

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA**

FINANCIAL INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2021

CONTENTS

| | Page |
|---|---------|
| COMPILATION ENGAGEMENT REPORT | 1 |
| FINANCIAL INFORMATION | |
| Statement of Financial Position | 2 |
| Statement of Operations and Changes in Fund Balances | 3 |
| Cash Flow Statement | 4 |
| Segmented Financial Information | |
| Statement of Financial Position and Statement of Operations and Changes in Fund Balances: | |
| Diocesan Pastoral Centre | 5-6 |
| Priest Benefit Fund | 7-8 |
| Seminararian Fund | 9-10 |
| Guy Mills Court | 11-12 |
| Diocesan Parishes | 13-14 |
| Notes to Financial Information | 15 - 21 |



COMPILATION ENGAGEMENT REPORT

To Management of The Roman Catholic Episcopal Corporation for the Diocese of Peterborough, in Ontario, Canada

On the basis of information provided by management, we have compiled the statement of financial position of The Roman Catholic Episcopal Corporation for the Diocese of Peterborough, in Ontario, Canada as at December 31, 2021, the statement of operations and changes in fund balances and the cash flow statement for the year then ended, and Note 2, which describes the basis of accounting applied in the preparation of the compiled financial information (“financial information”).

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, Compilation Engagements, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

HAMILTON, ONTARIO
June 15, 2022

HGK PARTNERS LLP
Chartered Professional Accountants
Licensed Public Accountants

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA**

**STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021**

| | 2021 | 2020 |
|---|---------------|---------------|
| ASSETS | | |
| CURRENT | | |
| Cash | \$ 6,647,802 | \$ 5,870,168 |
| Accounts receivable | 50,492 | 56,675 |
| Prepaid expenses | 6,496 | 6,250 |
| HST receivable | 170,860 | 179,021 |
| Interest receivable | 25,862 | 26,479 |
| Inventory - gift cards | 94,190 | 100,753 |
| Clergy loans receivable - current (Note 4) | 9,720 | 9,720 |
| | 7,005,422 | 6,249,066 |
| CLERGY LOANS RECEIVABLE (Note 4) | 6,060 | 15,780 |
| INVESTMENTS, AT MARKET VALUE (Note 12) | 14,753,276 | 12,617,820 |
| TERM DEPOSITS (Note 7) | 542,200 | 377,000 |
| CAPITAL ASSETS (Note 5) | 9,916,029 | 9,670,835 |
| | \$ 32,222,987 | \$ 28,930,501 |
| LIABILITIES | | |
| CURRENT | | |
| Accounts payable and accrued liabilities | \$ 442,354 | \$ 159,558 |
| Deferred revenue (Note 6) | 1,102,370 | 999,381 |
| Bank demand loans (Note 11) | 410,293 | 503,177 |
| Cemetery term deposits | 104,143 | 104,143 |
| | 2,059,160 | 1,766,259 |
| PRIVATE LOAN (Note 9) | 550,000 | 550,000 |
| DEFERRED REVENUE (Note 6) | 1,579,797 | 1,663,746 |
| FUNDS HELD IN TRUST (Note 8) | 53,798 | 53,798 |
| | 4,242,755 | 4,033,803 |
| FUND BALANCES | | |
| GENERAL FUNDS (Note 3) | 6,784,896 | 5,606,617 |
| RESTRICTED FUNDS (Note 3) | 13,323,058 | 11,746,946 |
| | 20,107,954 | 17,353,563 |
| INVESTMENT IN CAPITAL ASSETS | 7,872,278 | 7,543,135 |
| | 27,980,232 | 24,896,698 |
| | \$ 32,222,987 | \$ 28,930,501 |

APPROVED BY THE BISHOP OF PETERBOROUGH:

(See Accompanying Notes)

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | 2021 | 2020 |
|---|----------------------|----------------------|
| REVENUE | | |
| Offerings | \$ 4,900,166 | \$ 4,935,616 |
| Other revenue | 529,511 | 511,514 |
| Special collections | 621,959 | 487,612 |
| Bequests | 57,184 | 532,698 |
| Donations | 793,330 | 938,494 |
| Stipends | 313,910 | 267,091 |
| Fundraising | 139,909 | 104,909 |
| Interest on accounts | 44,635 | 89,080 |
| | 7,400,604 | 7,867,014 |
| EXPENSES | | |
| Wages and benefits (non-clergy) | 1,623,484 | 1,738,823 |
| Wages and benefits (clergy) | 1,577,658 | 1,516,709 |
| Office, rectory and other | 970,986 | 913,237 |
| Utilities | 599,796 | 582,856 |
| Programs, events and activities | 230,999 | 233,741 |
| Maintenance and repairs (non-capital) | 406,138 | 422,536 |
| Retirement benefits (clergy) | 470,375 | 458,639 |
| Insurance | 341,156 | 333,591 |
| Special collections and donations | 172,040 | 122,407 |
| Stipends | 80,434 | 76,713 |
| Clergy special assistance | 34,933 | 78,952 |
| Fundraising | 30,338 | 26,784 |
| Property taxes | 88,790 | 81,654 |
| Seminarian formation | 92,698 | 61,734 |
| Professional fees | 55,215 | 64,142 |
| Clergy formation (net of recovery) | 13,801 | 7,111 |
| | 6,788,841 | 6,719,629 |
| EXCESS REVENUE OVER EXPENSES BEFORE UNDERNOTED | 611,763 | 1,147,385 |
| Donations revenue (capital) | 651,663 | 381,307 |
| Federal COVID-19 Wage Subsidies | 728,753 | 1,054,849 |
| Capital expenditures | (755,126) | (517,717) |
| Investment income (loss) | 2,002,407 | 841,671 |
| Interest expense on bank demand loans | (11,522) | (17,550) |
| Interest expense on funds held in trust and cemetery term deposits | (25,218) | (4,816) |
| Amortization of deferred revenue | 83,949 | 88,509 |
| Amortization of capital assets | (204,576) | (214,035) |
| EXCESS OF REVENUE OVER EXPENSES | 3,082,093 | 2,759,603 |
| FUND BALANCES, BEGINNING OF YEAR | 24,896,698 | 22,137,095 |
| FUND BALANCES, END OF YEAR | \$ 27,978,791 | \$ 24,896,698 |

