



Delucchi,
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Public
Accountants

**Financial Statements
For the Year Ended
December 31, 2006
and 2005**

**THE CATHOLIC FOUNDATION OF SANTA CLARA
COUNTY**

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**Financial Statements
For the Years Ended
December 31, 2006
and 2005**

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The Catholic Foundation of Santa Clara County
San Jose, California

We have audited the accompanying statements of financial position of The Catholic Foundation of Santa Clara County, as of December 31, 2006 and 2005, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's 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 audit 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 Catholic Foundation of Santa Clara County, as of December 31, 2006 and 2005, 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.

Delucchi, Hawn & Co., LLP

San Jose, California
June 26, 2007

THE CATHOLIC FOUNDATION OF SANTA CLARA COUNTY
STATEMENTS OF FINANCIAL POSITION

ASSETS

	December 31, 2006		December 31, 2005		Total
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	
Current assets:					
Cash and cash equivalents	\$ 2,722,959	\$ 697,609	\$ 1,568,651	\$ (81,966)	\$ 331,956
Pledges receivable (net of unamortized discount of \$60,679 in 2006)	3,191,115	155,189	1,136,892	915,467	1,048,873
Investments	343,499	478,287	1,471,184	-	1,413,796
Total current assets	6,257,573	1,331,085	4,176,727	833,501	2,794,625
Property and equipment, net of accumulated depreciation of \$3,718 for 2006	14,317	-	-	-	-
Other asset:					
Pledges receivable (net of unamortized discount of \$1,664,480 in 2006 and \$723,766 in 2005 and allowance for uncollectible pledges of \$642,320 for 2006)	7,515,526	548,854	1,854,646	2,184,596	421,472
	\$ 13,787,416	\$ 1,879,939	\$ 6,031,373	\$ 3,018,097	\$ 5,294,196
					\$ 9,108,676

LIABILITIES AND NET ASSETS

Current liabilities:					
Accounts payable	\$ 23,569	\$ -	\$ -	\$ 13,164	\$ -
Long-term liabilities:					
Beneficial interests payable (net of unamortized discount of \$123,190 in 2006 and \$74,876 in 2005 and allowance for uncollectible pledges of \$69,622 for 2006)	327,224	1,366,759	-	1,693,983	675,124
Total liabilities	350,793	1,366,759	-	1,717,552	675,124
Net assets:					
Unrestricted	13,436,623	-	-	13,436,623	3,004,933
Temporarily restricted	-	513,180	-	513,180	121,259
Permanently restricted	-	-	6,031,373	-	5,294,196
Total net assets	13,436,623	513,180	6,031,373	19,981,176	8,420,388
	\$ 13,787,416	\$ 1,879,939	\$ 6,031,373	\$ 21,698,728	\$ 5,294,196
					\$ 9,108,676

THE CATHOLIC FOUNDATION OF SANTA CLARA COUNTY
STATEMENTS OF ACTIVITIES

	For the Years Ended							
	December 31, 2006			December 31, 2005				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, gains and other support								
Donations	\$ 11,912,561	\$ 253,042	\$ 672,133	\$ 12,837,736	\$ 3,668,925	\$ -	\$ 4,296,443	\$ 7,965,368
Interest and dividends on investments	35,075	82,455	-	117,530	3,979	21,009	-	24,988
Net realized and unrealized gains on investments	370	70,380	60,008	130,758	-	66,807	-	66,807
Change in donor restrictions	(25,000)	-	25,000	-	-	-	-	-
	<u>11,923,006</u>	<u>405,877</u>	<u>757,141</u>	<u>13,086,024</u>	<u>3,672,904</u>	<u>87,816</u>	<u>4,296,443</u>	<u>8,057,163</u>
Supporting services								
General and administrative expenses								
Fundraising consultants	600,000	-	-	600,000	300,000	-	-	300,000
Financial and administrative services	90,526	-	-	90,526	118,126	-	-	118,126
Bad debt expense	554,918	187	17,594	572,699	-	-	-	-
Consultants	-	-	-	-	35,200	-	-	35,200
Audio visual and other media	32,410	-	-	32,410	14,153	-	-	14,153
Rent	19,639	-	-	19,639	13,894	-	-	13,894
Legal and professional	21,415	-	-	21,415	12,666	-	-	12,666
Interest	64	-	-	64	10,727	-	-	10,727
Transportation	17,803	-	-	17,803	8,100	-	-	8,100
Printing and reproduction	113,632	-	-	113,632	5,740	-	-	5,740
Insurance	1,693	-	-	1,693	5,119	-	-	5,119
Investment and brokerage fees	5,828	13,769	2,347	21,944	247	11,626	2,247	14,120
Office expenses	7,005	-	23	7,028	2,060	-	-	2,060
Office supplies	11,688	-	-	11,688	1,960	-	-	1,960
Donor development	8,290	-	-	8,290	-	-	-	-
Depreciation	3,718	-	-	3,718	-	-	-	-
Telecommunications	2,687	-	-	2,687	492	-	-	492
	<u>1,491,316</u>	<u>13,956</u>	<u>19,964</u>	<u>1,525,236</u>	<u>528,484</u>	<u>11,626</u>	<u>2,247</u>	<u>542,357</u>
Total expenses								
Change in net assets	10,431,690	391,921	737,177	11,560,788	3,144,420	76,190	4,294,196	7,514,806
Net assets, beginning of year	<u>3,004,933</u>	<u>121,259</u>	<u>5,294,196</u>	<u>8,420,388</u>	<u>(139,487)</u>	<u>45,069</u>	<u>1,000,000</u>	<u>905,582</u>
Net assets, end of year	<u>\$ 13,436,623</u>	<u>\$ 513,180</u>	<u>\$ 6,031,373</u>	<u>\$ 19,981,176</u>	<u>\$ 3,004,933</u>	<u>\$ 121,259</u>	<u>\$ 5,294,196</u>	<u>\$ 8,420,388</u>

