THE ADMINISTRATIVE OFFICE OF THE DIOCESE OF LAS VEGAS

FINANCIAL STATEMENTS

JUNE 30, 2015 AND 2014

(With Report of Independent Certified Public Accountants Thereon)

LLB CPAs
Certified Public Accountants & Consultants

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FINANCIAL SECTION

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Trustees
The Administrative Office of the Diocese of Las Vegas
Las Vegas, Nevada

We have audited the accompanying financial statements of The Administrative Office of the Diocese of Las Vegas (a non- profit organization) which comprise the statements of financial position as of June 30, 2015 and 2014, and the related statements of activities and change in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

As discussed in Note 12, the financial statements have been restated to correct errors identified in reporting cash and cash equivalents in a certain manual journal entry and the recognition of a liability related to land.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Administrative Office of the Diocese of Las Vegas as of June 30, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

LLB CPAS

LLB CPAs
November 20, 2015
Las Vegas, Nevada

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THE ADMINISTRATIVE OFFICE OF THE DIOCESE OF LAS VEGAS
STATEMENTS OF FINANCIAL POSITION
JUNE 30,

ASSETS

	2015	Restated 2014
Cash and cash equivalents	$ 27,967,592	$ 27,456,533
Receivables	391,039	1,068,157
Investments	10,165,671	7,860,988
Prepaid expenses	157,566	141,378
Notes and mortgages receivable	8,402,392	8,468,017
Land, buildings and equipment, net	6,244,181	5,940,991
Total assets	$ 53,328,441	$ 50,936,064

LIABILITIES AND NET ASSETS

	2015	Restated 2014
Liabilities		
Accounts payable and accrued expenses	$ 409,207	$ 591,416
Pension plan obligation	1,513,000	1,543,000
Due to related parties	10,416,737	11,335,465
Note payable	792,145	792,145
Total liabilities	13,131,089	14,262,026
Commitments and Contingencies		
Net assets		
Unrestricted	26,252,352	23,714,709
Temporarily restricted	13,223,529	12,237,858
Permanently restricted	721,471	721,471
Total net assets	40,197,352	36,674,038
Total liabilities and net assets	$ 53,328,441	$ 50,936,064

THE ADMINISTRATIVE OFFICE OF THE DIOCESE OF LAS VEGAS
STATEMENTS OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEARS ENDED JUNE 30,

	2015	Restated 2014
Changes in unrestricted net assets:		
Revenues and gains:		
Contributions, bequests and grants	$ 61,933	$ 1,117,155
Diocesan assessment	2,824,357	2,725,052
Investment income	50,507	115,707
Other income	801,342	891,851
Total unrestricted revenues and gains	3,738,139	4,849,765
Net assets released from restriction due to satisfaction of program restrictions	11,664,016	11,927,836
Total unrestricted revenues, gains and other support	15,402,155	16,777,601
Expenses and losses:		
Pastoral service programs	1,295,039	1,634,161
Clergy formation and support	1,055,308	1,495,414
Adult/youth education and development	1,469,549	1,422,183
Communication apostolate	207,206	178,437
Health insurance	4,207,530	4,467,255
Property and building	1,545,810	1,435,115
Diocesan offices	2,310,630	2,021,632
Catholic stewardship appeal - rebate and expenses	557,811	556,258
Interest expense	225,629	237,629
Total expenses and losses	12,874,512	13,448,084
Increase in unrestricted net assets	2,527,643	3,329,517
Changes in temporarily restricted net assets:		
Contributions	12,404,980	12,114,617
Investment income	244,707	168,664
Net assets released from restrictions due to satisfaction of program restrictions	(11,664,016)	(11,927,836)
(Decrease) increase in temporarily restricted net assets	985,671	355,445
INCREASE (DECREASE) IN NET ASSETS	3,513,314	3,684,962
Net assets at beginning of year	36,674,038	32,293,076
(Increase) decrease in pension liability adjustment	10,000	696,000
NET ASSETS, end of year	$ 40,197,352	$ 36,674,038

