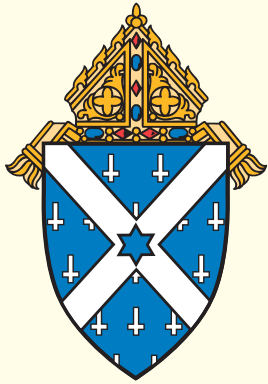
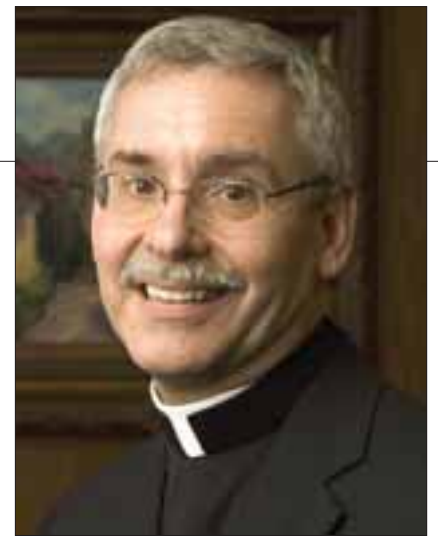


# Diocese of Little Rock Accountant's Report and Financial Statements



June 30, 2009



**Dear Friends in Christ:**

Each year *Arkansas Catholic* publishes the annual financial report of the Diocese of Little Rock. I am pleased to present this accounting to you and to express my deep appreciation for your generosity. I assure you that those who manage the finances of the diocese do so wisely and are always aware of the trust that is given to them. The service they provide is invaluable as they strive to be good stewards of the resources you entrust to us.

You will see in this report a glimpse into the life of the Church throughout the diocese and your part in making the many ministries and apostolates possible. True stewardship is the recognition that everything we have comes from God, and I commend you on your response to all that God has given you. Since coming to the diocese I have been amazed at how generous you are and how you strive to live out your faith in every way. As we work together as members of the body of Christ, I ask for your prayers that the goal of building up the kingdom of God and spreading the Good News will always be that for which we strive.

May you and your loved ones have a blessed New Year filled with God's love and peace.

With every best wish and prayer, I am

Sincerely in Christ,

**+Anthony B. Taylor**  
Bishop of Little Rock



A Limited Liability Partnership of Professional Corporations

## Independent Auditor's Report

Bishop Anthony B. Taylor  
The Roman Catholic Diocese of Little Rock

We have audited the accompanying statements of financial position of The Roman Catholic Diocese of Little Rock (the "Diocese") as of June 30, 2009 and 2008, and the related statements of activities and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of Diocesan management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Diocese as of June 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Rasco Winter Abston Moore & Associates LLP*

December 1, 2009

CERTIFIED PUBLIC ACCOUNTANTS & CONSULTANTS  
400 West Center, Suite 2200 | Little Rock, Arkansas 72201-3456  
501-373-6500 | Fax 501-375-1968

## The Roman Catholic Diocese of Little Rock Statements of Financial Position June 30, 2009 and 2008

	2009	2008
<b>Assets</b>		
Assets:		
Cash and cash equivalents	\$ 2,618,766	2,571,418
Due from parishes, affiliated organizations and others	836,969	815,254
CASA pledges receivable	380,491	374,337
Other receivables	523,610	542,843
Prepaid expenses and other assets	77,886	72,687
Notes receivable - parishes	10,085,324	10,747,523
Investments	37,679,653	40,170,215
Property, plant and equipment, net	10,851,359	11,021,524
<b>Total assets</b>	<b>\$ 63,054,058</b>	<b>66,315,801</b>
<b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable	\$ 350,720	532,444
Accrued expenses	361,639	410,815
Due to parishes and others	25,609,603	26,264,492
<b>Total liabilities</b>	<b>26,321,962</b>	<b>27,207,751</b>
Net assets:		
Unrestricted	34,427,026	36,932,320
Temporarily restricted	2,305,070	2,175,730
<b>Total net assets</b>	<b>36,732,096</b>	<b>39,108,050</b>
<b>Total liabilities and net assets</b>	<b>\$ 63,054,058</b>	<b>66,315,801</b>

See accompanying notes to financial statements.

