

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

FINANCIAL INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2023

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
Seminarian 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, 2023, 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 25, 2024***

***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, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 6,604,329	\$ 6,977,912
Accounts receivable	91,006	30,857
Prepaid expenses	1,177	1,171
HST receivable	273,613	201,533
Interest receivable	203,974	112,172
Term deposits (Note 7)	270,000	-
Inventory - gift cards	72,006	79,735
Clergy loans receivable - current (Note 4)	11,700	6,060
	7,527,805	7,409,440
CLERGY LOANS RECEIVABLE (Note 4)	15,575	-
INVESTMENTS, AT MARKET VALUE (Note 12)	14,996,395	13,365,168
TERM DEPOSITS (Note 7)	100,000	595,200
CAPITAL ASSETS (Note 5)	9,485,739	9,686,245
	\$ 32,125,514	\$ 31,056,053
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 421,656	\$ 334,610
Deferred revenue (Note 6)	1,076,023	1,195,856
Bank demand loans (Note 10)	390,293	601,763
Current portion of private loan (Note 9)	61,621	-
	1,949,593	2,132,229
DEFERRED REVENUE (Note 6)	1,424,602	1,500,160
CEMETERY TERM DEPOSITS (Note 7)	116,371	110,705
FUNDS HELD IN TRUST (Note 8)	54,033	53,798
PRIVATE LOAN (Note 9)	923,410	-
	4,468,009	3,796,892
FUND BALANCES		
GENERAL FUNDS (Note 3)	6,358,048	6,870,503
RESTRICTED FUNDS (Note 3)	13,702,275	12,666,527
	20,060,323	19,537,030
INVESTMENT IN CAPITAL ASSETS	7,597,182	7,722,131
	27,657,505	27,259,161
	\$ 32,125,514	\$ 31,056,053

APPROVED BY THE BISHOP OF PETERBOROUGH:

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(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, 2023**

	2023	2022
REVENUE		
Offerings	\$ 5,660,954	\$ 5,245,907
Other revenue	734,167	623,144
Special collections	729,828	741,874
Bequests	238,973	127,276
Donations	870,545	1,009,839
Stipends	340,568	341,017
Fundraising	563,777	255,617
Interest on accounts	299,203	142,179
	9,438,015	8,486,853
EXPENSES		
Wages and benefits (non-clergy)	1,687,258	1,586,857
Wages and benefits (clergy)	1,793,500	1,622,652
Office, rectory and other	1,282,276	1,058,754
Utilities	763,148	743,170
Programs, events and activities	360,412	353,700
Maintenance and repairs (non-capital)	473,507	450,384
Retirement benefits (clergy)	413,173	471,547
Insurance	405,759	355,449
Special collections and donations	308,530	290,186
Indigenous Reconciliation fund	57,060	78,508
Stipends	148,000	85,071
Clergy special assistance	43,340	67,989
Fundraising	126,119	64,259
Property taxes	94,635	90,779
Seminarian formation	62,444	53,710
Professional fees	55,785	48,213
Clergy formation (net of recovery)	23,806	21,455
	8,098,752	7,442,683
EXCESS REVENUE OVER EXPENSES BEFORE UNDERNOTED	1,339,263	1,044,170
Donations revenue (capital)	717,375	629,515
WSIB, Energy and other rebates	38,567	157,816
Capital expenditures	(3,150,887)	(1,542,357)
Investment income (loss), net of fees	550,752	(212,165)
Unrealized gain/(loss) on investments	1,131,236	(1,156,925)
Interest expense on bank demand loans	(37,094)	(16,810)
Interest expense on funds held in trust and cemetery term deposits	(65,244)	(22,727)
Debt forgiven (Note 9)	-	550,000
Amortization of deferred revenue	75,558	79,637
Amortization of capital assets	(201,182)	(229,784)
EXCESS (DEFICIENCY OF) REVENUE OVER EXPENSES	398,344	(719,630)
FUND BALANCES, BEGINNING OF YEAR	27,259,161	27,978,791
FUND BALANCES, END OF YEAR	\$ 27,657,505	\$ 27,259,161

