

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
OF THE DIOCESE OF HAMILTON IN ONTARIO
HAMILTON, ONTARIO
COMBINED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2021**

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INDEPENDENT AUDITORS' REPORT

To His Excellency, the Bishop of Hamilton

Qualified Opinion

We have audited the combined financial statements of The Roman Catholic Episcopal Corporation of the Diocese of Hamilton in Ontario (the Diocese), which comprise the combined balance sheet as at December 31, 2021, and the combined statements of revenue and expenditures, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying combined financial statements present fairly, in all material respects, the financial position of the Diocese as at December 31, 2021, and its results of 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 not for profit organizations, the Diocese derives revenue from the general public in the form of donations the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of the Diocese. Therefore, we were not able to determine whether any adjustments might be necessary to donation revenue, excess (deficiency of) revenue over expenditures, and cash flows from operations for the years ended December 31, 2021 and 2020, current assets as at December 31, 2021 and 2020, and net assets as at January 1 and December 31 for both the 2020 and 2021 years. Our audit opinion on the combined financial statements for the year ended December 31, 2020 was modified accordingly because of the possible effects of this limitation in scope. In addition, as outlined in *Note 1(f)*, these combined financial statements report some capital asset acquisitions and disposals as current operating items. In this regard, these combined financial statements depart from Canadian accounting standards for not for profit organizations. Our audit opinion on the combined financial statements for the year ended December 31, 2020 was modified accordingly because of the departure from Canadian accounting standards for not for profit organizations.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Combined Financial Statements section of our report. We are independent of the Diocese in accordance with the ethical requirements that are relevant to our audit of the combined 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 audit opinion.

- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the combined 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.

HGK Partners LLP

HAMILTON, ONTARIO
July 20, 2022

HGK PARTNERS LLP
Chartered Professional Accountants
Licensed Public Accountants

Responsibilities of Management and Those Charged with Governance for the Combined Financial Statements

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

In preparing the combined financial statements, management is responsible for assessing the Diocese'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 Diocese or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our 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 combined 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 combined 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 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 Diocese'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 Diocese's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the combined 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 auditors' report. However, future events or conditions may cause the Diocese to cease to continue as a going concern.

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
IN ONTARIO**
Combined Balance Sheet
As at December 31, 2021

	2021	2020
ASSETS		
Current		
Cash (Note 2)	\$ 13,762,648	\$ 3,117,059
Investments (Note 3)	-	201,280
Accounts receivable and accrued interest receivable (Note 20)	5,198,262	5,061,561
Receivables (payables) - within the Corporation (Note 4)	3,703,217	3,725,658
Loans receivable - within the Corporation (Note 5)	55,667,648	44,695,368
Current portion of loans receivable - outside the Corporation (Note 6)	2,519,937	2,726,240
Inventory	88,719	101,883
Prepaid expenditures	192,677	234,844
	<u>81,133,108</u>	<u>59,863,893</u>
Long term accounts receivable (Note 7)	96,754	150,118
Long term investments (Note 3)	126,874,540	101,083,726
Loans receivable - outside the Corporation (Note 6)	34,342,701	34,722,376
Land held for investment purposes	7,569,621	7,567,059
Cemetery Properties and Capital assets (Note 8)	26,748,634	28,107,816
Restricted assets (Note 9)	144,216,772	123,911,597
	<u>339,849,022</u>	<u>295,542,692</u>
	<u>\$ 420,982,130</u>	<u>\$ 355,406,585</u>
LIABILITIES		
Current		
Bank indebtedness (Note 10)	\$ 23,180,184	\$ 16,848,299
Accounts payable and accrued liabilities (Note 11)	1,845,344	2,171,596
Current portion of deferred revenue (Note 12)	73,936	78,044
Funds held in trust - Refugee Program (Note 13)	924,426	754,479
Loans payable - Parishes (Note 14)	30,062,881	26,618,771
Loans payable - inside the Corporation (Note 15)	1,723,549	804,930
Loans payable - outside the Corporation (Note 16)	7,271,660	5,240,527
Accumulated revenue on prearrangements payable (Note 17)	10,089,662	9,966,186
Current portion of capital lease payable (Note 18)	54,665	46,646
Current portion of mortgage payable (Note 19)	1,000,000	1,000,000
	<u>76,226,307</u>	<u>63,529,478</u>
Deferred revenue (Note 12)	24,925,697	23,717,399
Capital lease payable (Note 18)	39,618	15,049
Mortgage payable (Note 19)	13,500,000	14,500,000
	<u>114,691,622</u>	<u>101,761,926</u>
FUND BALANCES (Page 6)		
Externally restricted funds	109,961,657	90,505,950
Unrestricted General Fund	196,328,851	163,138,709
	<u>306,290,508</u>	<u>253,644,659</u>
Commitments and contingencies (Note 23)	<u>\$ 420,982,130</u>	<u>\$ 355,406,585</u>

Approved by:

Bishop of Hamilton

(See Accompanying Notes)

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
IN ONTARIO**
Combined Statement of Revenue and Expenditures
Year Ended December 31, 2021

