

**The Roman Catholic Episcopal Corporation  
of Halifax  
Non-Consolidated Financial Statements**  
*December 31, 2020*

# The Roman Catholic Episcopal Corporation of Halifax

## Contents

For the year ended December 31, 2020

---

	<i>Page</i>
<b>Independent Auditor's Report</b>	
<b>Non-Consolidated Financial Statements</b>	
Non-Consolidated Statement of Financial Position.....	1
Non-Consolidated Statement of Operations.....	2
Non-Consolidated Statement of Changes in Net Assets.....	3
Non-Consolidated Statement of Cash Flows.....	4
<b>Notes to the Non-Consolidated Financial Statements.....</b>	<b>5</b>
<b>Schedules</b>	
Schedule 1 - Non-Consolidated Schedule of Changes in Diocesan Designated Funds.....	16
Schedule 2 - Non-Consolidated Schedule of Changes in Diocesan Trust Funds.....	18
Schedule 3 - Non-Consolidated Schedule of Expenditures .....	19

---

To The Most Reverend Brian Dunn Archbishop of The Roman Catholic Episcopal Corporation of Halifax:

## Qualified Opinion

We have audited the non-consolidated financial statements of The Roman Catholic Episcopal Corporation of Halifax (the "Corporation"), which comprise the statement of financial position as at December 31, 2020, the statements of operations, changes in net assets, cash flows and the related schedules for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects, if any of the matters described in the Basis for Qualified Opinion section of our report, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

## Basis for Qualified Opinion

In common with many charitable organizations, the organization derives many different types of revenues from the general public, including donations, contributions, bequests and gifts, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amount recorded in the records of the Corporation and we were not able to determine whether any adjustments might be necessary to the non-consolidated financial statements.

The Corporation controls numerous parishes as part of its operations, the assets, liabilities, net assets and operating results of which should be disclosed in the notes to the non-consolidated financial statements. The cost of providing this information outweighs the benefit as management has access to the financial statements of the controlled entities. Therefore, this disclosure is not provided in the non-consolidated financial statements.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Non-Consolidated Financial Statements section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

## Emphasis of Matter

We draw attention to Note 1 of the non-consolidated financial statements which describes the basis of presentation used in preparing these non-consolidated financial statements.

We draw attention to Note 19 of the non-consolidated financial statements, which describes a class action lawsuit in which the Corporation has been named. Our opinion has not been modified in respect of this matter.

## Responsibilities of Management and Those Charged with Governance for the Non-Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our qualified opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our qualified opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Dartmouth, Nova Scotia

July 27, 2021

*MNP* LLP

Chartered Professional Accountants

**The Roman Catholic Episcopal Corporation of Halifax**  
**Non-Consolidated Statement of Financial Position**

*As at December 31, 2020*

	<i>General Funds</i>	<i>Designated Funds</i>	<i>Trust Funds</i>	<i>Building Our Future Trust</i>	<i>Perpetual Care Fund</i>	<i>2020</i>	<i>2019</i>
<b>Assets</b>							
<b>Current</b>							
Cash (Note 3)	256,698	-	-	-	-	256,698	270,969
Short-term investments (Note 3)	6,062,053	-	-	-	-	6,062,053	5,201,633
Accounts receivable (Note 4)	968,840	-	-	-	-	968,840	714,479
Prepaid expenses	144,723	-	-	-	-	144,723	77,668
Asset held for sale (Note 5)	894,375	-	-	-	-	894,375	-
	<b>8,326,689</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,326,689</b>	<b>6,264,749</b>
Long-term investments (Note 6)	29,218,096	-	3,221,701	9,501,020	2,593,432	44,534,249	42,959,142
Long-term amounts receivable (Note 7)	672,342	-	-	-	-	672,342	951,931
Capital assets (Note 8)	4,168,337	-	-	-	-	4,168,336	5,133,877
Due (to) from funds (Note 9)	(15,317,756)	17,485,781	(228,029)	(2,194,754)	254,758	-	-
	<b>27,067,708</b>	<b>17,485,781</b>	<b>2,993,672</b>	<b>7,306,266</b>	<b>2,848,190</b>	<b>57,701,616</b>	<b>55,309,699</b>
<b>Liabilities</b>							
<b>Current</b>							
Accounts payable and accruals	729,137	-	-	-	-	729,136	676,293
Special purpose funds (Note 11)	462,516	-	-	-	-	462,516	423,012
Deferred contributions (Note 12)	40,150	-	-	-	-	40,150	68,400
Current portion of parish deposits (Note 14)	265,000	-	-	-	-	265,000	63,000
Current portion of deferred lease inducements (Note 15)	15,108	-	-	-	-	15,108	5,248
	<b>1,511,911</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,511,910</b>	<b>1,235,953</b>
Deferred contributions (Note 13)	1,303,169	-	-	-	-	1,303,169	870,144
Parish and other deposits (Note 14)	12,402,494	-	-	-	-	12,402,494	11,839,068
Deferred lease inducement (Note 15)	119,603	-	-	-	-	119,603	46,797
Accrued benefit obligation (Note 16)	1,966,287	-	-	-	-	1,966,287	1,995,132
	<b>17,303,464</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,303,463</b>	<b>15,987,094</b>
<b>Commitments (Note 18)</b>							
<b>Contingent liabilities (Note 19)</b>							
<b>COVID-19 (Note 1)</b>							
<b>Net Assets</b>							
Invested in capital assets	3,759,543	-	-	-	-	3,759,543	4,263,735
Externally restricted	-	4,040,517	2,993,672	7,306,266	2,848,190	17,188,645	17,336,550
Internally restricted	-	13,445,264	-	-	-	13,445,264	12,705,292
Unrestricted	6,004,701	-	-	-	-	6,004,701	5,017,028
	<b>9,764,244</b>	<b>17,485,781</b>	<b>2,993,672</b>	<b>7,306,266</b>	<b>2,848,190</b>	<b>40,398,153</b>	<b>39,322,605</b>
	<b>27,067,708</b>	<b>17,485,781</b>	<b>2,993,672</b>	<b>7,306,266</b>	<b>2,848,190</b>	<b>57,701,616</b>	<b>55,309,699</b>

Approved on behalf of Most Reverend Brian Dunn

Archbishop of Halifax

The accompanying notes are an integral part of these non-consolidated financial statements