**The Roman Catholic Diocese of Little Rock  
Statements of Activities and Changes in Net Assets  
Years Ended June 30, 2009 and 2008**

	2009			2008		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenues, gains and other support:						
Contributions and bequests	\$ 2,035,088	1,007,817	3,042,905	1,738,257	1,523,590	3,261,847
Assessments	2,388,750	-	2,388,750	2,316,789	-	2,316,789
Net investment (loss) income	(775,317)	-	(775,317)	537,581	-	537,581
Gain on sale of land and fixed assets	-	-	-	82,600	-	82,600
Fees, advertising and other	1,366,107	-	1,366,107	1,172,801	-	1,172,801
Rents	571,973	-	571,973	532,211	-	532,211
Other income	6,871	-	6,871	-	-	-
Net assets released from temporary restrictions	878,477	(878,477)	-	1,180,548	(1,180,548)	-
<b>Total revenues, gains and other support</b>	<b>6,471,949</b>	<b>129,340</b>	<b>6,601,289</b>	<b>7,560,787</b>	<b>343,042</b>	<b>7,903,829</b>
Expenses:						
Program services	5,304,151	-	5,304,151	5,572,098	-	5,572,098
Administrative and other	3,673,092	-	3,673,092	3,922,457	-	3,922,457
<b>Total expenses</b>	<b>8,977,243</b>	<b>-</b>	<b>8,977,243</b>	<b>9,494,555</b>	<b>-</b>	<b>9,494,555</b>
Change in net assets	(2,505,294)	129,340	(2,375,954)	(1,933,768)	343,042	(1,590,726)
Net assets, beginning of year	36,932,320	2,175,730	39,108,050	38,866,088	1,832,688	40,698,776
Net assets, end of year	\$ 34,427,026	2,305,070	36,732,096	36,932,320	2,175,730	39,108,050

See accompanying notes to financial statements.

**The Roman Catholic Diocese of Little Rock  
Statements of Cash Flows  
Years Ended June 30, 2009 and 2008**

	2009	2008
Cash flows from operating activities:		
Change in net assets	\$ (2,375,954)	(1,590,726)
Non-cash operating activities:		
Earnings of joint ventures	30,737	(28,943)
Gain on sale of land and fixed assets	-	(82,600)
Net realized and unrealized losses on investments	2,868,056	1,482,921
Depreciation	292,642	290,046
Changes in operating assets and liabilities:		
CASA and other receivables	13,079	(17,279)
Prepaid expenses and other assets	(5,199)	12,028
Due from parishes, affiliated organizations and others	(21,715)	52,757
Accounts payable	(181,724)	67,072
Accrued expenses	(49,176)	95,629
<b>Net cash provided by operating activities</b>	<b>570,746</b>	<b>280,905</b>
Cash flows from investing activities:		
Purchase of property and equipment	(122,477)	(163,237)
Proceeds from sale of property	-	90,917
Purchase of investments	(12,313,744)	(18,977,034)
Proceeds from sale of investments	11,815,626	19,449,897
Net (withdrawals) deposits by parishes	(654,889)	2,513,891
Net change in joint ventures	89,887	(96,437)
Loans to parishes and others	(1,250,247)	(5,374,702)
Payments received on notes receivable from parishes and others	1,912,446	2,842,799
<b>Net cash (used in) provided by investing activities</b>	<b>(523,398)</b>	<b>286,094</b>
<b>Net change in cash and cash equivalents</b>	<b>47,348</b>	<b>566,999</b>
Cash and cash equivalents:		
Beginning of year	2,571,418	2,004,419
End of year	\$ 2,618,766	2,571,418
Supplemental cash flow information:		
Cash paid for interest	\$ 547,904	980,181

See accompanying notes to financial statements.

**Notes to Financial Statements  
June 30, 2009 and 2008**

**(1) Organization and Summary of Significant Accounting Policies**

The Roman Catholic Diocese of Little Rock (the "Diocese") is the administrative office for the Catholic Church in the State of Arkansas. The activities of the Diocese include the extension of credit to parishes, missions and other organizations.

The accompanying financial statements exclude the accounts of other activities in the Diocese, such as parishes, schools, parish cemeteries, homes, hospitals, Clergy Welfare Fund, Inc., etc. These activities may or may not be separately incorporated under civil law; however, each is an operating entity distinct from the Diocesan administrative offices, which maintains separate accounts and carries on its own services and programs.

**Basis of Presentation:** Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Temporarily restricted net assets are those whose use by the Diocese has been limited by donors to a specific time period or purpose. The Diocese does not have any permanently restricted net assets.