(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, 2023

	2023	2022
OPERATING ACTIVITIES		
Excess (deficiency of) revenue over expenses	\$ 398,344	\$ (719,630)
Non-cash items		
Amortization of deferred revenue related to capital assets	(75,558)	(79,637)
Amortization of capital assets	201,182	229,784
Debt forgiven	-	(550,000)
	523,968	(1,119,483)
Changes in non-cash working capital balances		
Accounts receivable	(60,149)	19,635
Prepaid expenses	(6)	5,325
HST receivable	(72,080)	(30,673)
Interest receivable	(91,802)	(86,310)
Inventory - gift cards	7,729	14,455
Accounts payable and accrued liabilities	87,047	(109,185)
Deferred revenue	(119,833)	93,486
Cemetery term deposits	5,666	6,562
Funds held in trust	235	-
	(243,193)	(86,705)
	280,775	(1,206,188)
INVESTING ACTIVITIES		
Clergy loans receivable repaid	9,785	9,720
Clergy loans receivable advanced	(31,000)	-
Term deposits (acquisitions) disposals (net)	225,200	(53,000)
Acquisition of capital assets	(676)	-
Net investment (acquisitions) disposals (net)	(1,631,228)	1,388,108
	(1,427,919)	1,344,828
FINANCING ACTIVITIES		
Bank demand loans (net of repayments)	(211,470)	191,470
Repayment of private loan	(14,969)	-
Proceeds from private loan	1,000,000	-
	773,561	191,470
NET INCREASE (DECREASE) IN CASH	(373,583)	330,110
CASH, BEGINNING OF YEAR	6,977,912	6,647,802
CASH, END OF YEAR	\$ 6,604,329	\$ 6,977,912

(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, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 2,210,704	\$ 3,174,544
Accounts receivable	46,567	19,268
Due from parishes	1,069	22,451
Due from Seminarian Fund	12,794	15,061
Prepaid expenses	1,177	496
HST receivable	52,740	14,421
Interest receivable	192,307	100,002
Clergy loans receivable - current (Note 4)	11,700	6,060
	2,529,058	3,352,303
INVESTMENTS, AT MARKET VALUE (Note 12)	3,081,070	2,682,379
PARISH LOANS RECEIVABLE	2,095,187	1,008,817
CLERGY LOANS RECEIVABLE (Note 4)	15,575	-
CAPITAL ASSETS (net of accumulated amortization \$762,140 (2022 - \$735,826))	1,099,960	1,126,274
	\$ 8,820,850	\$ 8,169,773
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 105,143	\$ 105,849
Due to parishes	4,903	34,910
Deferred revenue	52,790	234,293
Bank demand loans (Note 10)	390,293	601,763
Current portion of private loan (Note 9)	61,621	-
	614,750	976,815
ACCRUED INTEREST PAYABLE ON PARISH TERM DEPOSITS	329,176	359,405
PARISH TERM DEPOSITS (Note 7)	7,662,441	7,512,839
CEMETERY TERM DEPOSITS (Note 7)	116,371	110,705
FUNDS HELD IN TRUST (Note 8)	23,233	22,998
PRIVATE LOAN (Note 9)	923,410	-
	9,669,381	8,982,762
FUND BALANCES		
INVESTED IN CAPITAL ASSETS	636,005	662,319
GENERAL FUND - Internally restricted (Note 3)	743,425	743,425
GENERAL FUND DEFICIT - Unrestricted	(2,227,961)	(2,218,733)
	(848,531)	(812,989)
	\$ 8,820,850	\$ 8,169,773