See Accompanying Notes to Financial Statements

THE ADMINISTRATIVE OFFICE OF THE DIOCESE OF LAS VEGAS
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30,

	2015	Restated 2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	$ 3,523,314	$ 4,380,962
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation	254,973	217,754
Net (gain) on securities	(31,545)	(170,372)
Net (gain) loss from property dispositions	52,855	-
Changes in assets and liabilities		
Accounts receivable	677,118	(166,589)
Prepaid expenses	(16,188)	(115,925)
Pension cost	(30,000)	(577,000)
Accounts payable and accrued expenses	(182,209)	(99,543)
Net cash provided by operating activities	4,248,318	3,469,287
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of land, buildings and equipment	(611,018)	(1,113,163)
Proceeds from sale of investments/(Purchase of investments)	(2,273,138)	(706,844)
Collections from notes and mortgages receivable	65,625	2,329,093
Net cash provided by (used in) investing activities	(2,818,531)	509,086
CASH FLOWS FROM FINANCING ACTIVITIES		
Due to related parties	(918,728)	(735,152)
Net cash (used in) provided by financing activities	(918,728)	(735,152)
NET INCREASE IN CASH AND CASH EQUIVALENTS	511,059	3,243,221
CASH AND CASH EQUIVALENTS, beginning of year	27,456,533	24,213,312
CASH AND CASH EQUIVALENTS, end of year	$ 27,967,592	$ 27,456,533
SUPPLEMENTAL CASH FLOW DATA:		
Cash paid during the year for interest	$ 225,629	$ 237,629

See Accompanying Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Statement Presentation – The accompanying financial statements include the assets, liabilities and operations of departments under the administration of The Administrative Office of the Diocese of Las Vegas ("Diocese"). Except for transactions with the Diocese, assets, liabilities and operations of the parishes, missions, convents, schools and charity operations of the Diocese of Las Vegas have not been included in the accompanying financial statements.

The financial statements of the Diocese have been prepared in accordance with generally accepted accounting principles and "Accounting Principles and Reporting Practices for Churches and Church-related Dioceses", adopted by The National Conference of Catholic Bishops, The Leadership Conference of Women Religious and The Conference of Major Superiors of Men.

Unrestricted Net Assets – Net assets that are not subject to donor-imposed stipulations. Donations received and spent in the same reporting period are also included in this classification.

Temporarily Restricted Net Assets – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Diocese or passage of time.

Permanently Restricted Net Assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Diocese. Generally, the donors of these assets would permit the Diocese to use all or part of the income earned on related investments for general or specific purposes.

Cash and Cash Equivalents – The Diocese considers all money market accounts and highly liquid debt instruments with an initial maturity of three months or less to be cash equivalents.

Reclassification of prior year – Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

Investments – Marketable equity securities and other investments are stated at their fair value, which is determined by quoted market prices. Net appreciation (depreciation) in the fair value of investments, which consists of the realized gains or losses and the unrealized appreciation (depreciation) on these investments, is included in investment income (loss) in the statements of activities.

Fair value of financial instruments – The Diocese's financial instruments include certificates of deposit, government securities, receivables, notes and mortgages receivable, accounts payable, accrued expenses, and deposits payable. The fair value hierarchy under U.S. GAAP distinguishes between assumptions based on market data (observable inputs) and an entity's own assumptions (unobservable inputs). The hierarchy prioritizes valuation inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of three levels:

Level one **–** Unadjusted quoted market prices in active markets for identical assets or liabilities;

Level two **–** Inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities;

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Level three – Unobservable inputs developed using estimates and assumptions, which are developed by the reporting entity and reflect those assumptions that a market participant would use. The Diocese has determined the estimated fair values of its financial instruments using available market information and commonly accepted valuation methodologies. However, considerable judgment is required in interpreting market data to develop the estimates of fair value. Accordingly, the Diocese's estimates are not necessarily indicative of the amounts that it, or holders of the instruments, could realize in a current market exchange. The use of different assumptions or valuation methodologies could have a material effect on the estimated fair value amounts. The fair value estimates are based on information available as of June 30, 2014. These amounts have not been revalued since those dates, and current estimates of fair value could differ significantly from the amounts presented.

