

DIOCESE OF PALM BEACH

January 2011

Dear Brothers and Sisters in Christ,

Each year at this time, I have the opportunity to report to you on the financial health of our Diocese of Palm Beach. As a family of faith, we continue to face the many challenges and opportunities present here in our Diocese. And in the midst of these difficult economic times, it is most important to reflect on the many blessings which we enjoy. And as it relates to our finances, we capture these generous blessings in a very concrete way through our published financial results.

As has been our practice for several years, we are pleased to provide you with this special four-page supplement to the Palm Beach Edition of the *Florida Catholic*. It contains the financial results of the Administrative Offices of the Diocese of Palm Beach for the fiscal year ended June 30, 2010. The "Report on Audits of Financial Statements" from which this information was derived has been prepared by the independent accounting firm of Templeton & Company, LLP. As in the past, we are not presenting the actual auditors' report, but rather, the relevant information in a format which we trust you will find clear, meaningful and informative.

I am pleased to report that the fiscal year financial results are quite positive, reflecting the extraordinary generosity of the faithful at a time when there is increasing hardship all around us. Indeed, our principle source of operating

revenue, the annual Diocesan Services Appeal, experienced record results with more than \$8.2 million in collections. The campaign's theme, "Gathered in Faith, Sharing God's Blessings," became a reality as the People of God generously supported our Appeal. This success, together with improvements

in the investment markets and other sources of revenue, enabled us to expand on our support of programs to meet the ever growing needs of our culturally diverse community. And, our careful stewardship of these financial gifts throughout the year helped to ensure

the financial stability of the Diocese and our Church in Palm Beach.

Again, our purpose here is to provide useful information. Should you have any specific questions or comments with respect to this financial report, I encourage you to contact the diocesan Finance Office directly.

As always, I am deeply grateful to all for the sacrificial support of this Diocese of Palm Beach. I assure you of my continued prayers and support as together we build the City of God here in southern Florida.

