



**Society of St. Vincent de Paul Georgia, Inc.**

**CONSOLIDATED FINANCIAL STATEMENTS**

September 30, 2023 and 2022



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# REPORT





Carr, Riggs & Ingram, LLC  
4004 Summit Boulevard NE  
Suite 800  
Atlanta, GA 30319

770.394.8000  
770.451.2873 (fax)  
CRIcpa.com

## **INDEPENDENT AUDITOR'S REPORT**

Board of Directors of  
Society of St. Vincent de Paul Georgia, Inc.

### **Report on the Audits of the Consolidated Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of Society of St. Vincent de Paul Georgia, Inc. (the Society) (a non-profit organization), which comprise the consolidated statements of financial position as of September 30, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Society as of September 30, 2023 and 2022, 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.

#### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Society and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Emphasis of Matter**

As discussed in Note 2, to the consolidated financial statements, during the year ended September 30, 2023, the Society adopted FASB ASC 842, *Leases*. Our opinion is not modified with respect to this matter.

#### **Responsibilities of Management for the Consolidated Financial Statements**

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

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

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether these consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of these consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits 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 Society's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Society's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audits.

*Carr, Riggs & Ingram, L.L.C.*

CARR, RIGGS & INGRAM, LLC

Atlanta, Georgia  
January 30, 2024



# FINANCIAL STATEMENTS



**Society of St. Vincent de Paul Georgia, Inc.**  
**Consolidated Statements of Financial Position**

<i>September 30,</i>	<b>2023</b>	<b>2022</b>
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 3,715,253	\$ 4,561,999
Accounts receivable	31,201	397,693
Promises to give	73,583	117,100
Inventory	1,174,582	965,576
Prepaid expenses and other assets	111,905	70,745
<b>Total current assets</b>	<b>5,106,524</b>	<b>6,113,113</b>
Non-current assets		
Restricted cash	172,380	230,268
Note receivable	5,297,250	5,297,250
Beneficial interest in assets held by foundation	711,099	654,757
Operating lease right-of-use assets, net	2,961,128	-
Property and equipment, net	7,497,040	7,553,704
Cemetery lots and mausoleum spaces	196,192	196,192
<b>Total non-current assets</b>	<b>16,835,089</b>	<b>13,932,171</b>
<b>Total assets</b>	<b>\$ 21,941,613</b>	<b>\$ 20,045,284</b>

(Continued)

*The accompanying notes are an integral part of these financial statements.*

**Society of St. Vincent de Paul Georgia, Inc.**  
**Consolidated Statements of Financial Position (Continued)**

<i>September 30,</i>	<b>2023</b>	<b>2022</b>
<b>Liabilities and Net Assets</b>		
Current liabilities		
Accounts payable	\$ 219,534	\$ 113,487
Accrued expenses	118,245	88,228
Refundable advance	262,070	169,574
Other liabilities	90,726	90,535
Current portion of long-term debt	86,608	90,000
Current portion of operating lease liabilities	546,332	-
<b>Total current liabilities</b>	<b>1,323,515</b>	<b>551,824</b>
Long-term liabilities		
Long-term debt, less current portion	7,350,000	7,692,686
Line of credit	97,043	-
Operating lease liabilities, less current portion	2,464,378	-
<b>Total long-term liabilities</b>	<b>9,911,421</b>	<b>7,692,686</b>
<b>Total liabilities</b>	<b>11,234,936</b>	<b>8,244,510</b>
Net assets		
Without donor restrictions	9,921,994	11,028,917
With donor restrictions	784,683	771,857
<b>Total net assets</b>	<b>10,706,677</b>	<b>11,800,774</b>
<b>Total liabilities and net assets</b>	<b>\$ 21,941,613</b>	<b>\$ 20,045,284</b>

*The accompanying notes are an integral part of these financial statements.*



**Society of St. Vincent de Paul Georgia, Inc.**  
**Consolidated Statements of Activities**

<b><i>For the year ended September 30, 2023</i></b>	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and Other Support</b>			
Contributions and grants	\$ 13,417,677	\$ -	\$ 13,417,677
Capital campaign contributions	-	49,600	49,600
Contributions of non-financial assets	7,498,977	-	7,498,977
Special events	393,484	-	393,484
Annual collection	78,697	-	78,697
Estates and memorials	5,000	-	5,000
Thrift store sales	4,199,923	-	4,199,923
Rental income	226,601	-	226,601
Gain on beneficial interest in assets held by Foundation	-	80,243	80,243
Interest income	230,684	-	230,684
Net assets released from restrictions	117,017	(117,017)	-
<b>Total revenue and other support</b>	<b>26,168,060</b>	<b>12,826</b>	<b>26,180,886</b>
<b>Expenses</b>			
<i>Program services</i>			
Hunger, housing and health services	22,132,569	-	22,132,569
Thrift store operations	2,620,726	-	2,620,726
<b>Total program services</b>	<b>24,753,295</b>	<b>-</b>	<b>24,753,295</b>
<i>Supporting services</i>			
General and administrative	1,780,504	-	1,780,504
Fundraising	741,184	-	741,184
<b>Total supporting services</b>	<b>2,521,688</b>	<b>-</b>	<b>2,521,688</b>
<b>Total expenses</b>	<b>27,274,983</b>	<b>-</b>	<b>27,274,983</b>
<b>Change in net assets</b>	<b>(1,106,923)</b>	<b>12,826</b>	<b>(1,094,097)</b>
<b>Net assets at beginning of year</b>	<b>11,028,917</b>	<b>771,857</b>	<b>11,800,774</b>
<b>Net assets at end of year</b>	<b>\$ 9,921,994</b>	<b>\$ 784,683</b>	<b>\$ 10,706,677</b>