(See Accompanying Notes)

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA**

CASH FLOW STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2021

| | 2021 | 2020 |
|--|---------------------|---------------------|
| OPERATING ACTIVITIES | | |
| Excess revenue over expenses | \$ 3,082,093 | \$ 2,759,603 |
| Non-cash items | | |
| Amortization of deferred revenue related to capital assets | (83,949) | (88,509) |
| Amortization of capital assets | 204,576 | 214,035 |
| | 3,202,720 | 2,885,129 |
| Changes in non-cash working capital balances | | |
| Accounts receivable | 6,183 | (28,126) |
| Prepaid expenses | (246) | (5,750) |
| HST receivable | 8,161 | (22,176) |
| Interest receivable | 617 | 1,992 |
| Inventory - gift cards | 6,563 | 13,847 |
| Accounts payable and accrued liabilities | 284,237 | 3,647 |
| Deferred revenue | 102,989 | 202,301 |
| | 408,504 | 165,735 |
| | 3,611,224 | 3,050,864 |
| INVESTING ACTIVITIES | | |
| Clergy loans receivable repaid | 9,720 | 500 |
| Clergy loans receivable advanced | - | (26,000) |
| Term deposits (acquisitions) disposals (net) | (165,200) | 38,000 |
| Acquisition of capital assets | (449,770) | - |
| Net investment (acquisitions) disposals (net) | (2,135,456) | (1,373,095) |
| | (2,740,706) | (1,360,595) |
| FINANCING ACTIVITIES | | |
| Bank demand loans (net of repayments) | (92,884) | (55,017) |
| NET INCREASE (DECREASE) IN CASH | 777,634 | 1,635,252 |
| CASH, BEGINNING OF YEAR | 5,870,168 | 4,234,916 |
| CASH, END OF YEAR | \$ 6,647,802 | \$ 5,870,168 |

(See Accompanying Notes)

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA**

STATEMENT OF FINANCIAL POSITION

DIOCESAN PASTORAL CENTRE

AS AT DECEMBER 31, 2021

| | 2021 | 2020 |
|---|--------------|--------------|
| ASSETS | | |
| CURRENT | | |
| Cash | \$ 3,051,242 | \$ 2,337,704 |
| Accounts receivable | 25,890 | 30,692 |
| Due from parishes | 1,000 | 5,920 |
| Due from Seminarian Fund | 16,824 | - |
| Prepaid expenses | 6,496 | 6,250 |
| HST receivable | 18,062 | 24,376 |
| Interest receivable | 15,066 | 14,689 |
| Clergy loans receivable - current (Note 4) | 9,720 | 9,720 |
| | 3,144,300 | 2,429,351 |
| INVESTMENTS, AT MARKET VALUE | 2,919,348 | 2,465,786 |
| PARISH LOANS RECEIVABLE | 724,292 | 1,011,091 |
| CLERGY LOANS RECEIVABLE (Note 4) | 6,060 | 15,780 |
| CAPITAL ASSETS | 1,171,327 | 731,748 |
| | \$ 7,965,327 | \$ 6,653,756 |
| LIABILITIES | | |
| CURRENT | | |
| Accounts payable and accrued liabilities | \$ 68,610 | \$ 31,647 |
| Due to parishes | 23,897 | 24,688 |
| Due to Seminarian Fund | - | 9,346 |
| Deferred revenue | 297,590 | 298,103 |
| Bank demand loans (Note 11) | 410,293 | 503,177 |
| Funds held in trust | 22,998 | 22,998 |
| | 823,388 | 889,959 |
| PRIVATE LOAN (Note 9) | 550,000 | 550,000 |
| ACCRUED INTEREST PAYABLE ON PARISH TERM DEPOSITS | 400,064 | 315,965 |
| PARISH TERM DEPOSITS (Note 7) | 7,266,338 | 6,754,355 |
| CEMETERY TERM DEPOSITS | 104,143 | 104,143 |
| | 9,143,933 | 8,614,422 |
| FUND BALANCES | | |
| INVESTED IN CAPITAL ASSETS | 707,372 | 267,793 |
| GENERAL FUND - Internally restricted (Note 3) | 743,425 | 743,425 |
| GENERAL FUND DEFICIT - Unrestricted | (2,629,403) | (2,971,884) |
| | (1,178,606) | (1,960,666) |
| | \$ 7,965,327 | \$ 6,653,756 |

