
This is Exhibit I

to the Affidavit of Paul-André Durocher
sworn this 1st day of ~~November~~, 2005
December



Commissioner for Taking Affidavits, etc.

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF ALEXANDRIA - CORNWALL**

FINANCIAL STATEMENTS

December 31, 2002

THE ROMAN CATHOLIC EPISCOPAL CORPORATION FOR THE DIOCESE OF ALEXANDRIA - CORNWALL

December 31, 2002

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**Craig
Keen
Despatie
Markell
LLP**

AUDITORS' REPORT

To His Excellency, the Most Reverend Paul-André Durocher of
The Roman Catholic Episcopal Corporation
For The Diocese of Alexandria - Cornwall

We have audited the statement of financial position of The Roman Catholic Episcopal Corporation For The Diocese of Alexandria - Cornwall as at December 31, 2002, and the statements of operations and surplus for the year then ended. These financial statements are the responsibility of the corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance 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.

In common with most charitable organizations, the Diocesan Centre derives revenue from donations, bequests and binations the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Centre and we were not able to determine whether any adjustments might be necessary to such revenues, excess of revenues over expenditures, assets and net assets.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of revenues referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the corporation as at December 31, 2002 and the results of operations and changes in financial position for the year then ended, in accordance with Canadian generally accepted accounting principles.

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Cornwall, Ontario
March 6, 2003

Chartered Accountants



**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF ALEXANDRIA - CORNWALL**

STATEMENT OF FINANCIAL POSITION

As at December 31, 2002

	2002	2001
ASSETS		
CURRENT		
Cash	\$ 317,386	\$ 87,074
Marketable securities (Note 4)	4,968,986	5,112,272
Accounts receivable	123,807	141,102
Inventory	2,260	3,343
Prepaid expenses	5,545	-
	5,417,984	5,343,791
CAPITAL (Note 5)	284,269	291,747
LONG-TERM INVESTMENTS (Note 6)	298,713	445,887
	\$ 6,000,966	\$ 6,081,425
LIABILITIES		
CURRENT		
Accounts payable	\$ 113,773	\$ 102,270
Loan payable - interest at 2.25%	20,000	20,000
	133,773	122,270
LOANS PAYABLE TO PARISHES - interest at 2.25%	2,830,446	2,865,378
DUE TO TRUST FUNDS	505,387	545,995
	3,469,606	3,533,643
NET ASSETS		
INVESTED IN CAPITAL ASSETS	284,269	291,747
UNRESTRICTED NET ASSETS	2,247,091	2,256,035
	2,531,360	2,547,782
	\$ 6,000,966	\$ 6,081,425

APPROVED ON BEHALF OF CORPORATION

[Signature] Bishop

[Signature] Diocesan Bursar

May 6, 2003 Date

See Notes and Auditors' Report dated March 6, 2003

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF ALEXANDRIA - CORNWALL**

STATEMENT OF CHANGES IN NET ASSETS

For the year ended December 31, 2002

	Invested In Capital Assets	Unrestricted	2002	2001
Balance, beginning of year	\$ 291,747	\$ 2,256,035	\$ 2,547,782	\$ 2,618,750
Excess of revenue over expenses	(15,005)	(1,417)	(16,422)	(70,968)
Invested in capital assets	7,527	(7,527)	-	-
Balance, end of year	\$ 284,269	\$ 2,247,091	\$ 2,531,360	\$ 2,547,782

See Notes and Auditors' Report dated March 6, 2003

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF ALEXANDRIA - CORNWALL**

STATEMENT OF REVENUES AND EXPENDITURES

For the year ended December 31, 2002

	2002	2001
REVENUES		
Diocesan administration tax	\$ 256,677	\$ 252,456
Investment income	369,502	366,135
Donations	71,447	57,839
Administration services and other	199,106	191,755
Other interest:		
Loans receivable - parishes	12,749	11,413
Loan receivable	311	5,368
Mortgage receivable	1,154	7,317
Bank savings	1,343	1,589
	912,289	893,872
EXPENDITURES		
Administration (Schedule I)	536,204	554,720
Property (Schedule I)	68,510	68,714
Diocesan services (Schedule I)	249,095	233,981
Interest (Schedule I)	74,902	107,425
	928,711	964,840
DEFICIENCY OF REVENUES OVER EXPENDITURES	\$ (16,422)	\$ (70,968)