*The accompanying notes are an integral part of these financial statements.*

**Society of St. Vincent de Paul Georgia, Inc.**  
**Consolidated Statements of Activities (Continued)**

<i>For the year ended September 30, 2022</i>	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenue and Other Support</b>			
Contributions and grants	\$ 13,324,175	\$ -	\$ 13,324,175
Capital campaign contributions	-	113,186	113,186
Contributions of non-financial assets	5,502,894	-	5,502,894
Special events	484,526	-	484,526
Annual collection	242,355	-	242,355
Estates and memorials	256,425	-	256,425
Thrift store sales	3,983,536	-	3,983,536
Rental income	164,466	-	164,466
Loss on beneficial interest in assets held by Foundation	-	(143,872)	(143,872)
Interest income	83,605	-	83,605
Net assets released from restrictions	460,302	(460,302)	-
<b>Total revenue and other support</b>	<b>24,502,284</b>	<b>(490,988)</b>	<b>24,011,296</b>
<b>Expenses</b>			
<i>Program services</i>			
Hunger, housing and health services	18,478,621	-	18,478,621
Thrift store operations	2,615,479	-	2,615,479
<b>Total program services</b>	<b>21,094,100</b>	<b>-</b>	<b>21,094,100</b>
<i>Supporting services</i>			
General and administrative	1,517,600	-	1,517,600
Fundraising	772,755	-	772,755
<b>Total supporting services</b>	<b>2,290,355</b>	<b>-</b>	<b>2,290,355</b>
<b>Total expenses</b>	<b>23,384,455</b>	<b>-</b>	<b>23,384,455</b>
Change in net assets before change in value of beneficial interest and transfer of net assets to beneficial interest	1,117,829	(490,988)	626,841
Transfer of net assets to beneficial interest	(65,344)	65,344	-
Change in net assets	1,052,485	(425,644)	626,841
Net assets at beginning of year	9,976,432	1,197,501	11,173,933
<b>Net assets at end of year</b>	<b>\$ 11,028,917</b>	<b>\$ 771,857</b>	<b>\$ 11,800,774</b>

*The accompanying notes are an integral part of these financial statements.*

**Society of St. Vincent de Paul Georgia, Inc.**  
**Consolidated Statements of Functional Expenses**

***For the year ended September 30, 2023***

	Program Services			Supporting Services		Total
	Hunger, Housing and Health Services	Thrift Store Operations	Programs Subtotal	General and Administrative	Fundraising	
Salaries and benefits	\$ 1,519,085	\$ 989,767	\$ 2,508,852	\$ 845,653	\$ 508,982	\$ 3,863,487
Direct aid of non-financial assets	7,155,783	45,000	7,200,783	67,200	-	7,267,983
Direct financial aid	12,681,288	-	12,681,288	-	-	12,681,288
Rent	-	931,712	931,712	-	-	931,712
Utilities	60,263	234,482	294,745	70,674	1,590	367,009
Professional fees	-	-	-	166,446	5,938	172,384
Supplies	49,350	137,529	186,879	34,799	11,168	232,846
Bank fees	-	105,505	105,505	236	33,724	139,465
Dues and subscriptions	61,019	-	61,019	5,748	2,124	68,891
Travel	23,322	-	23,322	26,554	1,846	51,722
Printing	2,587	-	2,587	11,263	20,206	34,056
Advertising	23,503	42,427	65,930	2,114	119,791	187,835
Repairs and maintenance	59,070	82,393	141,463	69,275	1,559	212,297
Technology	25,724	-	25,724	92,608	9,673	128,005
Insurance	27,178	7,711	34,889	31,874	717	67,480
Fleet expense	76,219	-	76,219	-	-	76,219
Postage	22,833	-	22,833	1,778	1,927	26,538
Training	6,408	21,200	27,608	3,210	16,338	47,156
Other	126,673	23,000	149,673	95,899	-	245,572
Interest	48,056	-	48,056	56,365	1,268	105,689
Property taxes	-	-	-	6,230	-	6,230
Depreciation and amortization	164,208	-	164,208	192,578	4,333	361,119
<b>Total</b>	<b>\$ 22,132,569</b>	<b>\$ 2,620,726</b>	<b>\$ 24,753,295</b>	<b>\$ 1,780,504</b>	<b>\$ 741,184</b>	<b>\$ 27,274,983</b>