See Accompanying Notes

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA**

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

DIOCESAN PASTORAL CENTRE

FOR THE YEAR ENDED DECEMBER 31, 2021

| | General Fund | Internally Restricted Fund | 2021 | 2020 |
|---|-----------------|----------------------------------|----------------|----------------|
| REVENUE | | | | |
| Levy (diocesan assessment) | \$ 929,264 | \$ - | \$ 929,264 | \$ 894,246 |
| Special collections | 196,850 | - | 196,850 | 188,020 |
| Donations | 161,974 | - | 161,974 | 21,775 |
| Other revenue | 13,819 | - | 13,819 | 62,974 |
| Interest | 27,203 | - | 27,203 | 82,409 |
| | 1,329,110 | - | 1,329,110 | 1,249,424 |
| EXPENSES | | | | |
| Wages and benefits (non-clergy) | 414,635 | - | 414,635 | 370,820 |
| Wages and benefits (clergy) | 186,219 | - | 186,219 | 149,498 |
| Special collections and donations | 172,040 | - | 172,040 | 122,407 |
| Occupancy costs | 89,541 | - | 89,541 | 88,600 |
| Clergy special assistance | 34,933 | - | 34,933 | 60,254 |
| Fees, dues, and subscriptions | 74,584 | - | 74,584 | 94,348 |
| Programs and activities | 15,894 | - | 15,894 | 48,016 |
| Bank charges (net of recovery) | 7,986 | - | 7,986 | 6,586 |
| Office and sundry | 27,082 | - | 27,082 | 41,234 |
| Clergy formation (net of recovery) | 13,801 | - | 13,801 | 7,111 |
| Professional fees | 54,645 | - | 54,645 | 63,571 |
| Training and education | 27 | - | 27 | 4,832 |
| Advertising and promotion | 4,084 | - | 4,084 | 1,034 |
| Telecommunications | 11,320 | - | 11,320 | 11,050 |
| | 1,106,791 | - | 1,106,791 | 1,069,361 |
| EXCESS REVENUE OVER EXPENSES BEFORE UNDERNOTED | | | | |
| | 222,319 | - | 222,319 | 180,063 |
| Investment income/(loss), net of fees | 388,098 | - | 388,098 | 163,044 |
| Interest income on parish loans | 12,997 | - | 12,997 | 20,486 |
| Interest expense on bank demand loans | (11,522) | - | (11,522) | (17,550) |
| Interest expense on funds held in trust and cemetery term deposits | (192,108) | - | (192,108) | (78,551) |
| Donations revenue (capital) | 179,000 | - | 179,000 | 41,578 |
| Federal COVID-19 Wage Subsidies | 131,073 | - | 131,073 | 164,325 |
| Administration fees | 86,731 | - | 86,731 | - |
| Capital expenditures | (26,545) | - | (26,545) | (44,742) |
| Amortization of capital assets | (9,420) | - | (9,420) | (9,054) |
| EXCESS REVENUE OVER EXPENSES | 780,623 | - | 780,623 | 419,599 |
| FUND DEFICIT, BEGINNING OF YEAR | (2,702,654) | 743,425 | (1,959,229) | (2,380,265) |
| FUND DEFICIT, END OF YEAR | \$ (1,922,031) | \$ 743,425 | \$ (1,178,606) | \$ (1,960,666) |

See Accompanying Notes

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA**

STATEMENT OF FINANCIAL POSITION

PRIEST BENEFIT FUND

AS AT DECEMBER 31, 2021

| | 2021 | 2020 |
|--|---------------|--------------|
| ASSETS | | |
| CURRENT | | |
| Cash | \$ 213,290 | \$ 162,723 |
| Accounts receivable | 8,401 | 4,926 |
| | 221,691 | 167,649 |
| INVESTMENTS, AT MARKET VALUE | 10,060,669 | 8,569,664 |
| | \$ 10,282,360 | \$ 8,737,313 |
| LIABILITIES | | |
| CURRENT | | |
| Accounts payable and accrued liabilities | \$ 89,001 | \$ 62,868 |
| FUND BALANCES | | |
| PRIEST BENEFIT FUND - Restricted | 10,193,359 | 8,674,445 |
| | \$ 10,282,360 | \$ 8,737,313 |

