

**CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA
AND RELATED ENTITIES**

**COMBINED FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEARS ENDED JUNE 30, 2014 AND 2013

**CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
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YEARS ENDED JUNE 30, 2014 AND 2013**

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INDEPENDENT ACCOUNTANTS' REVIEW REPORT

The Most Reverend Joseph Tyson, Bishop of Yakima
Corporation of the Catholic Bishop of Yakima and Related Entities
Yakima, Washington

We have reviewed the accompanying combined statements of financial position of the Corporation of the Catholic Bishop of Yakima and Related Entities (the Corporation) as of June 30, 2014, and the related combined statements of activities, changes in net assets, and cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Corporation 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 is responsible for the preparation and fair presentation of the combined financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the combined financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, with the exception of the matters described in the following paragraphs of this report, we are not aware of any material modifications that should be made to the accompanying 2014 combined financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1, generally accepted accounting principles provide that the historical cost of fixed assets owned should be included in the combined financial statements and that fixed assets should be depreciated over their estimated useful lives. Management has informed us that the accompanying combined financial statements do not include the historical cost of all fixed assets and that fixed assets are not depreciated. The effects of these departures from generally accepted accounting principles on the combined financial positions, results of operations, and cash flows have not been determined.

The Most Reverend Joseph Tyson, Bishop of Yakima
Corporation of the Catholic Bishop of Yakima and Related Entities

We have also reviewed the adjustments described in Note 7 that were applied to restate the 2013 combined financial statements. Based on our review, we are not aware of any material modifications that should be made to the adjustments described in Note 7 that were applied to restate the 2013 combined financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America, with the exception of the matter described in the previous paragraph.

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the combined financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The supplementary information included in the accompanying schedules is presented for purposes of additional analysis and is not a required part of the basic combined financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic combined financial statements, and we did not become aware of any material modifications, with the exception of the matters described in the above paragraph, that should be made to such information.



CliftonLarsonAllen LLP

Yakima, Washington
December 16, 2014

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
COMBINED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2014 AND 2013
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

	2014	(As Restated) 2013
ASSETS		
ASSETS		
Cash and Cash Equivalents	\$ 5,668,456	\$ 4,787,846
Deposits and Notes Receivable:		
Related Party	12,942,366	12,862,377
Other	4,549	4,434
Prepaid Expenses	104,647	-
Investments	425,923	497,786
Land, Buildings, and Equipment	106,850,155	103,913,046
Long-Term Notes Receivable, Other	134,306	120,898
 Total Assets	 \$ 126,130,402	 \$ 122,186,387
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable, Other	\$ 265,072	\$ 256,727
Current Portion of Notes Payable - Related Party	459,779	321,351
Accrued Liabilities	13,178	4,639
Reserve for Annuity Payments	278,620	291,371
Custodial Liability	125,354	43,610
Notes Payable - Related Party	366,026	935,968
Total Liabilities	1,508,029	1,853,666
NET ASSETS		
Unrestricted	123,141,227	119,048,509
Temporarily Restricted	1,481,146	1,284,212
Total Net Assets	124,622,373	120,332,721
 Total Liabilities and Net Assets	 \$ 126,130,402	 \$ 122,186,387

See accompanying Notes to Combined Financial Statements.

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
COMBINED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES			
Parish Income	\$ 14,138,244	\$ -	\$ 14,138,244
Institution and Agency Income	9,163,848	-	9,163,848
Annual Catholic Appeal	-	1,927,023	1,927,023
Seminary	-	754,453	754,453
Special Funds	-	54,353	54,353
Grants	169,258	-	169,258
Donations and Bequests	2,195,837	-	2,195,837
Property Income	354,380	-	354,380
Unrealized Gain on Investments	15,762	-	15,762
Realized Gain on Investments	2,126	-	2,126
Other Income	1,368,644	-	1,368,644
Total	<u>27,408,099</u>	<u>2,735,829</u>	<u>30,143,928</u>
Net Assets Released from Restrictions	2,538,895	(2,538,895)	-
Total Revenues	<u>29,946,994</u>	<u>196,934</u>	<u>30,143,928</u>
OPERATING EXPENSES	<u>26,088,599</u>	<u>-</u>	<u>26,088,599</u>
INCREASE IN NET ASSETS BEFORE OTHER INCOME (EXPENSES)	3,858,395	196,934	4,055,329
OTHER INCOME (EXPENSES)			
Investment Income:			
Related Party	138,177	-	138,177
Other	239,556	-	239,556
Interest Expense:			
Related Party	(32,082)	-	(32,082)
Other	(12,993)	-	(12,993)
Institution Subsidy	(550)	-	(550)
Disbursements to Other Catholic Organizations	(106,319)	-	(106,319)
Other	8,534	-	8,534
Total Other Income	<u>234,323</u>	<u>-</u>	<u>234,323</u>
CHANGES IN NET ASSETS	<u>\$ 4,092,718</u>	<u>\$ 196,934</u>	<u>\$ 4,289,652</u>

See accompanying Notes to Combined Financial Statements.