**Cash Equivalents:** The Diocese considers all liquid investments with original maturities of three months or less to be cash equivalents.

**Investments and Investment Return:** Investments in equity securities having a readily determinable fair value and all debt securities are carried at fair value. Other investments are valued at cost (or fair value at time of donation, if acquired by contribution) unless events indicate a permanent decline in value at which time the investment is written down to recognize such a decline. Investment return includes dividends, interest and other investment income, realized and unrealized gains and losses on investments carried at fair value, and realized gains and losses on other investments.

Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in investment return of unrestricted net assets. Other investment return is reflected in the statements of activities as

unrestricted, temporarily restricted or permanently restricted based upon the existence and nature of any donor or legally imposed restrictions.

The Diocese maintains pooled investment accounts for its investable assets. Investment income and realized and unrealized gains and losses from securities in the pooled investment accounts are allocated quarterly to the individual endowments based on the relationship of the fair value of the interest of each endowment to the total fair value of the pooled investment accounts, as adjusted for additions to or deductions from those accounts.

**Fixed Assets:** Property and equipment are reported at cost less a provision for depreciation on a straight-line basis over the estimated useful life of each asset ranging from five to fifty years.

**Contributions:** Gifts of cash and other assets received without donor stipulations are reported as unrestricted revenue and net assets. Gifts received with a donor stipulation that limits their use are reported as temporarily or permanently restricted revenue and net assets. When a donor stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Gifts of land, buildings, equipment and other long-lived assets are reported as unrestricted revenue and net assets unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as temporarily or permanently restricted revenue and net assets. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of temporarily restricted net assets as unrestricted net assets are reported when the long-lived assets are placed in service.

**Income Taxes:** The Diocese is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and a similar provision of state law.

**Due to Parishes and Others:** Amounts due to parishes and others represent funds held by the Diocese as trustee for parishes and others.

**Notes Receivable:** Notes receivable represent advances to individual parishes and are stated at their outstanding principal amount. Management has evaluated the exposure to loss and determined that no provision for loss is required at this time. The notes accrue interest based on the terms of the respective note agreements. A note receivable is considered delinquent when the parish has missed one or more payments.

See NOTES page 13

## Notes to Financial Statements

Continued from page 12

**Accounting Estimates:** The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Reclassification:** Certain prior year amounts have been reclassified to conform with current year presentation.

### (2) Investments

Investments consisted of the following at June 30:

	2009		2008	
	Cost	Fair Value	Cost	Fair Value
U.S. Government securities	\$ 14,725,102	15,179,895	19,652,762	19,833,186
Common stock	31,866	31,866	77,410	77,410
Corporate Bonds	12,779,826	12,298,831	7,348,733	7,176,607
Mutual funds	8,662,118	7,251,501	8,496,547	10,044,841
Commercial property	2,606,693	2,606,693	2,606,693	2,606,693
Joint ventures	310,867	310,867	431,478	431,478
	\$ 39,116,472	37,679,653	38,613,623	40,170,215

Net investment income is comprised of the following:

	2009	2008
Interest and dividend income (including interest on notes receivable)	\$ 2,092,739	2,020,502
Net realized and unrealized losses on investments reported at fair value	(2,868,056)	(1,482,921)
	\$ (775,317)	537,581

Investment management fees charged to investment income in the statements of activities for the years ended June 30, 2009 and 2008 were \$68,658 and \$66,924, respectively.

### (3) Property, Plant and Equipment

Property, plant and equipment consisted of the following at June 30:

	2009	2008
Land	\$ 2,443,248	2,443,248
Furniture and equipment	2,893,654	2,893,902
Buildings	14,382,298	14,271,520
	19,719,200	19,608,670
Less accumulated depreciation	8,867,841	8,587,146
	\$ 10,851,359	11,021,524

Depreciation expense for the years ended June 30, 2009 and 2008 was \$292,642 and \$290,046, respectively.

### (4) Deposit and Loan Activities with Related Parties

As the administrative office for the Catholic Church in the State of Arkansas, the Diocese assesses parishes, pastoral centers and missions to cover a portion of the costs of its administrative activities. The total of these items are reported as revenue in the statement of activities for the years ending June 30, 2009 and 2008, and the amounts uncollected, \$671,755 and \$714,539 are included in the caption "Due from parishes, affiliated organizations and others" as a receivable as of June 30, 2009 and 2008, respectively. In addition, the Diocese collects from these organizations such items as retirement, health insurance and miscellaneous items paid by the Diocese on their behalf, however, these pass-through funds are not recognized in the financial statements of the Diocese.

