Archiepiscopal Corporation of Regina

Pastoral & Chancery Office

Financial Statements

December 31, 2023

Archiepiscopal Corporation of Regina – Pastoral & Chancery Office

Financial Statements

December 31, 2023

BERGER CAVAN GROUP
Chartered Professional Accountants and Business Advisors

202 - 2022 Cornwall Street
Regina, SK S4P 2K5
Phone: 306.347.2244
Email: info@bcgllp.ca

Independent Auditors' Report

To the Archbishop of Archiepiscopal Corporation of Regina - Pastoral & Chancery Office

Report on the Audit of the Financial Statements

Qualified Opinion
We have audited the financial statements of Archiepiscopal Corporation of Regina - Pastoral & Chancery Office, which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net assets 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 effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with the basis of accounting described in Note 2 and 3 to the financial statements.

Basis for Qualified Opinion
In common with many not-for-profit organizations, Archiepiscopal Corporation of Regina - Pastoral & Chancery Office derives a material amount of revenue from donations and fundraising activities, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of this revenue was limited to the amounts recorded in the records of Archiepiscopal Corporation of Regina - Pastoral & Chancery Office. Therefore, we were not able to determine whether, as at December 31, 2023, any adjustments might be necessary to these revenues and excess (deficiency) of revenues over expenditures reported in the statement of operations, excess (deficiency) of revenues over expenditures reported in the statement of cash flows and current assets and net assets reported in the statement of financial position. This caused us to qualify our audit opinion on the financial statements as at and for the year ended December 31, 2023.

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 Financial Statements section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the 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 2 and 3 to the financial statements, which describes the basis of accounting used in the preparation of theses financial statements and the significant differences between the accounting policies used and Canadian accounting standard for non-for-profit organizations. The financial statements are prepared for the information of the Archbishop, internal management, and for income tax filing purposes. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Independent Auditors' Report (continued)

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditors' Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the 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 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 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 organization'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 organization'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 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 organization to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditors' Report (continued)

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.

Regina, Saskatchewan
September 12, 2024

Chartered Professional Accountants

Archiepiscopal Corporation of Regina – Pastoral & Chancery Office

Statement of Financial Position

As at December 31,	**2023**	2022
Assets		
Current		
Cash and cash equivalents (note 4)	**$1,572,636**	$ 1,731,946
Accounts receivable (notes 5 and 16)	**826,608**	672,533
Prepaid expenses and deposit	**208,947**	9,625
Loans receivable (note 7)	**74,461**	28,703
Short term investments (note 6)	**847,549**	650,748
	3,530,201	3,093,555
Long term investments (note 6)	**5,766,598**	6,240,019
Loans receivable (note 7)	**158,068**	57,425
Tangible capital assets (note 8)	**802,434**	1,105,779
Trust assets (note 13)	**1,487,916**	1,575,044
	$11,745,217	$ 12,071,822
Liabilities		
Current		
Accounts payable and accrued liabilities (note 16)	**$581,511**	$ 795,194
Loan payable	**124,918**	56,408
Deferred contributions	**109,900**	152,242
Deferred *Archbishop's Appeal* contributions (note 9)	**1,274,122**	1,176,712
	2,090,451	2,180,556
Accounts payable and accrued liabilities	**106,434**	73,144
Deferred *Rebuilding our Church* contributions (note 10)	**74,449**	406,608
Deferred *Catholic TRC Healing Response* contributions (note 11)	**93,006**	49,798
Insurance account (note 12)	**653,189**	566,914
Trust liabilities (note 13)	**1,487,916**	1,575,044
	4,505,445	4,852,064
Fund balances		
Net Assets (see Statement of Changes in Net Assets)	**7,239,772**	7,219,758
Total Liabilities and Net Assets	**$11,745,217**	$ 12,071,822

Commitments (note 14), Contingencies (note 19)

Recommended to the Archbishop for approval on behalf of the Finance Council:

Financial Officer

Annette Polasek.