With every prayerful wish, I am

Sincerely yours in Christ,



Most Reverend Gerald M. Barbarito
Bishop of Palm Beach

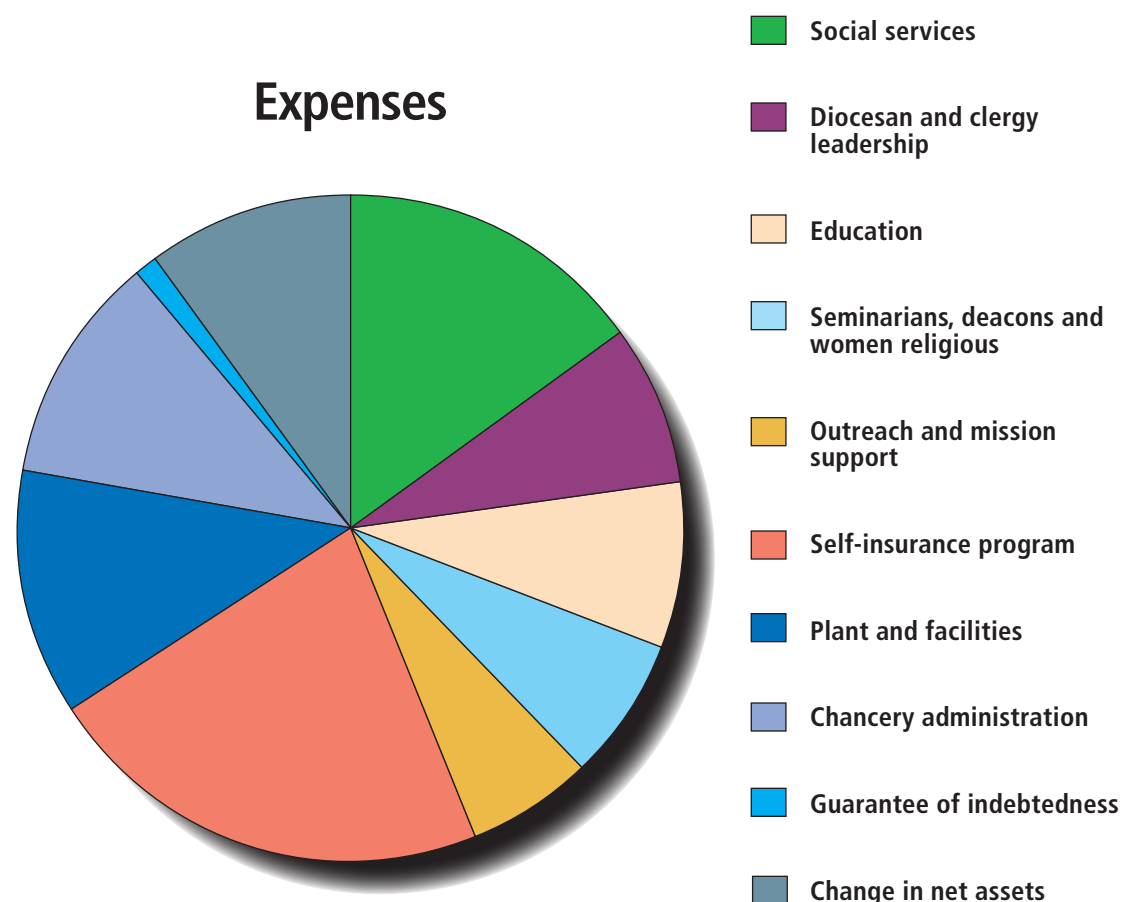
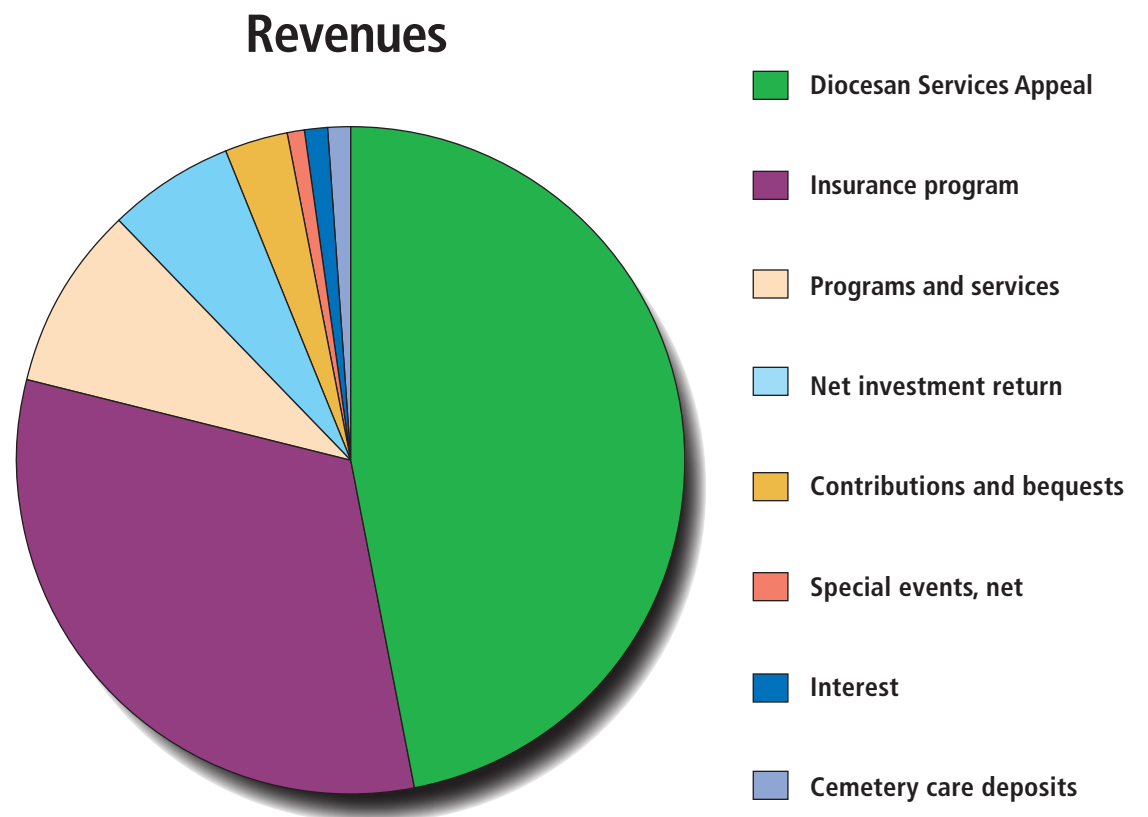