See Accompanying Notes

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
PRIEST BENEFIT FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | 2021 | 2020 |
|--|----------------------|---------------------|
| REVENUE | | |
| Levy | \$ 362,314 | \$ 376,582 |
| Special collections | 157,087 | 124,373 |
| Stipends | 127,283 | 119,525 |
| Other revenue | 385 | 1,874 |
| Donations | 7,648 | 399,893 |
| Interest | - | 5,549 |
| | 654,717 | 1,027,796 |
| EXPENSES | | |
| Retirement benefits (clergy) | 470,375 | 458,639 |
| Office and sundry | 33,943 | 4,289 |
| | 504,318 | 462,928 |
| EXCESS OF REVENUE OVER EXPENSES BEFORE UNDERNOTED | 150,399 | 564,868 |
| Investment income/(loss), net of fees | 1,368,515 | 571,614 |
| EXCESS REVENUE OVER EXPENSES | 1,518,914 | 1,136,482 |
| FUND BALANCE, BEGINNING OF YEAR | 8,674,445 | 7,537,963 |
| FUND BALANCE, END OF YEAR | \$ 10,193,359 | \$ 8,674,445 |

See Accompanying Notes

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA**

STATEMENT OF FINANCIAL POSITION

SEMINARIAN FUND

AS AT DECEMBER 31, 2021

| | 2021 | 2020 |
|-------------------------------------|---------------------|---------------------|
| ASSETS | | |
| CURRENT | | |
| Due from Diocesan Pastoral Centre | \$ - | \$ 9,346 |
| INVESTMENTS, AT MARKET VALUE | 1,773,259 | 1,582,369 |
| | \$ 1,773,259 | \$ 1,591,715 |
| LIABILITIES | | |
| CURRENT | | |
| Due to Diocesan Pastoral Centre | \$ 16,824 | \$ - |
| FUND BALANCES | | |
| RESTRICTED FUNDS | | |
| Legacy Fund | 250,000 | 250,000 |
| Education Fund | 1,096,787 | 1,096,787 |
| | 1,346,787 | 1,346,787 |
| GENERAL FUND | 409,648 | 244,928 |
| | 1,756,435 | 1,591,715 |
| | \$ 1,773,259 | \$ 1,591,715 |

See Accompanying Notes

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
SEMINARIAN FUND
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | 2021 | 2020 |
|--|---------------------|---------------------|
| REVENUE | | |
| Donations | \$ 11,624 | \$ 4,640 |
| EXPENSES | | |
| Seminary formation | 92,698 | 61,734 |
| DEFICIENCY OF REVENUE OVER EXPENSES BEFORE UNDERNOTED | (81,074) | (57,094) |
| Investment income/(loss), net of fees | 245,794 | 107,013 |
| EXCESS REVENUE OVER EXPENSES | 164,720 | 49,919 |
| FUND BALANCE, BEGINNING OF YEAR | 1,591,715 | 1,541,796 |
| FUND BALANCE, END OF YEAR | \$ 1,756,435 | \$ 1,591,715 |

See Accompanying Notes

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA**

STATEMENT OF FINANCIAL POSITION

GUY MILLS COURT

AS AT DECEMBER 31, 2021

| | 2021 | 2020 |
|--|--------------|--------------|
| ASSETS | | |
| CURRENT | | |
| Cash | \$ 122,054 | \$ 193,918 |
| Interest receivable | 10,797 | 11,790 |
| | 132,851 | 205,708 |
| TERM DEPOSITS | 542,200 | 377,000 |
| CAPITAL ASSETS (net of accumulated amortization \$2,715,360 (2020 - \$2,631,411)) | 1,579,797 | 1,663,746 |
| | \$ 2,254,848 | \$ 2,246,454 |
| LIABILITIES | | |
| CURRENT | | |
| DEFERRED REVENUE | \$ 1,579,797 | \$ 1,663,746 |
| FUND BALANCES | | |
| RESERVE FUND - Externally restricted | 599,492 | 518,009 |
| GENERAL FUND - Externally restricted | 75,559 | 64,699 |
| | 675,051 | 582,708 |
| | \$ 2,254,848 | \$ 2,246,454 |

See Accompanying Notes

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES
GUY MILLS COURT
FOR THE YEAR ENDED DECEMBER 31, 2021**

| | General Fund | Reserve Fund | 2021 | 2020 |
|---|-----------------|-----------------|------------|------------|
| REVENUE | | | | |
| Resident fees | 213,336 | 58,680 | 272,016 | 261,738 |
| Rental | - | - | - | 240 |
| Interest | - | 22,803 | 22,803 | 10,491 |
| | 213,336 | 81,483 | 294,819 | 272,469 |
| EXPENSES | | | | |
| Maintenance and repairs | 73,376 | - | 73,376 | 62,442 |
| Property taxes | 70,904 | - | 70,904 | 68,911 |
| Utilities | 24,441 | - | 24,441 | 24,645 |
| Insurance | 18,157 | - | 18,157 | 15,601 |
| Office and sundry | 4,593 | - | 4,593 | 5,099 |
| Professional fees | 571 | - | 571 | 571 |
| | 192,042 | - | 192,042 | 177,269 |
| EXCESS REVENUE OVER EXPENSES BEFORE UNDERNOTED | | | | |
| | 21,294 | 81,483 | 102,777 | 95,200 |
| Amortization of deferred revenue | 83,949 | - | 83,949 | 88,509 |
| Amortization of capital assets | (83,949) | - | (83,949) | (88,509) |
| Capital expenditures | (10,434) | - | (10,434) | (16,842) |
| EXCESS REVENUE OVER EXPENSES | 10,860 | 81,483 | 92,343 | 78,358 |
| FUND BALANCE, BEGINNING OF YEAR | 64,699 | 518,009 | 582,708 | 504,350 |
| FUND BALANCE, END OF YEAR | \$ 75,559 | \$ 599,492 | \$ 675,051 | \$ 582,708 |