Chair, Finance Council

See accompanying notes

Archiepiscopal Corporation of Regina – Pastoral & Chancery Office

Statement of Operations

For the year ended December 31,	**2023**	2022
Revenues		
Archbishop's Appeal (note 9)	**$1,331,404**	$ 1,318,009
Diocesan assessments	**1,116,573**	1,016,919
Recoveries (note 16)	**2,290,037**	2,142,222
Donations and bequests	**527,833**	624,798
Rebuilding our Church donations	**911,000**	5,077,811
Donations for TRC initiatives (note 17)	**-**	1,316,542
Grants and subsidies	**168,128**	103,655
Unrealized investment gains (losses)	**180,894**	(352,443)
Investment income	**317,477**	404,314
Gain on sale of property	**139,376**	-
Other income	**94,476**	135,146
	$7,077,198	$ 11,786,973
Expenditures		
Archbishop's Appeal costs (schedule 1)	**193,089**	$ 148,031
Archbishop's Appeal grants and rebates (schedule 2)	**86,160**	132,083
Chancery and administration (schedule 3)	**1,219,910**	1,444,573
Marriage Tribunal	**125,718**	126,880
Ministry and services (schedule 4)	**3,372,503**	4,815,248
Pastoral services (schedule 5)	**1,076,615**	1,022,313
Rebuilding our Church Campaign Costs	**-**	831,135
Rebuilding our Church Grants and Projects (schedule 6)	**911,000**	4,335,625
Rental and other	**72,189**	(924)
	$7,057,184	$ 12,854,964
Excess (deficiency) of revenues over expenditures	**$20,014**	$ (1,067,991)

Archiepiscopal Corporation of Regina – Pastoral & Chancery Office

Statement of Changes in Net Assets

	Balance, beginning of year	Transfer	Appropriation	Excess (deficiency) of revenues over expenditures	2023 Balance, end of year
Unrestricted Net Assets	**$1,389,052**	**$ -**	**$392,866**	**$18,404**	**$1,800,322**
Invested in Property	**817,353**	**-**	**(370,756)**	**-**	**446,597**
Externally Restricted Net Assets					
Priests' Benevolent Fund	2,200	-	-	-	2,200
Sisters' Legacy Monument	52,526	-	-	1,610	54,136
Ulrich Scholarship Trust Fund	138,129	-	-	-	138,129
	192,855	**-**	**-**	**1,610**	**194,465**
Internally Restricted Net Assets					
Capital Fund	2,182,729	-	(44,353)	-	2,138,376
Welfare of Priests	1,424,283	-	11,914	-	1,436,197
Education of Priests	635,189	-	6,621	-	641,810
Visitation House	209,977	-	(13,937)	-	196,040
Lay Ministry	91,516	-	607	-	92,123
Rural Catechesis	59,228	-	393	-	59,621
Health Care Chaplaincy	59,365	-	394	-	59,759
Refugee Coordinator	27,673	-	184	-	27,857
Spiritual Direction	17,052	-	113	-	17,165
Native Ministry	42,227	-	280	-	42,507
Urban Native Ministry	71,259	-	-	-	71,259
C.S.A. Victim Supports	-	-	15,674	-	15,674
	4,820,498	**-**	**(22,110)**		**4,798,388**
Total Net Assets	**$7,219,758**	**$ -**	**$ -**	**$20,014**	**$7,239,772**

Archiepiscopal Corporation of Regina – Pastoral & Chancery Office

Statement of Changes in Net Assets

	Balance, beginning of year	Transfer	Appropriation	Excess (deficiency) of revenues over expenditures	2022 Balance, end of year
Unrestricted Net Assets	**$ 1,726,978**	**$ -**	**$ 597,673**	**$ (935,599)**	**$ 1,389,052**
Invested in Property	**817,353**	**-**	**-**	**-**	**817,353**
Externally Restricted Net Assets					
Estate of Bishop Peter Mallon (note 11)	133,020	-	-	(133,020)	-
Priests' Benevolent Fund	2,200	-	-	-	2,200
Sisters' Legacy Monument	51,898	-	-	628	52,526
Ulrich Scholarship Trust Fund	138,129	-	-	-	138,129
	325,247	**-**	**-**	**(132,392)**	**192,855**
Internally Restricted Net Assets					
Capital Fund	2,481,234	-	(298,505)	-	2,182,729
Welfare of Priests	1,495,363	-	(71,080)	-	1,424,283
Education of Priests	640,018	-	(4,829)	-	635,189
Visitation House	207,838	-	2,139	-	209,977
Justice, Peace & Reconciliation Fund (note 11)	200,000	-	(200,000)	-	-
Lay Ministry	99,341	-	(7,825)	-	91,516
Rural Catechesis	64,292	-	(5,064)	-	59,228
Health Care Chaplaincy	64,440	-	(5,075)	-	59,365
Refugee Coordinator	30,039	-	(2,366)	-	27,673
Spiritual Direction	18,510	-	(1,458)	-	17,052
Native Ministry	45,837	-	(3,610)	-	42,227
Urban Native Ministry	71,259	-	-	-	71,259
	5,418,171	**-**	**(597,673)**	**-**	**4,820,498**
Total Net Assets	**$ 8,287,749**	**$ -**	**$ -**	**$ (1,067,991)**	**$ 7,219,758**