The parishes deposit excess funds, amounts over and above operational needs, with the Diocese. The Diocese in turn makes these funds available to parishes and related organizations to finance construction projects or to meet other operational needs. These deposits are classified as a liability under the heading "Due to parishes and others" and as an asset under the heading "Notes receivable - parishes", respectively, in the statements of financial position. Depositors are paid interest at a rate that fluctuates with the ninety-one day treasury bill rate. Borrowers pay interest at a fixed rate greater than the deposit interest rate at the time the loan is established. Average interest rates on deposits and loans are as follows:

Origination During Fiscal Year Ended	Deposits	Loans
June 30, 2009	2.2%	4.4%
June 30, 2008	3.2%	5.5%
June 30, 2007	5.2%	7.2%
June 30, 2006	5.5%	7.5%
June 30, 2005	4.3%	6.5%
June 30, 2004	2.6%	4.8%

The amounts parishes have borrowed from the excess deposited funds have annual maturities for fiscal years subsequent to June 30, 2009 as follows:

2010	\$ 1,370,053
2011	916,679
2012	959,945
2013	834,983
2014	690,928
Thereafter	5,312,736
	\$ 10,085,324

### (5) Net Assets

The Diocese has designated its unrestricted net assets for the following purposes. Temporarily restricted net assets are donor restricted. Net Assets consists of the following at June 30:

	2009	2008
Unrestricted		
Undesignated	\$ 1,730,597	1,512,719
Designated for Catholic charities	433,022	465,859
Designated for missions/ministries	931,523	813,218
Total unrestricted for current operations	3,095,142	2,791,796
Endowment fund	14,762,882	18,136,800
Insurance fund	1,605,414	1,749,891
Plant fund	10,465,619	10,635,784
Deposit and loan	4,497,969	3,618,049
Total unrestricted	34,427,026	36,932,320
Temporarily restricted	2,305,070	2,175,730
Total net assets	\$ 36,732,096	39,108,050

### (6) Retirement Plan

The Diocese has a defined contribution retirement plan covering substantially all lay employees. The Diocese makes discretionary contributions to the plan based on each individual employee's current earnings. Contributions to the plan amounted to \$239,409 and \$232,170 for 2009 and 2008, respectively.

### (7) Concentration of Credit Risk

The Diocese maintains bank deposit accounts which, at times, may exceed Federally insured limits. The Diocese has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk as a result thereof.

### (8) Commitments and Contingencies

As of June 30, 2009, the Diocese was contingently liable as guarantor with respect to \$6,794,193 of indebtedness for two of its member parishes. Should the parishes be delinquent on their payments at any time prior to the expiration dates of the guarantees, October 1, 2023 and November 1, 2023, the Diocese will be obligated to perform under the guarantees primarily by making the required payments, including late fees and penalties. The terms of the guarantees do not provide for any limitation on the potential future payments by the Diocese. As of June 30, 2009, the parishes primarily responsible for this indebtedness are current on all payments.

As of June 30, 2009 and 2008, the Diocese had outstanding loan commitments to parishes and related organizations of \$2,808,000 and \$3,221,768, respectively.

The Diocese is a defendant in general litigation as of June 30, 2009. The Diocesan management believes, however, that any liability it may incur as a result of this litigation would not have a material adverse effect on the financial statements and, accordingly, no contingencies have been recorded.

### (9) Leases

Operating leases arise from the leasing of the Diocese's land and buildings to retail customers. Initial lease terms range from 5 to 99 years. The leases provide for increases in future minimum annual rental payments

based on defined increases in the Consumer Price Index, subject to certain minimum increases.

Investment assets subject to operating leases are as follows at June 30:

	2009	2008
Land	\$ 2,606,693	2,606,693
Building, at cost	51,977	51,977
Accumulated depreciation	(51,977)	(51,977)
	\$ 2,606,693	2,606,693

Future minimum rental payments to be received on non-cancelable operating leases contractually due for fiscal years subsequent to June 30, 2009 are as follows:

2010	\$ 481,654
2011	460,624
2012	465,543
2013	493,337
2014	439,624
Thereafter	5,593,463
	\$ 7,934,245

Future minimum rental payments to be received do not include contingent rentals that may be received under certain leases as a result of tenant revenues in excess of specified amounts. Contingent rentals were not significant for the years ended June 30, 2009 and 2008.