*The accompanying notes are an integral part of these financial statements.*

**Society of St. Vincent de Paul Georgia, Inc.**  
**Consolidated Statements of Functional Expenses (Continued)**

*For the year ended September 30, 2022*

	Program Services			Supporting Services		Total
	Hunger, Housing and Health Services	Thrift Store Operations	Programs Subtotal	General and Administrative	Fundraising	
Salaries and benefits	\$ 1,007,912	\$ 1,078,120	\$ 2,086,032	\$ 699,624	\$ 514,078	\$ 3,299,734
Direct aid of non-financial assets	5,401,102	44,194	5,445,296	-	-	5,445,296
Direct financial aid	11,390,047	-	11,390,047	-	-	11,390,047
Rent	-	925,781	925,781	-	-	925,781
Utilities	43,869	281,059	324,928	41,472	933	367,333
Professional fees	-	-	-	141,797	45,628	187,425
Supplies	61,378	59,652	121,030	40,124	4,193	165,347
Bank fees	-	93,792	93,792	270	27,553	121,615
Dues and subscriptions	57,793	-	57,793	9,140	1,709	68,642
Travel	16,683	462	17,145	31,961	938	50,044
Printing	1,709	-	1,709	24,458	17,726	43,893
Advertising	3,277	7,295	10,572	22,134	79,658	112,364
Repairs and maintenance	67,545	105,373	172,918	34,666	3,365	210,949
Technology	26,135	-	26,135	90,881	17,909	134,925
Insurance	32,472	-	32,472	29,715	669	62,856
Fleet expense	58,651	2,021	60,672	-	-	60,672
Postage	11,657	-	11,657	8,188	1,733	21,578
Training	2,692	319	3,011	11,520	5,029	19,560
Other	109,895	14,417	124,312	61,908	-	186,220
Interest	41,935	-	41,935	49,180	4,308	95,423
Property taxes	-	-	-	51,837	-	51,837
Bad debt	-	-	-	-	43,529	43,529
Depreciation and amortization	143,869	2,994	146,863	168,725	3,797	319,385
<b>Total</b>	<b>\$ 18,478,621</b>	<b>\$ 2,615,479</b>	<b>\$ 21,094,100</b>	<b>\$ 1,517,600</b>	<b>\$ 772,755</b>	<b>\$ 23,384,455</b>

*The accompanying notes are an integral part of these financial statements.*

**Society of St. Vincent de Paul Georgia, Inc.**  
**Consolidated Statements of Cash Flows**

<i>For the years ended September 30,</i>	<b>2023</b>	<b>2022</b>
<b>Operating Activities</b>		
Change in net assets	<b>\$ (1,094,097)</b>	\$ 626,841
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	<b>361,119</b>	319,385
Amortization of right-of-use assets	<b>565,484</b>	-
Contributions and pledges restricted for long-term purposes	<b>(49,600)</b>	(113,186)
Bad debt expense	-	43,529
Donated cemetery lots	-	(8,265)
Change in value of beneficial interest	<b>(80,243)</b>	143,872
Changes in operating assets and liabilities		
Accounts receivable	<b>366,492</b>	(169,162)
Inventory	<b>(209,006)</b>	(60,059)
Prepaid expenses and other assets	<b>(41,160)</b>	5,536
Accounts payable	<b>106,047</b>	(71,341)
Accrued expenses	<b>30,017</b>	(63,243)
Operating lease liabilities	<b>(515,902)</b>	-
Refundable advance	<b>92,496</b>	(124,297)
Other liabilities	<b>191</b>	18,965
Net cash provided by (used in) operating activities	<b>(468,162)</b>	548,575
<b>Investing Activities</b>		
Purchase of property and equipment	<b>(304,455)</b>	(461,066)
Transfers to beneficial interest in assets held by foundation	-	(65,344)
Distributions from beneficial interest in assets held by foundation	<b>23,901</b>	19,600
Net cash provided by (used in) investing activities	<b>(280,554)</b>	(506,810)
<b>Financing Activities</b>		
Cash collected for long-term purposes	<b>93,117</b>	306,089
Borrowings on notes payable	-	275,000
Borrowings on line of credit	<b>97,043</b>	-
Principal payments on notes payable	<b>(346,078)</b>	(391,623)
Net cash provided by (used in) financing activities	<b>(155,918)</b>	189,466
Net change in cash and cash equivalents and restricted cash	<b>(904,634)</b>	231,231
Cash and cash equivalents and restricted cash at beginning of year	<b>4,792,267</b>	4,561,036
Cash and cash equivalents and restricted cash at end of year	<b>\$ 3,887,633</b>	\$ 4,792,267

(Continued)

*The accompanying notes are an integral part of these financial statements.*

**Society of St. Vincent de Paul Georgia, Inc.**  
**Consolidated Statements of Cash Flows (Continued)**

<i>For the years ended September 30,</i>	<b>2023</b>	<b>2022</b>
<b>Presented on Consolidated Statements of Financial Position as:</b>		
Cash and cash equivalents	\$ 3,715,253	\$ 4,561,999
Restricted cash	<b>172,380</b>	230,268
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Cash and cash equivalents at end of year	<b>\$ 3,887,633</b>	\$ 4,792,267
<hr/>		
<b>Schedule of Noncash Transactions</b>		
Lease liabilities arising from obtaining right-of-use-assets		
Operating leases	<b>\$ 3,526,612</b>	\$ -
	<hr/>	
<b>Schedule of Certain Cash Flow Information</b>		
Cash paid for interest	<b>\$ 99,883</b>	\$ 95,423
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*The accompanying notes are an integral part of these financial statements.*

## Society of St. Vincent de Paul Georgia, Inc. Notes to the Consolidated Financial Statements

### **Note 1: DESCRIPTION OF THE ORGANIZATION**

The Society of St. Vincent de Paul Georgia, Inc. (the Society) is a nonprofit organization that was founded in 1903 by a group of concerned Catholic parishioners in Atlanta, Georgia. The Society has grown to become one of the oldest, largest and most trusted state-wide social services safety net in Georgia. The Society is part of an international organization of Catholic lay people. The Society conducts the following programs:

*Hunger, housing and health services* – The Society operates a main service center in Chamblee (the Council) with a full-time staff providing programs and services for neighbors in need and 73 local chapters across the state staffed by 3,000+ trained volunteer caseworkers. Focusing on hunger, housing and health, the Society’s work addresses issues fundamental to stability, self-sufficiency and long-term success by:

- Increasing housing stability
- Increasing healthcare access
- Decreasing hunger/food insecurity

The Society operates a pharmacy at the main service center in Chamblee (the Council). The pharmacy provides free non-narcotic prescriptions to uninsured or under-insured patients throughout Georgia.