Archiepiscopal Corporation of Regina – Pastoral & Chancery Office

Statement of Cash Flows

For the year ended December 31,	2023	2022
Cash provided by (used for)		
Operating activities		
Excess (deficiency) of revenues over expenditures	**$20,014**	$ (1,067,991)
Items not affecting cash		
Amortization	**27,114**	10,079
Unrealized investment (gains) losses	**(180,894)**	352,443
Remove non-cash (gains) losses in insurance account	**(107,483)**	(53,966)
Gain on sale of property	**(139,376)**	-
Interest accrued on investments	**5,828**	(50,748)
	(374,797)	(810,183)
Change in non-cash working capital items		
Accounts receivable	**(154,075)**	324,017
Prepaid expenses	**(199,323)**	22,345
Loans receivable	**(146,401)**	(49,495)
Accounts payable and accrued liabilities	**(180,393)**	134,684
Loans payable	**68,509**	56,408
Trust assets	**87,128**	(360,455)
Trust liabilities	**(87,128)**	360,455
Insurance account	**86,275**	32,855
Deferred contributions	**(42,342)**	74,575
Deferred *Archbishop's Appeal* contributions	**97,410**	(6,142)
Deferred *Rebuilding our Church* contributions	**(332,159)**	(2,981,001)
Deferred *Catholic TRC Healing Response* contributions	**43,209**	(1,113,350)
	(1,139,914)	(4,264,539)
Investing activities		
Purchase of investments	**(287,960)**	(3,273,453)
Proceeds from sale of investments	**847,128**	908,987
Purchase of tangible capital assets	**(94,524)**	(298,505)
Proceeds from sale of property	**510,132**	-
	974,776	(2,262,971)
Increase in cash and cash equivalents	**(159,310)**	(6,978,258)
Cash and cash equivalents, beginning of year	**1,731,946**	8,710,204
Cash and cash equivalents, end of year	**1,572,636**	$ 1,731,946
Cash and cash equivalents at end of year are comprised of:		
Cash	**1,544,503**	$ 1,724,459
Cash equivalents	**28,133**	7,487
	$1,572,636	$ 1,731,946

1. Nature of operations

Archiepiscopal Corporation of Regina (the "Archdiocese") is a legal entity incorporated under a private Act of the Legislature of Saskatchewan. The incorporating Act empowers the Archbishop, in communion with the Church of Rome, to undertake any legal activities for religious and educational purposes within a geographic area. The geographic area of this entity is a specified area of southern Saskatchewan. The Archdiocese is a registered charitable organization and is exempt from income taxes under *The Income Tax Act.*

The Archdiocesan accounts are maintained in the Pastoral & Chancery Office. This office directs pastoral services and all non-parish administrative activities of the Archdiocese under the guidance and direction of the Archbishop of Regina. In addition, the Pastoral & Chancery Office offers administrative and consultative services to the Parishes and their members, including the operation of a master property and liability insurance program, an employee group benefit plan, and the financial services of the Inter-Parochial Sharing Fund.

2. Basis of preparation

The Pastoral & Chancery Office is under no obligation to issue any financial information except, as required by Canon Law, to render an account of receipts and expenditures to the Archdiocesan Finance Council. These financial statements are therefore presented in a manner consistent with internal information needs only and differ materially from financial statements prepared in accordance with Canadian accounting standards for not-for-profit organizations.

The operations reported in these financial statements relate to the day to day activities and provision of services by the Pastoral & Chancery Office. The master insurance program is accounted for in a separate account, the details of which are provided in the notes to these financial statements. The financial statements do not include the activities of the following:

- Inter-Parochial Sharing Fund
- Father Len Sullivan Liturgical Advancement Fund
- Priests' Retirement Plan

The Pastoral & Chancery Office is related to the Roman Catholic Parishes governed by the Archdiocese of Regina by virtue of common control by the Archbishop of Regina. The activities and accounts of these Parishes are not consolidated in these financial statements.

3. Significant accounting policies

These financial statements differ materially from Canadian accounting standards for not-for-profit organizations. Certain land and buildings are capitalized, however the buildings are not depreciated. Commencing in 2022, Pastoral Center and Chancery property and equipment aside from certain land and building are capitalized and amortized.