See Accompanying Notes

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA**

STATEMENT OF FINANCIAL POSITION

DIOCESAN PARISHES

AS AT DECEMBER 31, 2021

| | 2021 | 2020 |
|--|---------------|---------------|
| ASSETS | | |
| CURRENT | | |
| Cash | \$ 3,261,216 | \$ 3,175,824 |
| Accounts receivable | 16,201 | 21,056 |
| Due from Diocesan Pastoral Centre | 23,897 | 24,688 |
| Interest receivable on term deposits | 400,064 | 315,965 |
| HST rebate receivable | 152,798 | 154,645 |
| Inventory - gift cards | 94,190 | 100,753 |
| | 3,948,366 | 3,792,931 |
| TERM DEPOSITS HELD BY DIOCESAN PASTORAL CENTRE | 7,266,338 | 6,754,355 |
| CAPITAL ASSETS (net of accumulated amortization \$72,784,398 (2020 - \$72,673,191)) | 7,164,904 | 7,275,341 |
| | \$ 18,379,608 | \$ 17,822,627 |
| LIABILITIES | | |
| CURRENT | | |
| Accounts payable and accrued liabilities | \$ 284,749 | \$ 65,045 |
| Due to Diocesan Pastoral Centre | 1,000 | 5,920 |
| Deferred revenue | 804,780 | 701,278 |
| Funds held in trust | 30,800 | 30,800 |
| | 1,121,329 | 803,043 |
| LOANS DUE TO DIOCESAN PASTORAL CENTRE | 724,292 | 1,011,091 |
| | 1,845,621 | 1,814,134 |
| FUND BALANCES | | |
| GENERAL FUND | 9,004,487 | 8,333,571 |
| RESTRICTED FUND | 364,596 | 399,581 |
| | 9,369,083 | 8,733,152 |
| INVESTMENT IN CAPITAL ASSETS | 7,164,904 | 7,275,341 |
| | 16,533,987 | 16,008,493 |
| | \$ 18,379,608 | \$ 17,822,627 |

See Accompanying Notes

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA**

STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

DIOCESAN PARISHES

FOR THE YEAR ENDED DECEMBER 31, 2021

| | General Fund | Restricted Fund | 2021 | 2020 |
|--|-----------------|--------------------|---------------|---------------|
| REVENUE | | | | |
| Offerings | \$ 4,900,166 | \$ - | \$ 4,900,166 | \$ 4,935,616 |
| Special collections (including Christmas, Good Friday and Easter) | 728,407 | - | 728,407 | 601,405 |
| Bequests | 57,184 | - | 57,184 | 532,698 |
| Other revenue | 200,153 | - | 200,153 | 199,235 |
| Stipends | 313,910 | - | 313,910 | 267,091 |
| Donations | 611,699 | - | 611,699 | 510,312 |
| Fundraising | 129,854 | - | 129,854 | 75,285 |
| Youth and childrens' programs | 53,579 | - | 53,579 | 36,737 |
| Interest on accounts | (5,371) | - | (5,371) | (9,369) |
| | 6,989,581 | - | 6,989,581 | 7,149,010 |
| EXPENSES | | | | |
| Wages and benefits (non-clergy) | 1,208,849 | - | 1,208,849 | 1,307,825 |
| Wages and benefits (clergy) | 1,392,324 | - | 1,392,324 | 1,367,861 |
| Levy (diocesan assessment) | 929,361 | - | 929,361 | 895,064 |
| Office, rectory and sundry | 777,633 | - | 777,633 | 822,041 |
| Utilities | 559,071 | - | 559,071 | 527,708 |
| Special collections | 460,405 | - | 460,405 | 427,005 |
| Maintenance and repairs (non-capital) | 328,113 | - | 328,113 | 327,833 |
| Priest Benefit Fund (diocesan assessment) | 362,218 | - | 362,218 | 374,945 |
| Insurance | 312,101 | - | 312,101 | 306,511 |
| Parish activities, programs and supplies | 189,678 | - | 189,678 | 171,131 |
| Stipends | 206,781 | - | 206,781 | 195,479 |
| Youth and childrens' programs | 25,478 | - | 25,478 | 34,490 |
| Fundraising | 30,338 | - | 30,338 | 26,784 |
| | 6,782,350 | - | 6,782,350 | 6,784,677 |
| EXCESS REVENUE OVER EXPENSES BEFORE UNDERNOTED | | | | |
| | 207,231 | - | 207,231 | 364,333 |
| Donations revenue (capital) | 472,663 | - | 472,663 | 339,729 |
| Federal COVID-19 Wage Subsidies | 607,790 | - | 607,790 | 890,534 |
| Administration fees | (86,731) | - | (86,731) | - |
| Capital expenditures | (683,162) | (34,985) | (718,147) | (456,132) |
| Interest income on term deposits | 166,891 | - | 166,891 | 73,736 |
| Interest expense on parish loans | (12,996) | - | (12,996) | (20,486) |
| Amortization of capital assets | (111,207) | - | (111,207) | (116,473) |
| EXCESS/(DEFICIENCY) OF REVENUE OVER EXPENSES | | | | |
| | 560,479 | (34,985) | 525,494 | 1,075,241 |
| FUND BALANCE, BEGINNING OF YEAR | | | | |
| | 15,608,912 | 399,581 | 16,008,493 | 14,933,252 |
| FUND BALANCE, END OF YEAR | | | | |
| | \$ 16,169,391 | \$ 364,596 | \$ 16,533,987 | \$ 16,008,493 |