*Thrift store operations* – The Society also operates nine thrift stores throughout Georgia where neighbors may redeem vouchers for free clothing, furniture and household goods. The profits are directed to local chapters for additional financial assistance. The Society formed an E-commerce store at the Council to sell donated items on various online platforms.

The activities and account balances of the Council, conferences, thrift stores, and the entities created as part of the New Markets Tax Credit transaction, as discussed below, are included in these consolidated financial statements.

### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### ***Principles of Consolidation***

The consolidated financial statements include the accounts of Society of St. Vincent de Paul Georgia, Inc., SVDP Georgia Support Organization Inc. (the Support Organization), 2050 SVDP, LLC (2050 SVDP) and SVDP Georgia Community Pharmacy, LLC (the Pharmacy), as of September 30, 2023 and 2022 and for the years then ended (collectively, the Society). The Society has consolidated the Support Organization, 2050 SVDP and the Pharmacy because the organizations have a shared Board of Directors and financial interdependency. All significant intercompany accounts and transactions have been eliminated.

As further discussed in Note 10, the Society was required to form additional entities in accordance with the New Markets Tax Credit funding for the purchase and renovation of the building. In May 2019, a new limited liability company, the 2050 SVDP, LLC, was formed to hold funds and collect rental income. In November 2019, a new 501(c)(3), the SVDP Georgia Support Organization, Inc., was formed, and at that time, the building and other property were transferred to this new entity.

In June 2020, the SVDP Georgia Community Pharmacy, LLC (the Pharmacy) was formed and was opened to the public in February 2021. The Pharmacy is consolidated in these financial statements.

## **Society of St. Vincent de Paul Georgia, Inc.**

### **Notes to the Consolidated Financial Statements**

#### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

##### ***Basis of Accounting***

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

##### ***Use of Estimates***

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related depreciation of property and equipment, valuation of contributed non-financial assets, amortization of right-of-use assets, determination of discount rate for lease liabilities, fair market value of beneficial interest in assets held by the Foundation, and the allocation of functional expenses.

##### ***Cash and Cash Equivalents***

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less.

##### ***Restricted Cash***

Restricted cash included in other long-term assets on the consolidated statements of financial position represents amounts held for long-term financing arrangements related to capital improvements and equipment purchases. The restriction will lapse when the funds are spent for those purposes.

##### ***Accounts Receivable***

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Society provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of members to meet their obligations.

Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Society's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.



## Society of St. Vincent de Paul Georgia, Inc. Notes to the Consolidated Financial Statements

### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### ***Promises to Give***

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met or explicitly waived by the donor. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed.

#### ***Inventory***

Thrift store inventory is stated at the fair value of the goods at the time of the donation. Pharmacy inventory is valued at the average wholesale price, a national standardized rate per medication.

#### ***Cemetery Lots and Mausoleum Spaces***

Cemetery lots and mausoleum spaces are donated to the Society and are recorded at fair value at the date of donation. There were no lots donated to the Society during the year ended September 30, 2023. During the year ended September 30, 2022, the Society received a total of \$8,265 in donated cemetery lots, which is included in contributions of non-financial assets in the consolidated statements of activities.

#### ***Beneficial Interest in Assets Held by the Foundation***

The Society is the beneficiary of a certain endowment fund held and administered by the Catholic Foundation of North Georgia (the Foundation), the purpose of which is to support the operations, ministries, and capital needs of the Society. The Foundation has ownership and control of the endowment fund. Pursuant to financial accounting standards, the value of the Society's interest is valued at the net present value of the Society's expected future cash flows from the fund and has been recorded as net assets with donor restrictions and related beneficial interest in assets held by the Foundation in the consolidated financial statements.

#### ***Property and Equipment***

All acquisitions of property and equipment in excess of \$2,500 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

## Society of St. Vincent de Paul Georgia, Inc. Notes to the Consolidated Financial Statements

### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### ***Leases***

The Society leases retail space. The Society determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets and operating lease liabilities on the consolidated statements of financial position.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, the Society uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU assets also include any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Society will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The agreements do not contain any material residual value guarantees or material restrictive covenants.

#### ***Net Assets***

The Society reports information regarding its consolidated financial position and consolidated activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Society, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

## Society of St. Vincent de Paul Georgia, Inc. Notes to the Consolidated Financial Statements

### **Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

#### ***Revenue Recognition***

Revenue from service fees and payments under various contracts is recognized as revenue when performance obligations under the terms of the contracts with customers are satisfied. Revenue received in advance is deferred and recognized over the periods to which the dates and fees relate. These amounts are included in performance obligation liabilities within the consolidated statements of financial position.