### (10) Subsequent Events

The Diocese has evaluated subsequent events through December 1, 2009, the date which the financial statements were available to be issued.

### (11) Fair Value Measurement

In September 2006, the Financial Accounting Standards Board issued SFAS No. 157, Fair Value Measurements, which defines fair value and establishes a framework for measuring fair value. Under SFAS 157, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Three prioritized valuation inputs may be used to determine the fair value at the measurement date: Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 – observable inputs other than the quoted prices included in Level 1; Level 3 – unobservable inputs. The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

**Cash:** The carrying amount approximates fair value because of the short maturity of those instruments.

**Investments:** The fair value of investments is based on quoted market prices or market prices of similar investments.

**Receivables:** The fair value of the Diocese's receivables is estimated at cost less any applicable allowance unless events indicate a decline in value.

**Notes receivable – parishes:** The fair value of the notes receivable – parishes is estimated at the outstanding principal balance less any provision for loss.

**Due to parishes and others:** The fair value of the amounts due to parishes and others are estimated to approximate the carrying value of these instruments due to their nature.

	June 30, 2009	Fair Value	Fair Value Measurements at Reporting Date Using		
			Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash	\$	2,618,766	2,618,766	-	-
Investments					
U.S. government securities		15,179,895	15,179,895	-	-
Common Stock		31,866	31,866	-	-
Corporate bond securities		12,298,831	12,298,831	-	-
Mutual funds		7,251,501	7,251,501	-	-
Commercial Property		2,606,693	-	2,606,693	-
Joint Ventures		310,867	-	310,867	-
Receivables					
Due from parishes, affiliated organizations and others		836,969	-	836,969	-
CASA receivable		380,491	-	380,491	-
Other receivables		523,610	-	523,610	-
Notes receivable - parishes		10,085,324	-	10,085,324	-
Due to parishes and others		25,609,603	-	25,609,603	-
	June 30, 2008	Fair Value	(Level 1)	(Level 2)	(Level 3)
Cash	\$	2,571,418	2,571,418	-	-
Investments					
U.S. government securities		19,833,186	19,833,186	-	-
Common Stock		77,410	77,410	-	-
Corporate bond securities		7,176,607	7,176,607	-	-
Mutual funds		10,044,841	10,044,841	-	-
Commercial Property		2,606,693	-	2,606,693	-
Joint Ventures		431,478	-	431,478	-
Receivables					
Due from parishes, affiliated organizations and others		815,254	-	815,254	-
CASA receivable		374,337	-	374,337	-
Other receivables		542,843	-	542,843	-
Notes receivable-parishes		10,747,523	-	10,747,523	-
Due to parishes and others		26,264,492	-	26,264,492	-

## Additional Financial Information

### Clergy Welfare Fund, Inc. Statements of Financial Position June 30, 2009 and 2008

(Condensed from audited financial statements)

	2009	2008
<b>Assets</b>		
<b>Assets:</b>		
Cash	\$ 515,309	502,110
Interest receivable and due from related party	30,973	32,485
Investments	7,204,261	7,803,035
<b>Total assets</b>	<b>\$ 7,750,543</b>	<b>8,337,630</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities:</b>		
Accrued expenses and due to related party	\$ 14,764	7,452
<b>Total liabilities</b>	<b>14,764</b>	<b>7,452</b>
Unrestricted net assets	7,735,779	8,330,178
<b>Total liabilities and net assets</b>	<b>\$ 7,750,543</b>	<b>8,337,630</b>

### Statements of Activities and Changes in Net Assets for the years ended June 30, 2009 and 2008

(Condensed from audited financial statements)

	2009	2008
Revenues, gains and other support	\$ 255,143	596,395
Payments to or on behalf of beneficiaries	811,572	773,156
Administrative expenses	37,970	35,249
<b>Total expenses</b>	<b>849,542</b>	<b>808,405</b>
Change in unrestricted net assets	(594,399)	(212,010)
Unrestricted net assets, beginning of year	8,330,178	8,542,188
<b>Unrestricted net assets, end of year</b>	<b>\$ 7,735,779</b>	<b>8,330,178</b>

### Diocese of Little Rock Contributions to Special Collections For Years ended June 30, 2009 and 2008

(unaudited)