See Accompanying Notes

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA**

NOTES TO FINANCIAL INFORMATION

AS AT DECEMBER 31, 2021

1. Purpose of the Organization

The Roman Catholic Episcopal Corporation for the Diocese of Peterborough, in Ontario, Canada (the 'Corporation') is incorporated under the laws of the Province of Ontario. The Corporation is registered under the Income Tax Act and, as such, is exempt from income taxes and is able to issue donation receipts for income tax purposes.

The purpose of the Corporation is to undertake religious and charitable work within the Roman Catholic Diocese of Peterborough.

2. Basis of Accounting

The basis of accounting applied in the preparation of the statement of financial position of The Roman Catholic Episcopal Corporation for the Diocese of Peterborough, in Ontario, Canada as at December 31, 2021 and the statement of operations and changes in fund balances for the year then ended is on the historical cost basis, reflecting cash transactions with the addition of the following:

(a) Basis of Presentation

The operations of the Corporation consist of multiple segments, including, the Diocesan Pastoral Centre, Diocesan Parishes, a Priest Benefit Fund, a Seminarian Fund, and Guy Mills Court, a residential life lease community located in Lindsay, Ontario.

The Diocesan Parishes generally report on a cash basis.

(b) Fund Accounting

The Corporation follows the restricted fund method of accounting for contributions.

The Diocesan Pastoral Centre reports the operating activities and resources of the Diocesan Pastoral Care, consisting of a general fund.

The Priest Benefit Fund reports the operating activities and resources of the diocesan priests retirement fund, consisting of an internally restricted fund. The Fund investment assets are held in an external trust and are maintained by a third party investment firm.

The Seminarian Fund reports the operating activities and the resources of a seminarian education fund, consisting of externally restricted funds and a general fund. The Fund investment assets are held in an external trust and are maintained by a third party investment firm.

Guy Mills Court reports the operating activities and resources of a thirty-three unit life lease community, and consists of a restricted reserve fund and a general fund. The restricted reserve fund is maintained for the purpose of funding major capital repairs. Both funds are required to be maintained for the sole benefit by the lease holders, and accordingly have been reported as restricted on the statement of financial position.

The Diocesan Parishes report the operating activities and resources of forty parishes located within the diocese, consisting of external restricted funds and a general fund. See Note: 3.

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA**

NOTES TO FINANCIAL INFORMATION

AS AT DECEMBER 31, 2021

(c) Revenue Recognition

Contributions are recorded when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Restricted contributions for specific purposes are recognized as revenue of the applicable fund at the time of receipt. Contributions for which there is no specific fund are deferred and recognized as expenses are realized.

Investment income consists of interest, dividends, and realized and unrealized gains and losses, net of transaction costs and management fees, and is reported in revenue in the applicable fund.

Guy Mills Court provides residents an exclusive right to occupy housing units for life in consideration for a lump sum payment and monthly fees. The Corporation follows the deferred method of accounting for resident prepayments, which are deferred and amortized to income on the same basis that the related capital assets are amortized.

Gifts in kind are not recognized as revenue, except when a charitable receipt is issued. Volunteers contribute a significant number of hours each year to assist the Corporation in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements.

(d) Financial Instruments

Financial assets measured at fair value include investments (see Note 12). Other financial assets are initially recorded at fair value, which represents cost, and subsequently measured at amortized cost. Financial assets include cash, accounts receivable, interest receivable and term deposits.

Financial liabilities include accounts payable and accrued liabilities, bank demand loans, funds held in trust and term deposits.

(e) Capital Assets

Certain capital assets which might have been capitalized as detailed below have been expensed as acquired.

Land acquired prior to January 1, 1995 is recorded at its estimated fair market value at that date. Net land additions subsequent to that date are recorded at a cost of \$368,519 (2020 - \$368,519).

All capital assets, except for land, currently owned and acquired prior to January 1, 1995 are recorded at insured replacement value and are fully amortized. Capital assets acquired between January 1, 1995 to December 31, 2003 are recorded at cost, and amortized as described below. Commencing January 1, 2004, (1) costs associated with the restoration or replacement of existing buildings are expensed when incurred, (2) land and building acquisitions, including additions, are capitalized at cost, and buildings are amortized as described below, (3) furniture and equipment are expensed as acquired. Amortization is recorded at one half of the rate in the year of acquisition or the year the asset is available for use.

