HOLY FAMILY CATHOLIC CHURCH

FINANCIAL STATEMENTS
AND
INDEPENDENT ACCOUNTANTS' REPORT

JUNE 30, 2025 AND 2024

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INDEPENDENT ACCOUNTANTS' REPORT

Fr. Joe McMahon, Pastor, and the Finance Board
Holy Family Catholic Church
Brentwood, Tennessee

We have reviewed the accompanying financial statements of Holy Family Catholic Church (the "Church"), which comprise the statement of assets, liabilities and net assets - modified cash basis as of June 30, 2025, and the related statements of revenues, expenses, and other changes in net assets - modified cash basis, cash flows - modified cash basis and functional expenses - modified cash basis for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

ACCOUNTANTS' RESPONSIBILITY

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants ("AICPA"). Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with the modified cash basis of accounting. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Holy Family Catholic Church and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

ACCOUNTANTS' CONCLUSION

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with the modified cash basis of accounting.

OTHER MATTER

The financial statements of Holy Family Catholic Church as of and for the year ended June 30, 2024 were reviewed by other accountants whose report thereon was dated March 13, 2025.

BASIS OF ACCOUNTING

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our conclusion is not modified with respect to this matter.

Baker Tilly US, LLP

Nashville, Tennessee
January 29, 2026

HOLY FAMILY CATHOLIC CHURCH

STATEMENTS OF ASSETS, LIABILITIES AND NET ASSETS - MODIFIED CASH BASIS

JUNE 30, 2025 AND 2024

(SEE INDEPENDENT ACCOUNTANTS' REPORT)

ASSETS

	2025	2024
Cash	$ 3,882,866	$ 4,028,093
Insurance receivable	-	345,715
Other receivable	2,260	-
Restricted cash	472,836	402,501
Property and equipment, net	8,670,663	8,650,083
TOTAL ASSETS	$ 13,028,625	$ 13,426,392

LIABILITIES AND NET ASSETS

LIABILITIES		
Deferred revenue	$ 743,359	$ 732,427
TOTAL LIABILITIES	743,359	732,427
NET ASSETS		
Without donor restrictions:		
Designated by the Finance Board	2,645,458	2,498,597
Designated for construction and maintenance of Columbarium	472,836	402,501
Undesignated	8,660,777	9,348,825
Total without donor restrictions	11,779,071	12,249,923
With donor restrictions	506,195	444,042
TOTAL NET ASSETS	12,285,266	12,693,965
TOTAL LIABILITIES AND NET ASSETS	$ 13,028,625	$ 13,426,392

The accompanying notes are an integral part of the financial statements.

HOLY FAMILY CATHOLIC CHURCH

STATEMENT OF REVENUES, EXPENSES AND OTHER CHANGES IN NET ASSETS - MODIFIED CASH BASIS

FOR THE YEAR ENDED JUNE 30, 2025

(SEE INDEPENDENT ACCOUNTANTS' REPORT)

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Collections	$ 3,960,773	$ 787,897	$ 4,748,670
Fee income	486,123	-	486,123
Grant income	5,364	-	5,364
Facility rental income	23,067	-	23,067
Miscellaneous income	75,713	-	75,713
Interest income	179,688	-	179,688
Loss on disposal of property and equipment	(1,386)	-	(1,386)
Net assets released from restrictions:			
Satisfaction of purpose restrictions	725,744	(725,744)	-
TOTAL REVENUES AND SUPPORT	5,455,086	62,153	5,517,239
EXPENSES			
Program services:			
Ministries:			
Worship	744,957	-	744,957
Religious education	599,588	-	599,588
Life teen and junior youth	274,479	-	274,479
Learning center	521,639	-	521,639
Music	369,060	-	369,060
Rite of Christian Initiation of Adults (RCIA)	65,611	-	65,611
Haiti and Honduras	239,961	-	239,961
Servio Deo	3,209	-	3,209
Other	553,920	-	553,920
Diocesan support	863,238	-	863,238
Total program services	4,235,662	-	4,235,662
Supporting services:			
Management and general	1,690,276	-	1,690,276
TOTAL EXPENSES	5,925,938	-	5,925,938
CHANGE IN NET ASSETS	(470,852)	62,153	(408,699)
NET ASSETS - BEGINNING OF YEAR	12,249,923	444,042	12,693,965
NET ASSETS - END OF YEAR	$ 11,779,071	$ 506,195	$ 12,285,266

The accompanying notes are an integral part of the financial statements.