(a) Cash and cash equivalents

Cash includes cash held on hand and in bank accounts as well as cash held in investment accounts. Cash equivalents are comprised of investments held in savings accounts.

(b) Loans receivable

Loans to ordained clergy of the Archdiocese of Regina, Roman Catholic youth camps located within the Archdiocese, and a Roman Catholic Parish in Regina have varying terms, interest rates, and conditions. They are carried in the accounts at the lower of cost and net realizable value.

(c) Tangible capital assets

Certain land and buildings have been classified as invested in property and have been capitalized. No amortization is taken on such capitalized amounts. Appliances, furniture, leasehold improvements, office equipment and vehicles acquired after December 31, 2021 are recorded at cost and amortized using the straight-line method over the estimated useful lives of the asset. One half of the year's amortization is recorded in the year of acquisition. The estimated useful lives of the assets are as follows:

Appliances	15 years
Furniture	20 years
Leasehold improvements	15 years
Office Equipment	5 years
Vehicles	5 years

Contributed capital assets are recorded at fair value at the date of contribution.

(d) Revenue recognition

The Pastoral & Chancery Office follows the restricted fund method of accounting. Under this method operations are separated between unrestricted and restricted activities with a set of self-balancing accounts for each fund. The Pastoral & Chancery Office uses the following funds:

3. Significant accounting policies (continued)

(i) The Unrestricted Net Asset Fund reports revenues from and expenditures of unrestricted contributions, donations, and fundraising activities and restricted contributions to be used for general operations.

(ii) The Invested in Property Fund reports revenues from and expenditures of properties that have been invested in by the Pastoral & Chancery Office.

(iii) Externally Restricted Funds:

a. The Priests' Benevolent Fund is held in cash. Donations to the fund are to be used to help priests in need of assistance during a financial crisis.

b. The Sisters Legacy Monument Fund is held in investments. Interest earned within the fund is to be used to pay for annual maintenance and insurance for the statue. If such costs are in excess of the interest earned by the fund, a portion of the investments may be sold to cover the costs.

c. The Ulrich Scholarship Trust Fund is held in investments. Interest earned within the fund is used to pay for educational costs of priests and seminarians.

(iv) The Internally Restricted Funds reports amounts that the Pastoral & Chancery Office has classified for use in specific ministries and a capital fund. The Finance Council has approved only the use of investment income from these funds, except for the capital fund.

Contributions and other revenues are recognized in the fund corresponding to the purpose for which they were contributed or raised. Restricted contributions and other revenues contributed to or raised for the general fund are deferred and recognized in the year in which the related expenses are incurred.

Appeal revenues are generally collected in the last few months of each year, but are not recognized in revenue until the following year when the corresponding expenses to which they relate are incurred. A portion of the current year appeal revenues are recognized immediately to offset expenditures incurred to administer the current year's appeal campaign.

3. Significant accounting policies (continued)

Investment income includes dividends and interest income recorded on the accrual basis, as well as realized investment gains and losses and unrealized gains and losses on financial instruments subsequently measured at fair value. Investment income is included in the statement of operations in the fund in which the related financial instrument is recorded.

(e) Trust liabilities

Trust liabilities include funds received by the Pastoral & Chancery Office for transfer to others and assets administered by the Pastoral & Chancery Office for others including those of the constituent Parishes. Also included are proceeds from the sale of Parish properties pending distribution to absorbing Parishes as stipulated by Canon Law.

(f) Insurance account

The Pastoral & Chancery Office maintains insurance coverage for all of its own assets as well as those administered by the Parishes and other entities through the Asset Protection Insurance Exchange, an insurance exchange made up of the Dioceses in western and northern Canada. Premiums are billed to Parishes and other entities based on their proportionate share of covered assets. The balance in the insurance account represents the funds set aside to cover deductible amounts and other uninsured risks.

(g) Financial instruments

Financial assets originated or acquired or financial liabilities issued or assumed in an arm's length transaction are initially measured at their fair value. In the case of a financial asset or financial liability not subsequently measured at its fair value, the initial fair value is adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption. Such fees and costs in respect of financial assets and liabilities subsequently measured at fair value are expensed.

Subsequent Measurement:

Financial assets measured at amortized cost include cash and cash equivalents, accounts receivable, government bonds held in investments, and loans receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, loan payable, and insurance account.

The organization subsequently measures equities quoted in an active market at fair value, without adjustment for transaction costs and with changes in fair value recognized in operations in the period in which they occur. Government bonds are measured at amortized cost.