**The Roman Catholic Episcopal Corporation of Halifax**  
**Non-Consolidated Statement of Operations**

*For the year ended December 31, 2020*

	<i>General Fund</i>	<i>Designated Funds</i>	<i>Trust Funds</i>	<i>Building Our Future Trust</i>	<i>Perpetual Care Fund</i>	<b>2020</b>	<b>2019</b>
<b>Revenues</b>							
Investment income	649,033	481,002	68,718	293,250	94,746	1,586,749	2,056,034
Parish assessments	643,679	-	-	-	-	643,679	1,262,412
Contributions, donations and subscriptions	-	561,715	-	-	57,435	619,150	1,627,395
Bequests and gifts	17,683	-	-	-	-	17,683	27,000
Interest on loans to Parishes and others	24,956	-	-	-	-	24,956	82,937
Community collection	129,500	-	-	-	-	129,500	123,000
Other miscellaneous revenues	6,043	-	-	-	-	6,043	75,001
Government assistance	688,662	-	-	-	-	688,662	-
	<b>2,159,556</b>	<b>1,042,717</b>	<b>68,718</b>	<b>293,250</b>	<b>152,181</b>	<b>3,716,422</b>	<b>5,253,779</b>
<b>Expenditures (per Schedules)</b>	<b>1,514,928</b>	<b>1,322,997</b>	<b>257,165</b>	<b>521,615</b>	<b>142,137</b>	<b>3,758,842</b>	<b>4,671,773</b>
<b>Excess (Deficiency) of revenue over expenditures before other items</b>	<b>644,628</b>	<b>(280,280)</b>	<b>(188,447)</b>	<b>(228,365)</b>	<b>10,044</b>	<b>(42,420)</b>	<b>582,006</b>
<b>Other items</b>							
Mediation settlements and legal fees	(23,653)	-	-	-	-	(23,653)	(11,722)
Special property parish assessment	89,434	-	-	-	-	89,434	1,249,448
Interest on parish funds <i>(Note 17)</i>	(305,201)	-	-	-	-	(305,201)	(334,072)
Investment management and custodial	(157,144)	-	-	-	-	(157,144)	(130,617)
Bad debt recovery (expense)	8,336	-	-	-	-	8,336	(23,307)
Write-down of capital assets <i>(Note 5)</i>	(86,550)	-	-	-	-	(86,550)	-
Gain (Loss) on disposition of investments	574,313	432,326	406,116	586,515	(818)	1,998,452	(146,822)
Unrealized gain (loss) on investments	(90,616)	-	(429,386)	(310,743)	95,104	(735,641)	3,742,291
Gain on disposal of capital assets	301,090	-	-	-	-	301,090	51,453
	<b>310,009</b>	<b>432,326</b>	<b>(23,270)</b>	<b>275,772</b>	<b>94,286</b>	<b>1,089,123</b>	<b>4,396,652</b>
<b>Excess (Deficiency) of revenue over expenses</b>	<b>954,637</b>	<b>152,046</b>	<b>(211,717)</b>	<b>47,407</b>	<b>104,330</b>	<b>1,046,703</b>	<b>4,978,658</b>

*The accompanying notes are an integral part of these non-consolidated financial statements*

**The Roman Catholic Episcopal Corporation of Halifax**  
**Non-Consolidated Statement of Changes in Net Assets**

*For the year ended December 31, 2020*

	<i>General Funds</i>	<i>Invested in Capital Assets</i>	<i>Designated Funds (Schedule 1)</i>	<i>Trust Funds (Schedule 2)</i>	<i>Building Our Future Trust</i>	<i>Perpetual Care Fund</i>	<b>2020</b>	<b>2019</b>
<b>Net assets beginning of year</b>	<b>4,517,027</b>	<b>4,263,735</b>	<b>17,333,735</b>	<b>3,205,389</b>	<b>7,258,859</b>	<b>2,743,860</b>	<b>39,322,605</b>	34,567,790
<b>Excess (Deficiency) of revenue over expenses</b>	<b>954,637</b>	-	<b>152,046</b>	<b>(211,717)</b>	<b>47,407</b>	<b>104,330</b>	<b>1,046,703</b>	4,978,658
<b>Retirement benefits expenditure (recovery) (Note 16)</b>	<b>28,845</b>	-	-	-	-	-	<b>28,845</b>	(223,843)
<b>Additions of capital assets</b>	<b>(295,702)</b>	<b>295,702</b>	-	-	-	-	-	-
<b>Amortization of capital assets</b>	<b>280,317</b>	<b>(280,317)</b>	-	-	-	-	-	-
<b>Additions of deferred contributions</b>	<b>476,358</b>	<b>(476,358)</b>	-	-	-	-	-	-
<b>Amortization of deferred contributions</b>	<b>(43,333)</b>	<b>43,333</b>	-	-	-	-	-	-
<b>Writedown of capital assets (Note 5)</b>	<b>86,552</b>	<b>(86,552)</b>	-	-	-	-	-	-
<b>Net assets, end of year</b>	<b>6,004,701</b>	<b>3,759,543</b>	<b>17,485,781</b>	<b>2,993,672</b>	<b>7,306,266</b>	<b>2,848,190</b>	<b>40,398,153</b>	39,322,605

*The accompanying notes are an integral part of these non-consolidated financial statements*