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
COMBINED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2013 (AS RESTATED)
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES			
Parish Income	\$ 13,634,204	\$ -	\$ 13,634,204
Institution and Agency Income	9,363,050	-	9,363,050
Annual Catholic Appeal	-	1,477,291	1,477,291
Seminary	-	690,373	690,373
Special Funds	-	70,307	70,307
Grants	160,137	-	160,137
Donations and Bequests	5,849,770	-	5,849,770
Property Income	319,128	-	319,128
Unrealized Loss on Investments	(20,866)	-	(20,866)
Realized Gain on Investments	46,061	-	46,061
Other Income	2,418,846	-	2,418,846
Total	<u>31,770,330</u>	<u>2,237,971</u>	<u>34,008,301</u>
Net Assets Released from Restrictions	2,090,622	(2,090,622)	-
Total Revenues	<u>33,860,952</u>	<u>147,349</u>	<u>34,008,301</u>
OPERATING EXPENSES	<u>26,466,014</u>	<u>-</u>	<u>26,466,014</u>
INCREASE IN NET ASSETS BEFORE OTHER INCOME (EXPENSES)	7,394,938	147,349	7,542,287
OTHER INCOME (EXPENSES)			
Investment Income:			
Related Party	162,237	-	162,237
Other	169,512	-	169,512
Interest Expense:			
Related Party	(24,292)	-	(24,292)
Other	(13,134)	-	(13,134)
Disbursements to Other Catholic Organizations	(74,224)	-	(74,224)
Other	(34,823)	-	(34,823)
Total Other Income	<u>185,276</u>	<u>-</u>	<u>185,276</u>
CHANGES IN NET ASSETS	<u>\$ 7,580,214</u>	<u>\$ 147,349</u>	<u>\$ 7,727,563</u>

See accompanying Notes to Combined Financial Statements.

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
COMBINED STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2014 AND 2013
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
NET ASSETS - JUNE 30, 2012 (As Previously Stated)	\$ 111,468,295	\$ 944,741	\$ 112,413,036
Restatement	-	192,122	192,122
NET ASSETS - JUNE 30, 2012 (As Restated)	111,468,295	1,136,863	112,605,158
Changes in Net Assets (As Restated)	7,580,214	147,349	7,727,563
NET ASSETS - JUNE 30, 2013 (As Restated)	119,048,509	1,284,212	120,332,721
Changes in Net Assets	4,092,718	196,934	4,289,652
NET ASSETS - JUNE 30, 2014	<u>\$ 123,141,227</u>	<u>\$ 1,481,146</u>	<u>\$ 124,622,373</u>

See accompanying Notes to Combined Financial Statements.

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
COMBINED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2014 AND 2013
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

	2014	(As Restated) 2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Contributions and Services	\$ 30,141,802	\$ 33,849,496
Cash Paid to Suppliers and Employees	(26,123,131)	(26,402,149)
Disbursements to Other Catholic Organizations	8,534	(74,224)
Investment Income Received	377,733	331,749
Interest Paid	(45,075)	(37,426)
Other Payments	(106,869)	(34,823)
Net Cash Provided by Operating Activities	4,252,994	7,632,623
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments from Deposits and Notes Receivable - Related Party	(2,509,086)	(9,924,837)
Advances on Deposits and Notes Receivable - Related Party	2,415,574	6,424,062
Purchase of Investments	(59,642)	(408,162)
Proceeds from Sale of Investments	149,393	506,419
Purchase of Land, Buildings, and Equipment	(2,937,109)	(3,257,867)
Net Cash Used by Investing Activities	(2,940,870)	(6,660,385)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Notes Payable - Related Party	207,000	76,040
Payments on Notes Payable - Related Party	(638,514)	(1,174,056)
Net Cash Used by Financing Activities	(431,514)	(1,098,016)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	880,610	(125,778)
Cash and Cash Equivalents - Beginning of Year	4,787,846	4,913,624
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 5,668,456	\$ 4,787,846

See accompanying Notes to Combined Financial Statements.

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
COMBINED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2014 AND 2013
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

	<u>2014</u>	<u>(As Restated) 2013</u>
RECONCILIATION OF CHANGES IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Changes in Net Assets	\$ 4,289,652	\$ 7,727,563
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities:		
Realized Gain on Investments	(2,126)	(46,061)
Unrealized (Gain) Loss on Investments	(15,762)	20,866
Changes in Cash Due to Changes in Assets and Liabilities:		
Prepaid Expenses	(104,647)	-
Accounts Payable	8,345	95,439
Accrued Liabilities	8,539	5,063
Reserve for Annuity Payments	(12,751)	(60,553)
Custodial Liability	81,744	(109,694)
Net Adjustments	<u>(36,658)</u>	<u>(94,940)</u>
Net Cash Provided by Operating Activities	<u>\$ 4,252,994</u>	<u>\$ 7,632,623</u>

NONCASH INVESTING AND FINANCING ACTIVITIES

During the year ended June 30, 2013, the Corporation purchased a building with debt financing in the amount of \$221,135.

See accompanying Notes to Combined Financial Statements.

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Corporation of the Catholic Bishop of Yakima (the Corporation), a nonprofit organization, was created June 23, 1951, in Yakima, Washington and serves 41 parishes and four missions in seven counties. The Corporation has legal control and ownership of the Diocesan Administration, the Parishes, and Institutions. The Parishes, which are unincorporated associations, consist of churches while the Institutions consist primarily of schools (which are owned and operated by the Parishes) and cemeteries. All significant related balances and transactions among the combined entities have been eliminated in combination.