The carrying value of certificates of deposit, government securities, receivables, notes and mortgages receivable, accounts payable, accrued expenses, and deposits payable approximate their respective fair values.

Depreciation – Property acquired is presented at cost, if purchased, or fair market value at date of donation, if acquired by gift or bequest. Depreciation of assets is computed on a straight-line basis over the estimated useful life of the asset. Expenses for maintenance and repairs are charged to operations when incurred.

Notes and Mortgages Receivable – Notes and mortgages receivable are carried at cost. The funds required for the purchase of a new parish land site is provided by the Diocese through a twenty-year note receivable. The parish land is held by the Diocese as a future parish site until the start of construction, at which time it is transferred at cost to the parish for a note receivable. Interest income is recognized when earned per the terms of the agreement.

Contributions – The Diocese recognizes all contributed support received as income in the period received. Contributed support is reported as unrestricted or as restricted depending on the existence of donor stipulations that limit the use of the support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activity as net assets released from restrictions.

Functional Allocation of Expenditures – The costs of providing the various programs and other activities of the Diocese have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Tax Status – The Diocese is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and has been classified as other than a private foundation by the Internal Revenue Service. Accordingly, no income tax is reflected in the accompanying financial statements.

Concentrations of Credit Risk – Financial instruments, which potentially subject the Diocese to significant concentration of credit risk, consist primarily of cash and cash equivalents, money market funds, and notes receivable. The Diocese maintains its cash in bank deposit accounts, which at times may exceed federally insured limits. The Diocese maintains a significant portion of money market funds with a single trustee. The Diocese does not require collateral for notes receivable. The Diocese has not experienced any losses in such accounts. The Diocese believes it is not exposed to any significant credit risk on cash and cash equivalents, money market funds and notes receivable.

Use of estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates based on management's knowledge and experience. Due to their prospective nature, actual results could differ from those estimates.

2. CASH AND CASH EQUIVALENTS, INVESTMENTS AND INVESTMENT INCOME

Balances as of and for the years ended June 30:

	2015	2014
Cash and cash equivalents:		
Cash	$ 1,189,838	$ 779,876
Cash equivalents	26,777,754	26,676,657
	$ 27,967,592	$ 27,456,533
Investments:		
Government securities	$ 8,306,074	$ 6,912,463
Stocks, bonds and other investments	1,859,597	948,525
	$ 10,165,671	$ 7,860,988
Investment income:		
Interest and dividend income	$ 263,669	$ 113,999
Realized gains (losses)	215,956	9,573
Unrealized gains (losses)	(184,411)	160,799
Net investment income	$ 295,214	$ 284,371

3. LAND, BUILDINGS AND EQUIPMENT, NET

Land, buildings and equipment under the direct control of the Diocese consist of the following as of June 30:

	2015	2014
Land	$ 2,919,893	$ 2,919,893
Building and improvements	4,750,407	4,361,519
Furnishings and equipment	1,147,580	1,034,805
Other Property	54,109	54,109
	8,871,989	8,370,326
Future parish sites and other property	22,152	22,152
	8,894,141	8,392,478
Less accumulated depreciation	(2,649,960)	(2,451,487)
	$ 6,244,181	$ 5,940,991

4. PENSION PLAN

The Diocese sponsors various defined benefit pension plans for most full-time employees and all priests in good standing who are incardinated in the Diocese.

Although these plans are exempt from the funding requirements of ERISA, it has been the policy of the Diocese to make contributions annually that are not less than the pre-ERISA minimum contribution requirement.

The Diocese uses a June 30 measurement date for the defined benefit pension plans. Please note that the amounts disclosed in this footnote for the lay employees' pension plan reflect the Diocesan allocated share of the overall plan liability. The Diocesan allocated share for the years ended June 30, 2015 and 2014 were 5.72% and 5.23%, respectively.