**The Roman Catholic Episcopal Corporation of Halifax**  
**Non-Consolidated Statement of Cash Flows**

*For the year ended December 31, 2020*

	<i>General Funds</i>	<i>Designated Funds</i>	<i>Trust Funds</i>	<i>Building Our Future Trust</i>	<i>Perpetual Care Fund</i>	<b>2020</b>	<b>2019</b>
<b>Cash provided by (used for) the following activities</b>							
<b>Operating</b>							
Excess (Deficiency) of revenue over expenses	954,637	152,046	(211,717)	47,407	104,330	1,046,703	4,978,658
Amortization	280,317	-	-	-	-	280,317	257,775
(Gain) Loss on disposition of investments	(574,313)	(432,326)	(406,115)	(586,515)	818	(1,998,452)	146,822
Gain on disposal of capital assets	(301,090)	-	-	-	-	(301,090)	(51,453)
Write-down on capital assets	86,550	-	-	-	-	86,550	-
Unrealized loss (gain) on investments	90,616	-	429,386	310,743	(95,104)	735,641	(3,742,291)
Amortization of deferred lease inducements	(20,833)	-	-	-	-	(20,833)	52,045
Amortization of deferred capital contributions	(43,333)	-	-	-	-	(43,333)	(76,942)
	472,551	(280,280)	(188,446)	(228,365)	10,044	(214,497)	1,564,614
Changes in working capital accounts <i>(Note 21)</i>	(257,318)	-	-	-	-	(257,318)	(141,037)
	215,233	(280,280)	(188,446)	(228,365)	10,044	(471,815)	1,423,577
<b>Financing</b>							
Increase (decrease) in parish and other deposits	765,426	-	-	-	-	765,426	(2,669,512)
Increase (decrease) in due (to) from other funds	(394,579)	(152,046)	216,602	339,167	(9,144)	-	-
Receipt of deferred lease inducement	103,499	-	-	-	-	103,499	-
Receipt of deferred capital contributions	476,358	-	-	-	-	476,358	-
	950,704	(152,046)	216,602	339,167	(9,144)	1,345,283	(2,669,512)
<b>Investing</b>							
Purchase of capital assets	(295,701)	-	-	-	-	(295,701)	(1,329,141)
Proceeds on disposal of capital assets	301,090	-	-	-	-	301,090	191,181
Purchase of investments	(1,465,186)	432,326	(28,156)	(110,802)	(900)	(1,172,717)	(3,194,171)
Proceeds on disposal of investments	-	-	-	-	-	-	1,673,561
Repayments of long-term amounts receivable	279,589	-	-	-	-	279,589	863,638
	(1,180,208)	432,326	(28,156)	(110,802)	(900)	(887,739)	(1,794,932)
<b>Decrease in cash resources</b>	<b>(14,271)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14,271)</b>	<b>(3,040,867)</b>
<b>Cash resources, beginning of year</b>	<b>270,969</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>270,969</b>	<b>3,311,836</b>
<b>Cash resources, end of year</b>	<b>256,698</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>256,698</b>	<b>270,969</b>

*The accompanying notes are an integral part of these non-consolidated financial statements*

# The Roman Catholic Episcopal Corporation of Halifax

## Notes to the Non-Consolidated Financial Statements

For the year ended December 31, 2020

---

### 1. Status and purpose of the Organization

The Roman Catholic Episcopal Corporation of Halifax (the "Corporation") was incorporated as a corporation sole under the statutes of the Province of Nova Scotia on March 31, 1849. The Corporation is a registered charity and, as a result, is exempt from income tax pursuant to paragraph 149 (1) (f) of the Income Tax Act.

The Corporation is the ministerial and administrative center for the Archdiocese of Halifax. Its purpose is to provide support and services to the parishes within the counties of Halifax, Hants, Colchester, Cumberland, Queens and Lunenburg, Nova Scotia.

The Archdiocese of Halifax controls several related entities including the parishes. Related party transactions are disclosed in Note 17.

These non-consolidated financial statements reflect the assets, liabilities and operations of the Corporation, including the operations of the Catholic Diocesan Center and St. Mary's Cathedral Basilica, which is the church of the Catholic Bishop of Halifax. The non-consolidated financial statements also include the assets and operating results for the Building our Future Trust, which is a legal trust controlled by the Archdiocese. The non-consolidated financial statements do not reflect the assets, liabilities, and operations of the parishes within the Archdiocese or any other related entities. The financial statements of these entities, including the St. Mary's Cathedral Basilica Foundation, are all readily available to management.

#### **COVID-19**

During the year, there was a global outbreak of COVID-19 (Coronavirus), which has had a significant impact on businesses and organizations through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. These restrictions caused a disruption to the normal operations at the Roman Catholic Episcopal Corporation (the "Corporation"). In response, the Corporation moved all daily masses to on-line and implemented remote working arrangements for all employees. The Corporation relieved parish assessments from March 2020 to August 2020.

While the duration and impact of the COVID-19 outbreak is unknown at this time. The Corporation expects the impacts to its operations to include reduced parish assessments and donation revenue, workforce adjustments, postponement and or cancellation of planned future events, and fluctuations in the valuation of its investment portfolio. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Corporation in future periods.

#### *Canada Emergency Wage Subsidy (CEWS)*

The CEWS program was provided by the Federal government to ensure organizations maintained employees. The Corporation was able to utilize the CEWS program to maintain employees in the face of a significant decline in events.

CEWS provides a wage subsidy on eligible remuneration, subject to limits per employee, to eligible employers based on certain criteria, including demonstration of revenue declines as a result of COVID-19. The subsidy was retroactive to March 15, 2020. The qualification and application of the CEWS is being assessed over multiple four-week application periods. The Corporation has determined that it qualified for this subsidy from March 15, 2020 through December 31, 2020 and has, accordingly, applied for the CEWS. The Corporation recognizes government assistance when there is reasonable assurance that it will comply with the conditions required to qualify for the assistance. The Corporation has recognized government assistance of \$688,662 for CEWS. Subsequent to year end, the Corporation has applied to receive the CEWS in the amount of \$54,990 for the period covering January 1 through March 13, 2021.

### 2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations set out in Part III of the CPA Canada Handbook - Accounting, as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

# The Roman Catholic Episcopal Corporation of Halifax

## Notes to the Non-Consolidated Financial Statements

For the year ended December 31, 2020

---

### 2. Significant accounting policies (Continued from previous page)

#### **Fund accounting**

The Corporation follows the restricted fund method of accounting for contributions, and maintains five funds: the Diocesan General Funds, the Diocesan Designated Funds, the Diocesan Trust Funds, the Building Our Future Trust Fund and the Perpetual Care Fund.

#### *General Fund*

The General Fund reports the general operations of the Corporation. The main sources of revenue are investment income, parish assessments and interest on loans to parishes and others. There are a variety of expenditures, as set out in the schedule of expenditures. Restricted contributions for which no corresponding restricted fund exists are included in the General Fund.

#### *Designated Funds*

The Designated Funds of the Corporation are used to fund specific purposes, as either internally or externally restricted. Presently, the funds are used for the purposes set out in the Schedule of Diocesan Designated Funds. Both the income and principal of the Designated Funds may be expended.

#### *Trust Funds*

The Trust Funds of the Corporation are established to honour the restricted purposes of the donors as set out in the Schedule of Diocesan Trust Funds. Generally, only the income earned by the trusts may be expended.

#### *Building Our Future Trust*

In 1985, the Corporation commenced a fund-raising campaign for the purpose of funding, on an equal basis, priestly development, pastoral services and social outreach. A trust was settled by the Corporation on April 9, 2002. Funds raised were deposited into the Trust with the intent that only income earned on the Trust principal will fund the programs. Trustees have been appointed pursuant to a trust agreement which was finalized in 2003.

#### *Perpetual Care Fund*

The Perpetual Care Fund is an investment fund of the Corporation. The revenue of the fund is generated by a portion of payments on cemetery plots and niches which are listed as subscriptions to the fund. Investment income earned by the fund is transferred to operations as a recovery to the Catholic Cemeteries of Halifax cost center to cover cemetery maintenance expenses.