Annual Collections:	2009	2008	Change	% Change
Black and Indian Missions	\$68,770	\$70,371	-1,601	-2%
Aid to the Church in Central and Eastern Europe	60,967	65,260	-4,293	-7%
Ash Wednesday Collection for Arkansas Missions	104,416	87,932	16,484	19%
Catholic Relief Services	93,265	89,369	3,896	4%
Holy Land	77,902	78,087	-185	0%
Operation Rice Bowl (1)	37,530	29,539	7,991	27%
Catholic Communications Campaign (2)	55,144	58,078	-2,934	-5%
The Church in Latin America	43,146	68,178	-25,032	-37%
Peter's Pence (Collection for the Holy Father)	81,777	76,221	5,556	7%
Catholic Home Missions Appeal	62,994	66,734	-3,740	-6%
Catechetical Sunday (3)	39,049	41,059	-2,010	-5%
World Mission Sunday	68,600	72,833	-4,233	-6%
Catholic Campaign for Human Development (4)	71,042	78,962	-7,920	-10%
National Retirement Fund for Religious	135,784	141,213	-5,429	-4%
Christmas Collection for the Retired & Infirm Clergy (5)	451,648	476,749	-25,101	-5%
<b>Totals</b>	<b>\$1,452,034</b>	<b>\$1,500,585</b>	<b>-\$48,551</b>	<b>-3%</b>

#### One-Time Collections:

Disaster Relief Fund \$28,913 \$359,072

#### New Collections:

Holy Thursday Collection for Seminarians \$405,622 \$0

1) Diocese retains 25% for emergency assistance to the poor in Arkansas

2) Diocese retains 50% for diocesan communications

3) Diocese retains 50%, parishes retain 50%

4) Diocese retains 25% for CCHD projects in Arkansas

5) Clergy Welfare Fund, Inc. receives 100%

### Monsignor James E. O'Connell Diocesan Seminarian Fund, Inc. Statement of Financial Position June 30, 2009 and 2008

(Condensed from audited financial statements)

	2009	2008
<b>Assets:</b>		
Investments, at Market		
Stocks (Cost: 2009 - \$4,357,812; 2008 - \$5,225,861)	\$ 4,222,528	\$ 5,547,923
Bonds (Cost: 2009 - \$2,744,237; 2008 - \$3,363,697)	2,830,514	3,372,483
Mutual Funds (Cost: 2009 - \$1,057; 2008 - \$1,057)	3,853	5,006
Limited Partnerships (Cost: 2008 - \$13,123)	-	9,296
	7,056,895	8,934,708
Cash and cash equivalents	943,257	730,107
Interest and dividends receivable	35,763	48,187
Unconditional promises to give	32,000	-
Other assets: prepaid rent, rent deposit	2,600	-
Property and equipment at contributed value and/or cost		
less 2009 and 2008 accumulated depreciation of		
\$18,268 and \$10,575, respectively	79,526	87,219
<b>Total Assets</b>	<b>\$ 8,150,041</b>	<b>\$ 9,800,221</b>
<b>Liabilities</b>		
Accounts payable	\$54,832	\$90,664
<b>Net Assets</b>		
Unrestricted	3,850,754	5,733,684
Permanently restricted	4,244,455	3,975,873
<b>Total Net Assets</b>	<b>8,095,209</b>	<b>9,709,557</b>
<b>Total Liabilities and Net Assets</b>	<b>\$8,150,041</b>	<b>\$9,800,221</b>

### Statement of Activities Years ended June 30, 2009 and 2008

(Condensed from audited financial statements)

	2009	2008
<b>Revenues:</b>		
Interest and dividends	\$ 264,065	\$ 346,708
Miscellaneous income	7,217	8,101
Realized and unrealized net loss on investments	(1,635,909)	(365,132)
Gain on disposition of depreciable assets	-	4,300
Burse and donations received	781,724	53,213
<b>Total Revenues</b>	<b>(582,903)</b>	<b>47,190</b>
<b>Expenses:</b>		
Seminarians' aid, tuition, travel expenses	773,798	627,394
Administrative and office expense	217,543	204,409
Salaries and payroll expense	40,104	36,760
<b>Total Expenses</b>	<b>1,031,445</b>	<b>868,563</b>
<b>Decrease in Net Assets</b>	<b>(1,614,348)</b>	<b>(821,373)</b>
<b>Net Assets - Beginning of Year</b>	<b>9,709,557</b>	<b>10,530,930</b>
<b>Net Assets - End of Year</b>	<b>\$8,095,209</b>	<b>\$9,709,557</b>