A significant portion of the Society's grants and contracts are from government agencies. The benefits received by the public as a result of the assets transferred are not equivalent to commensurate value received by the government agencies and are therefore not considered exchange transactions. Grants and contracts are analyzed for measurable performance-related barriers or other barriers. Revenue is recognized as barriers are met. Funds received from non-exchange transactions in advance of barriers being met are recorded as refundable advances.

Contributions and local grants are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly removed the conditions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

#### ***Donated Assets***

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

#### ***Donated Services***

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Society. Volunteers provided casework and other services throughout the year that are not recognized as contributions in the consolidated financial statements since the recognition criteria were not met.

#### ***Functional Allocation of Expenses***

Directly identifiable expenses are charged to programs and supporting services. Salaries and benefits, supplies, printing, and postage are allocated based on estimates of time and effort in each functional area. Expenses related to utilities, repairs and maintenance, interest, insurance and depreciation and amortization, are allocated across functional areas based on a fixed percentage.

#### ***Advertising***

The Society uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed as incurred. During the years ended September 30, 2023 and 2022, advertising costs totaled \$187,835 and \$112,364 respectively.

## Society of St. Vincent de Paul Georgia, Inc. Notes to the Consolidated Financial Statements

### Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### ***Income Taxes***

Under section 501(c)(3) of the Internal Revenue Code, the Society is exempt from taxes on income other than unrelated business income. Unrelated business income results from rent from tenants at its Chamblee office building.

The Society utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the consolidated financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of September 30, 2023 and 2022, the Society has no uncertain tax positions that qualify for recognition or disclosure in the consolidated financial statements.

#### ***Reclassifications***

Certain reclassifications were made to prior year balances to conform with current year presentation.

#### ***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued January 30, 2024, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these consolidated financial statements.

#### ***Recent Accounting Pronouncements***

In February 2016, the Financial Accounting Standards Board (FASB) issued guidance (Accounting Standards Codification [ASC] 842, *Leases*) to increase transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the consolidated statements of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of the consolidated financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The Society elected the available practical expedients to account for existing operating leases as operating leases, respectively, under the new guidance, without reassessing (a) whether the contracts contain leases under the new standard, (b) whether classification of capital leases or operating leases would be different in accordance with the new guidance, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement.

As a result of the adoption of the new lease accounting guidance, the Society recognized on October 1, 2022, lease liabilities of \$3,526,612, which represents the present value of the remaining operating lease payments of \$3,981,082, discounted using the risk free rate and right-of-use assets of \$3,526,612, which represents the operating lease liabilities of \$3,526,612.

**Society of St. Vincent de Paul Georgia, Inc.**  
**Notes to the Consolidated Financial Statements**

**Note 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY**

The Society maintains its financial assets primarily in cash and cash equivalents to provide liquidity to ensure funds are available as the Society's expenditures come due. The following reflects the Society's financial assets as of the consolidated statements of financial position date, reduced by amounts not available for general use within one year of the consolidated statement of financial position date because of contractual or donor-imposed restrictions.

<i>September 30,</i>	<b>2023</b>	2022
Total assets at year end	\$ 21,941,613	\$ 20,045,284
Less non-financial assets		
Inventory	(1,174,582)	(965,576)
Prepaid expenses and other assets	(111,905)	(70,745)
Note receivable	(5,297,250)	(5,297,250)
Property and equipment, net	(7,497,040)	(7,553,704)
Cemetery lots and mausoleum spaces	(196,192)	(196,192)
Operating lease right-of-use assets, net	(2,961,128)	-
Financial assets at year-end	<b>4,703,516</b>	5,961,817
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions		
Contractually restricted cash	(172,380)	(230,268)
Capital campaign promises to give	(73,583)	(117,100)
Beneficial interest in assets held by foundation	(711,099)	(654,757)
Financial assets available to meet cash needs for general expenditures within one year	<b>\$ 3,746,454</b>	\$ 4,959,692

The Society is principally supported by contributions. The goal of the Society is to maintain available financial assets to meet its next 90 days of operating expenses. In the event of unanticipated liquidity needs, the Society has two lines of credit with available borrowings of \$300,000 and \$735,957, as further discussed in Note 11.

**Society of St. Vincent de Paul Georgia, Inc.**  
**Notes to the Consolidated Financial Statements**

**Note 4: ACCOUNTS RECEIVABLE AND PROMISES TO GIVE**

Accounts receivable consist of the following:

<i>September 30,</i>	<b>2023</b>	2022
Accounts receivable	\$ 3,693	\$ 297,798
Grants receivable	<b>24,895</b>	95,288
Other receivable	<b>2,613</b>	4,607
<b>Accounts receivable</b>	<b>\$ 31,201</b>	<b>\$ 397,693</b>

Promises to give consist of the following:

<i>September 30,</i>	<b>2023</b>	2022
Receivable within one year	\$ 73,583	\$ 117,100
<b>Promises to give</b>	<b>\$ 73,583</b>	<b>\$ 117,100</b>

There was no bad debt expense during September 30, 2023. Bad debt expense was \$43,529 for the year ended September 30, 2022.