HOLY FAMILY CATHOLIC CHURCH

STATEMENT OF REVENUES, EXPENSES AND OTHER CHANGES IN NET ASSETS - MODIFIED CASH BASIS

FOR THE YEAR ENDED JUNE 30, 2024

(SEE INDEPENDENT ACCOUNTANTS' REPORT)

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Collections	$ 4,231,827	$ 780,862	$ 5,012,689
Fee income	470,593	-	470,593
Grant income	210,039	-	210,039
Facility rental income	26,938	-	26,938
Miscellaneous income	41,484	-	41,484
Interest income	194,506	-	194,506
Gain on disposal of property and equipment	268,067	-	268,067
Net assets released from restrictions:			
Satisfaction of purpose restrictions	750,791	(750,791)	-
TOTAL REVENUES AND SUPPORT	6,194,245	30,071	6,224,316
EXPENSES			
Program services:			
Ministries:			
Worship	662,809	-	662,809
Religious education	561,489	-	561,489
Life teen and junior youth	271,474	-	271,474
Learning center	553,678	-	553,678
Music	370,417	-	370,417
Rite of Christian Initiation of Adults (RCIA)	58,362	-	58,362
Haiti and Honduras	218,264	-	218,264
Servio Deo	9,153	-	9,153
Other	499,314	-	499,314
Diocesan support	788,571	-	788,571
Total program services	3,993,531	-	3,993,531
Supporting services:			
Management and general	1,622,682	-	1,622,682
TOTAL EXPENSES	5,616,213	-	5,616,213
CHANGE IN NET ASSETS	578,032	30,071	608,103
NET ASSETS - BEGINNING OF YEAR	11,671,891	413,971	12,085,862
NET ASSETS - END OF YEAR	$ 12,249,923	$ 444,042	$ 12,693,965

The accompanying notes are an integral part of the financial statements.

HOLY FAMILY CATHOLIC CHURCH

STATEMENTS OF CASH FLOWS - MODIFIED CASH BASIS

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

(SEE INDEPENDENT ACCOUNTANTS' REPORT)

	2025	2024
OPERATING ACTIVITIES		
Change in net assets	$ (408,699)	$ 608,103
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	512,057	505,205
Loss (gain) on disposal of property and equipment	1,386	(268,067)
Decrease (increase) in:		
Insurance receivable	345,715	(345,715)
Other receivable	(2,260)	-
Increase (decrease) in:		
Deferred revenue	10,932	(40,919)
TOTAL ADJUSTMENTS	867,830	(149,496)
NET CASH PROVIDED BY OPERATING ACTIVITIES	459,131	458,607
INVESTING ACTIVITIES		
Proceeds on disposal of property and equipment	-	345,715
Acquisition of property and equipment	(534,023)	(65,244)
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	(534,023)	280,471
NET (DECREASE) INCREASE IN CASH	(74,892)	739,078
CASH - BEGINNING OF YEAR	4,430,594	3,691,516
CASH - END OF YEAR	$ 4,355,702	$ 4,430,594
Cash	$ 3,882,866	$ 4,028,093
Restricted cash	472,836	402,501
Total cash	$ 4,355,702	$ 4,430,594

The accompanying notes are an integral part of the financial statements.

HOLY FAMILY CATHOLIC CHURCH

STATEMENT OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS

FOR THE YEAR ENDED JUNE 30, 2025

(SEE INDEPENDENT ACCOUNTANTS' REPORT)

	PROGRAM SERVICES											MANAGEMENT AND GENERAL	TOTAL
	WORSHIP	RELIGIOUS EDUCATION	LIFE TEEN AND JR YOUTH	LEARNING CENTER	MUSIC	RCIA	HAITI AND HONDURAS	SERVIO DEO	OTHER	DIOCESAN SUPPORT	TOTAL		
Payroll expenses	$ -	$ 271,839	$ 205,727	$ 408,430	$ 132,115	$ 62,726	$ -	$ -	$ 37,183	$ -	$ 1,118,020	$ 832,677	$ 1,950,697
Purchased services	-	19,797	2,230	1,335	220,253	-	-	918	8,739	863,238	1,116,510	331,928	1,448,438
Materials and supplies	-	45,812	26,020	33,380	3,043	2,885	-	2,291	59,618	-	173,049	167,820	340,869
Programs and services	-	10,534	15,922	-	217	-	-	-	195,775	-	222,448	29,829	252,277
Plant expenses	431,770	143,700	11,678	42,575	-	-	-	-	14,597	-	644,320	61,622	705,942
Charitable expenses	-	3,673	363	2,586	27	-	239,961	-	227,180	-	473,790	154,634	628,424
Bank fees	-	-	-	2,451	-	-	-	-	240	-	2,691	65,488	68,179
Miscellaneous expense	-	-	4,069	-	13,405	-	-	-	-	-	17,474	1,581	19,055
Depreciation	313,187	104,233	8,470	30,882	-	-	-	-	10,588	-	467,360	44,697	512,057
	$ 744,957	$ 599,588	$ 274,479	$ 521,639	$ 369,060	$ 65,611	$ 239,961	$ 3,209	$ 553,920	$ 863,238	$ 4,235,662	$ 1,690,276	$ 5,925,938

The accompanying notes are an integral part of the financial statements.