	Externally Restricted Funds	Unrestricted General Fund	Total 2021	Total 2020
Revenue				
Cathedraticum (Note 22)	\$ -	\$ 2,610,775	\$ 2,610,775	\$ 2,678,682
Donations	12,871,364	1,759,055	14,630,419	8,640,982
Government assistance (Note 20)	-	481,116	481,116	1,499,114
Lots - land, crypts and niches	-	4,544,680	4,544,680	3,857,242
Mass stipends	30,565	-	30,565	25,487
Miscellaneous	178,699	301,129	479,828	259,291
Other goods and services	-	6,843,169	6,843,169	6,085,566
Rent	-	631,911	631,911	450,654
Investment revenue (Page 25)	11,674,603	16,251,593	27,926,196	17,340,575
	<u>24,755,231</u>	<u>33,423,428</u>	<u>58,178,659</u>	<u>40,837,593</u>
Expenditures				
Donations	3,327,379	8,217,491	11,544,870	15,382,938
Wages and benefits	-	8,837,390	8,837,390	8,646,969
Clergy and seminary	206,835	305,606	512,441	444,349
Mass stipends	14,330	-	14,330	17,500
Interest (Notes 14, 15 and 16)	-	1,619,579	1,619,579	1,190,849
Investment expenditures	773,982	413,661	1,187,643	1,056,117
Property	-	4,805,164	4,805,164	3,573,295
Amortization	-	1,948,050	1,948,050	1,694,800
Other	260,990	5,783,324	6,044,314	8,064,823
	<u>4,583,516</u>	<u>31,930,265</u>	<u>36,513,781</u>	<u>40,071,640</u>
Excess revenue over expenditures before disposition (acquisition) of property	20,171,715	1,493,163	21,664,878	765,953
Net disposal (acquisition) of property	-	29,482,404	29,482,404	16,063,662
EXCESS REVENUE OVER EXPENDITURES	<u>\$ 20,171,715</u>	<u>\$ 30,975,567</u>	<u>\$ 51,147,282</u>	<u>\$ 16,829,615</u>

(See Accompanying Notes and Schedule)

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
IN ONTARIO**

**Combined Statement of Changes in Fund Balances
Year Ended December 31, 2021**

	Externally Restricted Funds	Unrestricted General Fund	Total
		<u>2021</u>	
Balance, beginning of year	\$ 90,505,950	\$ 163,138,709	\$ 253,644,659
Excess revenue over expenditures	20,171,715	30,975,567	51,147,282
Care & Maintenance Fund contributions received net of transfer to revenue transferable	1,622,042	-	1,622,042
Pre-Need Assurance Fund 100% - transfer (to) from accumulated revenue payable	(123,475)	-	(123,475)
Interfund transfers	(2,214,575)	2,214,575	-
Balance, end of year	<u>\$ 109,961,657</u>	<u>\$ 196,328,851</u>	<u>\$ 306,290,508</u>
		<u>2020</u>	
Balance, beginning of year	\$ 78,113,733	\$ 157,632,474	\$ 235,746,207
Excess revenue over expenditures	13,550,989	3,278,626	16,829,615
Care & Maintenance Fund contributions received net of transfer to revenue transferable	1,236,685	-	1,236,685
Pre-Need Assurance Fund 100% - transfer (to) from accumulated revenue payable	(167,848)	-	(167,848)
Interfund transfers	(2,227,609)	2,227,609	-
Balance, end of year	<u>\$ 90,505,950</u>	<u>\$ 163,138,709</u>	<u>\$ 253,644,659</u>

(See Accompanying Notes)

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
IN ONTARIO**

Combined Statement of Cash Flows

Year Ended December 31, 2021

	2021	2020
OPERATING ACTIVITIES		
Excess revenue over expenditures	\$ 51,147,282	\$ 16,829,615
Adjustment for non-cash items:		
Amortization	1,948,050	1,694,800
Net loss (gain) on disposal of investments - realized	(3,626,926)	4,224,898
Unrealized change in fair value of investments	(17,489,373)	(14,795,842)
Foreign exchange loss - realized and unrealized	266,541	80,796
Reinvested investment revenue	(411,180)	-
Land dispositions contra to loans receivable - within the corporation - Parishes	-	613,400
Loans receivable - Parishes - paid out by One Heart, One Soul Campaign	65,000	-
Loans receivable - Parishes transferred to property expenses	28,693	-
Loans receivable - within the Corporation contra to expenses	(64,277)	-
Forgiven loans receivable - outside the Corporation	-	40,000
Land dispositions contra to loans payable - Parishes	-	150,000
Donations credited to loans payable - Parishes	-	89,093
Donations credited to loans payable - outside the Corporation	125,000	-
Loans payable - Parishes contra against Cathedraticum	(154,578)	-
Loans payable - Parishes contra against rental income	5,892	23,713
Interest credited to loans payable - Parishes	824,675	796,453
Interest credited to loans payable - outside the Corporation	207,720	187,457
	<u>32,872,519</u>	<u>9,934,383</u>
(Increase) decrease in accounts receivable and accrued interest receivable	(83,337)	1,557,638
(Increase) decrease in inventory	13,164	5,724
(Increase) decrease in prepaid expenditures	42,167	(83,139)
Increase (decrease) in accounts payable and accrued liabilities	(326,252)	(685,754)
Increase (decrease) in deferred revenue	<u>1,204,190</u>	<u>398,267</u>
	<u>849,932</u>	<u>1,192,736</u>
Net cash provided by (used for) operating activities	<u>33,722,451</u>	<u>11,127,119</u>

(See Accompanying Notes)

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
IN ONTARIO**

Combined Statement of Cash Flows (Continued)