See Notes and Auditors' Report dated March 6, 2003

THE ROMAN CATHOLIC EPISCOPAL CORPORATION FOR THE DIOCESE OF ALEXANDRIA - CORNWALL

EXPENDITURES

Schedule 1

For the year ended December 31, 2002

	2002	2001
ADMINISTRATION		
Auto allowance, travel and conventions	\$ 57,411	\$ 51,564
Bad Debt Expense	4,850	-
Domestic supplies	6,345	7,552
Medical expense	17,529	62,820
Office supplies	21,549	15,991
Professional fees and other	192,039	175,169
Salaries and benefits	232,296	238,130
Telephone	4,185	3,494
	536,204	554,720
PROPERTY		
Amortization - buildings	11,428	11,994
Amortization - furniture and equipment	3,577	3,616
Insurance	7,762	8,335
Mount Carmel House	6,987	21,351
Municipal taxes	5,899	5,488
Repairs and maintenance	20,904	6,786
Utilities	11,953	11,144
	68,510	68,714
DIOCESAN SERVICES		
Canadian and Ontario Catholic Conferences	147,144	184,517
Donations	17,498	25,570
Matrimonial tribunals	6,565	8,674
Various projects	5,220	5,220
World Youth Day project	72,668	10,000
	249,095	233,981
INTEREST		
Loans - parishes	65,522	88,277
Trust funds	9,380	19,148
	74,902	107,425
	\$ 928,711	\$ 964,840

See Notes and Auditors' Report dated March 6, 2003

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF ALEXANDRIA - CORNWALL**

STATEMENT OF CHANGES IN FINANCIAL POSITION

For the year ended December 31, 2002

	2002	2001
CASH FROM (USED IN) OPERATING ACTIVITIES		
Deficiency of revenues over expenditures	\$ (16,422)	\$ (70,968)
Items not affecting cash or equivalents:		
Amortization of capital assets	15,005	15,610
Changes in non-cash working capital components		
Accounts receivable	17,295	(17,602)
Inventory	1,083	(1,087)
Prepaid expenses	(5,545)	-
Accounts payable	11,503	(51,398)
	22,919	(125,445)
CASH FROM (USED IN) FINANCING ACTIVITIES		
Increase (decrease) in loans payable to Parishes	(34,932)	241,425
Increase in Trust Funds	(40,608)	56,050
	(75,540)	297,475
CASH FROM (USED IN) INVESTING ACTIVITIES		
(Increase) decrease in long-term investments	147,174	36,285
Purchase of capital assets	(7,527)	(3,800)
	139,647	32,485
INCREASE IN CASH	87,026	204,515
CASH AND EQUIVALENT, beginning of year	5,199,346	4,994,831
CASH AND EQUIVALENT, end of year	\$ 5,286,372	\$ 5,199,346
REPRESENTED BY:		
Cash	\$ 317,386	\$ 87,074
Marketable securities	4,968,986	5,112,272
	\$ 5,286,372	\$ 5,199,346

See Notes and Auditors' Report dated March 6, 2003

THE ROMAN CATHOLIC EPISCOPAL CORPORATION FOR THE DIOCESE OF ALEXANDRIA - CORNWALL

STATEMENT OF CHANGES IN TRUST FUNDS

For the year ended December 31, 2002

	2002	2001
REVENUES		
Special vocations collection	\$ 26,373	\$ 24,466
Donations	3,000	32,365
Binations	8,768	9,118
Bequests	25,000	25,598
Recovery of loan written off	875	1,100
Interest	9,727	19,148
Other	23,178	2,126
World Youth Day	99,208	-
	196,129	113,921
EXPENDITURES		
Education and parochial training - net	32,999	20,989
Loans written off	-	8,213
Missionary grants	1,500	1,500
Other	21	39,581
World Youth Day	206,317	-
	240,837	70,283
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(44,708)	43,638
BALANCE, beginning of year	684,440	640,802
BALANCE, end of year	639,732	684,440
Less loans advanced to priests and seminarians - without interest	(134,345)	(138,445)
AVAILABLE BALANCE at end of year	\$ 505,387	\$ 545,995
TRUST FUNDS ARE COMPRISED OF:		
Vocations	\$ 149,859	\$ 108,800
Bishop LaRocque Vocation Fund	78,693	87,019
Rev. Bruno Pilon Missionary Fund	83,450	83,174
St. Andrews Vocation Fund	26,697	26,110
Continuing Education Priests	32,201	25,240
Father Michael O'Brien Bursary Fund	14,445	14,624
St. Finnan's Vocation Fund	15,400	15,061
Msgr. O'Brien Bequest	49,670	48,577
Centennial Pastoral Fund	-	106,609
Knights of Columbus Vocation Fund	30,257	29,591
Oasis Jericho Fund	1,537	1,190
Youth Conference Fund	23,178	-
	\$ 505,387	\$ 545,995

