

Diocese of Athabasca
Financial Report to DEC
To end May 2025

Summary

To the end of May, the Diocese is showing a \$53,455 shortfall. This shortfall is after recording the budgeted \$23,000 transfers to reserves and providing an estimate of \$22,818 for parishes which are unable to pay their 2025 insurance premiums. This shortfall also includes returning \$9,567 to the Council of the North being the 2024 Operating Surplus. There is still \$407,919 in the Operating Bank Account. That includes \$216,614 remaining from insurance proceeds for the LLB church rebuild. Money deposited to the BDF bank account from matured GIC's (\$39,353.90) should be moved out of this account.

I recommend that money not needed for current cash flow be invested for the short term until an investment policy is approved.

Details

In May the clergy conference was held funded by a \$12,000 grant previously received. Some costs for the General Synod to be held in June were paid, which was funded from the Reserve Fund. The 2nd quarterly instalment of the General Synod Gift and the Provincial Assessment were paid. In May the DEC held an in-person meeting. In May the Diocese held a Diaconal Discernment event.

Throughout the year the bookkeeping records and these reports are generally on a cash basis. Payroll benefits for stipendiary clergy in the diocese are recorded as recoverable from the parishes when paid out. Insurance Recoverable from the parishes and Insurance Payable has been recorded based on the individual annual parish invoices received. The insurance invoices have now been received and sent to the parishes. Payments to the insurance broker began in May and will continue monthly through November totalling \$19,836 per month. There is an estimate of the amount of support parishes will need to cover their insurance premiums. This will be adjusted each month and the actual amount for the year will be different, either higher or lower than this estimate.

For the year end (December 31) amounts relating to that year are recorded as receivable or payable even though the amounts had not yet been received or paid. Most of the money received in January and some in February and March was related to 2024.

The operating bank account had a balance of \$407,919 as of May 31st, 2025. The Diocese has significant amounts (\$1,395,759) in other bank accounts, GIC's and invested with the National Church and the Anglican Foundation. Most of these investments are not available for general operations but must be used for specific purposes (Restricted Funds, Reserve Funds and Endowments). The principal amounts of the Endowment Funds are not available for the Diocese to use, only the income. The investments with the National Church and the Anglican Foundation, as well as \$162,072 of the GIC's are not available during the coming year. The operating bank account includes \$216,614 received from our insurance company towards the LLB church rebuild. This is held as a payable until invoices from the contractor, approved by the insurance adjustor are

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received. The LLB church rebuild is substantially complete and we are waiting for final invoicing to pay out the remainder of the funds owing. It is not expected that the Diocese will have significant costs over what was received from insurance. Any remaining funds received from the insurance company for the LLB rebuild are expected to be used for furnishings, other repairs and improvements after the construction has been fully paid. The operating account also holds \$4,801 for unspent directed donations or grants. The breakdown of this amount into what it is for is shown on the "Supplemental Breakdowns" sheet.

The Diocesan General/Operating Fund is showing that it spent \$53,455 more than it received on operations for 2025

The Operating, New England and BDF bank accounts have been reconciled for the current month.

In February and May GIC's matured and were deposited into the BDF account (\$39,353.90). This should be moved out of that account as it is not related to the BDF.

Significant or unusual transactions & events noted for 2025:

The Diocese paid out \$2,000 from the Parish Financial Assistance Fund in January.

The Diocese paid out \$8,000 for a boiler in the Northern Lights parish rectory and \$7,478.60 for a portion of the Back-up valve at St. Thomas – Fort McMurray from the Property Replacement Fund.

The Diocese returned the 2024 Operating Surplus (\$9,567) to the Council of the North

The Diocese held an in-person DEC meeting in May

The Diocese held a Diaconal Discernment event

The Diocese has traditionally carried a significant balance in its current account. The Management Committee is continuing to work on an investment policy to manage the Diocese's financial assets which will be brought forward to DEC for review and approval.

Don D Thompson +
Diocesan Treasurer