See Notes to Financial Statements

THE CATHOLIC FOUNDATION OF SANTA CLARA COUNTY
STATEMENTS OF CASH FLOWS

	For the Years Ended December 31,	
	2006	2005
Cash flows from operating activities:		
Change in net assets	\$ 11,560,788	\$ 7,514,806
Adjustments to reconcile changes in net assets to cash provided by operating activities:		
Net realized and unrealized gains on investments	(130,758)	(66,807)
Net unamortized discount on pledges receivable and beneficial interest payable	953,079	649,042
Depreciation	3,718	-
Donation of securities	(2,285,212)	-
Changes in assets and liabilities:		
Pledges receivable	(8,187,049)	(7,940,332)
Accounts payable	10,405	(127,323)
Beneficial interests payable	1,067,173	749,848
Net cash provided by operating activities	2,992,144	779,234
Cash flows from investing activities:		
Acquisition of furniture and fixtures	(18,035)	-
Proceeds from sales of investments	5,144,353	475,010
Net purchases of investments	(3,486,298)	(1,202,615)
Net cash provided (used) by investing activities	1,640,020	(727,605)
Increase in cash and cash equivalents	4,632,164	51,629
Cash and cash equivalents, beginning of year	357,055	305,426
Cash and cash equivalents, end of year	\$ 4,989,219	\$ 357,055

Supplemental Disclosure of Cash Flow Information

Cash paid during the year for:		
Interest	\$ <u>64</u>	\$ <u>10,727</u>
Income taxes	\$ <u>-</u>	\$ <u>-</u>

See Notes to Financial Statements

THE CATHOLIC FOUNDATION OF SANTA CLARA COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2006 and 2005

Note A - Organization

Nature of Activities

The Catholic Foundation of Santa Clara County (the "Foundation") was incorporated in March 2004 as a non-profit public benefit corporation.

The Foundation's mission is to support financially the educational, spiritual and social needs of the Catholic community of Santa Clara County. It will accomplish its mission by raising endowment and capital funds for the following purposes:

- Support various parish social programs as well as repair and maintenance needs
- Provide increased assistance to schools primarily through increased tuition grants
- Provide for the financial security of retired priests
- Assist Catholic Charities in its efforts to serve those in great need
- Support vocations and seminarian educations and development
- Repair and maintenance of the Cathedral Basilica in San Jose, California
- Assist the Diocese of San Jose to reduce its debt burden

Note B - Summary of Significant Accounting Policies

Use of Estimates

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as revenues and expenses during the reporting period. Actual results could differ from those estimates.

Fund Accounting

The accounts of the Foundation are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with specified activities or objectives. Accordingly, all financial transactions have been recorded by fund group. However, for the financial statements, transactions are reported by the net asset categories described in Note B under "Categories of Net Assets."

Cash and cash equivalents

For purposes of the statements of cash flows, the Foundation considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

THE CATHOLIC FOUNDATION OF SANTA CLARA COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2006 and 2005

Note B - Summary of Significant Accounting Policies (continued)

Investments

Investments in securities are stated at fair value, as determined by quoted market prices.

Investment Pools

The Organization maintains master investment accounts for its donor-restricted and board-designated endowments. Realized and unrealized gains and losses from securities in the master investment accounts are allocated monthly to the individual endowments based on the relationship of the market value of each endowment to the total market value of the master investment accounts, as adjusted for additions to or deductions from those accounts.