#### **Cash and cash equivalents**

Cash and cash equivalents include balances with banks and short-term investments with maturities of three months or less. The Corporation's policy is to disclose bank balances under cash and cash equivalents, including balances held at a financial institution.

#### **Pledges**

Pledges are recorded in income when the amount to be received can be reasonably estimated and ultimate collection is reasonably assured. The amount of pledges recognized as receivable as at year end and recorded on the non-consolidated financial statements is \$20,000 (2019 - \$20,000).

#### **Investments**

Investments are accounted for at market value. The market value of the guaranteed investment certificates is the principal cost plus accrued interest. The market value of the Corporation's portfolio of securities is determined based on the closing price reported on recognized securities exchanges and on over-the-counter markets. Such indicated market values do not necessarily represent the realizable value of the total holding of any security, which may be more or less than that indicated by market quotations. Investment transactions are accounted for on the trade date and realized gains and losses from such transactions are calculated on the average cost basis.

# The Roman Catholic Episcopal Corporation of Halifax

## Notes to the Non-Consolidated Financial Statements

For the year ended December 31, 2020

### 2. Significant accounting policies (Continued from previous page)

#### **Capital assets**

Land and buildings are carried at appraised values as of October 1, 1951 with subsequent additions and building alterations at cost, except for cemetery properties which are carried at a nominal value. Significant acquisitions of furnishings, fixtures and office equipment are capitalized at cost.

Amortization is provided using the straight-line method over the estimated economic lives to the extent of their salvage values.

	<b>Rate</b>
Buildings	3-40 years
Furniture and fixtures	3-10 years

#### **Long-lived assets and discontinued operations**

Long-lived assets consists of capital assets. Long-lived assets held for use are measured and amortized as described in the applicable accounting policies.

The Corporation writes down long-lived assets held for use when the value of future economic benefits or service potential associated with the asset is less than its net carrying amount. When the Corporation determines that a long-lived asset is impaired, its carrying amount is written down to the asset's fair value.

#### **Deferred Contributions - Capital Assets**

Restricted contributions for the purchase of capital assets are deferred and amortized on the same basis as the underlying capital asset purchased. Amortization is provided using the straight-line method over the estimated economic lives of the respective assets.

#### **Deferred Lease Inducement**

The deferred lease inducement is comprised of four months free rent as well as contributions towards leasehold improvements. The benefits have been capitalized and are being amortized over the initial lease term of ten years and six and a half months.

#### **Revenue recognition**

Investment income is recognized on the accrual basis, parish assessment revenue is recognized in the year of assessment, and other revenue including contributions, donations and subscriptions is recognized when ultimate collection is reasonably assured.

Externally restricted contributions for which no corresponding fund exists are recognized as revenue of the general fund when the expenditure is incurred.

#### **Government assistance**

Government assistance is recorded in the non-consolidated financial statements when there is reasonable assurance that the Corporation has and will continue to comply with all conditions necessary to obtain the assistance and collection is reasonably assured. Government assistance is recorded as revenue on the statement of operations.

#### **Employee Benefit Plans**

The Corporation has a defined benefit plan to provide a room and board allowance and certain health benefits for its priests upon retirement. The Corporation uses the immediate recognition approach to account for its defined benefit plan. The Corporation uses the funding valuation to measure its benefit obligations and recognizes all past service costs and actuarial gains and losses in the statement of changes in net assets in the period they arise.

The Corporation also provides a defined benefit pension plan for its lay employees and deacons. This plan is a multi-employer plan and as such has been accounted for as a defined contribution pension plan. The defined benefit plan was wound up effective December 31, 2016, and was replaced with a defined contribution plan effective January 1, 2017. The defined benefit plan will continue to provide the benefited service that has been built up over time.

The Corporation has other defined contribution plans covering its registered priests, laypersons and deacons. Contributions to the defined contribution pension plans are expensed as incurred.

# The Roman Catholic Episcopal Corporation of Halifax

## Notes to the Non-Consolidated Financial Statements

For the year ended December 31, 2020

---

### 2. Significant accounting policies (Continued from previous page)

#### **Contributed materials**

A number of volunteers contribute their time each year, and materials are sometimes donated to the Corporation. Due to the difficulty of determining the fair value of these items, no amounts are recognized in the non-consolidated financial statements.

#### **Financial instruments**

The Corporation recognizes its financial instruments when the Corporation becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value, including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with Section 3840 *Related Party Transactions* (refer to Note 17).

At initial recognition, the Corporation may irrevocably elect to subsequently measure any financial instrument at fair value. The Corporation has not made such an election during the year. Investments have been designated to be subsequently measured at its fair value. Fair value for publicly traded securities is determined by the latest bid prices, and pooled funds are determined by the reported unit values.

The Corporation subsequently measures investments in equity instruments quoted in an active market at fair value. Fair value for publicly traded securities is determined by the latest bid prices, and pooled funds are determined by the reported unit values.

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of any write-down is recognized in the non-consolidated statement of operations. Any previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized perviously. The amount of any reversal is recognized in the non-consolidated statement of operations.

Transaction costs and financing fees directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in the excess of revenues over expenses for the current period. Conversely, transaction costs and financing fees are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

#### **Measurement uncertainty (use of estimates)**

The preparation of non-consolidated financial statements in conformity with Canadian accounting standards for not-for-profit organizations 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 non-consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period.

Accounts receivable and long-term amounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts or impairment is provided where considered necessary. Amortization is based on the estimated useful lives of capital assets.

By their nature, these judgments are subject to measurement uncertainty, and the effect on the financial statements of changes in such estimates and assumptions in future years could be material. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues over expenses in the years in which they become known.

### 3. Cash and short-term investments

Cash includes a high-interest savings account earning 0.65% interest with a balance of \$2,408 (2019 - \$1,486) at year end. Included in short-term investments are guaranteed investment certificates with principal amounts of \$2,000,000, \$3,000,000 and \$1,027,000 bearing interest at 0.95%, 1.05% and 2.75%, respectively (2019 - \$2,000,000 and \$3,164,000 bearing interest at 2.73% and 2.30%, respectively).