HOLY FAMILY CATHOLIC CHURCH

STATEMENT OF FUNCTIONAL EXPENSES - MODIFIED CASH BASIS

FOR THE YEAR ENDED JUNE 30, 2024

(SEE INDEPENDENT ACCOUNTANTS' REPORT)

	PROGRAM SERVICES											MANAGEMENT AND	
	WORSHIP	RELIGIOUS EDUCATION	LIFE TEEN AND JR YOUTH	LEARNING CENTER	MUSIC	RCIA	HAITI AND HONDURAS	SERVIO DEO	OTHER	DIOCESAN SUPPORT	TOTAL	GENERAL	TOTAL
Payroll expenses	$ -	$ 249,169	$ 198,532	$ 428,436	$ 128,960	$ 56,573	$ -	$ -	$ 34,460	$ -	$ 1,096,130	$ 705,013	$ 1,801,143
Purchased services	-	24,452	2,779	3,040	224,943	-	-	7,376	12,112	788,571	1,063,273	323,440	1,386,713
Materials and supplies	-	50,936	30,667	52,928	2,713	1,789	-	1,777	67,241	-	208,051	216,228	424,279
Programs and services	-	12,518	19,758	-	524	-	-	-	131,563	-	164,363	28,575	192,938
Plant expenses	353,815	117,756	9,569	34,889	-	-	-	-	11,962	-	527,991	77,295	605,286
Charitable expenses	-	3,819	768	2,778	-	-	218,264	-	231,376	-	457,005	161,722	618,727
Bank fees	-	-	-	1,138	-	-	-	-	153	-	1,291	63,692	64,983
Miscellaneous expense	-	-	1,044	-	13,277	-	-	-	-	-	14,321	2,618	16,939
Depreciation	308,994	102,839	8,357	30,469	-	-	-	-	10,447	-	461,106	44,099	505,205
	$ 662,809	$ 561,489	$ 271,474	$ 553,678	$ 370,417	$ 58,362	$ 218,264	$ 9,153	$ 499,314	$ 788,571	$ 3,993,531	$ 1,622,682	$ 5,616,213

The accompanying notes are an integral part of the financial statements.

HOLY FAMILY CATHOLIC CHURCH

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2025 AND 2024

(SEE INDEPENDENT ACCOUNTANTS' REPORT)

NOTE 1 - GENERAL

Holy Family Catholic Church (the "Church") operates as a religious organization. The Church serves Brentwood, Tennessee and surrounding communities by establishing, developing and promoting all aspects of ministry, and is supported primarily through contributions from the members. The Church is a parish under the Diocese of Nashville (the "Diocese").

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared on the modified cash basis of accounting. Under that basis, certain revenues and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligations are incurred. Consequently, the Church has not recognized pledges receivable from members or accounts payable to vendors and their related effects on net assets in the accompanying financial statements. The Church has certain income related to sales of columbarium niches. Management is presenting those sales as deferred revenue until inurnment at which time the revenue is recognized as the niches are utilized by the subscriber.

The Church reports information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Church's management and the Finance Board.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Church or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of revenues, expenses and other changes in net assets - modified cash basis.

Cash

Cash consists of checking account balances and balances on deposit with the Diocese.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Restricted Cash

Restricted cash consists of checking account balances and balances on deposit with the Diocese held for maintenance and construction for the Columbarium.

Recognition of Revenue

Revenues are recorded as income in the year received, except sales of columbarium niches, which are deferred until utilized by the subscriber. Fee income collected for the Church from various events and programs and is recognized as such programs take place. Contributions are reported as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Income Taxes

As a non-profit religious organization, the Church is exempt from federal and state income taxes and is exempt from filing Federal Form 990.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

Program and Supporting Services

The following program and supporting services are included in the accompanying financial statements:

Program Services

Program Services consists of expenditures to support the mission of the Church and provide care for its' members. This includes, but is not limited to, providing worship services, religious education, supporting youth and teens, childhood education, music, mission trips and supporting the Diocesan.

