



Knights of Columbus
WASHINGTON STATE COUNCIL
Fraternal Year 2022-2023

FINANCIAL REPORTS

**WASHINGTON STATE COUNCIL
July 1, 2022 - April 30, 2023**

**THE PENNIES FOR HEAVEN FUND, INC.
July 1, 2022 - April 30, 2023**

**COLUMBUS CHARITIES, INC.
July 1, 2022 - April 30, 2023**

INDEPENDENT ACCOUNTANT REVIEW

**FINANCIAL REVIEW
July 1, 2021 - June 30, 2022**



Knights of Columbus
WASHINGTON STATE COUNCIL
Fraternal Year 2022-2023

FINANCIAL & MEMBERSHIP REPORT OF THE STATE SECRETARY
Gregory S. Mahoney – State Secretary

Information provided in the following pages outlines the Washington State Council (WSC) financial & membership status as of April 30, 2023. The accounts that are listed in the Account Summary include the Key Bank Operating Checking Account and the Key Bank Savings Account.

WASHINGTON STATE COUNCIL

Membership Report (As of April 30, 2023)

Membership – April 30, 2022	16,822
Membership – April 30, 2023	17,315
Additions	493
Losses	0



Knights of Columbus
WASHINGTON STATE COUNCIL
 Fraternal Year 2022-2023

WSC STATEMENT OF FINANCIAL POSITION
AS OF APRIL 30, 2023

				Apr 30, 23
ASSETS				
Current Assets				
Checking/Savings				
		10100.1 · WSC KeyBank Checking		157,645.44
		10200.1 · WSC KeyBank Savings		75,053.57
		Total Checking/Savings		232,699.01
Other Current Assets				
		12000.1 · Intercompany Receivables		-4,000.00
		Total Other Current Assets		-4,000.00
		Total Current Assets		228,699.01
TOTAL ASSETS				228,699.01
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Other Current Liabilities				
		22000.1 · Intercompany Payables		10,256.37
		Total Other Current Liabilities		10,256.37
		Total Current Liabilities		10,256.37
		Total Liabilities		10,256.37
Equity				
		31000.1 · Unrestricted Net Assets		180,118.55
		Net Income		38,324.09
		Total Equity		218,442.64
TOTAL LIABILITIES & EQUITY				228,699.01



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WSC Statement of Financial Income and Expense
July 1, 2022, through April 30, 2023

		Jul '22 - Apr 23
	Income	
	41000.1 · Per Capita Assessment	75,482.99
	41100.1 · Meeting Income	20,644.60
	41200.1 · Liability Insurance Assessment	23,177.18
	41300.1 · Program Income	8,601.74
	41400.1 · Donations	540.00
	41500.1 · Incentives - Supreme	1,061.00
	41900.1 · Other Income	1,339.78
	Total Income	130,847.29
	Expense	
	60000.1 · General Expenses	23,269.03
	62000.1 · Meeting Expenses	58,566.79
	63000.1 · Membership Expense	5,154.30
	64000.1 · Program Expenses	5,533.08
	Total Expense	92,523.20
	Net Income	38,324.09



Knights of Columbus
WASHINGTON STATE COUNCIL
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Pennies for Heaven Fund, Inc.
A Non-Profit Corporation

Kim L. Washburn, President
10555 Fox Road
Leavenworth, WA 98826-8723

Report of the Treasurer (July 1, 2022 through April 30, 2023)
Thomas C. Williams, Treasurer

PENNIES FOR HEAVEN FUND INC. INVESTMENTS	
Month Ending March 31, 2023	Investments
Catholic Core Bond MF	\$435,372.27
Catholic Limited Duration Bond MF	\$264,200.65
Catholic Large Cap Growth MF	\$222,554.23
Catholic Large Cap Value MF	\$221,124.64
Catholic Small Cap Equity MF	\$161,610.40
Catholic International Equity MF	\$116,523.54
TOTAL ACCOUNT VALUE	\$1,421,385.73

INVESTMENT SUMMARY AUGUST 1, 2021 – APRIL 30, 2023	
Investment Account – KofC Asset Advisors	\$1,421,385.73
Christopher Fund	\$87,785.00
Christopher Fund Earnings	*
TOTAL ACCOUNT VALUE	\$1,509,170.73

* From Supreme, dated 5/16/2023:

The earnings and statements for the Christopher Fund are typically available in early April. This year, the calculations and statements have been delayed due to the implementation of a new ERP system (resulting in the recreation of accounting and treasury reporting).