# The Roman Catholic Episcopal Corporation of Halifax

## Notes to the Non-Consolidated Financial Statements

*For the year ended December 31, 2020*

#### 4. Accounts receivable

	2020	2019
Parishes (controlled entities)	342,213	232,518
Other receivables	618,798	487,503
HST receivable	11,193	82,096
	972,204	802,117
Allowance for doubtful accounts	(3,364)	(87,638)
	968,840	714,479

#### 5. Asset held for sale

The Corporation held a building for sale which closed on March 31, 2021. The proceeds on disposal were \$894,375. A loss of \$86,552 was recorded as a write down of capital assets to the net realizable value.

#### 6. Long-term investments

	2020	2019
<b>General</b>		
Equities	16,147,404	14,675,032
Fixed income	13,035,186	13,040,373
Cash and short-term investments	35,506	414,232
	29,218,096	28,129,637
<b>Trust</b>		
Equities	3,221,701	3,094,788
Cash and short-term investments	-	122,027
	3,221,701	3,216,815
<b>Building Our Future</b>		
Equities	7,248,669	6,927,478
Fixed income	2,189,280	2,046,242
Cash and short-term investments	63,071	140,725
	9,501,020	9,114,445
<b>Perpetual Care</b>		
Equities	718,831	187,336
Fixed income	1,542,924	2,031,189
Cash and short-term investments	331,677	279,721
	2,593,432	2,498,246

# The Roman Catholic Episcopal Corporation of Halifax

## Notes to the Non-Consolidated Financial Statements

*For the year ended December 31, 2020*

### 7. Long-term amounts receivable

The long-term amounts receivable consists of three items, the long-term portion of accounts receivable from parishes and other dioceses that are being financed and are not expected to be collected within the next twelve months, long-term loans to parishes and an advance due from an employee.

The long-term accounts receivable and long-term loans to parishes bear interest at prime plus 1.75% and have no specified repayment terms. In preparation for the merger of parishes as of January 1, 2020, repayment arrangements were established on certain long-term loans and interest was waived. In 2021, interest is being waived on the remaining long-term loans. Impairment is assessed annually. When a loan is considered to be impaired, an appropriate allowance for impairment is made.

The following amounts are included in long-term amounts receivable:

	<b>2020</b>	2019
Loans to parishes (controlled entities)	<b>727,387</b>	1,028,779
Less: impairment allowance	<b>(146,848)</b>	(152,876)
	<b>580,539</b>	875,903
Long-term accounts receivable (net of allowance for doubtful accounts of \$142,342; 2019 - \$105,673)	<b>88,303</b>	72,528
Due from an employee	<b>3,500</b>	3,500
	<b>672,342</b>	951,931

### 8. Capital assets

	<b>Cost</b>	<b>Accumulated amortization</b>	<b>2020 Net book value</b>	2019 Net book value
Land	<b>387,370</b>	-	<b>387,370</b>	993,295
Buildings	<b>5,396,984</b>	<b>1,825,817</b>	<b>3,571,167</b>	3,952,900
Furniture and fixtures	<b>727,952</b>	<b>518,153</b>	<b>209,799</b>	187,682
	<b>6,512,306</b>	<b>2,343,970</b>	<b>4,168,336</b>	5,133,877

### 9. Inter-fund loans

The Designated Funds have a loan balance due from the General Fund. This loan is non-interest bearing. The full amount of this loan balance has been invested in long-term investments on behalf of the Designated Funds; therefore, the Designated Funds earn their proportionate share of the realized investment income.

The Perpetual Care Fund has a loan balance due from the General Fund. This loan is non-interest bearing. The Trust Funds and Building Our Future Trust have loan balances due to the General Fund. These loans are non-interest bearing. The inter-fund loans have no set terms of repayment and, accordingly, these loans have been classified as long-term.

### 10. Bank indebtedness

The Corporation has an available operating line of credit to a maximum of \$5,000,000 (2019 - \$5,000,000) of which \$nil (2019 - \$nil) was drawn down. This operating line of credit bears interest at prime plus 0.50% and requires monthly interest payments. The operating line of credit is secured by a first charge over the property at 45 Radcliffe Drive, Halifax, Nova Scotia, in the amount of \$8.5 million.

The Corporation has available a Corporate MasterCard to finance operations to a maximum of \$250,000 (2019 - \$250,000) of which \$nil (2019 - \$3,827) was drawn down at December 31, 2020.

# The Roman Catholic Episcopal Corporation of Halifax

## Notes to the Non-Consolidated Financial Statements

*For the year ended December 31, 2020*

### 11. Special purpose funds

	<b>2020</b>	2019
Balance, beginning of year	<b>423,012</b>	495,091
Contributions received during the year	<b>216,150</b>	79,557
Amount spent on expenses during the year	<b>(176,646)</b>	(151,636)
Balance, end of year	<b>462,516</b>	423,012

### 12. Deferred contributions

Deferred contributions consist of two amounts, being contributions that have been externally restricted for specific expenses that have not been incurred for which no corresponding restricted fund exists, and contributions received that have been externally restricted to fund capital expenditures. See note 13 for deferred contributions that have been externally restricted to fund capital expenditures.

The changes in balances of the deferred contributions externally restricted for specific expenses are as follows:

	<b>2020</b>	2019
Balance, beginning of year	<b>68,400</b>	98,745
Contributions received during the year	<b>841</b>	876
Amount spent on expenses during the year	<b>(29,092)</b>	(31,221)
Balance, end of year	<b>40,149</b>	68,400

### 13. Deferred contributions related to capital assets

Deferred contributions related to capital assets represent the unamortized amount of externally restricted contributions received for the purchase of capital assets. The amortization of such contributions is netted against amortization expense in the statement of net assets.

The changes in the balances of the deferred contributions related to capital assets are as follows:

	<b>2020</b>	2019
Balance, beginning of year	<b>870,144</b>	947,086
Contributions received during the year	<b>476,358</b>	-
Contributions recognized as a reduction of amortization expense	<b>(43,333)</b>	(76,942)
Balance, end of year	<b>1,303,169</b>	870,144

# The Roman Catholic Episcopal Corporation of Halifax

## Notes to the Non-Consolidated Financial Statements

*For the year ended December 31, 2020*

### 14. Parish and other deposits

These deposits bear interest at prime less 1.5% and have no specified repayment terms. The Corporation usually has advance warning of any upcoming repayments to be requested on these loans. Amounts requested and not yet paid have been classified as current payables. The remaining balances have been classified as long-term.

The parish and other deposit balances outstanding at year end include the following:

	<b>2020</b>	2019
Due to parishes (controlled entities)	<b>12,667,494</b>	11,902,068
Less: current portion	<b>265,000</b>	63,000
	<b>12,402,494</b>	11,839,068

### 15. Deferred lease inducement

During the year the Corporation received a leasehold improvement credit from their landlord to cover certain leasehold improvements. The total credit received amounted to \$103,054 which has been capitalized and will be amortized straight-line over the remaining term of the lease agreement.