FINANCIAL STATEMENT

Statement of Activities, for the fiscal year ended June 30, 2010

Revenues		
Diocesan Services Appeal	\$ 8,209,659	48%
Insurance program	\$ 5,451,831	32%
Programs and services	\$ 1,448,760	9%
Net investment return	\$ 1,001,477	6%
Contributions and bequests	\$ 496,137	3%
Special events, net	\$ 163,337	1%
Interest	\$ 129,107	1%
Cemetery care deposits	\$ 104,059	1%
Other income (loss), net	\$ (161,098)	-1%
Totals	\$ 16,843,269	100%

Expenses		
Program services:		
Social services	\$ 2,451,958	15%
Diocesan and clergy leadership	\$ 1,359,901	8%
Education	\$ 1,286,555	8%
Seminarians, deacons and women religious	\$ 1,142,484	7%
Outreach and mission support	\$ 1,006,116	6%
Supporting services:		
Self-insurance program	\$ 3,843,180	23%
Plant and facilities	\$ 1,955,652	12%
Chancery administration	\$ 1,928,353	11%
Guarantee of indebtedness	\$ 230,000	1%
Change in post-employment benefit obligation	\$ (194,644)	-1%
Change in net assets	\$ 1,833,714	10%
Totals	\$ 16,843,269	100%