3. Significant accounting policies (continued)

At the end of each reporting period, management assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired. If there is an indication of impairment, management determines whether a significant adverse change has occurred in the expected timing or the amount of future cash flows from the asset, in which case the asset's carrying amount is reduced to the highest expected value that is recoverable by either holding the asset, selling the asset, or by exercising the right to any collateral. The carrying amount of the asset is reduced directly or through the use of an allowance account and the amount of the reduction is recognized as an impairment loss in operations. Previously recognized impairment losses may be reversed to the extent of any improvement. The amount of the reversal, to a maximum of the related accumulated impairment charges recorded in respect of the particular asset, is recognized in operations.

(h) 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 amount of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future period could be significant. Accounts specifically affected by estimates in these financial statements are allowance for doubtful accounts and allowance for impairment of promissory note. All estimates are reviewed periodically and adjustments are made to the statements of operations as appropriate in the year they become known.

4. Cash and cash equivalents

Included in Cash and cash equivalents are restricted funds for the following:

	2023	2022
Priests' Benevolent Fund	**2,200**	2,200
Rebuilding our Church project	**74,449**	406,608
Catholic TRC Healing Response project	**93,006**	49,798
	$169,655	$ 458,606

5. Accounts receivable

Included in accounts receivable is an allowance for doubtful accounts of $196,148 (2022 - $172,717).

6. Investments

	2023	2022
Short term investments		
Guaranteed investment certificates	**$800,000**	$ 600,000
Accrued interest	**47,549**	50,748
	847,549	650,748
Long term investments		
Corporate equities	**3,815,145**	3,382,407
Corporate bonds	**145,148**	230,543
Government bonds	**619,062**	619,062
Guaranteed investment certificates	**589,939**	1,402,408
Mortgage-backed securities and other	**137,740**	133,709
Investment in Inter-Parochial Sharing Fund	**459,564**	471,890
Promissory note (see note below)	**1,000,000**	1,000,000
Allowance for impairment of promissory note	**(1,000,000)**	(1,000,000)
	5,765,598	6,240,019
Total investments	**6,614,147**	$ 6,890,767

Included in Investment in Inter-Parochial Sharing Fund is restricted funds of $54,136 (2022 - $52,526) held for the Sisters' Legacy Monument Fund and $138,129 (2022 - $138,129) held for the Ulrich Scholarship Trust Fund.

The Archdiocese invested $1,000,000 in the form of an unsecured promissory note in a Catholic organization for the construction of a retirement facility. In 2021 the Catholic organization entered into a forbearance agreement with its secured lender which stipulates that the organization shall not make any payments to any lenders who are subordinate in priority to the secured lender, whether on account of principal, interest, or otherwise. As a result, an allowance has been set up and the full amount of the promissory note was recognized as an impairment loss in 2021.

7. Loans receivable

	2023	2022
Loans receivable from individuals	**$185,754**	$ 50,028
Loans receivable from related organizations	**46,775**	36,100
	$232,529	$ 86,128
Less current portion	**(74,761)**	(28,703)
	158,068	$ 57,425

Loans receivable from ordained clergy and a Roman Catholic parish in Regina are interest bearing at 3% - 5% but unsecured. Loans receivable from Roman Catholic youth camps located within the Archdiocese are non-interest bearing, unsecured, and have no specified repayment terms.

8. Tangible Capital Assets

	Cost	Accumulated Amortization	2023 Net Book Value	2022 Net Book Value
Appliances	$6,205	$483	$5,722	$ 4,016
Furniture	148,209	9,626	138,583	115,825
Land and Buildings	446,597	-	446,597	817,353
Leasehold Improvements	161,620	15,958	145,662	153,182
Office Equipment	26,825	6,109	20,716	15,403
Vehicle	50,171	5,017	45,154	-
	$839,627	$37,193	$802,434	$ 1,105,779

Amortization expense recorded in 2023 was $27,114 (2022 - $10,079).

9. Deferred *Archbishop's Appeal* Contributions

	Balance January 1, 2023	Receipts	Revenue Recognized in 2023	Balance December 31, 2023
2023 Annual Appeal	$-	1,467,211	193,089	1,274,122
2022 & Prior Annual Appeals	$ 1,176,712	-	1,176,712	-
	$1,176,712	$1,467,211	$ 1,369,801	$1,274,122

Deferred Archbishop's Appeal contributions expected to be recognized in the following year are shown as Current Liabilities.