Promise to Give

The Foundation accounts for promises to give in accordance with the recommendations of the Financial Accounting Standards Board in SFAS No. 116, "Accounting for Contributions Received and Contributions Made". Under SFAS No. 116, promises to give are either unconditional or conditional. Unconditional promises to give are promises that depend only on the passage of time or the demand by the promisee for performance, at which time the related revenue is recognized. A conditional promise to give is a promise that depends on the occurrence of a specified future and uncertain event to bind the promisor, at which time the revenue is recognized.

At December 31, 2006 there was an allowance for doubtful pledges receivable that is based on management's analysis of the character of the pledges, current economic conditions and other such factors that deserve recognition in estimating losses. The allowance at December 31, 2006 was \$642,320, no such allowance was made at December 31, 2005.

Categories of Net Assets

The net assets of the Foundation are reported in the following categories:

- *Unrestricted net assets* generally have no donor-imposed restrictions and represent resources over which the Foundation has discretionary control, including those contributions where donor stipulations that are no more specific than the broad limits imposed by the Foundation purpose and nature.
- *Temporarily restricted net assets* include those resources for which donor-imposed restrictions have not been met and funds for which the ultimate purpose of the proceeds is not permanently restricted.
- *Permanently restricted net assets* include those resources which require by donor-imposed restriction that the corpus be invested in perpetuity and only the income be made available for Foundation operations in accordance with donor restrictions, if any. When a donor has restricted the realized/unrealized earnings/losses to be treated in the same manner as the original donation, those earnings/losses are shown as permanently restricted.

THE CATHOLIC FOUNDATION OF SANTA CLARA COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2006 and 2005

Note B - Summary of Significant Accounting Policies (continued)

Concentration of Credit Risk

The Foundation has cash on deposit with a federally insured bank in excess of the \$100,000 maximum amount insured by the Federal Deposit Insurance Corporation.

Restricted and Unrestricted Support

Contributions that are restricted by donors are reported as increases in unrestricted net assets if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restriction.

Functional Allocation of Expenses

The Foundation's mission is to raise funds for distribution within the community. Accordingly, the majority of expenses are allocated to these fundraising activities. The Foundation may hire from time to time consultants to facilitate the raising of funds. The cost of these consultants is included in fundraising expense.

Property and Equipment

Property and equipment are stated at cost or at their estimated fair value at date of donation. Depreciation is provided using the straight-line method over the estimated useful lives of the assets as follows:

Computer equipment	3 years
Office equipment	5 years

Additions and betterments of \$500 or more are capitalized, while maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed as incurred.

Advertising

The Foundation expenses advertising costs as incurred. For the years ended December 31, 2006 and 2005, the Foundation did not incur any advertising expenditures.

Income Taxes

The Foundation is a not-for-profit corporation exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). Additionally, the Foundation is exempt from state income taxes under similar tax regulations.

THE CATHOLIC FOUNDATION OF SANTA CLARA COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2006 and 2005

Note D - Promises to Give

Unconditional promises to give represent the remaining pledges due from the donors who have pledged funds to support the Foundation's mission.

Unconditional promises to give at December 31, 2006 and 2005 consist of the following:

	<u>2006</u>	<u>2005</u>
Receivable in less than one year	\$ 4,543,874	\$ 2,198,329
Receivable in one to five years	12,225,827	5,742,003
Receivable in more than five years	<u>-</u>	<u>-</u>
Total unconditional promises to give	16,769,701	7,940,332
Less: unamortized discount on pledges	(1,725,159)	(723,766)
Less: allowance for uncollectible pledges	<u>(642,320)</u>	<u>-</u>
	<u>\$ 14,402,222</u>	<u>\$ 7,216,566</u>

The unamortized discount on pledges is determined by applying an imputed interest rate of 5.0% on pledges received in 2006 and 4.5% on pledges received in 2005 prior.

Unconditional promises to give are presented in the accompanying balance sheet, net of the discount to present values, as follows:

	<u>2006</u>	<u>2005</u>
Pledges receivable, current	\$ 4,483,196	\$ 2,110,927
Pledges receivable, long-term	<u>9,919,026</u>	<u>5,105,639</u>
	<u>\$ 14,402,222</u>	<u>\$ 7,216,566</u>

Note E - Line of Credit

The Foundation has a revolving line of credit agreement with Heritage Bank of Commerce. Borrowings under the agreement are unsecured, bear interest at the bank's index rate (8.25% at December 31, 2006), and are limited to \$1,000,000. At December 31, 2006, there were no borrowings outstanding against the line of credit.

