees who have significant roles in internal control, or others where the fraud could have a material effect on the financial statements.
- 10) We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements as a whole communicated by employees, former employees, volunteers, regulators, or others.



## Knights of Columbus Washington State Council

- 11) We have disclosed to you the identity of the entity's related parties and all the related-party relationships and transactions of which we are aware.
- 12) We have no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or net asset balances.
- 13) The following have been properly recorded or disclosed in the financial statements:
  - a. Related-party transactions and related accounts receivable or payable, including sales, purchases, loans, transfers, leasing arrangements, and guarantees.
  - b. Guarantees, whether written or oral, under which the entity is contingently liable.
  - c. Commitments to purchase or sell investments or agreements to repurchase assets previously sold.
  - d. Significant estimates and material concentrations known to management that are required to be disclosed in accordance with *FASB ASC 275, Risks and Uncertainties* .
- 14) There are no:
  - a. Known or suspected instances of noncompliance with laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency.
  - b. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with , and we have not consulted a lawyer concerning litigation, claims, or assessments.
  - c. Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by .
- 15) The Organization has satisfactory title of all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged.
- 16) There are no designations of net assets that were not properly authorized and approved or reclassifications of net assets that have not been properly reflected in the financial statements.
- 17) We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor requirements to maintain a specific asset composition necessary to satisfy their restrictions.
- 18) We believe significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable in the circumstances.
- 19) We are in agreement with the adjusting journal entries, if any, you have recommended, and they have been posted to the entity's accounts.
- 20) No events have occurred subsequent to the date of the financial statements and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.
- 21) We have responded fully and truthfully to all inquiries made to us by you during your review.
- 22) In regard to the financial statement preparation services performed by you, we have:
  - Assumed all management responsibilities.
  - Designated an individual, Kim Washburn, who possesses suitable skill, knowledge, or experience to oversee the services.
  - Evaluated the adequacy and results of the services performed.
  - Accepted responsibility for the results of the services.
- 23) We have considered the potential impact of developments related to the COVID-19 pandemic and we believe that we have the resources and ability to meet our current obligations for at least one year from the date of this letter.



**Knights of Columbus  
Washington State Council**

*Kim Washburn*

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Kim Washburn (Washington State Jurisdiction – SS; Columbus Charities – VP; Pennies for Heaven – VP)

**KNIGHTS OF COLUMBUS WASHINGTON STATE COUNCIL AND AFFILIATES**

**FINANCIAL STATEMENTS  
(REVIEWED)**

**JUNE 30, 2020**

## CONTENTS

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|  |   |
|--|---|
| Independent Accountant's Report .....              | 1 |
| Financial Statements                               |   |
| Statement of assets and net assets .....           | 2 |
| Statement of cash receipts and disbursements ..... | 3 |
| Statement of functional expenses .....             | 4 |
| Notes to financial statements .....                | 5 |

## INDEPENDENT ACCOUNTANT'S REVIEW REPORT

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To the Officers of  
Knights of Columbus Washington State Council and Affiliates  
Seattle, Washington

We have reviewed the accompanying combined financial statements of Knights of Columbus Washington State Council and Affiliates (a nonprofit organization), which comprise the combined statement of assets and net assets-cash basis as of June 30, 2020, and the related combined statements of cash receipts and disbursements-cash basis and functional expenses-cash basis for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible 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.

### Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying combined financial statements in order for them to be in accordance with the cash basis of accounting.

### Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.



Sabey CPA, PLLC  
Mercer Island, Washington  
April 22, 2021

**KNIGHTS OF COLUMBUS WASHINGTON STATE COUNCIL AND AFFILIATES  
COMBINED STATEMENT OF ASSETS AND NET ASSETS-CASH BASIS  
JUNE 30, 2020**

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**ASSETS**

|                      |                            |
|----------------------|----------------------------|
| Current assets       |                            |
| Cash                 | \$ 223,958                 |
| Inventory            | 10,500                     |
| Total current assets | <u>234,458</u>             |
| Investments          | <u>1,562,685</u>           |
| <b>TOTAL ASSETS</b>  | <b><u>\$ 1,797,143</u></b> |

**NET ASSETS**

|                            |                            |
|----------------------------|----------------------------|
| Net assets                 |                            |
| Without donor restrictions | \$ 709,358                 |
| With donor restrictions    | 1,087,785                  |
| Total net assets           | <u>1,797,143</u>           |
| <b>TOTAL NET ASSETS</b>    | <b><u>\$ 1,797,143</u></b> |

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See accompanying notes and independent accountant's review report.