Historically, the Diocesan Administration had included the investments of the Parishes and Institutions on its financial statements. On October 22, 2010, investments, other than those relating to gift annuities, notes receivable, and deposits payable from the Parishes and Institutions, were transferred from the Diocesan Administration to a new entity called the Diocese of Yakima Capital Revolving Program (CRP). This was done to clarify the civil and canonical relationships between the Diocesan Administration and the Parishes and Institutions and to document the equitable ownership of the assets so transferred as properly belonging to the separate entities.

Basis of Accounting

The Corporation presents its combined financial statements in accordance with accounting principles generally accepted in the United States of America. The full accrual basis of accounting is used to record revenues and expenses. Accordingly, all revenues and expenses are recognized when earned and incurred.

Cash and Cash Equivalents

For purposes of the combined statements of cash flows, the Corporation considers all highly liquid investments with maturity dates of three months or less to be cash and cash equivalents. The Corporation maintains its cash and cash equivalent accounts at financial institutions which, at times, may exceed federally insured limits. The Corporation has not experienced any losses in such accounts.

The allocation of the cash balances is as follows at June 30:

	2014	2013
Diocesan Administration	\$ 1,241,058 *	\$ 1,029,173 *
Parishes	3,045,476	2,786,126
Institutions	1,381,922	972,547
Total	\$ 5,668,456	\$ 4,787,846

* This amount represents funds which are collected and spent for designated purposes, including the special funds.

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments and Certificates of Deposit

Investments and certificates of deposit are stated at fair market value. The allocation of the balances is as follows at June 30:

	2014	2013
Diocesan Administration	\$ 425,923 *	\$ 487,786 *
Institutions	-	10,000
Total	\$ 425,923	\$ 497,786

* This amount represents funds which are collected and spent for designated purposes, including the special funds.

Investments in equity securities with readily determinable fair values and all debt securities are carried at fair value based on quoted market values. Realized and unrealized gains and losses are included in the determination of change in net assets. An investment return on donor restricted balances is reported as unrestricted revenue unless the donor has stipulated otherwise.

The Corporation holds various investments that are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities and investment contracts, and the level of uncertainty related to changes in the value of the investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect account balances and the amounts reported in the combined statements of financial position and the combined statements of activities.

Deposits and Notes Receivable - Related Party

The CRP provides a means for the various Parishes and Institutions located within the Diocese to maintain deposits. As of June 30, 2014 and 2013, deposits totaled \$11,192,274 and \$11,130,632, respectively. Notes receivable - related party are receivables with amounts billed to the Parishes and other Diocesan Institutions for health, general liability, and workers' compensation insurance. In addition, the annual parish assessment and Corporation savings transferred to the CRP are a component of these receivables. Notes receivable - related party totaled \$1,750,092 and \$1,731,745 for the years ended June 30, 2014 and 2013, respectively. For the years ended June 30, 2014 and 2013, the reimbursements from Parishes were \$539,220 and \$510,114, respectively. These receivables are not subject to interest. Based upon management's evaluation of these receivables, an allowance of approximately \$74,000 and \$93,000 was deemed necessary for the years ended June 30, 2014 and 2013, respectively.

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Land, Buildings, and Equipment

Land is recorded at cost or fair market value at the date of gift. Buildings and equipment are recorded at cost, fair market value at the date of gift, or approximate replacement cost as determined by insurance appraisal as of May 15, 1961. The Corporation does not maintain the property records with sufficient detail to show the historical cost of all fixed assets. The Corporation does not record depreciation for its buildings and equipment. The allocation of the original cost of land, buildings, and equipment is as follows at June 30:

	<u>2014</u>	<u>2013</u>
Diocesan Administration	\$ 3,686,961	\$ 3,553,450
Parishes	95,984,946	93,328,958
Institutions	7,178,248	7,030,638
Total	<u>\$ 106,850,155</u>	<u>\$ 103,913,046</u>

Custodial Liability

Special Collections occur at varying times throughout the year. As funds are collected, the amounts are accumulated by the Finance Office of the Corporation and are recorded as payable to the various funds which the collections are meant to benefit. The payable is relieved upon completion of the collection.

Net Assets

The Corporation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Further, the Corporation reports contributions received as unrestricted, temporarily restricted, or permanently restricted support depending upon the existence or nature of any donor restrictions. Net assets are classified based on the existence or absence of donor-imposed restrictions as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations but are controlled and designated by the Corporation.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Corporation and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the combined statement of activities as net assets released from restrictions.

The Corporation annually receives funding from parishioners through an Annual Catholic Appeal (ACA). These amounts represent temporarily restricted gifts for the purposes designated by the appeal. In addition, the Corporation receives grant and other gift income to be used for purposes specified by the donor.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that are maintained permanently by the Corporation. Generally the donors of these assets permit the Corporation to use all or part of the income earned on any related investments for general or specific purposes. There were no permanently restricted assets at June 30, 2014 and 2013.

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Estimates

The preparation of the combined financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the combined financial statements and accompanying notes. Actual results could differ from those estimates.

Functional Allocation of Expenses

The supporting activities of the Corporation are all activities other than depreciation and development office operations expense. Generally, they include management and general expenses, and fundraising activities. Management and general expenses totaled \$9,735,605 and \$10,457,791, net of reimbursement from the Parishes, for the years ended June 30, 2014 and 2013, respectively. In addition, the Corporation incurred \$427,121 and \$402,300, of fundraising expenses to conduct the 2014 and 2013 Annual Catholic Appeal Campaign, respectively. Therefore, program related expenses were \$15,925,873 and \$15,605,923 for the years ended June 30, 2014 and 2013, respectively.