The interest earned on the Christopher Fund from 1/1/2022 through 12/31/2022 is still being calculated. However, I can confirm that the benefit amount of \$ 2,619.78 was distributed the Knights of Columbus Charities Aid Foundation on May 10, 2022, and that the Washington State Council contributions to the Christopher Fund remain at \$87,785.00 (this amount is matched by the Supreme Council for purpose of calculating benefit).



Knights of Columbus
WASHINGTON STATE COUNCIL
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PFH Statement of Financial Position

As of April 30, 2023

			Apr 30, 23
ASSETS			
Current Assets			
Checking/Savings			
		10100.3 · PFH KeyBank Checking	28,976.98
		18100.3 · Asset Advisors	1,421,385.73
		Total Checking/Savings	1,450,362.71
		Total Current Assets	1,450,362.71
TOTAL ASSETS			1,450,362.71
LIABILITIES & EQUITY			
Equity			
		31000.3 · Unrestricted Net Assets	423,328.48
		32000.3 · Donor Restricted Net Assets	1,000,000.00
		Net Income	27,034.23
		Total Equity	1,450,362.71
TOTAL LIABILITIES & EQUITY			1,450,362.71

PFH Statement of Financial Income and Expense
July 1, 2022, through April 30, 2023

			Jul '22 - Apr 23
Income			
		43000.3 · Investment Income (Loss)	56,248.21
		43400.3 · Council Donations	34,080.71
		Total Income	90,328.92
Expense			
		60000.3 · General Expenses	2,900.00
		64000.3 · Program Expenses	60,394.69
		Total Expense	63,294.69
Net Income			27,034.23



Knights of Columbus
WASHINGTON STATE COUNCIL
Fraternal Year 2022-2023

Last Full Year Financial Statement
Income Statement: Pennies for Heaven Fund, Inc.

		Jul '21 - Jun 22
	Income	
	43000.3 · Investment Income (Loss)	-209,844.20
	43400.3 · Council Donations	59,627.24
	43600.3 · Supreme Donations	2,619.78
	49999.3 · Transfers	0.00
	Total Income	-147,597.18
	Expense	
	60000.3 · General Expenses	3,597.73
	64000.3 · Program Expenses	150,904.82
	Total Expense	154,502.55
	Net Income	-302,099.73

WA State Christopher Fund is worth \$87,785.00. Total Combined Christopher Fund (State and Supreme matching funds) is \$175,570.00.

Donation History from 1992 to April 30, 2023: We have donated \$2,342,194.64.



Knights of Columbus
WASHINGTON STATE COUNCIL
Fraternal Year 2022-2023

Columbus Charities, Inc.

A Non-Profit Corporation

Kim L. Washburn, President
10555 Fox Road
Leavenworth, WA 98826-8723

Report of the Treasurer (July 1, 2022, through April 30, 2023)
Thomas C. Williams, Treasurer

Asset Advisors Investments: Columbus Charities, Inc.
Quarter Ending March 31, 2023

Fund Name	Amount
Catholic Core Bond Fund	\$32,723.88
Catholic Large Cap Growth Fund	\$30,810.27
Catholic Large Cap Value Fund	\$29,889.60
Catholic Small Cap Fund	\$23,014.48
Catholic International Equity Fund	\$24,964.23
Total Investment Account Value	\$141,402.46