See Notes and Auditors' Report dated March 6, 2003

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF ALEXANDRIA - CORNWALL**

SUMMARY OF TRUST FUNDS

For the year ended December 31, 2002

	VOCATIONS	BISHOP LAROCQUE VOCATION FUND	REV. BRUNO PILON FUND	ST ANDREW VOCATION FUND
REVENUES				
Special vocations collection	\$ 26,373	\$ -	\$ -	\$ -
Bequest	25,000	-	-	-
Donations	3,000	-	-	-
Interest	2,340	1,674	1,776	587
Recovery of loan written off	875	-	-	-
	57,588	1,674	1,776	587
EXPENDITURES				
Education and parochial training	20,629	10,000	-	-
Missionary grants	-	-	1,500	-
	20,629	10,000	1,500	-
Excess of revenues over expenditures	36,959	(8,326)	276	587
Balance, beginning of year	247,245	87,019	83,174	26,110
Balance, end of year	284,204	78,693	83,450	26,697
Less loans advanced to priests and seminarians	134,345	-	-	-
Available balance at end of year	\$ 149,859	\$ 78,693	\$ 83,450	\$ 26,697

See Notes and Auditors' Report dated March 6, 2003

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF ALEXANDRIA - CORNWALL**

SUMMARY OF TRUST FUNDS

For the year ended December 31, 2002

	CONTINUING EDUCATION OF PRIESTS	FATHER O'BRIEN BURSARY FUND	ST. FINNAN VOCATION FUND	MSGR. O'BRIEN TRUST BEQUEST
REVENUES				
Binations	\$ 8,768	\$ -	\$ -	\$ -
Interest	584	321	339	1,093
World Youth Day Collection	-	69,208	-	-
	9,352	69,529	339	1,093
EXPENDITURES				
Education and parochial training	2,370	-	-	-
World Youth Day	-	69,708	-	-
Other	21	-	-	-
	2,391	69,708	-	-
Excess of revenues over expenditures	6,961	(179)	339	1,093
Balance, beginning of year	25,240	14,624	15,061	48,577
Balance, end of year	\$ 32,201	\$ 14,445	\$ 15,400	\$ 49,670

See Notes and Auditors' Report dated March 6, 2003

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF ALEXANDRIA - CORNWALL**

SUMMARY OF TRUST FUNDS

For the year ended December 31, 2002

	CENTENNIAL PASTORAL FUND	KNIGHTS OF COLUMBUS VOCATION FUND	OASIS JERICHO FUND	YOUTH CONFERENCE FUND
REVENUES				
Interest	\$ -	\$ 666	\$ 347	\$ -
World Youth Day Project	30,000	-	-	-
Other	-	-	-	23,178
	30,000	666	347	23,178
EXPENDITURES				
World Youth Day Project	136,609	-	-	-
	136,609	-	-	-
Excess revenues over expenditures	(106,609)	666	347	23,178
Balance, beginning of year	106,609	29,591	1,190	-
Balance, end of year	\$ -	\$ 30,257	\$ 1,537	\$ 23,178

See Notes and Auditors' Report dated March 6, 2003

THE ROMAN CATHOLIC EPISCOPAL CORPORATION FOR THE DIOCESE OF ALEXANDRIA - CORNWALL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2002

1. PURPOSE OF THE ORGANIZATION

The Roman Catholic Episcopal Corporation for the Diocese of Alexandria-Cornwall in Ontario, Canada coordinates and directs activities of the Diocese consisting of 32 parishes and 2 missions in Alexandria-Cornwall in the advancement of the Roman Catholic Religion as well as other purposes of a charitable nature beneficial to the world community.