**Note 5: INVENTORY**

Inventory consists of the following:

<i>September 30,</i>	<b>2023</b>	2022
Thrift stores	\$ 694,658	\$ 701,036
Pharmacy	<b>479,924</b>	264,540
<b>Total inventory</b>	<b>\$ 1,174,582</b>	<b>\$ 965,576</b>

**Note 6: BENEFICIAL INTEREST IN ASSETS HELD BY THE FOUNDATION**

During fiscal year 2012, an endowment was established by a third party, the Catholic Foundation of North Georgia (the Foundation) (Note 2), for the purpose of providing a permanent endowment to support the operations, ministries, and capital needs of the Society. The Foundation has ultimate authority and control over the endowment fund (the Fund) and it is subject to the investing and spending policies of the Foundation. However, the Society is the beneficiary of these funds and is entitled to receive distributions after the endowment reaches a specified target amount of \$50,000, subject to the Foundation's spending policy. Pursuant to financial accounting standards, the Fund has been recognized as a beneficial interest in the assets held by the Foundation in the accompanying consolidated statements of financial position at net present value of expected future cash flows from the Fund.

**Society of St. Vincent de Paul Georgia, Inc.**  
**Notes to the Consolidated Financial Statements**

**Note 7: PROPERTY AND EQUIPMENT**

The components of property and equipment consist of the following at September 30, 2023 and 2022:

	Estimated Useful Lives (in years)	2023	2022
Building	30	\$ 7,260,805	\$ 7,245,314
Leasehold improvements	5-10	232,531	214,461
Equipment	3-10	508,561	435,678
Vehicles	5	192,725	142,549
Computer equipment	3	141,327	128,325
Security system	5	42,934	16,361
Furniture and fixtures	5-10	187,273	171,513
Total depreciable property and equipment		<b>8,566,156</b>	8,354,201
Less accumulated depreciation and amortization		<b>(1,739,316)</b>	(1,378,197)
Total depreciable property and equipment, net		<b>6,826,840</b>	6,976,004
Land		<b>670,200</b>	577,700
<b>Property and equipment, net</b>		<b>\$ 7,497,040</b>	<b>\$ 7,553,704</b>

Depreciation and amortization expense for the years ended September 30, 2023 and 2022, amounted to \$361,119 and \$319,385, respectively.

**Note 8: LEASES**

The Society has operating leases for retail space. The leases have remaining lease terms of 5 to 7 years, including anticipated renewals.

The components of lease expense consist of the following:

<i>For the year ended September 30,</i>	2023
Operating lease cost	\$ 680,913

Weighted average remaining lease term and discount rates consists of the following:

<i>For the year ended September 30,</i>	2023
Weighted average remaining lease term	
Operating leases	5.45 years
Weighted average discount rate	
Operating leases	4.63%

**Society of St. Vincent de Paul Georgia, Inc.**  
**Notes to the Consolidated Financial Statements**

**Note 8: LEASES (Continued)**

Future minimum lease payments under non-cancellable leases as of September 30, 2023, were as follows:

*For the years ending September 30,*

2024	\$ 652,771
2025	649,019
2026	600,075
2027	561,570
2028	446,320
Thereafter	439,997

Total future minimum lease payments	3,349,752
Less imputed interest	339,042

**Present value of lease liabilities** **\$ 3,010,710**

Reported as of September 30, 2023

Current portion of operating lease liabilities	\$ 546,332
Operating lease liabilities, less current portion	2,464,378

**Total** **\$ 3,010,710**

Minimum lease payments under the operating leases as of September 30, 2022, for future years are as follows:

*For the years ending September 30,*

2023	\$ 640,788
2024	501,058
2025	229,093
2026	209,223
2027	78,689
2028	13,115

**Total** **\$ 1,671,966**

Rent expense for the year ended September 30, 2022, was \$925,781.



**Society of St. Vincent de Paul Georgia, Inc.**  
**Notes to the Consolidated Financial Statements**

**Note 9: NOTE RECEIVABLE**

During 2020, the Society entered into a note receivable with an investment fund to facilitate the New Markets Tax Credit transaction as described in Note 10. The note receivable totaled \$5,297,250 with an interest rate of 1.0% as of both September 30, 2023 and 2022. The maturity date is January 31, 2048. Interest income will be received quarterly through December 2026, at which time annual principal and interest payments will be received thereafter through the maturity date.

**Note 10: LONG-TERM DEBT**

Long-term debt at September 30, 2023 and 2022, consists of the following:

<i>September 30,</i>	<b>2023</b>	<b>2022</b>
Building loan with interest at SOFR rate plus 1.8% (7.13% and 5.05% at September 30, 2023 and 2022); interest only payments through maturity date of June 2024; collateralized by a security lien on the building, assignment of capital campaign pledge proceeds, and a double negative pledge on all assets.	\$ 86,608	\$ 172,686
Note payable to a financial institution in the amount of \$275,000, fixed interest rate of 2.070%; monthly payments of principal of \$7,500 plus interest for 35 months; final principal and interest payment of \$12,522 due July 8, 2025.	-	260,000
Note payable with an entity, fixed interest rate of 1.16%; quarterly interest payments due; principal plus accrued interest due January 31, 2050; collateralized by all assets held by SVDP Georgia Support Organization, Inc.	<b>2,052,750</b>	2,052,750
Note payable with an entity, fixed interest rate of 1.16%; quarterly interest payments due; principal plus accrued interest due January 31, 2050; collateralized by all assets held by SVDP Georgia Support Organization, Inc.	<b>5,297,250</b>	5,297,250
Long-term debt less unamortized debt issuance costs	<b>7,436,608</b>	7,782,686
Less current portion	<b>(86,608)</b>	(90,000)
<b>Long-term debt, less current portion</b>	<b>\$ 7,350,000</b>	<b>\$ 7,692,686</b>

**Society of St. Vincent de Paul Georgia, Inc.**  
**Notes to the Consolidated Financial Statements**

**Note 10: LONG-TERM DEBT (Continued)**

Interest expense related to the notes payable was \$99,883 and \$95,423 for the years ended September 30, 2023 and 2022, respectively.