Year Ended December 31, 2021

	Total 2021	Total 2020
INVESTING ACTIVITIES		
(Increase) decrease in intercorporate receivables (payables)	22,441	(233,994)
New loans issued to Parishes - within the Corporation	(8,264,392)	(9,954,394)
Loan principal payments received - within the Corporation	324,947	721,953
Acquisition of investments - restricted and unrestricted	(72,856,117)	(159,044,135)
Proceeds from disposition of investments - restricted and unrestricted	43,560,445	149,700,846
Loan principal payments received - outside the Corporation	786,677	1,552,759
New loans issued - outside the Corporation	(3,262,950)	(51,500)
(Increase) decrease in land held for investment purposes	(2,562)	(2,523)
Net proceeds from disposition (acquisition) of cemetery properties and capital assets	(473,319)	(978,764)
(Increase) decrease in restricted assets other than investments	<u>4,661,901</u>	<u>(5,001,747)</u>
Net cash provided by (used for) investing activities	<u>(35,502,929)</u>	<u>(23,291,499)</u>
FINANCING ACTIVITIES		
Increase (decrease) in bank indebtedness	6,331,885	9,608,927
Increase (decrease) in funds held in trust - Refugee Program	169,947	(196,159)
New loans received - Parishes	4,239,345	1,402,383
Loan principal payments made - Parishes	(1,471,224)	(2,990,251)
Increase (decrease) in loans payable - inside the Corporation	918,619	34,454
New loans received - outside the Corporation	1,974,760	944,903
Loan principal payments made - outside the Corporation	(276,347)	(434,926)
Accumulated revenue on prearrangements payable	123,476	167,847
Transfers to/from the Care & Maintenance Fund and the Pre-Need Assurance Fund - 100% to Parish cemeteries	1,498,567	1,068,837
Repayment of capital lease	(82,961)	(57,283)
Repayment of long term debt	<u>(1,000,000)</u>	<u>(1,000,000)</u>
Net cash provided by (used for) financing activities	<u>12,426,067</u>	<u>8,548,732</u>
(Decrease) increase in cash	10,645,589	(3,615,648)
Cash, beginning of year	<u>3,117,059</u>	<u>6,732,707</u>
Cash, end of year	<u>\$ 13,762,648</u>	<u>\$ 3,117,059</u>
Non-cash investing and financing:		
Purchase of vehicle through capital lease	<u>\$ 115,549</u>	<u>\$ -</u>

(See Accompanying Notes)

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
IN ONTARIO**

Notes to Combined Financial Statements

Year Ended December 31, 2021

DESCRIPTION OF THE ORGANIZATION

The Roman Catholic Episcopal Corporation of the Diocese of Hamilton in Ontario (the Diocese) is a registered charity incorporated under a Special Act of the Province of Ontario. Its principal purpose is to provide the services of the Roman Catholic Church to the members of the Diocese and the community. These combined financial statements include all of the assets, liabilities, revenue and expenditures of the Diocese with the exception of the Parishes within the Diocese which are reflected in separate financial statements and subject to separate charitable registration.

These combined financial statements comprise those of The Roman Catholic Episcopal Corporation of the Diocese of Hamilton in Ontario - Chancery (the Chancery), The Catholic Cemeteries of the Diocese of Hamilton (Catholic Cemeteries), The Roman Catholic Episcopal Corporation of the Diocese of Hamilton in Ontario Pre-Need Assurance Fund - 65%, (PNAF 65%), The Roman Catholic Episcopal Corporation of the Diocese of Hamilton in Ontario Pre-Need Assurance Fund - 100%, (PNAF 100%), The Roman Catholic Episcopal Corporation of the Diocese of Hamilton in Ontario Care & Maintenance Fund (CM Fund) and The Mount Mary Immaculate Retreat Centre (the Centre).

As a result of its charitable status, the Diocese is exempt from the payment of income taxes under Section 149(1)(f) of the *Income Tax Act (Canada)*.

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The combined financial statements of the Diocese were prepared in accordance with accounting standards for not for profit organizations and include the following significant accounting policies:

(a) Fund Accounting

The Diocese follows the restricted fund method of accounting for specified contributions or donations.

The General Fund accounts for the Diocese's administrative and charitable activities. This fund reports unrestricted resources.

The purpose of the externally restricted Chancery Specified Funds is two-fold. The first purpose is to collect donations to fund a number of specific charitable activities. The second purpose is to collect donations to fund seminarian and priest education and training.

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
IN ONTARIO**

Notes to Combined Financial Statements

Year Ended December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Fund Accounting (Continued)

The purpose of the externally restricted CM Fund is to report the activities of providing for the maintenance of cemeteries under the administration of the Diocese. Section 51 of the *Funeral, Burial and Cremation Services Act, 2002, S.O. 2002, c.33* (the Act) requires that a care and maintenance fund be established for the purpose of providing for the maintenance of cemeteries. Payments into the fund are based on prescribed amounts stated in Sections 165-168 of *Ontario Regulation 30/11*. The interest and dividends earned (net of trustee and broker fees) each year is distributed to each cemetery based upon its accumulated contributions balance. Gains or losses on investment transactions are treated as capital transactions and are not included in the distributions to each cemetery.

The purpose of the externally restricted PNAF - 65% and PNAF - 100% is to report cumulative capital gains earned in the funds. Under the Act, all revenue must be attributed to the individuals with prearranged services. Capital gains, however, are not considered revenue for the purposes of the Act and must, therefore, be maintained separately.

(b) Financial Instruments

(i) Measurement of Financial Instruments

Financial assets and liabilities are initially recognized at fair value, except for certain non-arm's length transactions that are measured at the carrying amount or exchange amount as appropriate, and their subsequent measurement is dependent on their classification as designated by the Diocese. Investments are subsequently measured at fair value with changes in fair value recognized on the combined statement of revenue and expenditures. The Diocese subsequently measures all other financial assets and liabilities at amortized cost using the effective interest method.

Financial assets measured at amortized cost include cash, accounts receivable and accrued interest receivable, loans receivable - within the Corporation and loans receivable - outside the Corporation. Financial liabilities measured at amortized cost include bank indebtedness, accounts payable and accrued liabilities, funds held in trust - Refugee Program, loans payable - Parishes, loans payable - inside the Corporation, accumulated revenue on prearrangements payable, loans payable - outside the Corporation and mortgage payable.