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, 2023

	General Fund	Internally Restricted Fund	2023	2022
REVENUE				
Levy (diocesan assessment)	\$ 948,811	\$ -	\$ 948,811	\$ 849,586
Special collections	269,393	-	269,393	264,484
Donations	281,552	-	281,552	306,942
Other revenue	45,551	-	45,551	55,785
Interest	292,968	-	292,968	131,639
	1,838,275	-	1,838,275	1,608,436
EXPENSES				
Wages and benefits (non-clergy)	509,491	-	509,491	472,091
Wages and benefits (clergy)	232,760	-	232,760	143,997
Special collections and donations	250,381	-	250,381	208,613
Indigenous Reconciliation Fund	57,060	-	57,060	78,508
Occupancy costs	119,067	-	119,067	97,721
Clergy special assistance	43,340	-	43,340	67,989
Fees, dues, and subscriptions	123,594	-	123,594	111,207
Programs and activities	56,398	-	56,398	32,686
Bank charges (net of recovery)	12,093	-	12,093	8,770
Office and sundry	55,044	-	55,044	54,147
Clergy formation (net of recovery)	23,806	-	23,806	21,455
Professional fees	55,785	-	55,785	48,213
Training and education	12,342	-	12,342	9,906
Advertising and promotion	9,644	-	9,644	9,016
Telecommunications	10,696	-	10,696	10,350
	1,571,501	-	1,571,501	1,374,669
EXCESS REVENUE OVER EXPENSES BEFORE UNDERNOTED				
	266,774	-	266,774	233,767
Investment income/(loss), net of fees	89,377	-	89,377	(173,249)
Unrealized gain (loss) on investments	258,428	-	258,428	(100,271)
Interest income on parish loans	44,872	-	44,872	22,323
Interest expense on bank demand loans	(37,094)	-	(37,094)	(16,810)
Interest expense on funds held in trust and cemetery term deposits	(182,673)	-	(182,673)	(162,035)
Debt forgiven (Note 9)	-	-	-	550,000
Bequests and estates	11,500	-	11,500	-
Donations revenue (capital)	167,139	-	167,139	18,478
Administration fees	-	-	-	59,136
Capital expenditures	(627,551)	-	(627,551)	(20,668)
Amortization of capital assets	(26,314)	-	(26,314)	(45,054)
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES				
	(35,542)	-	(35,542)	365,617
FUND DEFICIT, BEGINNING OF YEAR	(1,556,414)	743,425	(812,989)	(1,178,606)
FUND DEFICIT, END OF YEAR	\$ (1,591,956)	\$ 743,425	\$ (848,531)	\$ (812,989)

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, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 591,468	\$ 447,391
Accounts receivable	16,827	1,353
	608,295	448,744
INVESTMENTS, AT MARKET VALUE (Note 12)	10,216,886	9,116,279
	\$ 10,825,181	\$ 9,565,023
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 77,981	\$ 92,166
FUND BALANCES		
PRIEST BENEFIT FUND - Restricted (Note 3)	10,747,200	9,472,857
	\$ 10,825,181	\$ 9,565,023

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, 2023

	2023	2022
REVENUE		
Levy	\$ 294,694	\$ 324,024
Special collections	145,717	141,513
Stipends	75,720	137,196
Other revenue	13,688	21,950
Donations	8,631	7,890
Bequests	10,500	48,683
	548,950	681,256
EXPENSES		
Retirement benefits (clergy) (Note 11)	413,173	471,547
Clergy formation	4,389	-
Office and sundry	2,025	2,658
	419,587	474,205
EXCESS REVENUE OVER EXPENSES BEFORE UNDERNOTED	129,363	207,051
Investment income/(loss), net of fees	397,161	(29,946)
Unrealized gain (loss) on investments	747,819	(897,607)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	1,274,343	(720,502)
FUND BALANCE, BEGINNING OF YEAR	9,472,857	10,193,359
FUND BALANCE, END OF YEAR	\$ 10,747,200	\$ 9,472,857

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, 2023

	2023	2022
ASSETS		
CURRENT		
INVESTMENTS, AT MARKET VALUE (Note 12)	\$ 1,698,440	\$ 1,566,507
	\$ 1,698,440	\$ 1,566,507
LIABILITIES		
CURRENT		
Due to Diocesan Pastoral Centre	\$ 12,794	\$ 15,061
FUND BALANCES		
RESTRICTED FUNDS		
Legacy Fund	250,000	250,000
Education Fund (Note 3)	1,096,787	1,096,787
	1,346,787	1,346,787
GENERAL FUND	338,859	204,659
	1,685,646	1,551,446
	\$ 1,698,440	\$ 1,566,507