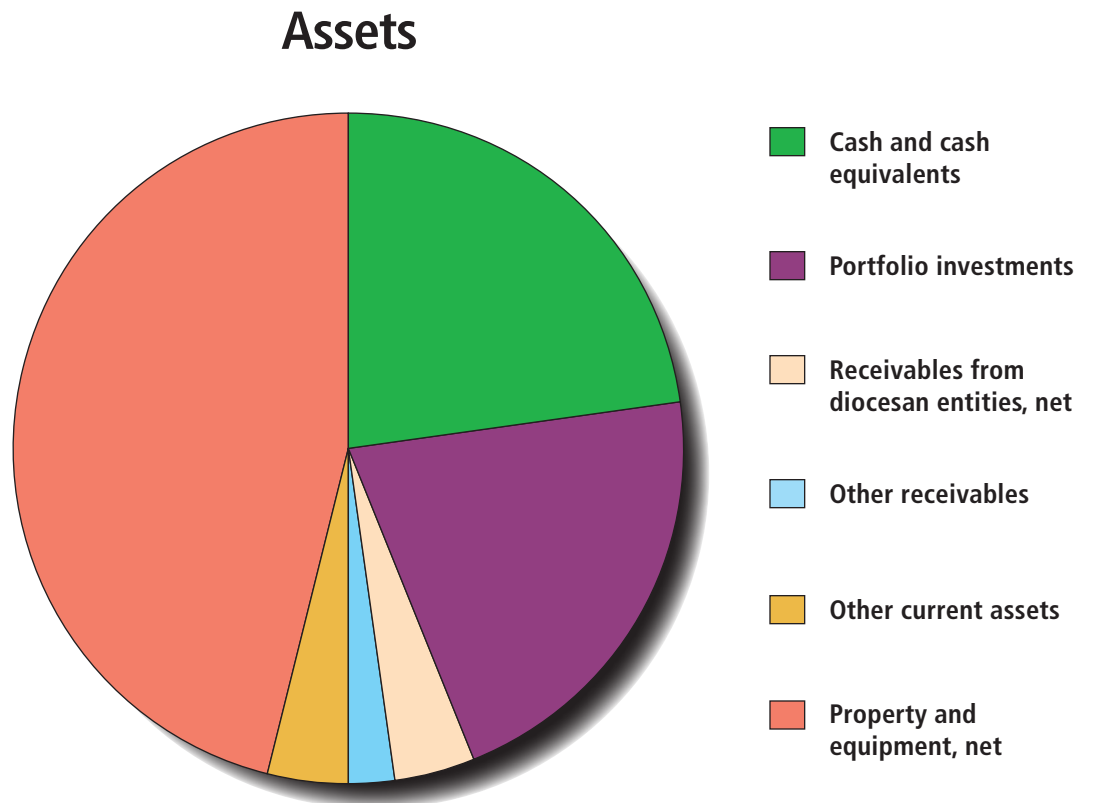


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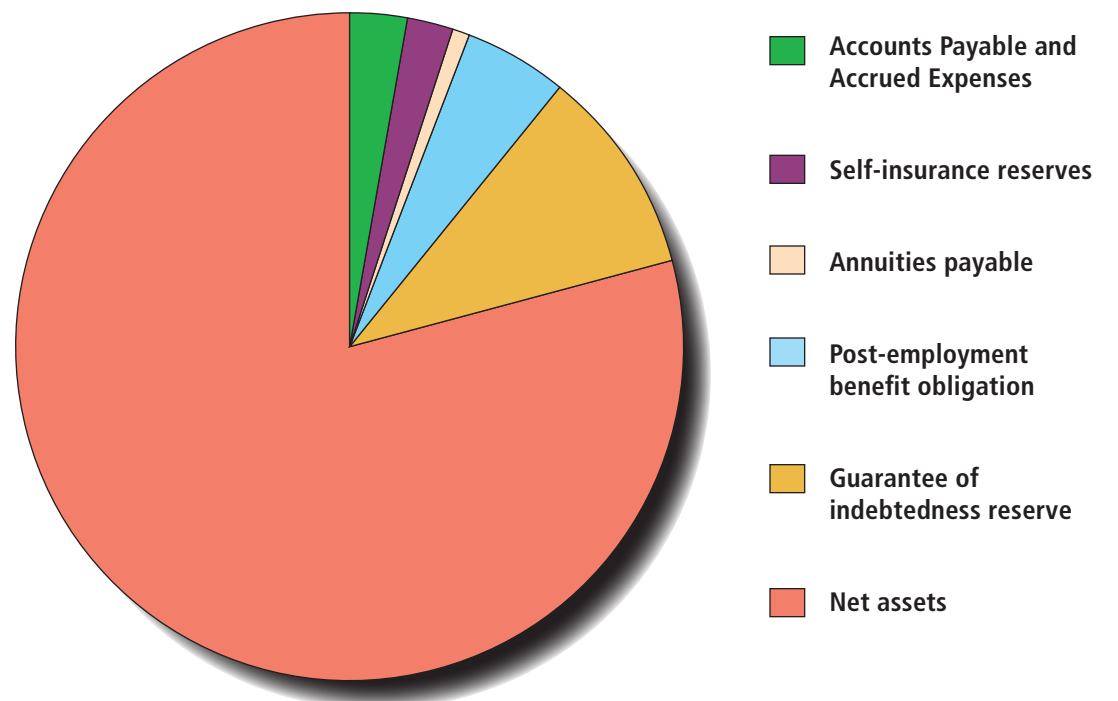
Statement of Financial Position at June 30, 2010

Assets		
Cash and cash equivalents	\$ 12,924,455	23%
Portfolio investments	\$ 11,939,630	21%
Receivables from diocesan entities, net	\$ 2,363,251	4%
Other receivables	\$ 1,350,129	2%
Other current assets	\$ 1,974,523	4%
Property and equipment, net	\$ 26,278,278	46%
Totals	\$ 56,830,266	100%
Liabilities and Net Assets		
Accounts Payable and Accrued Expenses	\$ 1,516,892	3%
Due to - Savings fund trust	\$ 13,485	0%
Self-insurance reserves	\$ 969,180	2%
Annuities payable	\$ 336,701	1%
Post-employment benefit obligation	\$ 2,779,994	5%
Guarantee of indebtedness reserve	\$ 5,697,770	10%
Net assets	\$ 45,516,244	79%
Totals	\$ 56,830,266	100%



Liabilities and Net Assets

Diocesan Collections		
July 2009	Catholic Relief Services	\$ 105,065
Aug. 2009	Church in Latin America/ Church in Africa	\$ 89,703
Sept. 2009	Respect Life / Migrants	\$ 96,395
Oct. 2009	Propagation of the Faith (World Mission Sunday)	\$ 103,005
Nov. 2009	Campaign for Human Development	\$ 109,438
Dec. 2009	Retired Religious	\$ 175,123
Jan. 2010	Catholic schools support	\$ 107,988
Jan. 2010	Earthquake - Haiti Catholic Relief Services	\$ 728,160
March 2010	Education of seminarians and priestly formation	\$ 146,751
March 2010	Holy Land (Good Friday)	\$ 118,185
April 2010	Peter's Pence	\$ 123,335
May 2010	Catholic Communication/ Catholic University	\$ 87,841
June 2010	Black and Indian missions/ Home missions	\$ 85,662