Federal Income Tax

The Corporation has been recognized as tax-exempt by the Internal Revenue Service (IRS) under Section 501(c)(3). The Corporation is exempt from filing tax returns under the Catholic Directory exemption. Income from certain activities not directly related to the Corporation's tax-exempt purpose would be subject to taxation as unrelated business income. In accordance with requirements related to accounting for uncertainties in income taxes, the Corporation has determined they have no uncertain tax positions at June 30, 2014 and 2013.

Subsequent Events

Subsequent events are events or transactions that occur after the combined statement of financial position date but before combined financial statements are issued. The Corporation recognizes in the combined financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the combined statement of financial position, including the estimates inherent in the process of preparing the combined financial statements. The Corporation's combined financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the combined statement of financial position but arose after the combined statement of financial position date and before combined financial statements are available to be issued.

The Corporation has evaluated subsequent events through December 16, 2014, which is the date the combined financial statements are available to be issued.

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

NOTE 2 CHARITABLE GIFT ANNUITIES AND DEFERRED LIABILITIES

Charitable gift annuities are unrestricted irrevocable gifts under which the Corporation agrees in turn to pay a life annuity to the donor, or to a designated beneficiary. The contributed funds and the related reserve for annuity payments immediately become part of the general assets and liabilities of the Corporation.

The Corporation values deferred gifts of cash at face value and investments at market value. Contribution values are discounted on the basis of actuarial data. Published IRS discount rates (ranging from three percent to six percent) are employed to determine the net present value of both contributions and liabilities pertaining to these deferred-giving arrangements.

As an issuer of charitable gift annuities, Washington State requires that the Corporation has and maintains minimum unrestricted net assets of \$500,000. Unrestricted net assets are the excess of total assets over total liabilities that are neither permanently restricted nor temporarily restricted by donor-imposed stipulations.

As of June 30, 2014 and 2013, charitable gift annuities of \$334,400 and \$364,334, respectively, are included in investments, and the liability for annuity payments to donors of \$278,620 and \$291,371, respectively, is included on the combined statements of financial position.

NOTE 3 INVESTMENTS AND FAIR VALUE OF ASSETS

The cost and fair market value of investments is as follows for the years ended June 30:

	2014			
	Cost	Unrealized Gain (Loss)	Unrealized Gain/Investment Income	Fair Market Value
Money Market Funds	\$ 65,386	\$ -	\$ -	\$ 65,386
Certificates of Deposit (Varying Maturities)	32,714	-	-	32,714
Fixed Income Securities	175,275	(6,440)	-	168,835
Equity Securities	65,649	15,172	-	80,821
Bond Funds	78,559	(392)	-	78,167
Total	<u>\$ 417,583</u>	<u>\$ 8,340</u>	<u>\$ -</u>	<u>\$ 425,923</u>

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

NOTE 3 INVESTMENTS AND FAIR VALUE OF ASSETS (CONTINUED)

	2013			
	Cost	Unrealized Loss	Unrealized Gain/Investment Income	Fair Market Value
Money Market Funds	\$ 69,439	\$ -	\$ -	\$ 69,439
Certificates of Deposit (Varying Maturities)	65,735	-	-	65,735
Fixed Income Securities	175,275	(4,421)	-	170,854
Equity Securities	89,064	(349)	-	88,715
Bond Funds	95,695	(2,652)	-	93,043
Other	10,000	-	-	10,000
Total	<u>\$ 505,208</u>	<u>\$ (7,422)</u>	<u>\$ -</u>	<u>\$ 497,786</u>

As defined in Financial Accounting Standards Board *Accounting Standards Codification* Topic 820, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Based on the observability of the inputs used in the valuation techniques, the Corporation is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 – Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 – Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third-party pricing services for identical or similar assets or liabilities. The Corporation has no Level 2 assets or liabilities.

Level 3 – Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. The Corporation has no Level 3 assets or liabilities.

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

NOTE 3 INVESTMENTS AND FAIR VALUE OF ASSETS (CONTINUED)

The fair value of investment securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker dealers. The following tables present the fair value hierarchy for the balances or the assets of the Corporation, measured at fair value on a recurring basis as of June 30:

	2014			
	Level 1	Level 2	Level 3	Total
Equity Securities	\$ 80,821	\$ -	\$ -	\$ 80,821
Certificates of Deposit (Varying Maturities)	32,714	-	-	32,714
Fixed Income Securities	78,167	-	-	78,167
Equity Securities	168,835	-	-	168,835
Bond Funds	65,386	-	-	65,386
Total	<u>\$ 425,923</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 425,923</u>

	2013			
	Level 1	Level 2	Level 3	Total
Equity Securities	\$ 88,715	\$ -	\$ -	\$ 88,715
Certificates of Deposit (Varying Maturities)	65,735	-	-	65,735
Bond Funds	93,043	-	-	93,043
Fixed Income Securities	170,854	-	-	170,854
Money Market Funds	69,439	-	-	69,439
Other	10,000	-	-	10,000
Total	<u>\$ 497,786</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 497,786</u>

NOTE 4 NET ASSETS RELEASED FROM RESTRICTIONS

Net assets were released from donor restrictions for use as specified by ACA Campaign donors and primarily benefit affiliated Catholic organizations.