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
IN ONTARIO**

Notes to Combined Financial Statements

Year Ended December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Financial Instruments (Continued)

(ii) Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of a write down is recognized on the combined statement of revenue and expenditures. A 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 previously. The amount of the reversal is recognized on the combined statement of revenue and expenditures.

(iii) Transaction Costs

The Diocese recognizes its transaction costs on the combined statement of revenue and expenditures in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

(c) Inventory

Inventory of monuments is carried at the lower of cost and net realizable value. The cost of inventory includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventory to its present location and condition and is determined on a first in, first out basis.

(d) Investments

Investments consist of portfolio investments with a mix of fixed income securities, equities, pooled mutual funds and investment trusts capable of prompt liquidation. Investments are initially recognized and subsequently measured at fair value, determined using year end quoted market prices. The purchase and sale of portfolio investments are accounted for using trade date accounting. Transaction costs associated with the acquisition and disposal of investments, investment management fees and net gains and losses arising from changes in fair value are immediately recognized in operations. Investment revenue includes interest and dividend revenue, realized and unrealized gains and losses on the investment portfolio.

(e) Land Held for Investment Purposes

Investment properties are initially recognized and subsequently measured at cost, including transaction costs. Transaction costs include property taxes and various professional fees. Any gains or losses on the disposal of investment property are recognized on the combined statement of revenue and expenditures in the year of disposal.

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
IN ONTARIO**

Notes to Combined Financial Statements

Year Ended December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Land Held for Investment Purposes (Continued)

At the end of each reporting period an assessment is made as to whether there are any indications that investment properties may be impaired. Investment properties are tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized on the combined statement of revenue and expenditures when the carrying amount of the property exceeds the recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell or its value in use.

(f) Cemetery Properties and Capital Assets

With the exception of the Chancery, capital assets are recorded at cost which includes original acquisition, construction and improvement costs, with the exception of land and buildings acquired prior to 1953 which are shown at their 1953 appraised values. The excess of the 1953 appraised values over the costs of acquisitions was adjusted through unrestricted net assets. Land acquired for purposes other than investment are not capitalized but are recorded under current operations and shown on the combined statement of revenue and expenditures. Construction under development is not amortized until completion of the project.

Amortization of other capital assets is calculated on the declining balance basis using rates as indicated:

Buildings	-	5%
Computer equipment	-	30%
Crematorium	-	5%
Feature monuments	-	5%
Fencing	-	5%
Mechanized equipment	-	30%
Office fixtures and equipment	-	20%
Roadways	-	4%

Cemetery properties consist of land, land development costs and mausoleums. Land acquisition, cemetery development costs and those attributable to specific lots are expensed as incurred. The mausoleums are initially recorded at cost. The cost of crypts and niches includes all costs related to the construction of the mausoleum structure including planning, pre-construction and landscaping costs. Amortization of mausoleum crypts and niches are recorded on the basis of the percentage of units sold. Provisions for impairment are recorded when crypt and niche structures are deemed to be impaired.

All capital asset acquisitions and disposals of the Chancery are recorded under current operations and shown on the combined statement of revenue and expenditures (*Page 5*).

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
IN ONTARIO**

Notes to Combined Financial Statements

Year Ended December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Assets Under Capital Leases

Assets under capital leases are accounted for at cost. The cost corresponds to the present value of the minimum lease payments. Amortization of capital assets is calculated on the declining balance basis using rates as indicated:

Mechanized equipment - 30%

(h) Impairment of Long Lived Assets

A long lived asset is tested for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long lived asset exceeds its fair value.

(i) Revenue Recognition

Restricted contributions related to general operations are recognized as revenue of the General Fund in the year in which the related expenditures are incurred.

Contributions externally restricted by the contributors are recognized as revenue of the appropriate externally restricted fund.

Donations and pledges are recorded when received as the ultimate collection of pledged items cannot be reasonably estimated.

Revenue from the sale of merchandise and services is recognized in the period when services are provided or the merchandise is sold. Revenue from contracts for mausoleum electrical services is deferred and then amortized to revenue over the period of the contract. All other revenue is recorded when earned.

(j) Foreign Exchange

Investments in foreign currencies are translated into Canadian dollars at the year end rate of exchange. Transactions in foreign currencies are translated into Canadian dollars at the rate of exchange in effect when the transactions occurred. Translation gains and losses are included with unrealized gains (losses) on investments in investment revenue on the combined statement of revenue and expenditures.

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
IN ONTARIO**

**Notes to Combined Financial Statements
Year Ended December 31, 2021**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Use of Estimates

The preparation of 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, disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenditures during the period reported. The principal estimates made by management are the determination of the allowance for doubtful accounts and the useful life and rates and methods of amortization of capital assets and cemetery properties reported during the period and the identification of indicators of impairment for capital assets, cemetery properties and land held for investment purposes. These estimates are reviewed periodically and, as adjustments become necessary, are reported in the period in which they become known.

2. CASH

	<u>2021</u>	<u>2020</u>
Cash	\$ 14,047,958	\$ 4,234,967
Cash from due from (to) from Externally Restricted Funds (Note 9)	<u>(285,310)</u>	<u>(1,117,908)</u>
	<u>\$ 13,762,648</u>	<u>\$ 3,117,059</u>

3. INVESTMENTS

	<u>2021</u>	<u>2020</u>
Fixed income	\$ 5,965,000	\$ 201,280
Equities	63,640,994	44,090,432
Mutual funds, investment trusts and other pooled funds	57,117,302	56,890,383
Life insurance policies	<u>151,244</u>	<u>102,911</u>
	126,874,540	101,285,006
Less: current investments	<u>-</u>	<u>201,280</u>
	<u>\$ 126,874,540</u>	<u>\$ 101,083,726</u>

The fixed income investments are comprised of bonds, notes, debentures and guaranteed investment certificates. The investments are pledged as security for the bank indebtedness (Note 10). The average effective interest rate on the fixed income securities and mutual funds is 2.85% (2020 - 2.85%) with maturity dates ranging from 2022 to 2028 (2020 - 2021 to 2028). Current investments include those investments with a maturity date within the next fiscal year, money market funds, as well as high interest savings accounts.

