
**CATHOLIC EPISCOPAL CORPORATION
OF ANTIGONISH**

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2014

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INDEPENDENT AUDITORS' REPORT

Most Reverend Brian Dunn
Bishop of Antigonish

We have audited the accompanying consolidated financial statements of **Catholic Episcopal Corporation of Antigonish**, which comprise the consolidated statement of financial position as at December 31, 2014 and the consolidated statements of operations and change in operating fund balance, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion


In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2014, 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.

Breton Chartered Accountants

May 15, 2015

CATHOLIC EPISCOPAL CORPORATION OF ANTIGONISH
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2014

	2014	2013
ASSETS		
Current		
Cash	\$	\$ 134,024
Accounts receivable (Note 3)	1,652,462	1,565,994
Inventory	73,124	
Prepaid expenses	<u>6,349</u>	<u>7,370</u>
	1,731,935	1,707,388
Capital assets (Note 4)	411,304	420,381
Investments (Note 6)	52,828	2,947
Loans receivable (Note 7)	57,148	351,167
Restricted cash (Note 8)	1,826,300	1,671,353
Defined benefit pension asset (Note 9)	<u>838,413</u>	<u>755,136</u>
	<u>\$ 4,917,928</u>	<u>\$ 4,908,372</u>
LIABILITIES		
Current		
Bank indebtedness (Note 5)	\$ 62,865	\$
Accounts payable and accrued liabilities	790,914	686,603
Loans payable (Note 11)	371,908	1,453,300
Current portion of civil settlement liability	<u>170,978</u>	<u>266,956</u>
	1,396,665	2,406,859
Loans payable (Note 11)	4,533,575	5,046,583
Civil settlement liability (Note 10)	170,977	341,956
Deferred contributions (Note 12)	<u>127,636</u>	<u>69,893</u>
	<u>6,228,853</u>	<u>7,865,291</u>
NET ASSETS		
Clergy fund	18,117	617
Reserve for self insurance	103,607	104,281
Equity in capital assets	411,304	420,381
Equity from operations	2,161,110	2,061,629
Deficiency for civil settlements	(5,486,649)	(6,228,102)
Shepherd's trust fund	119,846	132,298
Faith development fund	27,666	28,443
Programming fund	1,010,030	210,030
Sabbatical fund	318,561	312,136
Rebuilding my people - the church fund	<u>5,483</u>	<u>1,368</u>
	<u>(1,310,925)</u>	<u>(2,956,919)</u>
	<u>\$ 4,917,928</u>	<u>\$ 4,908,372</u>
Subsequent event (Note 13)		
Commitments and contingent liabilities (Note 15)		
Approved by: <u>+ Brian J. Dunn</u> Member		Member

CATHOLIC EPISCOPAL CORPORATION OF ANTIGONISH
CONSOLIDATED STATEMENT OF CHANGES IN FUND BALANCES
 YEAR ENDED DECEMBER 31, 2014

	Reserve for Self Insurance	Equity in Capital Assets	Clergy Fund	Reserve for Civil Settlements	Shepherd's Trust Fund	Faith Development Fund	Programming Fund	Sabbatical Fund	Rebuilding My People The Church Fund	2014 TOTAL	2013 TOTAL
Revenue											
Donations, bequests and other	\$ 9,826	\$ -	\$ -	\$ 80,275	\$ 32,606	\$ -	\$ -	\$ 6,425	\$ 4,529	\$ 133,661	\$ 975,397
Other	-	-	-	653	-	-	-	-	-	653	57,519
Gain on disposal of capital assets	-	-	-	-	-	-	-	-	-	-	130,189
Property sales	-	-	-	831,989	-	-	-	-	-	831,989	117,096
Clergy donations	-	-	-	91,871	-	-	-	-	-	91,871	88,263
	<u>9,826</u>	<u>-</u>	<u>-</u>	<u>1,004,788</u>	<u>32,606</u>	<u>-</u>	<u>-</u>	<u>6,425</u>	<u>4,529</u>	<u>1,058,174</u>	<u>1,368,464</u>
Expenditures											
Insurance claims paid	10,500	-	-	-	-	-	-	-	-	10,500	48,047
Amortization	-	18,857	-	-	-	-	-	-	-	18,857	22,469
Clergy disbursements	-	-	43,749	-	-	-	-	-	-	43,749	-
Professional fees	-	-	3,926	35,920	45,058	-	-	-	-	88,807	-
Outside settlements	-	-	-	-	-	-	-	-	-	39,846	129,757
Class action settlements	-	-	-	-	-	-	-	-	-	-	683,911
Interest	-	-	-	-	-	-	-	-	-	-	4,439
Other	-	-	-	135,410	-	-	-	-	-	135,410	239,801
Property sales, legal and other costs	-	-	-	2,625	-	777	-	-	414	3,816	194,298
Programming grants	-	-	-	343,339	-	-	-	-	-	343,339	-
	<u>10,500</u>	<u>18,857</u>	<u>47,675</u>	<u>517,294</u>	<u>45,058</u>	<u>777</u>	<u>-</u>	<u>-</u>	<u>414</u>	<u>640,575</u>	<u>1,341,297</u>
Excess of revenue over expenditures (expenditures over revenue)	(674)	(18,857)	(47,675)	487,494	(12,452)	(777)	-	6,425	4,115	417,599	27,167
Fund balances, beginning of year	104,281	420,381	617	(6,228,102)	132,298	28,443	210,030	312,136	1,368	(5,018,548)	(4,729,286)
Inter-fund transfers, net	-	9,780	65,175	253,959	-	-	800,000	-	-	1,128,914	(316,429)
Fund balances, end of year	<u>\$ 103,607</u>	<u>\$ 411,304</u>	<u>\$ 18,117</u>	<u>\$ (5,486,649)</u>	<u>\$ 119,846</u>	<u>\$ 27,666</u>	<u>\$ 1,010,030</u>	<u>\$ 318,561</u>	<u>\$ 5,483</u>	<u>\$ (3,472,035)</u>	<u>\$ (5,018,548)</u>



CATHOLIC EPISCOPAL CORPORATION OF ANTIGONISH
CONSOLIDATED STATEMENT OF OPERATIONS AND CHANGE IN OPERATING
FUND BALANCE
 YEAR ENDED DECEMBER 31, 2014

	2014	2013
Revenue		
Donations, bequests and other	\$ 1,176,231	\$ 149,784
Donations - pension plan		96,000
Investment earnings	197,559	87,300
Levy	851,940	894,000
Loan interest	13,957	20,255
Other	<u>2,517</u>	<u>2,347</u>
	<u>2,242,204</u>	<u>1,249,686</u>
Expenditures		
Administrative (Schedule 2)	543,924	584,728
Programs (Schedule 1)	358,984	316,380
Properties (Schedule 2)	119,540	163,310
Pastoral (Schedule 2)	41,413	44,893
Grants (Schedule 2)	<u>33,225</u>	<u>6,043</u>
	<u>1,097,086</u>	<u>1,115,354</u>
Excess revenue over expenditures from operations	1,145,118	134,332
Balance, beginning of year	2,061,629	995,078
Inter-fund transfers, net	(1,128,914)	316,429
Remeasurement, pension plan	<u>83,277</u>	<u>615,790</u>
Balance, end of year	\$ <u>2,161,110</u>	\$ <u>2,061,629</u>