10. Deferred *Rebuilding our Church* Capital Campaign Contributions

	As at December 31, 2023	As at December 31, 2022
Cumulative Capital Campaign receipts		
Donations & Pledges received	$7,167,270	$ 7,114,646
Interest earned	92,239	88,858
Recoveries	91	91
Total Capital Campaign receipts & receivable	7,259,600	7,203,595
Less: pledge payments receivable	(1,075,895)	(1,599,577)
Total Capital Campaign receipts	6,183,705	5,604,018
Less: Capital Campaign expenses	(831,981)	(831,135)
Cumulative Net Capital Campaign proceeds	$5,351,724	$ 4,772,883
***Rebuilding our Church* Grants and Projects**		
Prior year	4,366,275	30,650
Current year (Schedule 6)	911,000	4,335,625
	5,277,275	4,366,275
Capital Campaign Funds Remaining	$74,449	$ 406,608

In 2019 the *Rebuilding our Church* capital campaign was established with a goal of $17 million. The purpose of the capital campaign is to raise funds for the construction of a new Catholic Pastoral Centre and renovating the historic Holy Rosary Cathedral. The funds raised will be used for the cathedral renovations, pastoral centre building, equipment, and furnishing, and the capital campaign costs. Revenue has been recognized for funds used for campaign costs, project management and design expenses, and disbursement to the Archdiocese of Regina Foundation Inc.

11. *Catholic TRC Healing Response* Commitment

In 2021 a fundraising appeal was created entitled "Catholic TRC Healing Response" to collect donations and pledges to help meet the $2 million committed by the Archdiocese to the Indigenous Reconciliation Fund established by the Canadian Conference of Catholic Bishops. Permission was also received from St. Cecilia Parish to use a portion of the funds held in trust from the sale of Sacred Heart Parish in Regina. In addition to these funds, the Archdiocese designated the use of the justice, peace & reconciliation fund in Internally Restricted Net Assets to this commitment and the executor of the Estate of Bishop Peter Mallon approved the use of the remaining funds from the estate to this commitment.

	As at December 31, 2023	As at December 31, 2022
Deferred *Catholic TRC Healing Response* contributions		
Fundraising Appeal Donations & Pledges	$802,230	$ 779,588
Less: Fundraising Pledge Payments Receivable	(30,190)	(50,756)
Sacred Heart Trust Fund	533,000	533,000
Funds remitted to Indigenous Reconciliation Funds*	(1,212,034)	(1,212,034)
	$93,006	$ 49,798
Restricted Net Assets		
Estate of Bishop Peter Mallon	133,020	133,020
Justice, Peace & Reconciliation Fund	200,000	200,000
Funds remitted to Indigenous Reconciliation Funds*	(333,020)	(333,020)
	$ -	$ -
Remaining Funds Available for *Catholic TRC Healing Response* Commitment	$93,006	$ 49,798

*Total Funds remitted to Indigenous Reconciliation Fund $(1,545,054) $(1,545,054)

12. Insurance account

	2023	2022
Balance, beginning of year	**$566,914**	$ 534,059
Add: Premiums charged to Parishes	**1,101,612**	1,099,446
Allocation of net earnings of Asset Protection Group	**107,483**	(53,966)
	1,776,009	1,687,471
Less: Premiums paid	**1,097,811**	1,105,557
Surplus distribution	**-**	-
Net claim costs and administration	**25,009**	15,000
	1,122,820	1,120,557
Balance, end of year	**$653,189**	$ 566,914

13. Trust Assets / Trust Liabilities

Trust liabilities includes funds administered by the Pastoral & Chancery Office for others including those of constituent Parishes.

	January 1, 2023	Receipts	Payments	December 31, 2023
Regina, Sacred Heart	$104,207	3,858	20,400	$87,665
Refugee Fees	1,300,527	153,601	231,081	1,223,047
Gocki Scholarship	156,472	6,814	-	163,286
Other	13,838	80	-	13,918
	$1,575,044	$164,353	$251,481	$1,487,916

14. Commitments

The Pastoral & Chancery Office leases office equipment, program space, and office space and contracts phone and internet services with future payments as follows:

2024	130,791
2025	130,038
2026	111,180
2027	111,550
2028 and subsequent years	560,050
	$ 1,044,547

14. Commitments (continued)

The Archdiocese has committed to renting five units at Trinity Manor at Westerra, at a current rate of $2,300 per unit per month. At any point the Archdiocese may relinquish a unit and will no longer be responsible for the monthly rental fee either six months after the date of written notice or the unit has been rented out by Trinity Manor, whichever occurs first.

