

Dear Parishioners,

The year 2019 was another exciting year for Holy Cross Parish as we completed our Golden Jubilee celebration. Parishioners supported many activities planned by the Jubilee committee. We finished the financial year with a small surplus because we did not fill a pastoral assistant position and held the line on administrative costs.

It is important to note that we depend on the generosity of our parish community. Our weekly donations rose by nearly 3.5%. This increase is a welcome improvement but, alone, it is not enough to cover the gap between regular donations and our regular expenses. We depend on other, unpredictable sources of revenue, such as weddings and funerals, bequests or special donations, to cover the remainder of our ordinary costs and extraordinary expenses for repairs.

Many parishioners make charitable contributions through the parish. In 2019, those funds were directed to the following charities:

| | | |
|------------------------------|-----------------------------|-----------------------------|
| Miriam Centre | Campaign Life Coalition | Claretian Fathers of Quebec |
| Catholic Christian Outreach | Chalice | Debra-Dynes Family House |
| St Joe's Supper Table | Shepherds of Good Hope | CNEWA Canada |
| National Campus Life Network | St Vincent de Paul Society | NET Ministries |
| Queenship of Mary Community | Heron Emergency Food Centre | Elimu |

As our church building ages, our repair costs have been rising. In the period 2015-19, the parish spent approximately \$250,000 on major repairs to the windows, doors, and roof and the updating of our heating system. Notably, air conditioning was added early in 2019. The building committee has done important work in making necessary improvements in a timely manner. Our thanks go out to all former and current members of the Building Committee who have used their talents for our benefit.

In 2020, we will have another year with relatively high repair and maintenance costs. Items of note include:

- Replace the stairs at our main entrance and on the Springland side of the building.
- Remove one tree and perform remediation of other trees which need urgent attention.
- Repair one of the basement walls in the rectory.
- Repair the rectory fencing and address backyard grading issues.

Thank you to everyone who contributes time, talent and treasure to our parish community. The Lord's work takes many forms; your material support to our parish community is an important sign of discipleship.

Father Lukose Kochupurackal, Pastor
Joe Goski, Finance Committee Chair

Holy Cross Parish Balance Sheet, December 31, 2019

| ASSETS | <u>2019</u> |
|---|--------------------|
| Petty Cash Fund | 250 |
| Bank - Operations Account | 48,379 |
| Bank - Mass Account (Note 2) | 2,135 |
| Accounts Receivable (Note 3) | 3,304 |
| Investment at Archdiocese (Note 4) | 817,860 |
| Capital - 2872 Otterson Dr. (Note 5) | 163,140 |
| TOTAL ASSETS | 1,035,068 |
| | |
| LIABILITIES | |
| Accounts Payable | 1,214 |
| Special Collections | 7,840 |
| Miscellaneous Liabilities | 2,135 |
| Deferred Revenue - Refugee | 16,961 |
| TOTAL LIABILITIES | 28,150 |
| | |
| PARISH EQUITY | |
| Unrestricted | |
| Opening Equity Balance | 128,010 |
| Current Year Surplus (Deficit) | 15,768 |
| Closing Equity Balance | 143,878 |
| Restricted – no change | 700,000 |
| Capital Assets – no change | 163,140 |
| Total Equity | 1,006,918 |
| | |
| TOTAL LIABILITIES & EQUITY | 1,035,068 |

Notes to the Financial Statements for the year ended December 31, 2019

1. The people of Holy Cross Parish are a community of clergy, religious and laity who, strengthened in Christ, and thankful for our blessings, seek to root ourselves in an authentic Christian community which is called to serve God in praise, each other in sharing, caring and healing, and our brothers and sisters, near and far, in prayer, peace and justice.
2. **Mass Account**
There is a requirement that the money collected for Masses to be celebrated be kept in its own bank account. A register is maintained to record the details of the Mass intention as well as the date the Mass took place. Once celebrated, funds are transferred to the general bank account on a regular basis and disbursements for the priest's and Archdiocesan share of the Masses are issued.