**KNIGHTS OF COLUMBUS WASHINGTON STATE COUNCIL AND AFFILIATES  
COMBINED STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS-CASH BASIS  
YEAR ENDED JUNE 30, 2020**

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|                                    | <u>Without donor<br/>restrictions</u> | <u>With donor<br/>restrictions</u> | <u>Total</u>        |
|------------------------------------|---------------------------------------|------------------------------------|---------------------|
| <b>Cash receipts</b>               |                                       |                                    |                     |
| Contributions and grants           | \$ 65,738                             | \$ -                               | \$ 65,738           |
| Membership dues                    | 115,760                               | -                                  | 115,760             |
| Fundraising events                 |                                       | 127,532                            |                     |
| Cost of items sold for fundraising |                                       | (4,337)                            |                     |
| Fundraising events, net            |                                       | <u>123,195</u>                     | 123,195             |
| Meeting fees                       | 12,741                                | -                                  | 12,741              |
| Insurance premiums                 | 19,015                                | -                                  | 19,015              |
| Merchandise sales                  |                                       | 10,653                             |                     |
| Cost of items sold                 |                                       | (10,807)                           |                     |
| Merchandise sales, net             |                                       | <u>(154)</u>                       | (154)               |
| Investment income (loss)           | (61,689)                              | -                                  | (61,689)            |
| Other revenue                      | 3,422                                 | -                                  | 3,422               |
| Total support and revenue          | <u>154,987</u>                        | <u>123,041</u>                     | <u>278,028</u>      |
| Release from restrictions          | <u>123,041</u>                        | <u>(123,041)</u>                   | <u>-</u>            |
| <b>Disbursements</b>               |                                       |                                    |                     |
| Program services                   | 387,396                               | -                                  | 387,396             |
| Management & general               | 15,793                                | -                                  | 15,793              |
| Fundraising                        | -                                     | -                                  | -                   |
| Total expenses                     | <u>403,189</u>                        | <u>-</u>                           | <u>403,189</u>      |
| <b>Change in net assets</b>        | <b>(125,161)</b>                      | <b>-</b>                           | <b>(125,161)</b>    |
| <b>Net assets</b>                  |                                       |                                    |                     |
| Beginning of year                  | <u>834,519</u>                        | <u>1,087,785</u>                   | <u>1,922,304</u>    |
| End of year                        | <u>\$ 709,358</u>                     | <u>\$ 1,087,785</u>                | <u>\$ 1,797,143</u> |

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See accompanying notes and independent accountant's review report.

**KNIGHTS OF COLUMBUS WASHINGTON STATE COUNCIL AND AFFILIATES  
COMBINED STATEMENT FUNCTIONAL EXPENSES-CASH BASIS  
YEAR ENDED JUNE 30, 2020**

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|                               | Program<br>Services | General &<br>Administrative | Fundraising<br>Costs | 2020<br>Total     |
|-------------------------------|---------------------|-----------------------------|----------------------|-------------------|
| Grants to other organizations | \$ 254,186          | \$ -                        | \$ -                 | \$ 254,186        |
| Travel & meeting expenses     | 78,593              | -                           | -                    | 78,593            |
| Insurance expenses            | 40,628              | -                           | -                    | 40,628            |
| Office expenses               | -                   | 8,167                       | -                    | 8,167             |
| Communication                 | 7,293               | -                           | -                    | 7,293             |
| Professional fees             | -                   | 6,900                       | -                    | 6,900             |
| Membership expenses           | 3,506               | -                           | -                    | 3,506             |
| State Officer expenses        | 2,610               | -                           | -                    | 2,610             |
| Other expenses                | 580                 | 726                         | -                    | 1,306             |
|                               | <u>\$ 387,396</u>   | <u>\$ 15,793</u>            | <u>\$ -</u>          | <u>\$ 403,189</u> |

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See accompanying notes and independent accountant's review report.

**KNIGHTS OF COLUMBUS WASHINGTON STATE COUNCIL AND AFFILIATES  
NOTES TO COMBINED FINANCIAL STATEMENTS-CASH BASIS  
YEAR ENDED JUNE 30, 2020**

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**NOTE 1 ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

Organization

The Knights of Columbus Washington State Council was incorporated in 1904 in the State of Washington, with the purpose to support subordinate councils through publications, regional and state leadership meetings, and membership recruitment.

Columbus Charities was incorporated in 1973 in the State of Washington with the purpose to receive and maintain contributions for charitable and educational activities. Grants are provided to organizations with missions that are devoted to helping the poor, sick and handicapped.