In the prior year the Corporation received four months of free basic rent of \$15 per square foot of rentable space. The Corporation had 11,065 square feet of rentable space. The free rent of \$55,325 has been capitalized and will be amortized straight-line over the remaining term of the lease agreement.

### 16. Pension and other retirement benefit plans

The Corporation participates in a number of employee benefit plans, including: a defined benefit plan to provide for the room, board and medical costs of retired priests; a defined benefit pension plan for the lay employees and deacons of the Archdiocese and its parishes; a defined contribution pension plan for the priests of the Archdiocese and its parishes; a defined contribution pension plan for the lay employees and deacons of the Archdiocese; a defined contribution registered retirement savings plan for the unregistered priests of the Archdiocese and its parishes; and, a defined contribution registered retirement savings plan for the registered priests of the Archdiocese and its parishes.

The first defined benefit plan provides an allowance for the room and board of the retired priests, as well as providing health benefits. The Corporation revised the provisions of this plan and the annual benefit for new retirees associated with the plan in a prior year. Under this plan, each priest is entitled to a fixed payment each month determined by the month and year of retirement. This benefit ranges from \$10,000 annually to \$2,000 as noted below:

<b>Year in which a Priest attains age 70</b>	<b>Annual Benefit</b>
2011 - 2012	10,000
2013 - 2014	8,000
2015 - 2016	6,000
2017 - 2018	4,000
2019	2,000
2020 and after	-

The defined benefit obligation of this plan at December 31, 2020 is \$1,966,287 (2019 - \$1,995,132). There are no plan assets as at December 31, 2020, which indicates a funding deficit of \$1,966,287. The most recent full actuarial valuation was completed as at December 31, 2020. The net movement for the Corporation's defined benefit plan during the year is as follows:

# The Roman Catholic Episcopal Corporation of Halifax

## Notes to the Non-Consolidated Financial Statements

*For the year ended December 31, 2020*

**16. Pension and other retirement benefit plans** *(Continued from previous page)*

	2020	2019
Benefit costs	<b>(108,826)</b>	(102,811)
Benefits paid	<b>184,247</b>	167,497
Actuarial loss	<b>(46,576)</b>	(288,529)
<hr/>		
<b>Retirement benefits movement on the statement of changes in net assets</b>	<b>28,845</b>	(223,843)

The significant actuarial assumptions adopted are as follows:

	2020	2019
Discount rate	<b>5.25%</b>	5.25%
Claims inflation rate	<b>5.00%</b>	5.00%

The second defined benefit plan is a pension plan for lay persons and deacons. This plan is a multiemployer plan for the employees of The Roman Catholic Episcopal Corporation of Halifax, the parishes within the Archdiocese and certain employees of related organizations. Sufficient information is not available to use defined benefit accounting so the plan has been accounted for as a defined contribution plan. The defined benefit plan was wound up effective December 31, 2016, and was replaced with a defined contribution plan effective January 1, 2017. Employer contributions by the Corporation to this plan totaled \$54,169 (2019 - \$98,000). The most recent update to the actuarial valuation was completed at December 31, 2020 and has been updated to indicate a funding surplus of \$737,923 (2019 - \$1,009,881). There have been no significant changes in the contractual elements of the plan in the current year. The defined benefit plan will continue to provide the benefits that were accrued up to December 31, 2016. At wind up, it was determined through an actuarial valuation that a pension solvency deficit existed within the defined benefit plan. The estimated deficit at that time, totalling \$1,154,949, is to be repaid over 15 years, of which \$376,772 (four years) has been paid. The annual repayment has been changed because the plan is in a surplus. In 2021, the payments are not currently required.

The first defined contribution plan is a defined contribution pension plan for its' registered priests whereby the Corporation matches the contributions that are voluntarily made by certain priests. During the year, \$60,514 (2019 - \$63,885) was contributed by the Corporation to this plan.

The second defined contribution plan is a defined contribution registered retirement savings plan for its' unregistered priests whereby the Corporation matches the contributions that are voluntarily made by certain priests. During the year, \$21,292 (2019 - \$22,929) was contributed by the Corporation to this plan.

The third defined contribution plan is a defined contribution pension plan for lay persons and deacons whereby the Corporation matches the contributions that are voluntarily made by certain members. During the year, \$123,805 (2019 - \$128,851) was contributed by the Corporation to this plan.

**17. Related party transactions**

In the normal course of its operations, the Corporation enters into transactions with its controlled entities. In addition to transactions disclosed elsewhere in these non-consolidated financial statements, certain controlled entities also participate with the Corporation in group health and insurance plans with nominal amounts being paid to the Corporation for participation. These transactions are in the normal course of operations and have been recorded at their exchange amounts.

The balances due from related parties are included in accounts receivable (note 4) and long-term amounts receivable (note 7). Included in accounts payable and accrued liabilities is \$60,578 (2019 - \$nil) owing to controlled entities and long-term balances due to related parties are included in the parish and other deposits (note 14). The Corporation paid interest on parish deposits of \$305,201 (2019 - \$334,072).

# The Roman Catholic Episcopal Corporation of Halifax

## Notes to the Non-Consolidated Financial Statements

*For the year ended December 31, 2020*

### 18. Commitments

The Corporation total obligations for the next five years, which comprise rental of existing premises and a commitment under an agreement with the Atlantic School of Theology, are as follows:

2021	432,268
2022	396,391
2023	398,197
2024	414,793
2025	424,050
	2,065,699

The Corporation's annual appeal process is such that 20% of funds raised by individual parishes up to a certain target level of funds and 80% of funds raised above that target level will be returned to that parish to help fund their needs. In the current year, \$117,889 (2019 - \$141,226) was raised.

### 19. Contingent liabilities

The Corporation has guaranteed a loan for a parish. This loan has been obtained in the name of the Roman Catholic Episcopal Corporation of Halifax, and is secured by property as noted below. The property is owned by the Roman Catholic Episcopal Corporation of Halifax because it is the only legal entity; however, the property is operationally controlled by the parish and, therefore, the assets and corresponding debts have been reported on the financial statements of the parish. As a result, the Corporation is contingently liable to repay this loan in the event of a default by the parish. The details of the guaranteed loan are as follows:

- Mortgage of \$1,690,078 (2019 - \$1,719,378) secured by property located at 18 Scholars Road, Upper Tantallon, Nova Scotia, bearing interest at 3.99% repayable in blended monthly payments over 21 years maturing April 2024. This loan is secured by a first charge over the property in the amount of \$2.75 million.