Statement of Revenue and Expenditures for the Year Ended on December 31

| | Actuals 2019 | Budget 2020 |
|---|-----------------|----------------|
| REVENUE | | |
| Collections | 316,165 | 320,000 |
| Weddings, Masses, Funerals | 7,038 | 6,500 |
| Other Taxable Revenue | 23,366 | 30,000 |
| Bequests and Special Donations | 7,916 | 5,000 |
| Total Taxable Revenue (Note 6) | 354,485 | 361,500 |
| | | |
| Interest | 25,448 | 25,000 |
| Sales | 17,517 | 20,000 |
| General | 24,717 | 26,000 |
| Total Non-taxable Revenue (Note 7) | 67,682 | 71,000 |
| | | |
| Total Revenue | 422,167 | 432,500 |
| | | |
| ORDINARY EXPENSES | | |
| Salaries (Note 8) | 93,182 | 125,045 |
| Employee Benefits and Expenses | 7,291 | 8,500 |
| Pastoral Work (Note 9) | 57,288 | 61,000 |
| Office Requirements, Telephone | 33,622 | 38,000 |
| Heating, Electricity | 24,463 | 25,000 |
| Taxes, Insurance, Water | 12,893 | 13,500 |
| Diocesan Administration Tax (Note 10) | 45,337 | 48,750 |
| Parochial Organizations | 9,495 | 10,000 |
| Miscellaneous | 265 | 1,000 |
| Maintenance & supplies | 54,158 | 55,000 |
| TOTAL ORDINARY EXPENSES | 337,995 | 385,795 |
| | | |
| EXTRAORDINARY EXPENSES | | |
| Major Repairs or Replacements | 66,691 | 56,100 |
| Furniture, equipment | 1,714 | 5,000 |
| TOTAL EXTRAORDINARY EXPENSES | 68,405 | 61,100 |
| | | |
| SURPLUS (DEFICIT) ON OPERATIONS | 15,768 | -14,395 |

3. Accounts Receivable

This is reimbursements to be received from CRA for HST credits.

4. **Investment at Archdiocese**

The investment of parish funds in the Loan Fund for Parishes at the Archdiocese. These funds have been gradually accumulated over a number of years and are invested with the Archdiocese. The funds are available to us to cover planned and emergency requirements. The investments earn 3.5% interest yearly. Our policy is to maintain one and a half years of gross income as a cushion against unforeseen eventualities.

This sum also includes a private refugee sponsorship which has been forwarded to the Diocese. A portion of the sum has been paid to the refugee and the remainder will be paid out by the end of June.

5. **Capital**

The pastor's residence is at cost. Depreciation is not recorded. There is an inventory of all equipment. They are written off as an expense as incurred. Expenses must be approved in advance by the Archdiocese.

6. **Taxable Revenue**

The revenue section of the statement separates revenue between taxable and non-taxable revenue based on the direction received from the Archdiocese. Taxable income is derived from revenue to the parish to support operations either through direct collections or charges for rental, weddings and funerals.

7. **Non-taxable Revenue**

The section includes the revenue received for specific purposes and approved by the Archdiocese as being exempt from the Archdiocesan tax. Currently this category includes sales of objects, such as vigil candles, marriage courses and advertising in the bulletin.

The revenue from special collections envelopes, such as Evangelization of the Nations and Works of the Canadian Church, are deposited to the Parish operating bank account and recognized as a liability owed to the Archdiocese. A cheque is sent to the Archdiocese after the final offerings are received. The Archdiocese forwards the funds from all parishes to the correct charitable organizations. There are nine special collections a year.

8. **Salaries and Benefits**

Expenditures for the priests assigned to the parish, the office staff, and rectory are summarized in these two lines. Included are the related employer contributions for CPP, EI, and Group Medical Plan.

9. **Pastoral Work**

Sacramental and Pastoral work represents expenditures incurred for the various Sacramental ministries such as First Communion, Baptism, Confirmation and decorating the church.

10. **Diocesan Administration Tax**

The Diocesan Administration Tax is our parish's contribution to the administration of the Archdiocese. This tax rate is set by the Archdiocese and applied against the taxable revenues defined above. The rate is currently 13% and the parish is required to pay it quarterly. An adjustment is made once the parish's annual financial reports are completed.

11. **Accounting policies and procedures**

Accounting policies and procedures are in accordance with guidelines set by the Archdiocese of Ottawa. The financial statements are audited by auditors determined by the Archdiocese.