4. PENSION PLAN (continued)

The funded status of the Diocesan Pension Plans and the net amount recognized in the Diocesan statement of financial position at June 30, 2015 and 2014 are as follows:

	2015	2014
Projected/accumulated benefit obligation	$ (7,700,000)	$ (7,320,000)
Plan assets at fair value	6,187,000	5,777,000
Funded status of the Plan – underfunded	$ (1,513,000)	$ (1,543,000)
Net amount recognized	$ (1,513,000)	$ (1,543,000)

Under FASB Codification 715-30 Defined Benefit Plans - Pension, the funded status is recognized in the statement of financial position. Unrecognized prior service costs and unrecognized actuarial losses are recognized in unrestricted net assets.

Amounts recognized in the statement of financial position consist of:

	Fiscal Year Ended June 30, 2015	Fiscal Year Ended June 30, 2014
Noncurrent assets	$ 267,000	$ 242,000
Current liabilities	-	-
Noncurrent liabilities	(1,780,000)	(1,785,000)
	$ (1,513,000)	$ (1,543,000)

Amounts recognized in unrestricted net assets consist of:

	Fiscal Year Ended June 30, 2015	Fiscal Year Ended June 30, 2014
Net loss (gain)	$ 1,768,000	$ 1,652,000
Net transition obligation (asset)	9,000	18,000
Prior service cost (credit)	299,000	416,000
	$ 2,076,000	$ 2,086,000

The Diocesan Pension Plans net pension expenses, pension benefits paid, and employer contributions for the years ended June 30, 2015 and 2014 are as follows:

	June 30, 2015	June 30, 2014
Net pension expense	$ 364,000	$ 517,000
Pension benefits paid	$ 308,000	$ 299,000
Employer contributions	$ 384,000	$ 398,000

4. PENSION PLAN (continued)

Other changes in plan assets and benefit obligations recognized in unrestricted net assets:

	Fiscal Year Ended June 30, 2015	Fiscal Year Ended June 30, 2014
Net loss (gain)	$ 242,000	$ (365,000)
Prior service cost (credit)	-	-
Amortization of loss (gain)	(126,000)	(202,000)
Amortization of prior service cost (credit)	(117,000)	(120,000)
Amortization of transition obligation	(9,000)	(9,000)
Total recognized in unrestricted net assets	$ (10,000)	$ (696,000)
Total recognized in net periodic benefit cost and unrestricted net assets	$ 354,000	$ (179,000)

Assumptions used to determine net pension expense

	Fiscal Year Ended June 30, 2015	Fiscal Year Ended June 30, 2014
Discount Rate	3.60%	4.07%
Expected Long-Term Rate of Return on Assets	7.41%	7.41%
Salary Scale	5.00%	6.00%

Assumptions used to determine benefit obligation at year-end

	Fiscal Year Ended June 30, 2015	Fiscal Year Ended June 30, 2014
Discount Rate	4.06%	3.60%
Salary Scale	5.00%	5.00%

Expected Long-Term Asset Return Assumption

The Diocese employs a methodical process to determine the estimates of expected long-term rate of return on assets. These estimates are primarily driven by actual historical asset-class returns and advice from external actuarial consulting firms while incorporating specific asset-class risk factors.

4. PENSION PLAN (continued)

Plan Asset Investment Strategy and Allocation

The asset allocation for the pension plans as of June 30, 2015 and 2014 and the target allocation, by asset category are:

Lay Employees Pension Plan

(i) Asset Category	(ii) Diocesan Approved Asset Allocation Range	(iii) Policy Benchmark Asset Allocation	(iv) Actual Percentage of Plan Assets at June 30 2015	2014
Equities	30-70%	50%	64%	66%
Fixed Income	28-68%	40%	34%	33%
Cash	0-20%	10%	2%	1%

Priest Basic Pension Plan

(i) Asset Category	(ii) Diocesan Approved Asset Allocation Range	(iii) Policy Benchmark Asset Allocation	(iv) Actual Percentage of Plan Assets at June 30 2015	2014
Equities	30-70%	60%	64%	64%
Fixed Income	28-68%	30%	34%	34%
Cash	0-20%	10%	2%	2%

Investment policy in Writing

The Diocese has adopted an official Statement of Investment Policy for this plan. Pension plan assets are invested by an independent professional investment manager, with the objective of achieving long-term growth in assets with reasonable risk as compared to established benchmarks. The investment policy requires high quality investments and adequate diversification. Prohibited investments include options, short sale contracts and derivatives. The Diocese regularly monitors the investment manager's performance relative to short-term and long-term objectives as set forth in the official policy. A compliance audit of the managers' adherence to policy guidelines is conducted as a component of each performance evaluation. The Statement of Investment Policy includes consideration for social responsibility and Roman Catholic social teaching.