The Corporation has a non-revolving demand loan of \$250,000 (2019 - \$250,000) available to finance capital projects on behalf of the parishes of which \$nil (2019 - \$nil) was drawn down at December 31, 2020. The demand loan bears interest at prime plus 1.0%.

The Corporation has been named in a number of claims as one of the parties responsible in regards to alleged mistreatment of individuals. No amount has been accrued in these non-consolidated financial statements in respect of these claims.

Also, the Corporation has been named in a class action claim. The number of claimants are unknown and no amount has been claimed. No amount has been accrued in these non-consolidated financial statements in respect of this claim.

### 20. Building Our Future Trust

An amount, when required, is allocated to the principal of the Trust from the Trust's income at the end of the year to ensure that, so far as reasonably possible, the market value of the Trust property together with the accumulated unspent net appreciation thereof will over time not be diminished on an after-inflation basis. The original principal balance and the market principal balance on each of the programs are as follows:

	2020 <i>Principal</i>	2020 <i>Market</i>	2019 <i>Market</i>
Priestly development	2,086,553	2,295,365	2,398,947
Priestly development available to be distributed	155,275	155,275	-
Pastoral services	2,086,553	2,295,365	2,398,947
Pastoral services available to be distributed	104,677	104,677	-
Social outreach	2,086,553	2,295,365	2,398,947
Social outreach support available to be distributed	160,219	160,219	62,020
	6,679,830	7,306,266	7,258,861

# The Roman Catholic Episcopal Corporation of Halifax

## Notes to the Non-Consolidated Financial Statements

*For the year ended December 31, 2020*

### 21. Net change in non-cash working capital

Non-cash working capital items consist of the following:

	<b>2020</b>	2019
Accounts receivable	<b>(254,361)</b>	(53,104)
Prepaid expenses and deposits	<b>(67,055)</b>	77,203
Accounts payable and accruals	<b>52,844</b>	(62,712)
Special purpose funds	<b>39,504</b>	(72,079)
Deferred contributions	<b>(28,250)</b>	(30,345)
	<b>(257,318)</b>	(141,037)

### 22. Financial instruments

The Corporation, as part of its operations, carries a number of financial instruments. It is management's opinion that the Corporation is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

#### ***Credit concentration***

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Corporation's main credit risk relates to its accounts receivable and long-term amounts receivable (note 4 and note 7). The Corporation incurred bad debts (recovery) expense of \$(8,336) (2019 - \$23,307).

#### ***Market risk***

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation is exposed to interest rate risk on its floating interest rate financial instruments, which subjects it to a cash flow risk. Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Corporation is subject to currency risk, interest rate and other price risk with respect to its investment portfolio. To manage these risks, the Corporation has established a target mix of investment types designed to achieve the optimal return within reasonable risk tolerances. In addition these risks are mitigated through the use of five professional investment managers.

### 23. Comparative figures

Certain comparative figures have been reclassified to conform with the presentation of the current year's non-consolidated financial statements.

**The Roman Catholic Episcopal Corporation of Halifax**  
**Schedule 1 - Non-Consolidated Schedule of Changes in Diocesan Designated Funds**

*For the year ended December 31, 2020*

<b>Schedule 1</b>	<i>Opening balance</i>	<i>Investment income</i>	<i>Contributions</i>	<i>Expenditures</i>	<i>Interfund transfer</i>	<i>Closing Balance</i>
<b>Externally restricted:</b>						
St. Mary's Cathedral Basilica	275,410	15,803	-	10,927	-	280,286
Theological Education & Vocations - Priests	365,733	20,986	-	14,040	-	372,679
Archdiocesan Appeal Fund	153,729	11,520	117,889	153,300	-	129,838
Catholic Social Services	213,180	12,232	-	8,459	-	216,953
Infirm and Retired Priests	345,609	19,851	650	13,728	-	352,382
Patrick Power - Religious Education	110,927	6,365	-	4,402	-	112,890
Patrick Power - Youth, Handicap	78,676	4,514	-	3,122	-	80,068
Diocesan Mission Fund	105,806	6,071	-	4,198	-	107,679
Youth	83,789	4,808	-	-	-	88,597
Ministry for Aged	87,362	5,013	-	3,069	-	89,306
Priestly Assistance Fund	11,372	653	-	-	-	12,025
Burke Priestly Assistance Fund	65,720	3,771	-	2,608	-	66,883
Laypersons and Deacons Pension Fund	151,804	-	45,690	13,336	-	184,158
Property Insurance Fund - Atlantic	359,924	6,935	266,433	402,315	-	230,977
Deferred Income - O/C & Foundation	953,546	-	78,064	31,140	-	1,000,470
A.M. Hynes Scholarship Fund	705,315	39,754	-	52,487	-	692,582
Scarboro Missions Fund	39,030	1,120	-	40,150	-	-
Fr. Caissie Clinical Education Fund	21,510	1,234	-	-	-	22,744
<b>Continued on next page</b>	<b>4,128,442</b>	<b>160,630</b>	<b>508,726</b>	<b>757,281</b>	<b>-</b>	<b>4,040,517</b>

**The Roman Catholic Episcopal Corporation of Halifax**  
**Schedule 1 - Non-Consolidated Schedule of Changes in Diocesan Designated Funds**

*For the year ended December 31, 2020*

<b>Schedule 1</b>	<i>Opening balance</i>	<i>Investment income</i>	<i>Contributions</i>	<i>Expenditures</i>	<i>Interfund transfer</i>	<i>Closing Balance</i>
<b>Externally restricted from previous page</b>	<b>4,128,442</b>	<b>160,630</b>	<b>508,726</b>	<b>757,281</b>	<b>-</b>	<b>4,040,517</b>
<b>Internally restricted:</b>						
Camp Villa Maria Fund	1,626,256	93,315	-	62,388	-	1,657,183
St. Joseph's Orphanage	1,071,099	61,460	-	-	-	1,132,559
Msgr. Richard Murphy Fund	48,577	2,787	-	51,364	-	-
Capital Property Maintenance Fund	133,794	7,677	-	-	-	141,471
Property Insurance Fund	154,624	3,637	-	12,471	-	145,790
Catechetics Fund	24,825	1,424	-	985	-	25,264
Assistance to Parishes Fund	7,250	208	-	38,126	-	(30,668)
Contingency Fund	38,277	1,098	-	39,375	-	-
Infirm and Retired Priests	206,670	11,859	-	8,201	-	210,328
Pastoral Centre Fund	8,647,530	496,195	-	352,806	-	8,790,919
Contingency Fund 2019	500,000	28,690	-	-	-	528,690
Assistance to Parishes for Capital Projects	746,391	44,348	52,989	-	-	843,728
	<b>13,205,293</b>	<b>752,698</b>	<b>52,989</b>	<b>565,716</b>	<b>-</b>	<b>13,445,264</b>
	<b>17,333,735</b>	<b>913,328</b>	<b>561,715</b>	<b>1,322,997</b>	<b>-</b>	<b>17,485,781</b>