The Roman Catholic Episcopal Corporation for the Diocese of Alexandria-Cornwall in Ontario, Canada is a registered charity and as such, is exempt from income tax and may issue income tax receipts to donors.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Financial Statement Presentation

These financial statements include only the financial activities of the Diocesan Centre and certain Funds directly controlled by the Centre. They do not include the assets, liabilities, revenues and expenditures of any of the parishes of the Diocese or other institutions not directly controlled by the Diocesan Centre.

b) Investments

Marketable securities are recorded at cost plus amortization of net discounts and premiums. Amortization of bond discounts and premiums is calculated on a straight line basis effective with the 1990 year.

c) Capital Assets and Amortization

Capital assets are recorded at estimated values at December 31, 1971, with subsequent additions at cost.

Amortization is provided on a declining balance basis, generally using rates of 5% per annum for building, 20% per annum for furniture and equipment and 30% for computer equipment.

d) Revenue Recognition

The Diocese follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue for the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonable assured. Endowment contributions are recognized as direct increases in net asset.

e) Non-Consolidated Financial Statements

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles except that they have not been consolidated with those of Notre Dame Cemetery which is wholly owned by the Diocese.

See Auditors' Report dated March 6, 2003

THE ROMAN CATHOLIC EPISCOPAL CORPORATION FOR THE DIOCESE OF ALEXANDRIA - CORNWALL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2002

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

f) Financial instruments

Fair value of financial instruments

The carrying amounts reported on the statement of financial position for cash, short-term investments, accounts receivable, and accounts payable, approximate fair values due to the immediate and short-term maturities of these financial instruments.

The fair value of long-term investments and long-term debt, including the current portion, is based on rates currently available to the Corporation with similar terms and maturities and approximates its carrying amounts as disclosed on the statement of financial position.

Concentration of credit risk

The corporation does not believe it is subject to any significant concentration of credit risk. Cash in in place with major financial institutions.

3. SIGNIFICANTLY INFLUENCED NOT-FOR-PROFIT ORGANIZATIONS

The Roman Catholic Episcopal Corporation for the Diocese of Alexandria-Cornwall in Ontario, Canada exercises significant influence over the 32 parishes and 2 missions in the Diocese by virtue of the ability of the Finance Committee of the Diocese to approve major renovation and construction projects of the parishes and missions.

The parishes are registered charities under the Income Tax Act.

4. MARKETABLE SECURITIES

Market values for 2002 and 2001 were not readily available for all securities and therefore are not reported in the financial statements.

5. CAPITAL

	Cost	Accumulated Amortization	Net 2002	Net 2001
Land	\$ 52,586	\$ -	\$ 52,586	\$ 52,586
Buildings	513,431	295,618	217,813	227,893
Furniture and fixtures	142,699	136,404	6,295	6,846
Computer equipment	32,424	24,849	7,575	4,422
	<u>\$ 741,140</u>	<u>\$ 456,871</u>	<u>\$ 284,269</u>	<u>\$ 291,747</u>

See Auditors' Report dated March 6, 2003

**THE ROMAN CATHOLIC EPISCOPAL CORPORATION
FOR THE DIOCESE OF ALEXANDRIA - CORNWALL**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2002

6. LONG-TERM INVESTMENTS

	2002	2001
Loans Receivable - parishes		
Payable by parishes with available funds		
with interest at: 2.25%	\$ 205,516	\$ 265,766
Loan Receivable - 5.75%, due September 1, 2003	93,197	93,197
Mortgage Receivable - 8.00%, due November 29, 2002	-	86,924
	\$ 298,713	\$ 445,887

7. SPECIAL COLLECTIONS AND APPEALS

	2002	2001
Development and Peace	\$ 47,512	\$ 48,940
Propagation of the Faith	16,891	17,285
Papal Charities	16,156	16,150
Holy Land	17,930	17,857
Vocations Fund	-	24,466
World Youth Day	23,178	32,998
	\$ 121,667	\$ 157,696

The special collections received on behalf of Needs of the Canadian Church totalled \$17,680 (2001:\$17,071) and have been applied against disbursements to Canadian and Ontario Catholic Conferences and Northern Missions.

8. CONTINGENT LIABILITIES

Legal proceedings have been initiated against the Diocese. Neither the existence of any liability nor the extent of any possible damages arising from these claims have been determined at this time. Accordingly, no provision for such liabilities, if any, has been made in these financial statements.