Plan assets for the supplemental plan are insufficient to necessitate an independent investment policy. Assets are currently held in cash equivalents to meet near term benefit payments.

Contributions

The Diocese expects to contribute approximately $206,000 to the pension plans for the fiscal year ending June 30, 2016.

4. PENSION PLAN (continued)

Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

Fiscal Year Ending June 30	Annual Pension Benefits
2016	$ 528,000
2017	502,000
2018	577,000
2019	577,000
2020	571,000
2021-2025	2,709,000

5. NOTES AND MORTGAGES RECEIVABLE

Notes and mortgages receivable consist of the following at June 30:

	2015	2014
Parish 20 year notes secured by land with no interest for first 10 years, and prime plus 1% thereafter, with maturities ranging from November 2022 to April 2026	$ 8,402,392	$ 8,468,017

6. DUE TO RELATED PARTIES

Balances due to the Catholic Diocese of Las Vegas Capital Funding Corporation ("CDLV CFC") consist of the following at June 30:

	2015	2014
Diocesan payable due in monthly installments of $90,278 including interest at 2.28% through December 2016	$ 8,738,654	$ 9,657,383

Balances due to the Catholic Diocese of Las Vegas Capital Management Corporation ("CDLV CMC") consist of the following at June 30:

2015	2014
$ 1,678,082	$ 1,678,082

During November 2011, a term loan payable was refinanced with Bank of America, N.A. whereby the Diocese, CDLV CFC and The Catholic Diocese of Las Vegas Capital Management Corporation ("CDLV CMC") are co-borrowers. CDLV CFC has recognized this obligation as the primary borrower on the refinancing therefore the balance totaling $9,208,333 as of June 30, 2015 has not been recognized on these financial statements.

7. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets were held for the following purposes as of June 30:

	2015	2014
Clergy formation and support	$ 3,660,885	$ 3,550,569
Pastoral service programs	1,463,151	1,457,258
Adult/youth education and development	1,308,465	1,002,854
Property and building	3,067,623	2,693,728
Health insurance	1,184,717	1,057,516
Diocesan offices	777,795	777,795
Catholic stewardship appeal	1,760,893	1,698,138
	$ 13,223,529	$ 12,237,858

8. PERMANENTLY RESTRICTED NET ASSETS

Permanently restricted net assets were held for the following purposes as of June 30:

	2015	2014
Seminarian education fund	$ 692,066	$ 692,066
Laliberte seminarian fund	29,405	29,405
	$ 721,471	$ 721,471

Unexpended investment income earned on these assets is $1,226,419 and $1,185,465 as of June 30, 2015 and 2014, respectively, and is included in clergy formation and support in temporarily restricted net assets. As of June 30, 2015 and 2014, unexpended investment income earned includes $200,368 and $385,526 respectively, of unrealized investment appreciation.

9. LEGAL PROCEEDINGS

The Diocese is party to various general legal proceedings which have arisen in the ordinary course of operation. While the results of these matters cannot be predicted with certainty, the Diocesan management believes that losses, if any, resulting from the ultimate resolution of these matters will not have a material adverse effect on the Diocesan financial position, results of operations or cash flows. However, unfavorable resolution could affect the financial position, results of operations or cash flows for the years in which they are resolved.

10. COMMITMENTS AND CONTIGENCIES

A non-profit organization, the Bishop Gorman Development Corporation (“Development Corporation”) affiliated with the Diocese, constructed a new campus (the “Campus Project”) for Bishop Gorman High School. The Development Corporation secured a bond for approximately $25 million relating to the financing of the Campus Project. Additionally, the Development Corporation secured a bridge loan totaling $12.5 million for the construction of additional facilities to the campus. As of June 30, 2015, the outstanding balance of this loan was $10,212,500. The Diocese is financially responsible for the bond and the bridge loan incurred by the Development Corporation as a guarantor.