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, 2023

	2023	2022
REVENUE		
Bequests	\$ 2,500	\$ -
Donations	4,941	16,738
	7,441	16,738
EXPENSES		
Seminary formation	62,444	53,710
DEFICIENCY OF REVENUE OVER EXPENSES BEFORE UNDERNOTED	(55,003)	(36,972)
Investment income/(loss), net of fees	64,214	(8,971)
Unrealized gain/(loss) on investments	124,989	(159,046)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	134,200	(204,989)
FUND BALANCE, BEGINNING OF YEAR	1,551,446	1,756,435
FUND BALANCE, END OF YEAR	\$ 1,685,646	\$ 1,551,446

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, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 135,906	\$ 145,715
Interest receivable	8,584	12,170
Term deposits (Note 7)	270,000	-
	414,490	157,885
TERM DEPOSITS (Note 7)	100,000	595,200
CAPITAL ASSETS (net of accumulated amortization \$2,870,555 (2022 - \$2,794,997))	1,424,602	1,500,160
	\$ 1,939,092	\$ 2,253,245
LIABILITIES		
CURRENT		
DEFERRED REVENUE - related to capital assets	\$ 1,424,602	\$ 1,500,160
FUND BALANCES		
RESERVE FUND - Externally restricted (Note 3)	473,924	671,040
GENERAL FUND - Externally restricted (Note 3)	40,566	82,045
	514,490	753,085
	\$ 1,939,092	\$ 2,253,245

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, 2023**

	General Fund	Reserve Fund	2023	2022
REVENUE				
Resident fees	236,412	63,456	299,868	284,508
Rental	540	-	540	810
Interest	-	(1,934)	(1,934)	10,516
	236,952	61,522	298,474	295,834
EXPENSES				
Maintenance and repairs	68,375	-	68,375	80,662
Property taxes	77,276	-	77,276	74,386
Utilities	27,977	-	27,977	26,867
Insurance	20,429	-	20,429	19,281
Office and sundry	5,046	-	5,046	5,970
Property management fees	44,929	-	44,929	-
	244,032	-	244,032	207,166
EXCESS REVENUE OVER EXPENSES BEFORE UNDERNOTED				
	(7,080)	61,522	54,442	88,668
Amortization of deferred revenue	75,558	-	75,558	79,637
Amortization of capital assets	(75,558)	-	(75,558)	(79,637)
Capital expenditures	(293,037)	-	(293,037)	(10,634)
(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES				
	(300,117)	61,522	(238,595)	78,034
FUND BALANCE, BEGINNING OF YEAR	82,045	671,040	753,085	675,051
INTERFUND TRANSFER	258,638	(258,638)	-	-
FUND BALANCE, END OF YEAR	\$ 40,566	\$ 473,924	\$ 514,490	\$ 753,085

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, 2023

	2023	2022
ASSETS		
CURRENT		
Cash	\$ 3,666,252	\$ 3,210,265
Accounts receivable	27,612	10,236
Due from Diocesan Pastoral Centre	4,903	34,910
Interest receivable on term deposits	332,260	359,405
HST rebate receivable	220,873	187,112
Prepaid amounts	-	675
Inventory - gift cards	72,006	79,735
	4,323,906	3,882,338
TERM DEPOSITS HELD BY DIOCESAN PASTORAL CENTRE (Note 7)	7,662,441	7,512,839
CAPITAL ASSETS (net of accumulated amortization \$72,988,800 (2022 - \$72,889,491))	6,961,177	7,059,811
	\$ 18,947,524	\$ 18,454,988
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 238,545	\$ 136,605
Due to Diocesan Pastoral Centre	1,069	22,451
Deferred revenue	1,023,233	961,563
	1,262,847	1,120,619
LOANS DUE TO DIOCESAN PASTORAL CENTRE	2,095,187	1,008,817
FUNDS HELD IN TRUST (Note 8)	30,800	30,800
	3,388,834	2,160,236
FUND BALANCES		
GENERAL FUND	8,247,140	8,884,568
RESTRICTED FUND (Note 3)	350,373	350,373
	8,597,513	9,234,941
INVESTMENT IN CAPITAL ASSETS	6,961,177	7,059,811
	15,558,690	16,294,752
	\$ 18,947,524	\$ 18,454,988