Maturities of long-term debt subsequent to September 30, 2023, consists of the following:

*For the years ending September 30,*

2024	\$ 86,608
2025	-
2026	-
2027	191,929
2028	284,493
Thereafter	6,873,578
<b>Total</b>	<b>\$ 7,436,608</b>

The New Markets Tax Credit Program (NMTC Program) was established by Congress in 2000 to attract investment capital to low-income communities by permitting investors to receive tax credit incentives in exchange for making equity investments in certified Community Development Entities (CDE). Under this program, certain commercial banks and other investors are able to subsidize eligible projects that meet the NMTC Program requirements.

In November 2019, a new 501(c)(3) company, the SVDP Georgia Support Organization, Inc., was formed to hold funds and certain properties transferred to it by the Society, including the building during the seven-year term of the New Market Tax Credit program. This transaction closed on January 31, 2020. Capital campaign funds and NMTC proceeds received under the NMTC Program have been disbursed to purchase and renovate the building where the Society is currently located.

In January 2020, as part of the NMTC agreement, the building and related improvements were transferred to the SVDP Georgia Support Organization, Inc. At the completion of the NMTC agreement in seven years, these properties will be transferred back to the Society of St. Vincent de Paul Georgia, Inc.

On January 31, 2020, to benefit under the NMTC Program, the Society entered into a series of agreements and transactions with a CDE and an investment fund affiliated with a commercial bank (the Bank). The CDE provided funds towards the renovation of the facility and other capital projects. Notes payable to the CDE totaled \$2,052,750 and \$5,297,250. The Society of St. Vincent de Paul Georgia, Inc. facilitated the transaction by issuing a note receivable agreement that transferred \$5,297,250 to the investment fund using proceeds from the capital campaign. Cash received from this transaction remaining at September 30, 2023 and 2022, was \$172,380 and \$230,268, respectively, and is shown as contractually restricted net assets on the consolidated statements of financial position.

**Society of St. Vincent de Paul Georgia, Inc.**  
**Notes to the Consolidated Financial Statements**

**Note 11: LINES OF CREDIT**

The Society maintains a line of credit agreement with the Archdiocese of Atlanta. Available borrowings related to the agreement are \$300,000, with an interest rate of 8.50%, at September 30, 2023 and 2022, respectively, secured by the Society's annual collection funds. The credit line expires in 2024 and renews annually. The outstanding balance as of September 30, 2023 and 2022, was \$-0- for each date.

The Society maintains a line of credit agreement with a financial institution. Available borrowings related to the agreement are \$833,000 with an interest rate of 7.58%, at September 30, 2023, secured by all assets of the Society. The credit line expires in 2025 and renews annually. The outstanding balance as of September 30, 2023, totaled to \$97,043. The new line of credit was established to provide liquidity in connection with the Society's project to develop property it owns in the Lakewood Heights area of Atlanta into a mixed-use multifamily affordable housing facility.

**Note 12: NET ASSETS**

A summary of net assets without donor restrictions consists of the following:

<i>September 30,</i>	<b>2023</b>	2022
Available for operations	\$ 9,749,614	\$ 10,798,649
Contractually restricted	172,380	230,268
<b>Total net assets without donor restrictions</b>	<b>\$ 9,921,994</b>	<b>\$ 11,028,917</b>

A summary of net assets with donor restrictions consists of the following:

<i>September 30,</i>	<b>2023</b>	2022
Purpose restricted		
Capital campaign pledges	\$ 73,584	\$ 117,100
Perpetual restrictions for operations - beneficial interest in assets held by foundation	711,099	654,757
<b>Total net assets with donor restrictions</b>	<b>\$ 784,683</b>	<b>\$ 771,857</b>

A summary of the release of donor restrictions consists of the following:

<i>For the years ended September 30,</i>	<b>2023</b>	2022
Purpose restrictions accomplished		
Women's shelter	\$ -	\$ 6,594
Capital campaign funds	93,116	434,108
<b>Total purpose restriction accomplished</b>	<b>93,116</b>	<b>440,702</b>
Distribution from beneficial interest in assets held by foundation	23,901	19,600
<b>Total net assets released from donor restrictions</b>	<b>\$ 117,017</b>	<b>\$ 460,302</b>

**Society of St. Vincent de Paul Georgia, Inc.**  
**Notes to the Consolidated Financial Statements**

**Note 13: REVENUE**

The Society is recognizing revenue at a point in time for its thrift store sales and fundraising events. As of September 30, 2023 and 2022 and October 1, 2022, there are no contract assets or contract liabilities related to revenue from contracts with customers.

The Society's method of recognizing revenue is the period in which the goods or services are provided.

**Note 14: CONTRIBUTIONS OF NON-FINANCIAL ASSETS**

All donated services and goods were utilized by the Society's program and supporting services. There were no donor-imposed restrictions associated with the contributed services and goods.