The Diocese has guaranteed the mortgages of Centre Agapé Center and the Order of St. Clare in Ontario. The mortgage balances outstanding at December 31, 2002 are \$7,545 and \$213,424 respectively.

9. COMPARATIVE FIGURES

Comparative figures were prepared by another accounting firm and have been reclassified to reflect the presentation adopted for 2002.

See Auditors' Report dated March 6, 2003

La Corporation Episcopale Catholique Romaine
Roman Catholic Episcopal Corporation

Diocese of Alexandria-Cornwall

Annexes
2002

Ces annexes ont été préparées par le personnel du Centre Diocésain à titre de renseignement, et ne font pas partie du rapport officiel des vérificateurs.

These Annexes were prepared by the Diocesan staff for your information, and are not part of the audited statement.

ROMAN CATHOLIC EPISCOPAL CORPORATION
LA CORPORATION EPISCOPALE CATHOLIQUE ROMAINE
DÉTAILS DES DÉPÔTS DES PAROISSES
DETAILS OF DEPOSITS OF PARISHES

ANNEX(E) 3
2002

PAROISSE PARISH	1er Jan. 2002 Jan. 1, 2002	Dépôts Deposits	Retraits Refunds	Balance Dec. 31/2002	Int. Paid Int. Payés
ALEXANDRIA:					
St. Finnan's	25,000	298,477		323,477	4,800
Sacré-Coeur	85,000			85,000	1,912
APPLE HILL:					
St. Anthony's	40,000			40,000	900
CORNWALL:					
Bl. Sacrament	187,000		30,000	157,000	3,897
Christ-Roi	5,000	5,000		10,000	112
St. Columban's	250,000		200,000	50,000	3,788
Ste-Croix	10,000	5,000	5,000	10,000	183
St. Félix	244,000	12,000	20,000	238,000	5,189
St. Francis	92,000	15,000	10,000	97,000	1,967
St. Jean Bosco	65,500		65,000	500	1,100
Nativité	188,500		136,000	52,500	2,947
Ste. Thérèse	12,000			12,000	270
St. Peter's	233,000	47,000		280,000	5,470
Ss. Martyrs	15,000			15,000	337
St. Joseph's		10,000	10,000	0	41
St. Lawrence	32,800			32,800	738
St. Paul	45,182			45,182	1,016
St. Bernard	135,000	83,090	45,000	173,090	3,449
St. Martin de Tours	10,000	7,000		17,000	364
Précieux-Sang	160,000	6,500		166,500	3,617
St. Catherine de Sienna	56,500	4,000		60,500	1,271
Ste-Marie-de-l'Assomption	37,500	49,000		86,500	1,475
Our Lady of Grace	23,000	5,000		28,000	595
St. Alexandre	60,000			60,000	1,350
St. William's	21,000			21,000	472
St. Jacques	15,000			15,000	337
St. Andrew's	75,000		60,000	15,000	851
St. Raphael's	43,000			43,000	967
St. Mary's	135,396		40,000	95,396	2,510
CINETIERE/CEMETERIES					
Sacré-Coeur	65,000			65,000	1,462
Nativité	58,000			58,000	1,305
Notre Dame	275,000	35,000	10,000	300,000	6,549
Notre Dame du Rosaire	7,000	6,000		13,000	288
St. Paul	5,000			5,000	112
Ste. Marg. d'Ecosse	16,000			16,000	360
St. Martin de Tours	25,000		7,000	18,000	424
Ste-Marie-de-l'Assomption	5,000	10,000	5,000	10,000	48
St. Catherine of Sienna	10,000	10,000		20,000	378
St. Joseph's	10,000			10,000	225
St. Alexandre	3,000			3,000	67
St. William's	3,000			3,000	67
St. James	10,000			10,000	225
Notre-Dame-des-Anges	20,000			20,000	450
St. Raphael's	12,000			12,000	270
St. Mary's	20,000			20,000	450
MESSES / MASSES					
Sacré-Coeur	15,000			15,000	337
Nativité	5,000			5,000	112
TOTAL 2002	2,865,378	608,067	643,000	2,830,445	65,054
TOTAL 2001	2,623,955	556,523	315,100	2,865,378	87,633

N.B. Interest rate paid on Parish Deposits in 2002 was 2.25%

Taux d'intérêt payé sur les dépôts de paroisses en 2002 était 2.25%

2002 2,865,378

26,000

45,000