Supporting Services

Management and General - includes the functions necessary to ensure an adequate working environment and costs not identifiable with a single program. Includes costs associated with providing coordination and articulation of the Church's program strategy, business management, general record keeping, budgeting and related purposes.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allocation of Functional Expenses

Expenses that can be directly attributed to a particular function are charged to that function. Certain costs have been allocated among more than one program, supporting service or activity based on objectively evaluated financial and nonfinancial data or reasonable, subjective methods determined by management. The expenses that are allocated include payroll expense, which are allocated on the basis of estimated time expended on those resources, and plant and depreciation expenses, which are allocated on the square footage basis.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassification

Certain accounts have been reclassified to conform with the current year presentation. There has been no impact on net assets.

Events Occurring After Reporting Date

The Church has evaluated events and transactions that occurred between June 30, 2025 and January 29, 2026, the date the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

NOTE 3 - CREDIT RISK

The Church maintains cash balances at financial institutions whose accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to statutory limits. The Church's cash balances may, at times, exceed statutory limits. The Church has not experienced any losses in such accounts and management considers this to be a normal business risk. Total cash held by the Church at June 30, 2025, includes $3,980,821 in funds on deposit with the Diocese that are not covered by insurance provided by the FDIC ($4,071,746 at June 30, 2024).

NOTE 4 - LIQUIDITY

The following represents the Church's financial assets at June 30, 2025 and 2024, reduced by amounts not available for general use within one year of the statement of financial position date because of donor-imposed restrictions and other designations. Amounts not available include amounts set aside by the Finance Board that could be drawn upon if the Finance Board approves that action.

	2025	2024
Financial assets at year end:		
Cash	$ 4,355,702	$ 4,430,594
Less amounts not available to be used within one year:		
Donor-restricted funds	506,195	444,042
Cash restricted for construction and maintenance of columbarium	472,836	402,501
Funds designated by the Finance Board	2,645,458	2,498,597
	3,624,489	3,345,140
Financial assets available to meet general expenditures over the next twelve months	$ 731,213	$ 1,085,454

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of June 30:

	2025	2024
Land	$ 603,131	$ 603,131
Buildings	15,674,988	15,255,069
Columbarium	697,960	697,960
Furniture and fixtures	1,410,542	1,346,667
	18,386,621	17,902,827
Less accumulated depreciation	(9,715,958)	(9,252,744)
Property and equipment, net	$ 8,670,663	$ 8,650,083

NOTE 6 - NET ASSETS

Net assets designated by the Finance Board consisted of the following as of June 30:

	2025	2024
Funds for major capital repairs	$ 1,829,050	$ 1,501,836
Sustainability funds	816,408	996,761
	$ 2,645,458	$ 2,498,597

Net assets with donor restrictions consisted of the following as of June 30:

	2025	2024
Special collections for Honduras	$ 290,119	$ 250,663
Life teen building	69,907	66,641
Haitian aid	31,793	39,441
Servio Deo	32,188	23,883
Men’s Club	27,934	20,316
Women’s Club	19,147	13,106
Special collections	12,856	2,827
Loaves & fishes collection	5,735	-
Christmas basket collection	128	5,326
Other restricted purpose	16,388	17,902
Boy Scout trailer	-	3,937
	$ 506,195	$ 444,042

NOTE 6 - NET ASSETS (CONTINUED)

Net assets released from restrictions during the year ended June 30 are comprised of the following:

	2025	2024
Special collections for Honduras	$ 147,476	$ 130,125
Haitian aid	92,485	88,139
Servio Deo	5,021	9,153
Men's Club	30,035	63,169
Women's Club	53,340	44,721
Special collections	46,561	54,625
Loaves & fishes collection	77,484	71,247
Christmas basket collection	106,428	84,565
Bishops annual appeal	118,622	75,961
Legacy campaign	-	68,957
Other restricted purpose	48,292	60,129
	$ 725,744	$ 750,791

NOTE 7 - RELATED PARTY TRANSACTIONS

Transactions with the Diocese consisted of the following as of June 30:

	2025	2024
Clergy benefit assessment	$ 173,640	$ 165,015
Administrative assessment	324,943	306,999
School subsidy payments	307,406	261,366
Tennessee register payments	57,249	55,191
	$ 863,238	$ 788,571
Special collections on behalf of the Diocese remitted during the year ended June 30:	$ 195,775	$ 131,563

NOTE 8 - EMPLOYEE BENEFIT PLAN

Eligible employees are allowed to participate in an employee benefit plan sponsored by the Diocese. The first component of the plan is a multi-employer, defined benefit pension plan, which is funded by employer contributions only. Total defined benefit contributions made to the plan by the Church amounted to $52,685 for the year ended June 30, 2025 ($48,882 for the year ended June 30, 2024). As the plan is a multi-employer plan sponsored by the Diocese, the Church's share of the plan's performance is not readily identifiable. The second component is a Section 403(b) plan that includes an employer matching contribution, which totaled $29,989 for the year ended June 30, 2025 ($26,679 for the year ended June 30, 2024).