Pennies for Heaven Fund, Inc. was incorporated in 1991 in the State of Washington with the purpose to provide support to the Catholic dioceses of the State of Washington and other charitable, educational, and religious institutions with similar goals.

Financial Statement Presentation

The accompanying combined financial statements include the financial information of Washington State Council, Knights of Columbus, Columbus Charities, and Pennies for Heaven Fund, Inc. Cash receipts and disbursements resulting from transactions between the affiliated organizations have been eliminated.

The Officers of Washington State Council, Knights of Columbus are also the board of directors for Columbus Charities, and Pennies for Heaven Fund, Inc.

The combined financial statements have been prepared under the cash basis of accounting (a special-purpose framework), which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under this basis of accounting, revenues are recognized only when cash is received and expenses are recognized when paid, with the exception of unrealized gains (losses) on investments which are recognized and included in investment income (loss).

The Organization reports information regarding its financial position according to two classes of net assets: net assets with donor restrictions, and net assets without donor restrictions. The net assets of the Organization are classified as follows:

- Net assets without donor restrictions are available without restriction for support of the Organization's operations.
- Net assets with donor restrictions are restricted by the donor to be used for certain purposes or future periods.

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 the disclosures 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 the estimated amounts.

**KNIGHTS OF COLUMBUS WASHINGTON STATE COUNCIL AND AFFILIATES**  
**NOTES TO COMBINED FINANCIAL STATEMENTS-CASH BASIS**  
**YEAR ENDED JUNE 30, 2020**

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Cash and Cash Equivalents

Cash and cash equivalents include all checking and savings accounts.

Investments

Investments are recorded at fair value. The framework for measuring fair value provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The investment's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. Accordingly, the Organization uses input level 1 to value its investments.

Federal Income Taxes

The Organization has been recognized as exempt from income taxes under Internal Revenue Code Section 501(c)(3). However, any unrelated business income may be subject to taxation.

Management evaluated the Organization's tax positions and concluded that the Organization had taken no uncertain tax positions that require adjustment to the financial statements.

Functional Expenses

The costs of providing the various programs and other activities have been presented on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Subsequent Events

The Organization has evaluated subsequent events through the date these financial statements were available to be issued, which was April 22, 2021.

**NOTE 2      LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

The Organization has a goal to maintain financial assets, which consist of cash and investments, to meet three months of normal operating expenses, which approximate \$95,000. The Organization has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

The following reflects the Organization's financial assets as of June 30, 2020, that are available to meet cash needs for general expenditures:

|  |                    |
|--|--------------------|
| Cash   | \$ 223,958         |
| Investments  | <u>1,562,685</u>   |
| Total financial assets   | 1,786,643          |
| Less: restricted by donors   | <u>(1,087,785)</u> |
| Financial assets available to meet cash needs for general expenditures | <u>\$ 698,858</u>  |

**KNIGHTS OF COLUMBUS WASHINGTON STATE COUNCIL AND AFFILIATES**  
**NOTES TO COMBINED FINANCIAL STATEMENTS-CASH BASIS**  
**YEAR ENDED JUNE 30, 2020**

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**NOTE 3 INVESTMENTS**

Investments include amounts restricted by donors totaling \$1,087,785. For investments held exceeding that amount, the Organization may disburse amounts as follows:

- Seventy-five percent (75%) to be divided equally between existing Catholic dioceses of the State of Washington, and
- Twenty-five percent (25%) to qualified charitable, educational or religious institutions.

All investments at June 30, 2020 were in mutual funds.

**NOTE 4 NET ASSETS WITH DONOR RESTRICTIONS**

Donor restrictions on net assets were as follows at June 30, 2020:

|  |                     |
|--|---------------------|
| Purpose restriction - for charitable contributions | \$ 87,785           |
| Restricted in perpetuity                           | <u>1,000,000</u>    |
|  | <u>\$ 1,087,785</u> |

**NOTE 5 CONCENTRATION OF CREDIT RISK**

The Organization's financial instruments that are exposed to concentrations of credit risk consist of cash. The Organization places its cash with financial institutions. At times, such balances may be in excess of federally insured limits. The Organization believes it is not exposed to any significant credit risk on its cash accounts.

**NOTE 6 IMPACT OF COVID-19**

On January 30, 2020, the World Health Organization ("WHO") announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak") and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

All organizations in the United States have been affected by requirements and practices related to the COVID-19 pandemic. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Organization's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, management has evaluated the effects of the COVID-19 outbreak on the results of its operations, financial condition, and liquidity. Management believes they will be able to continue to pay their obligations in a timely manner.