11. NOTE PAYABLE

As of June 30 2015 and 2014, note payable consists of a balance owed to a third party religious institution totaling $792,145 for costs incurred in development of the land. The balance is secured by land and payable upon the sale of the land. The balance bears no interest and has no periodic principal payments.

12. RESTATED AND RECLASSIFIED FINANCIAL STATEMENTS

The Diocese has restated its previously reported Statement of Financial Position as of June 30, 2014 and related statements of activities and cash flows for the year ended June 30, 2014.

During the preparation of the financial statements as of and for the year ended June 30, 2015, management determined a manual journal entry was recorded which resulted in the overstatement of cash for a total of $2,309,783. The manual entry also overstated the contributions recognized in the temporarily restricted net assets by the same amount. The correction of this error had the following impact: decreased cash and cash equivalents by $2,309,783; decreased temporarily restricted net asset contributions by $2,309,783, which decreased the increase in net assets by $2,309,783.

Additionally, during the performance of the audit of the financial statements as of and for the year ended June 30, 2015, management determined a liability totaling $792,145 associated with land that was contributed to the Diocese approximately 50 years ago had not been previously recognized. The liability is due upon the sale of the land, bears no interest, and no periodic principal payments. Historically, the contribution of the land was recognized as a note receivable by CDLV CMC totaling $1,678,082 however it was determined this asset should not be recognized as a note receivable and is land held by the Diocese. The correct of these errors and reclassifications had the following impact: increased land, buildings and equipment, net by $2,470,227; increased note payable by $792,145; and increased due to related party by $1,678,082.

The table below shows the effects of the restatements and reclassifications on the statement of financial position as of June 30, 2015:

	2014 Previously Reported	Restatement	2014 Previously Reported
Cash and cash equivalents	$ 29,766,316	$ (2,309,783)	$ 27,456,533
Receivables	1,068,157		1,068,157
Investments	7,860,988		7,860,988
Prepaid expenses	141,378		141,378
Notes and mortgages receivable	8,468,017		8,468,017
Land, buildings, and equipment, net	3,470,764	2,470,227	5,940,991
Total assets	$ 50,775,620	$ 160,444	$ 50,936,064
Accounts payable and accrued expenses	$ 591,416	$ --	$ 591,416
Pension plan obligation	1,543,000		1,543,000
Due to related parties	9,657,383	1,678,082	11,335,465
Note payable	--	792,145	792,145
Total liabilities	11,791,799	2,470,227	14,262,026

12. RESTATED AND RECLASSIFIED FINANCIAL STATEMENTS (continued)

Net assets			
Unrestricted	26,024,492	(2,309,783)	23,714,709
Temporarily restricted	12,237,858		12,237,858
Permanently restricted	721,471		721,471
Total net assets	38,983,821	(2,309,783)	36,674,038
Total liabilities and net assets	$ 50,775,620	$ 160,444	$ 50,936,064

The table below shows the effects of the restatement on the statement of activities for the year June 30, 2015:

	2014 Previously Reported	Restatement	2014 Previously Reported
Total unrestricted revenues and gains	$ 4,849,765	$ --	$ 4,849,765
Net assets released from restrictions due to satisfaction of program restrictions	14,237,619	(2,309,783)	11,927,836
Total	19,087,384	(2,309,783)	16,777,601
Expenses and losses	13,448,084		13,448,084
Increase in unrestricted net assets	5,639,300	(2,309,783)	3,329,517
Temporarily restricted			
Contributions	14,424,400	(2,309,783)	12,114,617
Investment income	168,664		168,664
Net assets released from restrictions due to satisfaction of program restrictions	(14,237,619)	2,309,783	(11,927,836)
Total	355,445	--	355,445
Increase in net assets	$ 5,994,745	$ (2,309,783)	$ 3,684,962

13. SUBSEQUENT EVENT

The Diocese has evaluated subsequent events through November 20, 2015, the date the financial statements were issued.