Knights of Columbus
WASHINGTON STATE COUNCIL
 Fraternal Year 2022-2023

CC Statement of Financial Position
As of April 30, 2023

			Apr 30, 23
ASSETS			
Current Assets			
Checking/Savings			
		10100.2 · CC Key Bank Checking	74,182.33
		10200.3 · CC KeyBank Savings	25,808.85
		18000.2 · Investments	141,402.46
		Total Checking/Savings	241,393.64
Other Current Assets			
		13000.2 · Inventory	10,500.00
		Total Other Current Assets	10,500.00
		Total Current Assets	251,893.64
TOTAL ASSETS			251,893.64
LIABILITIES & EQUITY			
Equity			
		31000.2 · Unrestricted Net Assets	195,001.18
		Net Income	56,892.46
		Total Equity	251,893.64
TOTAL LIABILITIES & EQUITY			251,893.64



Knights of Columbus
WASHINGTON STATE COUNCIL
 Fraternal Year 2022-2023

CC Statement of Financial Income and Expense
July 1, 2022, through April 30, 2023

				Jul '22 - Apr 23
Ordinary Income/Expense				
Income				
			42000.2 - Program Income	165,954.79
			42400.2 - Donations	411.32
			42900.2 - Other Income	571.85
			49999.2 - Transfers	39,837.30
			Total Income	206,775.26
			Gross Profit	206,775.26
Expense				
			60000.2 - General Expenses	3,367.88
			62000.2 - Meeting Expenses	2,011.06
			64000.2 - Program Expenses	151,981.73
			Total Expense	157,360.67
			Net Ordinary Income	49,414.59
Other Income/Expense				
Other Income				
			Net Investment Income (Loss)	7,477.87
			Total Other Income	7,477.87
			Net Other Income	7,477.87
			Net Income	56,892.46



Knights of Columbus
WASHINGTON STATE COUNCIL
 Fraternal Year 2022-2023

Last Full Year Report
Income Statement Columbus Charities, Inc.

				Jul '21 - Jun 22
Ordinary Income/Expense				
Income				
			42000.2 · Program Income	64,273.44
			42400.2 · Donations	689.54
			42900.2 · Other Income	476.69
			49999.2 · Transfers	0.00
			Total Income	65,439.67
			Gross Profit	65,439.67
Expense				
			60000.2 · General Expenses	5,538.28
			62000.2 · Meeting Expenses	5,041.94
			64000.2 · Program Expenses	48,743.82
			SPECIAL OLYMPICS_EXP	51.68
			Total Expense	59,375.72
			Net Ordinary Income	6,063.95
Other Income/Expense				
Other Income				
			Net Investment Income (Loss)	-26,747.98
			Total Other Income	-26,747.98
			Net Other Income	-26,747.98
			Net Income	-20,684.03

The Columbus Charities, Inc. total donation history from 1987 to April 30, 2023: \$1,707,607.64.

KNIGHTS OF COLUMBUS WASHINGTON STATE COUNCIL AND AFFILIATES

FINANCIAL STATEMENTS

JUNE 30, 2022

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

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

I 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, 2022, and the related combined statements of cash receipts and disbursements-cash basis and functional disbursements-cash basis for the year then ended, and the related notes to the combined 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 combined financial statements as a whole. Accordingly, I do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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

My 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 me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the combined financial statements for them to be in accordance with the cash basis of accounting. I believe that the results of my procedures provide a reasonable basis for my conclusion.

I am required to be independent of Knights of Columbus Washington State Council and Affiliates and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements related to my review.

Accountant's Conclusion

Based on my review, I am 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

I draw attention to Note 1 of the combined financial statements, which describes the basis of accounting. The combined 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. My conclusion is not modified with respect to this matter.



Sabey CPA, LLC
January 9, 2023

**KNIGHTS OF COLUMBUS WASHINGTON STATE COUNCIL AND AFFILIATES
COMBINED STATEMENT OF ASSETS AND NET ASSETS-CASH BASIS
JUNE 30, 2022**

ASSETS

Current assets	
Cash	\$ 292,936
Inventory	<u>10,500</u>
Total current assets	303,436
Investments	<u>1,498,536</u>
TOTAL ASSETS	<u><u>\$ 1,801,972</u></u>

NET ASSETS

Net assets	
Without donor restrictions	\$ 801,972
With donor restrictions	<u>1,000,000</u>
Total net assets	<u>1,801,972</u>
TOTAL NET ASSETS	<u><u>\$ 1,801,972</u></u>