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

NOTE 5 NOTES PAYABLE - RELATED PARTY

Long-term debt consisted of the following at June 30:

Entity	Description	2014	2013
Diocesan Administration	CRP, Related-Party, Payable \$1,490 Monthly, Including 5.25 Percent Interest, Due January 1, 2033	\$ 211,369	\$ 217,965
Diocesan Administration	CRP, Related Party, CRP Investment Earnings Applied at 50% to Reduce Balance Annually	176,639	396,183
Parishes	CRP, Related-Party, Payable \$14,647 Monthly, Including 5.75 Percent Interest, Due August 1, 2015	167,261	358,092
Parishes	CRP, Related-Party, Payable \$13,890 Monthly, Including 5.75 Percent Interest, Due March 1, 2015	127,614	285,079
Parishes	CRP, Related-Party, Payable \$1,931 Monthly, Including 5.25 Percent Interest, Due November 15, 2023	142,922	-
	Subtotal	<u>825,805</u>	<u>1,257,319</u>
	Less: Current Maturities	<u>(459,779)</u>	<u>(321,351)</u>
	Total Notes Payable - Related Party	<u>\$ 366,026</u>	<u>\$ 935,968</u>

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

NOTE 5 NOTES PAYABLE - RELATED PARTY (CONTINUED)

Principal maturities of notes payable - related party as of June 30 are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2015	\$ 459,779
2016	168,931
2017	7,718
2018	8,133
2019	8,570
Thereafter	172,674
Total	<u>\$ 825,805</u>

Included in the debt described and amortized above, a note payable of \$1,159,225 was entered into during 2011 as part of the transfer of assets and liabilities to the CRP in 2010. Earnings on investments (interest and dividends) held by the CRP are shared between the Corporation and other depositors until the note payable to the CRP from the Corporation is paid off. Fifty percent of earnings are allocated to depositors and classified as interest expense by the CRP; the remaining fifty percent is applied as a reduction of the Corporation note payable. During June 30, 2014 and 2013, investment earnings applied to reduce the note payable of \$219,544 and \$163,953, respectively, were made, leaving a balance of \$176,639 and \$396,183 at June 30, 2014 and 2013, respectively. The note has a maturity date of June 30, 2015, with an option to extend the maturity date indefinitely. Principal and interest are paid monthly by the Corporation. As of the years ended June 30, 2014 and 2013, interest expense related to this note was approximately \$-0- and \$30,000, respectively.

NOTE 6 CONTINGENCIES

Occasionally, in the normal course of business, there are various claims, lawsuits, and pending actions involving the Corporation. When such matters arise, the Corporation intends to defend its position vigorously. The liability, if any, associated with these matters is not determinable at June 30, 2014 and 2013; however, the results of these matters could have a material effect on the Corporation's combined financial position, changes in net assets, or cash flows.

The Corporation is currently named in several lawsuits. The Corporation is insured up to set policy limits. Management and legal council are unable to determine the likelihood of an unfavorable outcome or the cost of an unfavorable outcome. As a result, no amounts have been recorded in the combined financial statements in the event an unfavorable outcome were to occur.

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
NOTES TO COMBINED FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

NOTE 7 PRIOR-PERIOD ADJUSTMENT

During the year ended June 30, 2014, management discovered certain accounts were erroneously classified as custodial liabilities in previous years and rather should have been presented as unrestricted and temporarily restricted revenues and expenses. In addition, amounts for parish deposits and notes receivable, related party and institution notes payable, related party were erroneously presented on the combined statement of financial position and rather should have been presented as unrestricted revenues and expenses. The 2013 combined financial statements have been restated to reflect the adjustments.

The effects of the restatement to the June 30, 2013 combined financial statements are as follows:

	As Restated	Adjustment	Reclassifications	As Previously Stated
Deposits and Notes Receivable, Related Party	\$ 12,862,377	\$ (666,513)	\$ -	\$ 13,528,890
Total Assets	<u>\$ 12,862,377</u>	<u>\$ (666,513)</u>	<u>\$ -</u>	<u>\$ 13,528,890</u>
Accounts Payable, Related Party	\$ -	\$ (12,058)	\$ -	\$ 12,058
Notes Payable, Related Party	1,257,319	(388,247)	-	1,645,566
Custodial Liabilities	43,610	(137,689)	-	181,299
Total Liabilities	<u>\$ 1,300,929</u>	<u>\$ (537,994)</u>	<u>\$ -</u>	<u>\$ 1,838,923</u>
Unrestricted	\$ 119,048,509	\$ (277,573)	\$ -	\$ 119,326,082
Temporarily Restricted	1,284,212	149,054	-	1,135,158
Total Net Assets	<u>\$ 120,332,721</u>	<u>\$ (128,519)</u>	<u>\$ -</u>	<u>\$ 120,461,240</u>
Donations and Bequests, Parishes	\$ 4,597,229	\$ (444,293)	\$ 2,250,435	\$ 2,791,087
Interest Income, Related Party, Parishes	137,219	(222,220)	(75,130)	434,569
Interest Income, Related Party, Institutions	25,018	(106,019)	89,360	41,677
Operating Expenses, Institutions	(10,084,899)	494,266	(1,235,470)	(9,343,695)
Unrestricted Revenue, Diocesan Administration	1,927,600	693	-	1,926,907
Net Assets Released from Temporarily Restricted	2,090,622	125,116	-	1,965,506
Total Unrestricted Revenue and Expense	<u>(1,307,211)</u>	<u>(152,457)</u>	<u>1,029,195</u>	<u>(2,183,949)</u>
Temporarily Restricted Seminary Revenue	690,373	71,715	-	618,658
Temporarily Restricted Special Funds Revenue	70,307	10,332	-	59,975
Net Assets Released to Unrestricted	(2,090,622)	(125,116)	-	(1,965,506)
Total Temporarily Restricted Revenue	<u>(1,329,942)</u>	<u>(43,069)</u>	<u>-</u>	<u>(1,286,873)</u>
Total Revenue and Expense	<u>\$ (2,637,153)</u>	<u>\$ (195,526)</u>	<u>\$ 1,029,195</u>	<u>\$ (3,470,822)</u>