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, 2023

	General Fund	Restricted Fund	2023	2022
REVENUE				
Offerings	\$ 5,660,954	\$ -	\$ 5,660,954	\$ 5,245,907
Special collections (including Christmas, Good Friday and Easter)	839,911	-	839,911	813,201
Bequests	214,473	-	214,473	78,593
Other revenue	314,422	-	314,422	252,595
Stipends	340,568	-	340,568	341,017
Donations	575,422	-	575,422	678,269
Fundraising	545,567	-	545,567	207,342
Youth and childrens' programs	76,684	-	76,684	55,791
Interest on accounts	8,170	-	8,170	26,390
	8,576,171	-	8,576,171	7,699,105
EXPENSES				
Wages and benefits (non-clergy)	1,177,767	-	1,177,767	1,114,766
Wages and benefits (clergy)	1,560,740	-	1,560,740	1,479,080
Levy (diocesan assessment)	948,810	-	948,810	849,586
Office, rectory and sundry	984,932	-	984,932	828,685
Utilities	713,807	-	713,807	697,718
Special collections	526,154	-	526,154	488,314
Maintenance and repairs (non-capital)	402,321	-	402,321	363,287
Priest Benefit Fund (diocesan assessment)	294,695	-	294,695	324,024
Indigenous Reconciliation Fund	55,564	-	55,564	72,026
Insurance	370,270	-	370,270	324,275
Parish activities, programs and supplies	248,167	-	248,167	279,602
Stipends	223,156	-	223,156	221,388
Youth and childrens' programs	56,411	-	56,411	41,884
Fundraising	126,119	-	126,119	64,259
	7,688,913	-	7,688,913	7,148,894
EXCESS REVENUE OVER EXPENSES BEFORE UNDERNOTED				
Donations revenue (capital)	550,236	-	550,236	611,037
WSIB ,Energy rebates & Governor grant	56,751	-	56,751	165,981
Administration fees	-	-	-	(59,136)
Capital expenditures	(2,230,299)	-	(2,230,299)	(1,511,055)
Interest income on term deposits	162,357	-	162,357	131,807
Interest expense on parish loans	(63,056)	-	(63,056)	(22,987)
Amortization of capital assets	(99,309)	-	(99,309)	(105,093)
(DEFICIENCY OF) EXCESS REVENUE OVER EXPENSES				
	(736,062)	-	(736,062)	(239,235)
FUND BALANCE, BEGINNING OF YEAR	15,944,379	350,373	16,294,752	16,533,987
FUND BALANCE, END OF YEAR	\$ 15,208,317	\$ 350,373	\$ 15,558,690	\$ 16,294,752

See Accompanying Notes

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

NOTES TO FINANCIAL INFORMATION

AS AT DECEMBER 31, 2023

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, 2023 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 may report some balances on a cash basis while the other segments report all expenses on an accrual 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 Centre, 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.

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

NOTES TO FINANCIAL INFORMATION

AS AT DECEMBER 31, 2023

(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, private loan, cemetery term deposits and funds held in trust.

(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 (2022 - \$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%	declining 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, 2023

3. Fund Balances

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

	General - Unrestricted	Restricted	2023
Diocesan Pastoral Centre	\$ (2,224,010)	\$ 743,425	\$ (1,480,585)
Parishes	8,247,140	350,373	8,597,513
Priest Benefit Fund	-	10,747,200	10,747,200
Seminarian Fund	334,918	1,346,787	1,681,705
Guy Mills Court	-	514,490	514,490
	\$ 6,358,048	\$ 13,702,275	\$ 20,060,323

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

	General - Unrestricted	Restricted	2022
Diocesan Pastoral Centre	\$ (2,218,724)	\$ 743,425	\$ (1,475,299)
Parishes	8,884,568	350,373	9,234,941
Priest Benefit Fund	-	9,472,857	9,472,857
Seminarian Fund	204,659	1,346,787	1,551,446
Guy Mills Court	-	753,085	753,085
	\$ 6,870,503	\$ 12,666,527	\$ 19,537,030