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
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Year Ended December 31, 2021

4. RECEIVABLES (PAYABLES) - WITHIN THE CORPORATION

	<u>2021</u>	<u>2020</u>
Cathedraticum receivable - Parishes	\$ 3,129,503	\$ 3,100,095
Interest receivable - Parish loans	455,860	354,549
Interest payable - Parish loans	-	(14,845)
Trade receivables - Parishes	40,065	52,367
Trade payables - Parishes	(36,276)	(70,995)
Other	<u>114,065</u>	<u>304,487</u>
	<u>\$ 3,703,217</u>	<u>\$ 3,725,658</u>

Cathedraticum receivable - Parishes is non-interest bearing, unsecured and is carried at the exchange value agreed upon by the parties. Trade receivables/payables with Parishes are recorded at the exchange value as agreed upon by the parties.

5. LOANS RECEIVABLE - WITHIN THE CORPORATION

	<u>2021</u>	<u>2020</u>
Loans receivable - Parishes, Co-operative Funding Program	\$ 46,874,394	\$ 43,547,497
Loans receivable - Parishes, construction financing	5,328,327	1,147,871
Loans receivable - 886444 Ontario Ltd. - property acquisition	<u>3,464,927</u>	<u>-</u>
	<u>\$ 55,667,648</u>	<u>\$ 44,695,368</u>

Loans receivable - Parishes are issued through the Co-operative Funding Program. The interest rate on these loans is subject to change annually. The interest rates on these loans for 2021 are 4.00% (2020 - 4.00%) with a portion of the loans being issued at lower rates or interest free. Interest is payable semi-annually on May 31 and November 30. There are no set terms for principal repayment. These loans are unsecured. Included in loan and mortgage interest revenue on the combined statement of revenue and expenditures is \$321,390 (2020 - \$353,085) related to these loans.

Loans receivable - Parishes regarding construction financing are lines of credit and demand term loans arranged through financial institutions. The interest rates are adjusted with current market rates.

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
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Year Ended December 31, 2021

6. LOANS RECEIVABLE - OUTSIDE THE CORPORATION

	<u>2021</u>	<u>2020</u>
Loans receivable, unsecured, interest rates ranging from 0.00% to 4.00%, payments ranging from no set terms to \$7,600 monthly, plus interest, maturity dates ranging from demand to no set terms of repayment	\$ 5,140,586	\$ 5,303,416
Loans receivable, secured by properties, interest rates ranging from 0.00% to 4.00%, payments ranging from \$0 monthly to \$9,501 monthly, blended principal and interest, maturity dates ranging from December 2022 to November 2033 to no set terms of repayment (2020 - from December 2022 to November 2033 to no set terms of repayment)	8,711,129	9,125,473
Loan receivable, non interest bearing, no set terms of repayment, secured by a collateral first charge/mortgage on property of the borrower	23,000,000	23,000,000
Employees loans receivable, non-interest bearing, varying terms of repayment maturing from July 2021 to July 2023 (2020 - July 2021 to July 2023)	<u>10,923</u>	<u>19,727</u>
	<u>36,862,638</u>	<u>37,448,616</u>
Current portion due within one year	<u>2,519,937</u>	<u>2,726,240</u>
	<u>\$ 34,342,701</u>	<u>\$ 34,722,376</u>

Included in loan and mortgage interest revenue on the combined statement of revenue and expenditures is \$339,711 (2020 - \$246,115) related to these loans.

7. LONG TERM ACCOUNTS RECEIVABLE

As at December 31, 2021, there is a long term non-interest bearing accounts receivable in the amount of \$96,754 (2020 - \$150,118), for a mausoleum purchase with annual payments in the amount of \$53,364 and final payment due May 4, 2023.

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
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Notes to Combined Financial Statements

Year Ended December 31, 2021

8. CEMETERY PROPERTIES AND CAPITAL ASSETS

	2021			2020
	Cost	Accumulated Amortization	Net	Net
Cemetery Properties				
Mausoleums	\$ 57,899,656	\$ 38,100,232	\$ 19,799,424	\$ 21,104,926
Capital Assets				
Buildings	3,833,998	1,744,660	2,089,338	2,106,628
Computer equipment	259,353	257,256	2,097	2,995
Crematorium	2,732,753	1,411,200	1,321,553	1,353,568
Feature monuments	2,245,177	1,080,885	1,164,292	1,222,036
Fences	22,597	15,788	6,809	7,168
Mechanized equipment	4,703,050	4,093,532	609,518	714,679
Mechanized equipment under capital lease	275,478	132,604	142,874	68,570
Office fixtures and equipment	200,784	178,370	22,414	28,017
Roadways	2,565,248	974,933	1,590,315	1,499,229
	<u>\$ 74,738,094</u>	<u>\$ 47,989,460</u>	<u>\$ 26,748,634</u>	<u>\$ 28,107,816</u>

Crematorium includes \$258,503 (2020 - \$234,568) in costs for a crematorium under development and buildings includes \$174,174 (2020 - \$157,277) in costs under development which are not being amortized. During the year mechanized equipment under capital lease with a net book value of \$Nil (2020 - \$30,529) was purchased for the agreed upon bargain purchase of \$1 upon full discharge of the lease.