The amounts as of July 1, 2012 were restated to increase temporarily restricted net assets by \$192,122, decrease custodial liabilities by \$180,064, and decrease accounts payable, related party by \$12,058.

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
COMBINING STATEMENT OF FINANCIAL POSITION
JUNE 30, 2014
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

ASSETS	Diocesan Administration	Parishes	Institutions	Eliminating Entries	Total
ASSETS					
Cash and Cash Equivalents	\$ 1,241,058	\$ 3,045,476	\$ 1,381,922	\$ -	\$ 5,668,456
Deposits and Notes Receivable:					
Related Party	1,750,092	9,473,794	2,622,663	(904,183)	12,942,366
Other	4,549	-	13,478	(13,478)	4,549
Prepaid Expenses	104,647	-	-	-	104,647
Investments	425,923	-	-	-	425,923
Land, Buildings, and Equipment	3,686,961	95,984,946	7,178,248	-	106,850,155
Long-Term Notes Receivable, Other	134,306	-	-	-	134,306
	<u>1,083,710</u>	<u>1,324,383</u>	<u>17,597</u>	<u>(917,661)</u>	<u>1,508,029</u>
Total Liabilities	<u>1,083,710</u>	<u>1,324,383</u>	<u>17,597</u>	<u>(917,661)</u>	<u>1,508,029</u>
	<u>\$ 7,347,536</u>	<u>\$ 108,504,216</u>	<u>\$ 11,196,311</u>	<u>\$ (917,661)</u>	<u>\$ 126,130,402</u>
LIABILITIES AND NET ASSETS					
LIABILITIES					
Accounts Payable:					
Related Party	\$ -	\$ 886,586	\$ 17,597	\$ (904,183)	\$ -
Other	278,550	-	-	(13,478)	265,072
Current Portion of Notes Payable - Related Party	183,589	276,190	-	-	459,779
Accrued Liabilities	13,178	-	-	-	13,178
Reserve for Annuity Payments	278,620	-	-	-	278,620
Custodial Liability	125,354	-	-	-	125,354
Notes Payable - Related Party	204,419	161,607	-	-	366,026
Total Liabilities	<u>1,083,710</u>	<u>1,324,383</u>	<u>17,597</u>	<u>(917,661)</u>	<u>1,508,029</u>
NET ASSETS					
Unrestricted	4,782,680	107,179,833	11,178,714	-	123,141,227
Temporarily Restricted	1,481,146	-	-	-	1,481,146
Total Net Assets	<u>6,263,826</u>	<u>107,179,833</u>	<u>11,178,714</u>	<u>-</u>	<u>124,622,373</u>
	<u>\$ 7,347,536</u>	<u>\$ 108,504,216</u>	<u>\$ 11,196,311</u>	<u>\$ (917,661)</u>	<u>\$ 126,130,402</u>
Total Liabilities and Net Assets	<u>\$ 7,347,536</u>	<u>\$ 108,504,216</u>	<u>\$ 11,196,311</u>	<u>\$ (917,661)</u>	<u>\$ 126,130,402</u>

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
COMBINING STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2014
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

	Special Funds	Diocesan Administration	Parishes	Institutions	Eliminating Entries	Total
REVENUES						
Parish Income	\$ -	\$ -	\$ 14,138,244	\$ -	\$ -	\$ 14,138,244
School Subsidies	-	-	-	520,282	(520,282)	-
Institution and Agency Income	-	-	-	9,163,848	-	9,163,848
Annual Catholic Appeal	1,927,023	-	404,758	-	(404,758)	1,927,023
Seminary	754,453	-	-	-	-	754,453
Special Funds	54,353	-	-	-	-	54,353
Grants	-	112,740	52,087	54,423	(49,992)	169,258
Donations and Bequests	-	16,009	1,828,882	350,946	-	2,195,837
Property Income	-	227,863	121,602	4,915	-	354,380
Diocesanum	-	539,220	-	-	(539,220)	-
Unrealized Gain on Investments	-	15,762	-	-	-	15,762
Realized Gain on Investments	-	2,126	-	-	-	2,126
Other Income	-	247,493	835,776	285,375	-	1,368,644
Total Revenues	<u>2,735,829</u>	<u>1,161,213</u>	<u>17,381,349</u>	<u>10,379,789</u>	<u>(1,514,252)</u>	<u>30,143,928</u>
OPERATING EXPENSES	<u>2,538,895</u>	<u>888,988</u>	<u>14,429,522</u>	<u>9,695,454</u>	<u>(1,464,260)</u>	<u>26,088,599</u>
INCREASE IN NET ASSETS BEFORE OTHER INCOME (EXPENSES)	196,934	272,225	2,951,827	684,335	(49,992)	4,055,329
OTHER INCOME (EXPENSES)						
Investment Income:						
Related Party	-	-	117,433	20,744	-	138,177
Other	-	238,996	545	15	-	239,556
Interest Expense:						
Related Party	-	-	(32,082)	-	-	(32,082)
Other	-	(12,993)	-	-	-	(12,993)
Institution Subsidy	-	(50,542)	-	-	49,992	(550)
Disbursements to Other						
Catholic Organizations	-	(106,319)	-	-	-	(106,319)
Other	-	8,534	-	-	-	8,534
Total Other Income	<u>-</u>	<u>77,676</u>	<u>85,896</u>	<u>20,759</u>	<u>49,992</u>	<u>234,323</u>
CHANGES IN NET ASSETS	<u>\$ 196,934</u>	<u>\$ 349,901</u>	<u>\$ 3,037,723</u>	<u>\$ 705,094</u>	<u>\$ -</u>	<u>\$ 4,289,652</u>