Parishes:

Parish restricted funds are comprised of:

	2023	2022
Charitable remainder trust	\$ 11,749	\$ 11,749
Bequest	38,624	38,624
Restricted donation	300,000	300,000
	\$ 350,373	\$ 350,373

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, 2023

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))

	2023	2022
General fund - externally restricted	\$ 40,569	\$ 82,045
Restricted reserve fund - externally restricted	473,921	671,040
	\$ 514,490	\$ 753,085

4. Clergy loans receivable

During the December 31, 2023 fiscal year the Corporation issued two vehicle loans of \$31,000. The loans are unsecured, bearing interest at the Canada Revenue Agency prescribed interest rate plus 2%, calculated annually on October 1, payable in monthly installments of \$260 and \$710, maturing February 15, 2025 and September 15, 2026. During the December 31, 2020 fiscal year the Corporation issued two vehicle loans of \$26,000. The loans were unsecured, bearing interest at the Canada Revenue Agency prescribed interest rate plus 2%, calculated annually on October 1, were payable in monthly installments of \$310 and \$500, and matured on July 13 and November 15, 2023.

5. Capital Assets

	2023	2022
Land	\$ 5,730,097	\$ 5,730,097
Buildings	73,604,912	73,604,912
Furniture and equipment	7,073,935	7,073,260
	86,408,944	86,408,269
Less: accumulated amortization	(76,923,205)	(76,722,024)
	\$ 9,485,739	\$ 9,686,245

6. Deferred Revenue

Deferred revenue is comprised of:

	2023	2022
Diocesan Pastoral Centre activities	\$ 52,790	\$ 234,293
Parish activities and deferred proceeds on sale of assets	1,023,233	961,563
Current	1,076,023	1,195,856
Guy Mills Court - related to capital assets	1,424,602	1,500,160
	\$ 2,500,625	\$ 2,696,016

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

NOTES TO FINANCIAL INFORMATION

AS AT DECEMBER 31, 2023

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 in the amount of \$370,000 (2022 - \$595,200) are invested with the Royal Bank of Canada in Canadian Banking and Utilities Market term deposits with a minimum fixed rate return from .01% to 7.00% 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:

	2023	2022
Diocesan Pastoral Centre	\$ 23,233	\$ 22,998
Parishes	30,800	30,800
	\$ 54,033	\$ 53,798

9. Private Loan

During the December 31, 2023 fiscal year the Corporation obtained private loan funding in the amount of \$1,000,000. The promissory note is unsecured with a variable interest rate subject to change of 4.00%, requiring monthly principal and interest payments of \$8,333, maturing July 1, 2036.

During the December 31, 2018 fiscal year the Corporation obtained private loan funding in the amount of \$600,000. The loan was non-interest bearing, unsecured, had no set terms of repayment and was 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. 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 (2022 - \$334,000).

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

NOTES TO FINANCIAL INFORMATION

AS AT DECEMBER 31, 2023

10. Bank Credit Facility (Continued)

(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 \$390,293 (2022 - \$267,763), and a current interest rate of 5.99% (2022 - 6.05%), requiring monthly principal and interest payments of \$3,373 (2022 - \$5,250), maturing February 1, 2024 (2022 - October 16, 2023).

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.

11. 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, 2024 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, 2021.

As at January 1, 2024 the market value of the fund was \$10,217,000, and total actuarial liabilities were \$8,583,000 resulting in a funded ratio of 119%, and an actuarial surplus of \$1,634,000. There is no recognition of this actuarial surplus in these financial statements. The Corporation intends to have the valuation updated every three years.

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 \$58,573 (2022 - \$45,336).

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:

	2023	2022
Cost	\$ 13,670,082	\$ 13,170,093
Fair Market Value	\$ 14,996,395	\$ 13,365,168

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

NOTES TO FINANCIAL INFORMATION

AS AT DECEMBER 31, 2023

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.