15. Parish receipts for others

Donations are collected at parishes within the archdiocese to support various Catholic charities. Funds collected are remitted to the Archdiocese to forward to the charity for which they were collected.

	January 1, 2023	Receipts	Payments	December 31, 2023
Development and Peace	$38,036	$103,705	$111,682	$30,059
Papal Charities	10,728	33,884	36,637	7,975
Propagation of the Faith	27,736	23,312	40,816	10,232
Catholic Missions in Canada	12,112	25,454	32,123	5,443
Holy Land Collection	12,819	37,956	41,857	8,918
	$101,431	$224,311	$263,115	$62,627

16. Related party transactions

(a) Parish Constituents

During the year, the Pastoral & Chancery Office entered into transactions with the Parish constituents from which the Pastoral & Chancery Office derives a significant portion of its revenues. These transactions are considered to be in the normal course of business and are measured at the exchange amount agreed to by the parties.

Related party balances are as follows:

	2023	2022
Revenues		
Diocesan Assessments	**$1,116,573**	$ 1,016,919
Donations	**87,385**	68,457
Recoveries	**2,135,539**	1,945,567
Investment and other income	**18,020**	17,508
Total	**$ 3,357,517**	$ 3,048,451

16. Related Party Transactions (continued)

	2023	2022
Expenses – by object		
Occupancy	**$18,747**	$ 11,600
Program	**92,679**	45,683
Travel	**2,758**	2,383
Other	**8,618**	(19,758)
Total	**$122,802**	$ 39,758

	2023	2022
Accounts receivable		
Holy Rosary Cathedral, Regina	**$166,525**	$ 103,904
St Mary's Parish, Regina	**102,888**	106,722
Christ the King Parish, Regina	**66,383**	12,950
St Henry's Parish, Melville	**41,687**	33,170
Sacred Heart Parish, Lebret	**27,098**	11,840
Resurrection Roman Catholic Parish, Regina	**26,255**	-
St John the Baptist Parish, Estevan	**21,044**	10,415
Christ the Redeemer Parish, Swift Current	**16,468**	33,159
St Peter's Parish, Regina	**14,571**	5,956
Church of Our Lady Parish	**13,542**	22,820
	496,461	340,936
Remaining related party receivables	**253,344**	224,006
Allowance for doubtful accounts	**(196,148)**	(172,717)
Net related party receivables	**$553,657**	$ 392,225
Accounts payable and accrued liabilities		
St. Henry Parish, Melville	**$3,000**	$ 40
St. Vincent de Paul Parish, Weyburn	**506**	-
	$3,506	40
Remaining related party payables	**17,934**	11,305
Total related party payables	**$21,440**	$ 11,345

16. Related Party Transactions (continued)

The Archdiocese began offering parishioners the option of donating to their parishes through the Archdiocese during 2020 and continues to offer this service to the faithful and parishes. Funds collected on behalf of parishes are not included in the revenues of the Archdiocese. The amount collected on behalf of parishes in 2023 was $136,048 (2022 - $451,066).

Clergy serving in the Archdiocese of Regina are employees of the Archdiocese. Payroll expenses related to these employees, less the portion covered by the wage subsidy, are recovered from the parishes and pastoral regions being served by the priest.

(b) Archdiocese of Regina Foundation Inc.

During the year, the Pastoral & Chancery Office entered into transactions with the Archdiocese of Regina Foundation Inc. The Pastoral & Chancery Office is related to the Archdiocese of Regina by virtue of common control by the Archbishop of Regina. These transactions are considered to be in the normal course of business and are measured at the exchange amount agreed to by the parties.

Related party balances are as follows:

	2023	2022
Expenses		
Rebuilding our Church grants	**$ 911,000**	$ 4,326,636

17. Donations for TRC initiatives

Donations for TRC initiatives includes donations recognized from the *TRC Healing Response* campaign, *Survivors to Edmonton* campaign to take residential school survivors to the papal visit, and other donations received to support truth and reconciliation work within the archdiocese.

18. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists the users of the financial statements in assessing the extent of the risk related to financial instruments.

(a) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Pastoral & Chancery Office is exposed to currency risk as it holds some securities in US dollars and maintains a separate US dollar bank account. The Pastoral & Chancery Office mitigates its currency risk by closely monitoring the currency fluctuations of its investments and minimizing the amount held in foreign currencies.

