

**NATIONAL CONFERENCE
FOR CATECHETICAL LEADERSHIP**

**Financial Statements
And
Independent Auditor Report**

For the Year Ended December 31, 2009

**Conlon and Associates LLC
Certified Public Accountant**

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52-0969407 Catholic Religious Educators Association
Attachment C
NCCL Audit

CONLON AND ASSOCIATES LLC
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR REPORT

The Board of Directors
National Conference for Catechetical Leadership
Washington, D.C.

We have audited the accompanying statement of financial position of the National Conference for Catechetical Leadership as of December 31, 2009 and the related statement of activities, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the National Conference for Catechetical Leadership as of December 31, 2009, and the change in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Conlon and Associates, LLC

Silver Spring, Maryland
August 31, 2010

NATIONAL CONFERENCE FOR CATECHETICAL LEADERSHIP

Statement of Financial Position

December 31, 2009

ASSETS

Current Assets

Cash and cash equivalents	\$ 270,839
Accounts receivable	63,819
Prepaid expenses	<u>12,185</u>
Total current assets	346,843

Fixed assets

Fixed assets, net	<u>-</u>
Total fixed assets	-

Other assets

Inventory	<u>66,334</u>
Total other assets	66,334

TOTAL ASSETS

413,177

LIABILITIES

Accounts payable	22,634
Deferred revenue	<u>137,286</u>

TOTAL LIABILITIES

159,920

NET ASSETS

Unrestricted	125,765
Temporarily restricted	<u>127,492</u>
Total net assets	253,257

TOTAL LIABILITIES AND NET ASSETS

\$ 413,177

NATIONAL CONFERENCE FOR CATECHETICAL LEADERSHIP

Statement of Activities

Year Ended December 31, 2009

	Unrestricted	Temporarily Restricted	Total
REVENUE			
Contributions	\$38,307	\$36,211	\$74,518
Memberships	144,139	-	144,139
Program service revenue	256,595	-	256,595
Sale of program inventory, net	40,740	-	40,740
Royalty income	53,101	-	53,101
Interest income	6,959	-	6,959
Unrealized gain on investments	26,382	-	26,382
Net assets released from restriction	22,544	(22,544)	-
Total revenue	588,767	13,667	602,434
EXPENSES			
Program services	504,338	-	504,338
Management and general	42,074	-	42,074
Total expenses	546,412	-	546,412
CHANGE IN NET ASSETS	42,355	13,667	56,022
NET ASSETS			
Beginning of year	83,410	113,825	197,235
End of year	\$125,765	\$127,492	\$253,257

NATIONAL CONFERENCE FOR CATECHETICAL LEADERSHIP
Statement of Cash Flows
Year Ended December 31, 2009

CASH FLOWS FROM OPERATING ACTIVITIES

Change in net assets	\$ 56,022
Adjustments to reconcile increase in net	
Assets to cash provided by operating activities:	
Depreciation	4,651
(Increase) decrease in operating assets:	
Accounts receivable	(22,922)
Prepaid expenses	(5,885)
Inventory	(13,037)
Increase (decrease) in operating liabilities:	
Accounts payable	(19,404)
Deferred revenue	2,943
Total adjustments	<u>(53,654)</u>
Net Cash Provided by Operating Activities	2,368
NET INCREASE IN CASH AND EQUIVALENTS	2,368
CASH AND EQUIVALENTS AT BEGINNING OF YEAR	268,471
CASH AND EQUIVALENTS AT END OF YEAR	\$ 270,839

NATIONAL CONFERENCE FOR CATECHETICAL LEADERSHIP

Notes To Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The National Conference for Catechetical Leadership (Organization) is a nonprofit organization whose purposes are to assist its members in their roles as leaders of the Catholic Church's catechetical ministry, through networking, resource development, research, training, consultation, and advocacy. Its members are diocesan, parish, and academic catechetical leaders, as well as publishers and others.

Fiscal Year

The Organization's fiscal year reporting period is January 1 through December 31.

New Accounting Pronouncements

Effective January 1, 2009, the Organization adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 105-10, *FASB Codification* (the Codification). The Codification is the single source of authoritative United States generally accepted accounting principles (GAAP). Accordingly, references to GAAP have been updated for the appropriate Codification reference.

Basis of Presentation

Financial statement presentation follows the recommendations of the FASB ASC 958-205 *Presentation of Financial Statements for Not-for-Profit Organizations*. Under FASB ASC 958-205, the Organization 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. The Organization had unrestricted and temporarily restricted net assets at December 31, 2009.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect: (1) the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements; and (2) the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Organization is organized under section 501(a) of the Internal Revenue Code, as an Organization described in section 501(c). Accordingly, the Organization is exempt from federal income taxes.

NATIONAL CONFERENCE FOR CATECHETICAL LEADERSHIP

Notes To Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Income Taxes, Continued

The Organization's income tax informational returns are subject to review and examination by federal and state authorities. The Organization is not aware of any activities that would jeopardize its tax-exempt status. The Organization is not aware of activities that are subject to tax on unrelated business income or excise or other taxes.

Revenue Recognition

All revenue is considered available for the Organization's general programs unless specifically restricted by the donor. Support that is restricted by the donor is reported as an increase in temporarily restricted net assets, depending on the nature of the restriction and when restrictions are met.

Revenue received with temporary restrictions that are met in the same reporting period is reported as unrestricted support, and increases unrestricted net assets. When a restriction expires (that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets in the Statement of Activities.

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions are considered to be available for unrestricted use unless specifically restricted by the donor.

NOTE 2: CASH AND CASH EQUIVALENTS

The Organization considers all investments with an original maturity of three months or less to be cash equivalents. Investments are valued at fair value. Any unrealized gains or losses are reflected in the financial statements.

NOTE 3: SALE OF PROGRAM INVENTORY, NET

The Organization maintains an inventory of books and related catechetical materials for sale to its members and the general public. Inventory is recorded at cost. The net amount of \$40,740 consists of sales of \$64,801 less the associated inventory cost of \$24,061.

NOTE 4: SUBSEQUENT EVENTS

In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through August 31, 2010, the date the financial statements were available to be issued.