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
COMBINING STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2013 (AS RESTATED)
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

	Special Funds	Diocesan Administration	Parishes	Institutions	Eliminating Entries	Total
REVENUES						
Parish Income	\$ -	\$ -	\$ 13,634,204	\$ -	\$ -	\$ 13,634,204
School Subsidies	-	-	-	469,842	(469,842)	-
Institution and Agency Income	-	-	-	9,363,050	-	9,363,050
Annual Catholic Appeal	1,477,291	-	267,201	-	(267,201)	1,477,291
Seminary	690,373	-	-	-	-	690,373
Special Funds	70,307	-	-	-	-	70,307
Grants	-	119,136	34,776	56,217	(49,992)	160,137
Donations and Bequests	-	761,129	4,597,229	491,412	-	5,849,770
Property Income	-	230,612	88,416	100	-	319,128
Diocesanum	-	510,114	-	-	(510,114)	-
Unrealized Loss on Investments	-	(20,866)	-	-	-	(20,866)
Realized Gain on Investments	-	46,061	-	-	-	46,061
Other Income	-	281,414	1,239,686	897,746	-	2,418,846
Total Revenues	<u>2,237,971</u>	<u>1,927,600</u>	<u>19,861,512</u>	<u>11,278,367</u>	<u>(1,297,149)</u>	<u>34,008,301</u>
OPERATING EXPENSES	<u>2,090,622</u>	<u>1,257,675</u>	<u>14,279,975</u>	<u>10,084,899</u>	<u>(1,247,157)</u>	<u>26,466,014</u>
INCREASE IN NET ASSETS BEFORE OTHER INCOME (EXPENSES)	147,349	669,925	5,581,537	1,193,468	(49,992)	7,542,287
OTHER INCOME (EXPENSES)						
Investment Income:						
Related Party	-	-	137,219	25,018	-	162,237
Other	-	168,921	581	10	-	169,512
Interest Expense:						
Related Party	-	-	(24,292)	-	-	(24,292)
Other	-	(13,134)	-	-	-	(13,134)
Institution Subsidy	-	(49,992)	-	-	49,992	-
Disbursements to Other						
Catholic Organizations	-	(74,224)	-	-	-	(74,224)
Other	-	(34,823)	-	-	-	(34,823)
Total Other Income (Expenses)	<u>-</u>	<u>(3,252)</u>	<u>113,508</u>	<u>25,028</u>	<u>49,992</u>	<u>185,276</u>
CHANGES IN NET ASSETS	<u>\$ 147,349</u>	<u>\$ 666,673</u>	<u>\$ 5,695,045</u>	<u>\$ 1,218,496</u>	<u>\$ -</u>	<u>\$ 7,727,563</u>

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
COMBINING STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2014 AND 2013
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

	<u>Diocesan Administration</u>		<u>Parishes</u>	<u>Institutions</u>	<u>Total</u>
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Unrestricted</u>	<u>Unrestricted</u>	
NET ASSETS - JUNE 30, 2012 (As Previously Stated)	\$ 3,766,106	\$ 944,741	\$ 98,447,065	\$ 9,255,124	\$ 112,413,036
Restatement	-	192,122	-	-	192,122
NET ASSETS - JUNE 30, 2012 (As Restated)	3,766,106	1,136,863	98,447,065	9,255,124	112,605,158
Changes in Net Assets (As Restated)	666,673	147,349	5,695,045	1,218,496	7,727,563
NET ASSETS - JUNE 30, 2013 (As Restated)	4,432,779	1,284,212	104,142,110	10,473,620	120,332,721
Changes in Net Assets	349,901	196,934	3,037,723	705,094	4,289,652
NET ASSETS - JUNE 30, 2014	<u>\$ 4,782,680</u>	<u>\$ 1,481,146</u>	<u>\$ 107,179,833</u>	<u>\$ 11,178,714</u>	<u>\$ 124,622,373</u>

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
STATEMENT OF ACTIVITIES FOR DIOCESAN ADMINISTRATION
YEAR ENDED JUNE 30, 2014
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