Amortization has been calculated as follows:

| | | |
|-------------------------|----------|---------------------|
| Buildings | 2.5%- 5% | diminishing balance |
| Furniture and equipment | 15% | declining balance |

(f) Accounting Estimates

Management makes estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from these estimates.

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA**

NOTES TO FINANCIAL INFORMATION

AS AT DECEMBER 31, 2021

3. Fund Balances

As at year-end, fund balances are comprised of:

| | General | Restricted | 2021 |
|--------------------------|---------------------|----------------------|----------------------|
| Diocesan Pastoral Centre | \$ (2,629,239) | \$ 743,425 | \$ (1,885,814) |
| Parishes | 9,004,487 | 364,596 | 9,369,083 |
| Priest Benefit Fund | - | 10,193,199 | 10,193,199 |
| Seminarian Fund | 409,648 | 1,346,787 | 1,756,435 |
| Guy Mills Court | - | 675,051 | 675,051 |
| | \$ 6,784,896 | \$ 13,323,058 | \$ 20,107,954 |

As at the prior year-end, fund balances are comprised of:

| | General | Restricted | 2020 |
|--------------------------|---------------------|----------------------|----------------------|
| Diocesan Pastoral Centre | \$ (2,971,882) | \$ 743,425 | \$ (2,228,457) |
| Parishes | 8,333,571 | 399,581 | 8,733,152 |
| Priest Benefit Fund | - | 8,674,445 | 8,674,445 |
| Seminarian Fund | 244,928 | 1,346,787 | 1,591,715 |
| Guy Mills Court | - | 582,708 | 582,708 |
| | \$ 5,606,617 | \$ 11,746,946 | \$ 17,353,563 |

Parishes:

Parish restricted funds are comprised of:

| | 2021 | 2020 |
|----------------------------|-------------------|-------------------|
| Charitable remainder trust | \$ 25,972 | \$ 60,957 |
| Bequest | 38,624 | 38,624 |
| Restricted donation | 300,000 | 300,000 |
| | \$ 364,596 | \$ 399,581 |

Charitable remainder trust: in 2013 funds were received from a charitable remainder trust established in 2004 by a parishioner for the beautification, improvements and maintenance of a particular church.

Bequest: in 2013 a bequest was received for maintenance and improvements for a particular church and rectory.

Restricted donation: in 2002 a donation was received with the restriction that it be used for the benefit of a particular parish or its successor so as to assist with its continued existence and in meeting its long term financial needs.

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA**

NOTES TO FINANCIAL INFORMATION

AS AT DECEMBER 31, 2021

Seminarian Fund:

Included in investments are funds in the amount of \$1,096,787 received from a bequest for the establishment of a Diocese of Peterborough seminarian fund for the education of priests.

Included in investments are funds in the amount of \$250,000, received in a prior year with the stipulation that for twenty five years the net income be used to finance education of a seminarian from the Diocese of Peterborough.

Guy Mills Court:

Guy Mills Court funds restricted funds consist of: (See also Note 2(b))

| | 2021 | 2020 |
|---|-------------------|-------------------|
| General fund - externally restricted | \$ 78,292 | \$ 64,699 |
| Restricted reserve fund - externally restricted | 596,758 | 518,009 |
| | \$ 675,050 | \$ 582,708 |

4. Clergy loans receivable

During the December 31, 2020 fiscal year the Corporation issued two vehicle loans of \$26,000. The loans are unsecured, bear interest at the Canada Revenue Agency prescribed interest rate plus 2%, calculated annually on October 1, are payable in monthly installments of \$310 and \$500, and mature on July 13 and November 15, 2023.

5. Capital Assets

| | 2021 | 2020 |
|--------------------------------|---------------------|---------------------|
| Land | \$ 5,730,097 | \$ 5,580,097 |
| Buildings | 73,604,912 | 73,305,912 |
| Furniture and equipment | 7,073,260 | 7,072,489 |
| | 86,408,269 | 85,958,498 |
| Less: accumulated amortization | (76,492,240) | (76,287,663) |
| | \$ 9,916,029 | \$ 9,670,835 |

Capital asset additions during the year included a land and building purchase for Campus Ministry use in the amount of \$449,000 (2020 - \$Nil).

6. Deferred Revenue

Deferred revenue is comprised of:

| | 2021 | 2020 |
|---|---------------------|---------------------|
| Diocesan Pastoral Centre activities | \$ 297,590 | \$ 298,103 |
| Parish activities and deferred proceeds on sale of assets | 804,780 | 701,278 |
| Current | 1,102,370 | 999,381 |
| Guy Mills Court - related to capital | 1,579,797 | 1,663,746 |
| | \$ 2,682,167 | \$ 2,663,127 |

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA**

NOTES TO FINANCIAL INFORMATION

AS AT DECEMBER 31, 2021

7. Term Deposits

The Diocesan Pastoral Centre holds term deposits invested by parishes and cemeteries (and also funds held in trust), on which interest is paid depending on the duration, substantially all of which are five years. Interest is accrued annually, non-compounding, and paid at maturity (or at the time of redemption, if redeemed prior to maturity).