9. RESTRICTED ASSETS

Restricted assets are comprised of the assets of the CM Fund, PNAF 100% and PNAF 65% as well as cash and investments segregated for restricted donations.

	<u>2021</u>	<u>2020</u>
Cash	\$ 6,445,375	\$ 10,263,101
Accrued interest receivable	12,345	13,936
Broker fees payable	(68,544)	(58,558)
Investments	<u>137,542,286</u>	<u>112,575,210</u>
	143,931,462	122,793,689
Cash due from (to) Unrestricted General Fund (Note 2)	<u>285,310</u>	<u>1,117,908</u>
	<u>\$ 144,216,772</u>	<u>\$ 123,911,597</u>

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
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Notes to Combined Financial Statements
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10. BANK INDEBTEDNESS

	<u>2021</u>	<u>2020</u>
Lines of credit	\$ 19,544,636	\$ 12,827,715
Non-revolving demand loans	<u>3,635,548</u>	<u>4,020,584</u>
	<u>\$ 23,180,184</u>	<u>\$ 16,848,299</u>

The Diocese has available lines of credit of \$50,222,644 (2020 - \$44,502,919), of which \$23,147,217 were drawn against on December 31, 2021 (2020 - \$19,492,640). The lines of credit bear interest at varying rates ranging from the lender's prime to the lender's prime plus 1.25% in 2021 and 2020 while the non-revolving demand loans bear interest at rates ranging from prime to 3.40% (2020 - 3.40%). The indebtedness is secured by a general security agreement as well as the investment portfolio. In addition, the indebtedness is secured by collateral first fixed charges on two properties of a non-related party in the total amount of \$3.2 million (2020 - \$3.2 million).

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2021</u>	<u>2020</u>
Accounts payable	\$ 1,684,975	\$ 1,966,503
Government remittances payable	<u>160,369</u>	<u>205,093</u>
	<u>\$ 1,845,344</u>	<u>\$ 2,171,596</u>

Government remittances payable consist of harmonized sales taxes and payroll taxes required to be paid to government authorities.

12. DEFERRED REVENUE

	<u>2021</u>	<u>2020</u>
Deferred electrical service, other service and mausoleum crypt sale revenue	\$ 255,179	\$ 234,770
Prearrangement contracts owing - Catholic Cemeteries	79,006	121,216
Prearrangement contracts owing - PNAF 100%	24,518,726	23,283,431
Prearrangement contracts owing - PNAF 65%	<u>146,722</u>	<u>156,026</u>
	24,999,633	23,795,443
Current portion of deferred revenue	<u>73,936</u>	<u>78,044</u>
	<u>\$ 24,925,697</u>	<u>\$ 23,717,399</u>

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
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**Notes to Combined Financial Statements
Year Ended December 31, 2021**

13. FUNDS HELD IN TRUST - REFUGEE PROGRAM

	<u>2021</u>	<u>2020</u>
Funds held in trust - Refugee Program - beginning of year	\$ 754,479	\$ 950,638
Funds contributed during the year	169,947	53,969
Expenditures/reimbursements during the year	<u>-</u>	<u>(250,128)</u>
Funds held in trust - Refugee Program - end of year	<u>\$ 924,426</u>	<u>\$ 754,479</u>

14. LOANS PAYABLE - PARISHES

Loans payable - Parishes are loans received through the Co-operative Funding Program. The interest paid on these loans is subject to change annually. There are no set terms of principal repayment. Included in interest on the combined statement of revenue and expenditures is \$833,468 (2020 - \$795,055) related to these loans.

	<u>2021</u>	<u>2020</u>
3.00% interest, interest only payable semi-annually on May 31 and November 30, due on demand, unsecured	<u>\$ 30,062,881</u>	<u>\$ 26,618,771</u>

15. LOANS PAYABLE - INSIDE THE CORPORATION

	<u>2021</u>	<u>2020</u>
3.00% interest, interest only payable semi-annually on May 31 and November 30, no set terms of principal repayment, unsecured	<u>\$ 1,723,549</u>	<u>\$ 804,930</u>

Included in interest on the combined statement of revenue and expenditures is \$9,454 (2020 - \$9,454) related to these loans.

16. LOANS PAYABLE - OUTSIDE THE CORPORATION

	<u>2021</u>	<u>2020</u>
3.00% - 4.00% (2020 - 3.00% - 4.00%) interest, interest only payable semi-annually on May 31 and November 30, no set terms of principal repayment, due on demand, unsecured	<u>\$ 7,271,660</u>	<u>\$ 5,240,527</u>

Included in interest on the combined statement of revenue and expenditures is \$207,720 (2020 - \$187,457) related to these loans.

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
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17. ACCUMULATED REVENUE ON PREARRANGEMENTS PAYABLE

This represents the accumulated revenue of the PNAF 100% which is payable to the contract holders on utilization of the prearranged services.