	Diocesan Administration Operations	Annual Catholic Appeal, Seminary, and Special Funds	Total
REVENUES			
Annual Catholic Appeal	\$ -	\$ 1,927,023	\$ 1,927,023
Seminary	-	754,453	754,453
Special Funds	-	54,353	54,353
Grants	112,740	-	112,740
Property Income	227,863	-	227,863
Donations and Bequests	16,009	-	16,009
Diocesanum	539,220	-	539,220
Unrealized Gain on Investments	15,762	-	15,762
Realized Gain on Investments	2,126	-	2,126
Other Income	247,493	-	247,493
Total Revenues	1,161,213	2,735,829	3,897,042
EXPENSES			
Office Salaries, Payroll Taxes, and Employee Insurance and Retirement	736,171	-	736,171
Clergy Salaries and Other	187,232	-	187,232
Clergy Other	135,553	-	135,553
Property Insurance and Maintenance	319,876	-	319,876
Development Office Operations Expense	197,020	-	197,020
Bad Debt Expense	66,281	-	66,281
Office Supplies and Expense	15,060	-	15,060
Postage	1,080	-	1,080
Retreats	66,693	-	66,693
Program Expense	4,721	-	4,721
Advertising	35,709	-	35,709
Printing and Publications	4,681	-	4,681
Books and Periodicals	57,328	-	57,328
Contractual Services	20,533	-	20,533
Continuing Education and Conferences	11,940	-	11,940
Rent	50,008	-	50,008
Property Taxes	33,930	-	33,930
Legal and Accounting Fees	204,733	-	204,733
Utilities	71,103	-	71,103
Transportation and Automobile	53,002	-	53,002
Computer Expense	20,208	-	20,208
Telephone	15,126	-	15,126
ACA Funds Not Specifically Allocated and Rebates	(1,419,000)	1,823,758	404,758
Seminary Expense	-	605,862	605,862
Special Funds Expense	-	109,275	109,275
Total Expenses	888,988	2,538,895	3,427,883
INCREASE OF REVENUES OVER EXPENSES BEFORE OTHER INCOME (EXPENSE)	272,225	196,934	469,159
OTHER INCOME (EXPENSE)			
Investment Income	238,996	-	238,996
Interest Expense	(12,993)	-	(12,993)
Institution Subsidy	(50,542)	-	(50,542)
Disbursements to Other Catholic Organizations	(106,319)	-	(106,319)
Other	8,534	-	8,534
Total Other Income	77,676	-	77,676
INCREASE OF REVENUES OVER EXPENSES	\$ 349,901	\$ 196,934	\$ 546,835

CORPORATION OF THE CATHOLIC BISHOP OF YAKIMA AND RELATED ENTITIES
STATEMENT OF ACTIVITIES FOR DIOCESAN ADMINISTRATION
YEAR ENDED JUNE 30, 2013 (AS RESTATED)
(SEE INDEPENDENT ACCOUNTANTS' REVIEW REPORT)

	Diocesan Administration Operations	Annual Catholic Appeal, Seminary, and Special Funds	Total
REVENUES			
Annual Catholic Appeal	\$ -	\$ 1,477,291	\$ 1,477,291
Seminary	-	690,373	690,373
Special Funds	-	70,307	70,307
Grants	119,136	-	119,136
Property Income	230,612	-	230,612
Donations and Bequests	761,129	-	761,129
Diocesanum	510,114	-	510,114
Unrealized Loss on Investments	(20,866)	-	(20,866)
Realized Gain on Investments	46,061	-	46,061
Other Income	281,414	-	281,414
Total Revenues	1,927,600	2,237,971	4,165,571
EXPENSES			
Office Salaries, Payroll Taxes, and Employee Insurance and Retirement	783,516	-	783,516
Clergy Salaries and Other	196,934	-	196,934
Clergy Other	137,274	-	137,274
Property Insurance and Maintenance	332,332	-	332,332
Development Office Operations Expense	189,580	-	189,580
Bad Debt Expense	365,916	-	365,916
Office Supplies and Expense	52,908	-	52,908
Postage	14,136	-	14,136
Program Expense	47,230	-	47,230
Advertising	2,282	-	2,282
Printing and Publications	35,011	-	35,011
Books and Periodicals	5,422	-	5,422
Contractual Services	30,010	-	30,010
Continuing Education and Conferences	13,421	-	13,421
Rent	11,940	-	11,940
Dues and Subscriptions	51,314	-	51,314
Property Taxes	34,208	-	34,208
Legal and Accounting Fees	154,447	-	154,447
Utilities	70,651	-	70,651
Transportation and Automobile	61,453	-	61,453
Computer Expense	20,088	-	20,088
Telephone	18,935	-	18,935
ACA Funds Not Specifically Allocated and Rebates	(1,371,333)	1,405,119	33,786
Seminary Expense	-	519,305	519,305
Special Funds Expense	-	166,198	166,198
Total Expenses	1,257,675	2,090,622	3,348,297
INCREASE OF REVENUES OVER EXPENSES BEFORE OTHER INCOME (EXPENSE)	669,925	147,349	817,274
OTHER INCOME (EXPENSE)			
Investment Income	168,921	-	168,921
Interest Expense	(13,134)	-	(13,134)
Institution Subsidy	(49,992)	-	(49,992)
Disbursements to Other Catholic Organizations	(74,224)	-	(74,224)
Other	(34,823)	-	(34,823)
Total Other Expense	(3,252)	-	(3,252)
INCREASE OF REVENUES OVER EXPENSES	\$ 666,673	\$ 147,349	\$ 814,022