The components of donated services and goods contributed to the Society consists of the following for the years ended September 30, 2023 and 2022:

<b><i>For the year ended September 30, 2023</i></b>	Donated Services	Donated Goods	Total
Program Services			
Hunger, housing and health services	\$ 9,474	\$ 7,146,309	\$ 7,155,783
Thrift store operations	-	45,000	45,000
Supporting Services			
General and administrative	67,200	-	67,200
<b>Total contributed services and goods</b>	<b>\$ 76,674</b>	<b>\$ 7,191,309</b>	<b>\$ 7,267,983</b>

<b><i>For the year ended September 30, 2022</i></b>	Donated Services	Donated Goods	Total
Program Services			
Hunger, housing and health services	\$ 1,874	\$ 5,399,228	\$ 5,401,102
Thrift store operations	-	44,194	44,194
<b>Total contributed services and goods</b>	<b>\$ 1,874</b>	<b>\$ 5,443,422</b>	<b>\$ 5,445,296</b>

Donated services and goods are valued using the fair market value.

## Society of St. Vincent de Paul Georgia, Inc. Notes to the Consolidated Financial Statements

### Note 15: FAIR VALUE MEASUREMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

*Level 1:* Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

*Level 2:* Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
  - observable; or
  - can be corroborated by observable market data.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

*Level 3:* Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability'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.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2023 and 2022.

*Beneficial interest in assets held by the Foundation* - the fair value of beneficial interest in assets held by the Foundation (Notes 2 and 6) is based on NAV per share or unit as a practical expedient as reported by the fund manager, multiplied by the number of shares or units held as of the measurement date.

Accordingly, the NAV based investments have been excluded from the fair value hierarchy leveling. The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Society believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements at the reporting date.

Assets and liabilities measured at fair value on a recurring basis consist of beneficial interest in assets held by the Foundation as of September 30, 2023 and 2022 totaling \$711,099 and \$654,757, respectively. These assets are measured at fair value using the net asset value per share and have therefore been excluded from the fair value hierarchy leveling.

**Society of St. Vincent de Paul Georgia, Inc.**  
**Notes to the Consolidated Financial Statements**

**Note 15: FAIR VALUE MEASUREMENTS (Continued)**

***Changes in Fair Value Levels***

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfer between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. For the years ended September 30, 2023 and 2022, there were no transfers in or out of Levels 1, 2 or 3.

***Fair Value of Beneficial Interest in Assets that Calculate Net Asset Value***

Beneficial interest in assets held by the Foundation are maintained by investment companies and hold investments in accordance with a stated set of fund objectives. Beneficial interest in assets held by the Foundation measured at fair value based on NAV per share consists of the following:

Year-end	Fair Value	Unfunded Commitments	Redemption Frequency (if eligible)	Redemption Notice Period
<b><i>September 30, 2023</i></b>	<b>\$ 711,099</b>	<b>\$ -</b>	<b>Daily</b>	<b>None</b>
<i>September 30, 2022</i>	\$ 654,757	\$ -	Daily	None

**Note 16: CONCENTRATIONS**

The Society maintains cash deposits with financial institutions at September 30, 2023 and 2022 in excess of federally insured limits of \$1,908,346 and \$1,405,887, respectively. The balances in the demand account at the Archdiocese of Atlanta at September 30, 2023 and 2022 of \$10,233 and \$25,169, respectively, are not insured by the FDIC.

**Note 17: COMMITMENTS AND CONTINGENCIES**

The Society is subject to legal actions arising in the ordinary course of business. In management's opinion, the Society has adequate legal defense and insurance with respect to such actions and their final outcome would not materially affect the Society's operations or consolidated financial position.

**Society of St. Vincent de Paul Georgia, Inc.**  
**Notes to the Consolidated Financial Statements**

**Note 18: OPERATING LEASE INCOME**

The Society has entered into agreements to lease space in its Council office building. These leases are treated as operating leases within the Society's consolidated financial statements. Rental income applicable to these leases for the years ended September 30, 2023 and 2022, was \$226,601 and \$164,466, respectively. Future minimum rentals to be received under these non-cancelable lease agreements subsequent to September 30, 2023, are as follows:

*For the years ending September 30,*

2024	\$	189,112
2025		194,800
2026		105,425
2027		44,750

<b>Total future minimum lease income payments</b>	<b>\$</b>	<b>534,087</b>
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Property related to leases for the Society consist of the following at September 30, 2023:

Building and improvements	\$	3,472,865
Less: related accumulated depreciation		(398,028)

<b>Total cost of leased property and equipment, net</b>	<b>\$</b>	<b>3,074,837</b>
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The cost of the leased building and accumulated depreciation are included in Note 7.

**Note 19: DEFINED CONTRIBUTION PLAN**

The Society offers a retirement plan operated under section 401(k) of the Internal Revenue Code. For the fiscal years ended September 30, 2023 and 2022, the Society contributed 3% of each eligible employee's salary and matched 100% of employee contributions up to 3%. Employees Safe Harbor contributions vest from date of plan enrollment, and the Society's match vests after 1 year of service. Total expenses for the years ended September 30, 2023 and 2022, totaled \$128,877 and \$109,218, respectively.

**Note 20: RELATED PARTIES**

The Society annually remits dues to the National Council of the United States Society of St. Vincent de Paul. During the years ended September 30, 2023 and 2022, \$59,825 and \$56,250, respectively, was paid to the National Council. There were no amounts due to the National Council as of September 30, 2023 and 2022.