18. CAPITAL LEASE PAYABLE

	<u>2021</u>	<u>2020</u>
Mechanized equipment capital lease payable, interest rate Nil%, repayable in 35 monthly instalments of \$3,301 principal, maturing January 25, 2024 secured by equipment with a net book value of \$94,884 (2020 - \$Nil)	\$ 79,234	\$ -
Mechanized equipment capital lease payable, interest rate Nil%, repayable in 36 monthly instalments of \$3,887 principal, maturing May 22, 2022 secured by equipment with a net book value of \$47,999 (2020 - \$68,570)	<u>15,049</u>	<u>61,695</u>
	<u>94,283</u>	<u>61,695</u>
Current portion payable within one year	<u>54,665</u>	<u>46,646</u>
	<u>\$ 39,618</u>	<u>\$ 15,049</u>

Future minimum lease payments under the capital lease are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	- \$ 54,665	\$ -	\$ 54,665
2023	- <u>39,618</u>	<u>-</u>	<u>39,618</u>
	<u>\$ 94,283</u>	<u>\$ -</u>	<u>\$ 94,283</u>

19. MORTGAGE PAYABLE

	<u>2021</u>	<u>2020</u>
0.00% interest, annual principal payments of \$1,000,000, balance due June 27, 2034, secured by property	\$ 14,500,000	\$ 15,500,000
Less current portion	<u>1,000,000</u>	<u>1,000,000</u>
	<u>\$ 13,500,000</u>	<u>\$ 14,500,000</u>

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
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Notes to Combined Financial Statements

Year Ended December 31, 2021

19. MORTGAGE PAYABLE (Continued)

Principal amounts due within the next five years and thereafter are as follows:

2022	-	\$ 1,000,000
2023	-	\$ 1,000,000
2024	-	\$ 1,000,000
2025	-	\$ 1,000,000
2026	-	\$ 1,000,000
Thereafter	-	\$ 9,500,000

20. GOVERNMENT ASSISTANCE

Government assistance included funding received under the Canada Emergency Wage Subsidy (CEWS) and the Temporary Wage Subsidy programs of the federal government as a result of the COVID-19 pandemic. During the December 31, 2021 \$Nil (2020 - \$240,402) of CEWS is in accounts receivable at year end.

21. EMPLOYEE BENEFIT PLAN

Defined Contribution Pension Plan

The Diocese participates in defined contribution pension plans for eligible employees. Two financial institutions administer the pension assets. Eligible employees of the Chancery are required to contribute 4% of their gross earnings into the Plan and the Chancery contributes 1.25 times this, or 5%, into the Plan. Employees may make additional contributions but these are not matched by the Chancery. The Catholic Cemeteries matches contributions ranging from 5% to 10% of individual employee gross earnings. During the year, the Diocese incurred pension expenditures totalling \$307,645 (2020 - \$320,793).

22. TRANSACTIONS WITH PARISHES

The Diocese, through the Co-operative Funding Program, loans funds to Parishes as well as borrows from Parishes. In addition, the Diocese has secured lines of credit used by certain Parishes for construction purposes. These loans are as disclosed in *Notes 5 and 14*.

The Diocese receives restricted contributions from Parishes for a number of charitable activities. During 2021, these donations amounted to \$993,897 (2020 - \$1,717,635). In addition, the Diocese also makes contributions to Parishes to assist them with certain activities. During 2021, these donations amounted to \$10,027,018 (2020 - \$11,379,271).

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
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Notes to Combined Financial Statements

Year Ended December 31, 2021

22. TRANSACTIONS WITH PARISHES (Continued)

The Diocese assesses the Parishes a cathedraticum fee annually which provides operating capital for the activities of the Diocese. For 2021, this amounted to \$2,610,775 (2020 - \$2,678,682). The cathedraticum receivable as at December 31, 2021 is disclosed on the combined balance sheet. In addition, the Diocese provides services and programs which the Parishes use and some of these require a fee. During 2021, these fees amounted to \$1,215,454 (2020 - \$1,260,931). In addition, the Chancery paid \$160,994 (2020 - \$1,451,404) to the parishes for services and reimbursement of expenditures made on its behalf. These transactions are in the normal course of business and are recorded at the exchange value, being the amount agreed upon by the parties.

23. COMMITMENTS AND CONTINGENCIES

(a) Commitments

The Diocese has committed to provide funds to a number of organizations. The totals committed for the next five years is as follows.

2022	-	\$ 1,024,535
2023	-	\$ 924,535
2024	-	\$ 924,535
2025	-	\$ 924,535
2026	-	\$ 924,535

(b) Letters of Credit

The Diocese has a number of letters of credit with financial institutions totalling \$2,430,203 (2020 - \$2,430,203) for purposes including capital expenditures under development.

(c) Contingencies

The Diocese has guaranteed bank loans of the Parishes within the Diocese. At December 31, 2021, these loans amounted to \$Nil (2020 - \$258,637). The Diocese has also guaranteed a demand bank loan on behalf of two unrelated parties in the amount of \$3,100,000 (2020 - \$3,100,000). This guarantee facilitated the construction of a convent and day care centre as well as a revitalized youth centre in the Diocese.

From time to time, the Diocese becomes a party to litigation. The Diocese was involved in such litigation during 2021. As the outcome of such litigation was indeterminable at year end, any potential liability of such litigation will be recorded as an expense in the year of settlement.

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
IN ONTARIO**

Notes to Combined Financial Statements

Year Ended December 31, 2021

24. FINANCIAL INSTRUMENTS

The Diocese is exposed to various risks through its financial instruments. The following analysis provides a measure of the Diocese's risk exposure and concentrations at December 31, 2021.

(a) Credit Risk

The Diocese is subject to credit risk through its cash, accounts receivable and accrued interest receivable, receivables (payables) - within the Corporation, loans receivable - within the Corporation and loans receivable - outside the Corporation. Credit risk associated with receivables is minimized by the Diocese's large client base. The reasons for the accounts being past due are considered in determining when past due accounts should be allowed for or whether to write off the balances. The allowance for doubtful accounts is calculated on a specific identification basis. An allowance of \$75,925 (2020 - \$76,217) was made. Amounts subsequently recovered from accounts previously written off are recognized in the period of recovery. The Diocese's cash balances are in excess of federally insured limits, however, credit risk is considered minimal for the cash balances, since the funds are held by large Canadian chartered banks with high credit standing.