On consolidation of the Corporation, the Diocesan Pastoral Centre and Parish term deposits, liabilities and assets, and related expense and income, are eliminated.

The term deposits owned by Guy Mills Court are invested with the Royal Bank of Canada in Canadian Banking and Utilities Market term deposits with a minimum fixed rate return and maximum return based on the performance of the S&P/TSX Index.

8. Funds Held in Trust

Funds held in trust consist of proceeds from various funds advanced by estates or third parties for specific purposes, and are not considered either a current or deferred revenue to the Corporation. The funds are typically invested in term deposits held by the Diocesan Pastoral Centre, with interest paid out annually.

Funds held in trust is comprised of:

| | 2021 | 2020 |
|---------------|-------------|-------------|
| Other amounts | \$ 53,798 | \$ 53,798 |

9. Private Loan

During the December 31, 2018 fiscal year the Corporation obtained private loan funding in the amount of \$600,000. The loan is non-interest bearing, unsecured, has no set terms of repayment and is fully repayable upon maturity in 2033. During the December 31, 2019 fiscal year, \$50,000 of the loan was forgiven, leaving a balance of \$550,000.

Effective April 25, 2022 the balance of loan in the amount of \$550,000 was forgiven.

10. Retirement Benefits

Priest Benefit Fund

The Corporation provides post retirement benefits to priests through the Priest Benefit Fund.

To date, these benefits have been paid from current operations. An actuarial valuation was made at January 1, 2021 to determine the accrued retirement obligations in respect of past service for presently retired priests and priests actively serving the diocese. The preceding actuarial valuation was completed on January 1, 2018.

As at January 1, 2021 the market value of the fund was \$8,624,000, and total actuarial liabilities were \$8,575,000 resulting in a funded ratio of 100.6%, and an actuarial surplus of \$45,000. There is no recognition of this actuarial surplus in these financial statements. The Corporation intends to have the valuation updated every three years.

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA**

NOTES TO FINANCIAL INFORMATION

AS AT DECEMBER 31, 2021

Lay Employee Defined Contribution Plan

The Corporation provides retirement benefits for several lay employees of the Corporation through a defined contribution plan. The cost for the current year is \$41,225 (2020 - \$40,894).

11. Bank Credit Facility

The Corporation finances its operations through an agreement with the Royal Bank of Canada. The credit facilities consist of the following:

(a) A demand operating line of credit in the amount of \$400,000 to finance current expenditures, with interest calculated monthly at the bank's prime rate plus 0.50%. As at year-end, the outstanding balance was \$Nil (2020 - \$Nil).

(b) A \$3,000,000 revolving loan facility available by way of a series of term loans, for the purpose of assisting with financing parish restoration projects. Either a (1) "RBP Loan" (Royal Bank Prime) or (2) "FRT Loan" (Fixed Rate Term) may be selected, for terms of between one to ten years. RBP loans are due on demand, and rates are based on the term selected. Both RBP and FRT loans are due on demand, and are therefore reported as current liabilities.

As at year end, the Corporation has one RBP loan, with an outstanding balance of \$410,293 (2020 - \$503,177), and a current interest rate of 2.95% (2020 - 2.95%), requiring monthly principal payments of \$3,851 (2020 - \$3,851), maturing October 16, 2022 (2020 - October 16, 2021).

The facility is secured by a general security agreement over the Corporation's assets, and a collateral mortgage in the amount of \$4,500,000 constituting a first fixed charge over the land and buildings of six diocesan properties.

12. Investments

The Corporation is invested in units of the Archdiocese of Toronto Balanced Master Trust (the Trust). Units of the Trust are not offered to the public by way of prospectus but are offered privately by way of offering memorandum. Units are issued pursuant to the Amended and Restated Master Trust Agreement. Units of the Trust are redeemable monthly at the option of the unitholders in accordance with the provisions of the declaration of trust at their net asset value and do not have any nominal or par value.

Investments held by the Trust consist of a portfolio of pooled funds invested in bonds, real estate, equities and/or treasury bills managed by independent investment managers. The fair value of securities held by the pooled funds traded in an active market is based on the closing market price. Cost represents proceeds paid on investment purchases, reinvestment of distributions and other investment income and is net of investment dispositions.

Details of the cost and fair value for investments held are as follows:

| | 2021 | 2020 |
|-------------------|---------------|---------------|
| Cost | \$ 12,996,769 | \$ 12,484,502 |
| Fair Market Value | \$ 14,753,276 | \$ 12,617,820 |

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF PETERBOROUGH, IN ONTARIO, CANADA**

NOTES TO FINANCIAL INFORMATION

AS AT DECEMBER 31, 2021

13. Legal Claims

The Corporation has been named in lawsuits that are being defended through the Corporation's legal counsel and the Corporation's insurers and their legal counsel. The likelihood of loss and the amount of any possible loss cannot be determined at this time. No amount has been accrued in these financial statements in respect of such proceedings.

14. Comparative Figures

Certain comparative figures have been reclassified to conform to the current year's presentation.