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, 2022**

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Cash receipts			
Contributions and grants	\$ 46,678	\$ -	\$ 46,678
Membership dues	107,049	-	107,049
Fundraising events	-	63,857	
Cost of items sold for fundraising	-	(2,273)	
Fundraising events, net	<u>-</u>	<u>61,584</u>	61,584
Meeting fees	14,033	-	14,033
Insurance premiums	22,709	-	22,709
Merchandise sales	-	3,672	
Cost of items sold	-	(5,468)	
Merchandise sales, net	<u>-</u>	<u>(1,796)</u>	(1,796)
Investment income (loss)	(236,570)	-	(236,570)
Other revenue	<u>3,617</u>	<u>-</u>	<u>3,617</u>
Total support and revenue	<u>(42,484)</u>	<u>59,788</u>	<u>17,304</u>
Release from restrictions	<u>59,788</u>	<u>(59,788)</u>	<u>-</u>
Disbursements			
Program services	315,082	-	315,082
Management & general	20,740	-	20,740
Fundraising	<u>-</u>	<u>-</u>	<u>-</u>
Total expenses	<u>335,822</u>	<u>-</u>	<u>335,822</u>
Change in net assets	(318,518)	-	(318,518)
Net assets			
Beginning of year	<u>1,120,490</u>	<u>1,000,000</u>	<u>2,120,490</u>
End of year	<u>\$ 801,972</u>	<u>\$ 1,000,000</u>	<u>\$ 1,801,972</u>

See accompanying notes and independent accountant's review report.

**KNIGHTS OF COLUMBUS WASHINGTON STATE COUNCIL AND AFFILIATES
 COMBINED STATEMENT FUNCTIONAL DISBURSEMENTS-CASH BASIS
 YEAR ENDED JUNE 30, 2022**

	<u>Program Services</u>	<u>General & Administrative</u>	<u>Fundraising Costs</u>	<u>Total</u>
Grants to other organizations	\$ 199,007	\$ -	\$ -	\$ 199,007
Travel & meeting expenses	67,655	-	-	67,655
Insurance expenses	25,683	-	-	25,683
Office expenses	-	6,288	-	6,288
Communication and technology	1,343	-	-	1,343
Professional fees	-	12,575	-	12,575
Membership expenses	15,857	-	-	15,857
State Officer expenses	5,537	-	-	5,537
Other expenses	-	1,877	-	1,877
	<u>\$ 315,082</u>	<u>\$ 20,740</u>	<u>\$ -</u>	<u>\$ 335,822</u>

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, 2022

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 and programs, 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.

Cash and Cash Equivalents

Cash and cash equivalents include all checking and savings accounts.

KNIGHTS OF COLUMBUS WASHINGTON STATE COUNCIL AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS-CASH BASIS
YEAR ENDED JUNE 30, 2022

NOTE 1 ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 Disbursements

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. Fundraising activities and events are coordinated, managed and executed by volunteers. Accordingly, no costs except direct costs are associated with fundraising activities.

Subsequent Events

The Organization has evaluated subsequent events through the date these financial statements were available to be issued, which was January 9, 2023.

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, 2022, that are available to meet cash needs for general expenditures:

Cash	\$ 292,936
Investments	<u>1,498,536</u>
Total financial assets	1,791,472
Less: restricted by donors	<u>(1,000,000)</u>
Financial assets available to meet cash needs for general expenditures	<u>\$ 791,472</u>

KNIGHTS OF COLUMBUS WASHINGTON STATE COUNCIL AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS-CASH BASIS
YEAR ENDED JUNE 30, 2022

NOTE 3 INVESTMENTS

Investments include amounts restricted by donors totaling \$1,000,000. 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, 2022 were in mutual funds.

NOTE 4 NET ASSETS WITH DONOR RESTRICTIONS

Donor restrictions on net assets were as follows at June 30, 2022:

Purpose restriction - for charitable contributions	\$ -
Restricted in perpetuity	<u>1,000,000</u>
	<u><u>\$ 1,000,000</u></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.