(b) Market Risk

Market risk is the risk that the fair value or 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. The Diocese is exposed to all these risks.

(c) Interest Rate Risk

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. Fixed rate instruments subject the Diocese to a fair value risk while the floating rate instruments subject it to a cash flow risk. At December 31, 2021 the Diocese was subject to an interest rate price risk with respect to its investment portfolio and various loans. To manage this risk the Diocese has established a target mix of investment types designed to achieve the optimal return within reasonable risk tolerances. The Diocese does not use derivative instruments to alter its exposure to interest rate risk.

(d) Currency Risk

Currency risk is the risk that fair values or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Diocese is subject to currency risk with respect to its investment portfolio and cash balances. The total \$US balances for cash and investments are \$242,446 and \$31,489,177 respectively (2020 - \$236,267 and \$15,801,493 respectively).

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
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Notes to Combined Financial Statements

Year Ended December 31, 2021

24. FINANCIAL INSTRUMENTS (Continued)

(e) Other Price Risk

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market. The Diocese is exposed to other price risk through its investments in mutual funds and equity. To manage these risks, the Diocese has established a target mix of investment types designed to achieve the optimal return within reasonable risk tolerances.

(f) Liquidity Risk

Liquidity risk is the risk that the Diocese will encounter difficulty in meeting obligations associated with financial liabilities. The Diocese is exposed to this risk mainly in respect to its bank indebtedness, accounts payable and accrued liabilities, loans payable - Parishes, loans payable - inside the Corporation, loans payable - outside the Corporation and mortgage payable. The Diocese meets its liquidity requirements by preparing a budget and monitoring detailed forecasts of cash flows from operations, anticipating investing and financing activities and holding assets that can be readily converted into cash.

Other than as noted above, there has been no significant change to the risk exposures from the prior year.

25. IMPACT OF COVID 19

In early March, 2020, the COVID-19 virus was declared a global pandemic and actions were taken by the Canadian government to control the outbreak by enacting emergency measures, including restrictions on public activities, travel and commercial operations. As a result of these preventive measures the Diocese chose to temporarily suspend some operations in advance of later government mandates and operations could continue to be impacted for months or more. In addition, the investment portfolio of the Diocese has been subject to these market fluctuations and may continue to experience significant volatility as the situation evolves. The current situation may lead to adverse changes in cash flows and working capital levels which may also have a direct impact on the Diocese's operating results and financial position. In an effort to manage the impact of COVID-19 on the on-going operations, the Diocese applied for and received the federal government Canada Emergency Wage Subsidy (CEWS) and Temporary Wage Subsidy (TWS). Management is carefully monitoring the situation. No adjustments have been made to these financial statements as a result of this uncertainty.

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON
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Combined Schedule of Investment Revenue
Year Ended December 31, 2021

	Externally Restricted Funds	Unrestricted General Fund	Total 2021	Total 2020
Loan and mortgage interest (<i>Notes 5 and 6</i>)	\$ -	\$ 661,102	\$ 661,102	\$ 599,200
Mutual fund distributions	-	163,667	163,667	414,092
Dividends	1,314,302	3,206,117	4,520,419	4,005,492
Bond interest	1,785,121	198,831	1,983,952	2,123,356
Bank and other interest	1,016	(253,718)	(252,702)	(291,713)
Net gain (loss) on disposal of investments - realized	3,283,218	343,708	3,626,926	(4,224,898)
Foreign exchange (loss) gain - realized and unrealized	-	(266,541)	(266,541)	(80,796)
Unrealized gain on investments	<u>5,290,946</u>	<u>12,198,427</u>	<u>17,489,373</u>	<u>14,795,842</u>
	<u>\$ 11,674,603</u>	<u>\$ 16,251,593</u>	<u>\$ 27,926,196</u>	<u>\$ 17,340,575</u>

THE ROMAN CATHOLIC EPISCOPAL CORPORATION OF THE DIOCESE OF HAMILTON IN ONTARIO
Combined Schedule of Externally Restricted Funds
Year Ended December 31, 2021

	Chancery Specified Funds	Care & Maintenance Fund	Pre-Need Assurance Fund - 65%	Pre-Need Assurance Fund - 100%	Total 2021	Total 2020
Revenue						
Donations	\$ 12,871,364	\$ -	\$ -	\$ -	\$ 12,871,364	\$ 8,516,527
Mass stipends	30,565	-	-	-	30,565	25,487
Miscellaneous	178,699	-	-	-	178,699	147,429
Investment revenue <i>(Page 25)</i>	<u>-</u>	<u>8,744,633</u>	<u>(1,737)</u>	<u>2,931,708</u>	<u>11,674,604</u>	<u>8,961,849</u>
	<u>13,080,628</u>	<u>8,744,633</u>	<u>(1,737)</u>	<u>2,931,708</u>	<u>24,755,232</u>	<u>17,651,292</u>
Expenditures						
Donations	3,327,379	-	-	-	3,327,379	2,782,602
Clergy and seminary	206,835	-	-	-	206,835	290,436
Mass stipends	14,330	-	-	-	14,330	17,500
Investment expenditures	-	463,503	1,897	308,583	773,983	700,890
Other	<u>260,990</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>260,990</u>	<u>308,875</u>
	<u>3,809,534</u>	<u>463,503</u>	<u>1,897</u>	<u>308,583</u>	<u>4,583,517</u>	<u>4,100,303</u>
	<u>\$ 9,271,094</u>	<u>\$ 8,281,130</u>	<u>\$ (3,634)</u>	<u>\$ 2,623,125</u>	<u>\$ 20,171,715</u>	<u>\$ 13,550,989</u>