*Note: Investment income above includes gain (loss) on disposition of investments. Expenditures include amounts incurred for the specific purpose of each fund including transfers of funds which are reported as recoveries of the cost centres on Schedule 2.*

**The Roman Catholic Episcopal Corporation of Halifax**  
**Schedule 2 - Non-Consolidated Schedule of Changes in Diocesan Trust Funds**

*For the year ended December 31, 2020*

<b>Schedule 2</b>	<i>Opening balance</i>	<i>Investment income</i>	<i>Contributions</i>	<i>Expenditures</i>	<i>Interfund transfer</i>	<i>Adjustment to Market Value</i>	<i>Closing Balance</i>
Mary E Skerry Trust	421,176	89,575	-	6,225	-	-	504,526
Lawrence Lynch	395,162	84,043	-	72,471	-	-	406,734
Charles Frecker Trust	251,853	53,563	-	34,115	-	-	271,301
Archbishop Hayes Trust	103,104	21,928	-	21,928	-	-	103,104
Patrick Power Estate	98,646	19,522	-	4,481	-	-	113,687
Priests - Rome Travel Study	121,273	24,000	-	-	-	-	145,273
Patrick Horne Trust	45,074	1,844	-	39,469	-	-	7,449
Mackey Estate	38,611	8,212	-	571	-	-	46,252
Rev. R. Hallet Bursary	30,170	6,710	-	1,850	-	-	35,030
Rose Doyle Cemetery	35,425	7,879	-	1,261	-	-	42,043
Thomas R. Roache Estate	23,115	4,916	-	353	-	-	27,678
Mary O'Sullivan Cemetery	24,882	5,534	-	885	-	-	29,531
John T. Joy Estate	12,380	2,450	-	-	-	-	14,830
Msgr. Thomas Buchanan Estate	8,788	1,869	-	130	-	-	10,527
Ecclesiastical Students' Fund	8,380	1,782	-	124	-	-	10,038
Donahoe Trust	5,275	1,122	-	78	-	-	6,319
Maclsaac Trust	4,880	1,038	-	72	-	-	5,846
Mary Daly Estate	4,637	986	-	69	-	-	5,554
Faith Formation	1,024,918	132,702	-	72,257	-	-	1,085,363
Ruth Gray Cemetery	23,198	5,159	-	826	-	-	27,531
Adjustment to market value of investments, net	524,442	-	-	-	-	(429,386)	95,056
	<b>3,205,389</b>	<b>474,834</b>	<b>-</b>	<b>257,165</b>	<b>-</b>	<b>(429,386)</b>	<b>2,993,672</b>

*Note: Investment income above includes gain (loss) on disposition of investments.*

**The Roman Catholic Episcopal Corporation of Halifax**  
**Schedule 3 - Non-Consolidated Schedule of Expenditures**

*For the year ended December 31, 2020*

<b>Schedule 3</b>	<i>Expense</i>	<i>2020 Recovery</i>	<i>Net</i>	<i>Expense</i>	<i>2019 Recovery</i>	<i>Net</i>
Catholic diocesan centre	394,083	357,948	36,135	409,379	339,737	69,642
Chancery and administration	305,699	24,849	280,850	320,812	32,016	288,796
Infirm and retired priests	289,480	289,480	-	428,160	224,338	203,822
Business office	375,777	24,455	351,322	362,697	19,475	343,222
Assistance to Parishes	259,597	252,143	7,454	772,658	468,340	304,318
Chaplains	144,283	144,283	-	166,472	145,478	20,994
Marriage tribunal	77,849	15,040	62,809	82,278	23,468	58,810
Atlantic School of Theology	77,615	76,049	1,566	75,959	22,473	53,486
Office services	117,965	785	117,180	99,003	4,623	94,380
Archives	27,941	2,788	25,153	39,606	6,844	32,762
Ordained ministries - priestly formation	73,155	73,155	-	99,823	62,346	37,477
Evangelization Univ. Chaplaincy	27,896	25,000	2,896	41,117	25,250	15,867
Liturgical and education	5,587	5,587	-	1,805	1,805	-
Communications	82,186	13,048	69,138	87,697	21,390	66,307
Development Office	88,174	-	88,174	137,659	35,598	102,061
Sabbatical/education - priests	261	261	-	67,119	12,233	54,886
Retired employee benefits	2,294	-	2,294	2,294	-	2,294
Interest expense	23,748	-	23,748	27,024	-	27,024
Canadian bishops' assessments	77,706	14,764	62,942	82,389	15,662	66,727
Council of deacons	727	-	727	9,816	7,827	1,989
Council of priests	4,350	-	4,350	32,629	24,510	8,119
Ministry to the deaf	8,948	8,948	-	11,760	3,210	8,550
Human resources	114,372	-	114,372	141,423	246	141,177
Catholic social affairs	27,908	27,908	-	41,405	37,265	4,140
Steubenville	78,040	78,011	29	260,444	241,027	19,417
Adult faith formation	162,495	162,495	-	191,000	135,055	55,945
Vocations	22,583	700	21,883	24,331	-	24,331
Ordained ministries - Diaconate Formation	23,098	-	23,098	12,684	-	12,684
St. Mary's Cathedral	497,008	475,664	21,344	601,983	579,242	22,741
St. Mary's Glebe	250,697	87,628	163,069	253,561	50,712	202,849
Indigenous Ministry	65,634	65,634	-	-	-	-
Catholic Cemeteries of Halifax	549,795	549,796	(1)	523,578	459,046	64,532
Parish Renewal	59,193	24,796	34,397	100,153	46,480	53,673
Ministry of Care & Companionship	-	-	-	1,585	175	1,410
	<b>4,316,144</b>	<b>2,801,215</b>	<b>1,514,929</b>	<b>5,510,303</b>	<b>3,045,871</b>	<b>2,464,432</b>

*Note: Included in recoveries are reductions in expenses of the cost centers as a result of funding received from the designated and trust funds.*