(b) Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether the factors are specific to the instrument or all instruments traded in the market. The Pastoral & Chancery Office is exposed to market risk as it holds securities in public companies, mutual funds, and other investments which may fluctuate in price on a daily basis. The organization mitigates its market risk by closely monitoring the price fluctuations of its investments and making timely decisions to sell or move risky investments into less risky holdings such as term deposits.

18. Financial Instruments (continued)

(c) Credit risk

Credit risk is the risk that one party to a transaction will fail to discharge an obligation and cause the other party to incur a financial loss.

The Pastoral & Chancery Office is exposed to credit risk through its outstanding receivables due from Parishes for assessments, insurance, and appeal funds. The Pastoral & Chancery Office reduces its exposure to this risk by having the ability to force collection from the Parishes and proceed with liquidation of assets, if necessary.

The investment in an unsecured promissory note is to support the Roman Catholic mission in caring for people in all stages of life and in this situation specifically for retirement living and assisted living. Initial risk was evaluated by studying the projects business plan and the financial results of a similar project completed by the same Catholic organization.

19. Contingencies

The Archdiocese has been named in several legal actions. Based on the limited communications from counsel for the complainants, management is unable to determine with any certainty, whether the claims have merit, will be pursued by the complainant or what the possible outcomes may be.

Archiepiscopal Corporation of Regina – Pastoral & Chancery Office

Schedules to the Financial Statements

For the year ended December 31,

Schedule of Appeal Costs

Schedule 1

	2023	2022
Fundraising Costs	**$132,037**	$ 97,657
Administration Costs	**61,052**	50,374
	$193,089	$ 148,031

Schedule of Appeal Grants and Rebates

Schedule 2

	2023	2022
Grants and Donations	**$78,000**	$ 128,800
Rebates to Parishes	**8,160**	3,283
	$86,160	$ 132,083

Schedule of Chancery and Administration

Schedule 3

	2023	2022
Finance & Administration	**$388,528**	$ 368,973
Diocesan Centre	**255,538**	317,061
Bishop's Office	**161,890**	149,737
General Administration	**147,235**	129,317
Development Office	**115,240**	85,356
Provision for Legal Settlements	**83,000**	335,000
Archives	**64,718**	55,629
Bishop's Residence	**3,761**	3,500
	$1,219,910	$ 1,444,573

Archiepiscopal Corporation of Regina – Pastoral & Chancery Office

Schedules to the Financial Statements

For the year ended December 31,

Schedule of Ministry and Services

Schedule 4

	2023	2022
Clergy to Serve Parishes	**$2,044,802**	$ 1,893,196
Assistance to Parishes and Priests	**567,982**	549,882
Education of Priests and Seminarians	**250,752**	159,493
Visitation House	**102,924**	102,381
TRC Healing Response	**98,704**	1,631,773
Special Projects	**79,360**	101,247
Ecumenism	**76,428**	67,020
C.S.A. Victim Supports	**73,462**	66,726
Protocol Office	**41,120**	37,687
C.S.A. Delegate's Office	**25,266**	30,306
Personnel Support	**5,553**	2,224
Archdiocesan Pastoral Council	**2,790**	1,331
Vocation Awareness	**1,275**	378
Council of Priests	**1,147**	505
Spiritual Direction	**501**	301
Liturgy	**437**	162
Papal Visits	**-**	170,635
Stewardship	**-**	1
Council for Truth & Reconciliation	**-**	-
	$3,372,503	$ 4,815,248

Schedule of Pastoral Services

Schedule 5

	2023	2022
Youth and Young Adult	**$213,265**	$ 171,752
Health Care	**166,610**	196,832
Pastoral - General	**147,485**	141,806
Permanent Diaconate	**119,091**	120,557
Social Justice	**72,169**	74,127
Communications	**69,185**	56,968
Native Ministry – First Nations	**64,097**	53,813
Aboriginal Non-Aboriginal Relations Community	**56,665**	51,972
Lay Ministry Formation	**56,175**	59,044
Indigenous Peoples Ministry	**45,244**	42,870
Catechesis	**38,740**	38,451
A CSA Delegate	**19,874**	-
French Pastoral	**8,015**	6,547
Resource Centre	**-**	7,574
	$1,076,615	$ 1,022,313

Schedule of *Rebuilding our Church* Grants and Projects

Schedule 6

	2023	2022
Archdiocese of Regina Foundation Inc.	**$911,000**	$4,326,636
Holy Rosary Cathedral	**-**	8,989
	$911,000	$ 4,335,625