Statement of Activities, by fund, for the fiscal year ended June 30, 2010

	Operating Fund	Plant Fund	Self-Insurance Fund	Eliminating Entries	Summary
Revenues					
Diocesan Services Appeal	\$ 8,209,659	—	—	—	\$ 8,209,659
Insurance program	—	—	\$ 5,568,354	\$ (116,523)	\$ 5,451,831
Programs and services	\$ 1,907,551	—	—	\$ (458,791)	\$ 1,448,760
Net investment return	\$ 1,001,477	—	—	—	\$ 1,001,477
Contributions and bequests	\$ 496,137	—	—	—	\$ 496,137
Special events, net	\$ 163,337	—	—	—	\$ 163,337
Interest	\$ 66,116	\$ 12,836	\$ 50,155	—	\$ 129,107
Cemetery care deposits	\$ 104,059	—	—	—	\$ 104,059
Other income (loss), net	\$ 17,261	\$ (186,569)	\$ 8,210	—	\$ (161,098)
Totals	\$ 11,965,597	\$ (173,733)	\$ 5,626,719	\$ (575,314)	\$ 16,843,269
Expenses					
Program services					
Social services	\$ 2,464,476	—	—	\$ (12,518)	\$ 2,451,958
Diocesan and clergy leadership	\$ 1,363,400	—	—	\$ (3,499)	\$ 1,359,901
Education	\$ 1,293,487	—	—	\$ (6,932)	\$ 1,286,555
Seminarians, deacons and women religious	\$ 1,162,214	—	—	\$ (19,730)	\$ 1,142,484
Outreach and mission support	\$ 1,026,691	—	—	\$ (20,575)	\$ 1,006,116
Supporting services					
Self-insurance program	—	—	\$ 4,301,971	\$ (458,791)	\$ 3,843,180
Plant and facilities	\$ 684,060	\$ 1,308,950	—	\$ (37,358)	\$ 1,955,652
Chancery administration	\$ 1,944,264	—	—	\$ (15,911)	\$ 1,928,353
Guarantee of indebtedness	\$ 230,000	—	—	—	\$ 230,000
Change in post-employment benefit obligation	\$ (194,644)	—	—	—	\$ (194,644)
Change in net assets (decrease)	\$ 1,991,649	\$ (1,482,683)	\$ 1,324,748	—	\$ 1,833,714
Totals	\$ 11,965,597	\$ (173,733)	\$ 5,626,719	\$ (575,314)	\$ 16,843,269

Statement of Financial Position, by fund, at June 30, 2010

	Operating Fund	Plant Fund	Self-Insurance Fund	Eliminating Entries	Summary
Assets					
Cash and cash equivalents	\$ 9,673,197	\$ 380,584	\$ 2,870,674	—	\$ 12,924,455
Portfolio investments	\$ 11,939,630	—	—	—	\$ 11,939,630
Receivables from diocesan entities, net	\$ 2,363,251	—	—	—	\$ 2,363,251
Other receivables	\$ 131,834	\$ 483,907	\$ 734,388	—	\$ 1,350,129
Other current assets	\$ 166,689	—	\$ 1,807,834	—	\$ 1,974,523
Property and equipment, net	—	\$ 26,278,278	—	—	\$ 26,278,278
Due from funds	\$ 5,705,095	—	—	\$ (5,705,095)	—
Totals	\$ 29,979,696	\$ 27,142,769	\$ 5,412,896	\$ (5,705,095)	\$ 56,830,266
Liabilities and Net Assets					
Accounts Payable and Accrued Expenses	\$ 1,377,420	\$ 104,129	\$ 35,343	—	\$ 1,516,892
Due to - Savings fund trust	\$ 13,485	—	—	—	\$ 13,485
Self-insurance reserves	—	—	\$ 969,180	—	\$ 969,180
Annuities payable	\$ 336,701	—	—	—	\$ 336,701
Post-employment benefit obligation	\$ 2,779,994	—	—	—	\$ 2,779,994
Guarantee of indebtedness reserve	\$ 5,697,770	—	—	—	\$ 5,697,770
Due to funds	—	\$ 5,705,095	—	\$ (5,705,095)	—
Net assets	\$ 19,774,326	\$ 21,333,545	\$ 4,408,373	—	\$ 45,516,244
Totals	\$ 29,979,696	\$ 27,142,769	\$ 5,412,896	\$ (5,705,095)	\$ 56,830,266