The agreement requires the Foundation to comply with various financial covenants. At December 31, 2006, management is not aware of any violations of the covenants.

THE CATHOLIC FOUNDATION OF SANTA CLARA COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2006 and 2005

Note F - Restricted Net Assets

Temporarily restricted net assets are restricted by donors for the purposes described below or for time restrictions. Permanently restricted net assets consist of investments held in perpetuity, the income of which is expendable for the purposes described below as of December 31:

	2006		2005	
	Temporarily Restricted	Permanently Restricted	Temporarily Restricted	Permanently Restricted
Purpose restrictions				
Cathedral Basilica endowment	\$ 209,040	\$ 1,127,710	\$ 118,883	\$ 1,000,000
Seminarian endowment	5,848	1,075,226	-	1,043,600
Education endowment	35,011	3,452,903	2,376	3,046,223
Parish Refurbishment endowment	873	122,924	-	114,373
ILM endowment	-	11,867	-	-
Pastoral Ministry endowment	-	10,145	-	-
Young Adult Ministry endowment	-	410	-	-
Clergy Retirement endowment	-	190,188	-	-
New Parish endowment	260,455	-	-	-
Other endowments	1,953	40,000	-	90,000
	\$ 513,180	\$ 6,031,373	\$ 121,259	\$ 5,294,196

The permanent restriction on Other endowments was reduced by \$50,000 in 2006 as the donor requested that the amount be included with the Education endowment. Additionally, \$25,000 was reclassified from an unrestricted net asset in 2005 to the Education endowment in 2006 at donor request. The return on permanently restricted endowments has been categorized as temporarily restricted net assets in the accompanying financial statements.

THE CATHOLIC FOUNDATION OF SANTA CLARA COUNTY

NOTES TO FINANCIAL STATEMENTS

For the Years Ended December 31, 2006 and 2005

Note G - Beneficial Interests

A component of the capital campaign is to raise funds for other organizations in order to achieve the Foundation's mission. The Foundation releases the funds after verification by the end of the subsequent quarter following the collection of the funds. At December 31, 2006 and 2005 the beneficial interests were as follows:

	<u>2006</u>	<u>2005</u>
Catholic Charities	\$ 979,737	\$ 250,000
Diocese debt reduction	508,481	500,000
Parish support	<u>398,577</u>	<u>-</u>
	1,886,795	750,000
Less: unamortized discount on pledges	(123,190)	(74,876)
Less: allowance for uncollectible pledges	<u>(69,622)</u>	<u>-</u>
	<u>\$ 1,693,983</u>	<u>\$ 675,124</u>

Note H - Operating Agreements

Fundraising

The Foundation has retained the services of Community Counseling Service (the fundraiser) to provide professional fundraising services and to assist the Foundation in planning, organizing and initializing a major fundraising campaign. The campaign is to raise funds in support of the charitable purposes for which the Foundation was established (see Note A). The Foundation has entered into a professional services agreement with the fundraiser to provide these services through August 2007. This Agreement was amended during the course of the year to provide for early payment of a portion (\$150,000) of the contract because additional counselors from the fundraiser were placed in service during 2006. The total fee to be paid in 2007 will be reduced by a similar amount. For the years ended December 31, 2006 and 2005, total fees paid to the fundraiser were \$600,000 and \$300,000, respectively.

The future payments required under the professional service agreement are \$1,000,000 for the year ending December 31, 2007.

Administrative Services Agreement

The Foundation has entered into an administration services agreement with the Diocese of San Jose. Under the terms of the agreement, the Diocese of San Jose will provide to the Foundation for its benefit property, equipment, clerical, financial and other administrative services as needed by the Foundation to conduct its day-to-day operations. The original agreement expired in June 2006, but was renewed by mutual agreement between both parties and can be canceled with 90 days notice by either party. For the years ended December 31, 2006 and 2005, the total amount paid to the Diocese of San Jose in exchange for these services was \$103,490 and \$137,317, respectively.

THE CATHOLIC FOUNDATION OF SANTA CLARA COUNTY
NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2006 and 2005

Note I - Commitments

Effective January 23, 2006, the Foundation relocated its corporate office to a new facility. The Foundation leases its facility under an operating lease agreement, expiring in December 2008, which requires monthly payments of \$1,678.

The future minimum annual lease payments required under the agreement are as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Amount</u>
2007	20,136
2008	<u>20,136</u>
	<u>\$ 40,272</u>

Note J - Functional Expenses

The Foundation has classified its expenses in the following functional categories for the years ending December 31, 2006 and 2005:

	2006	2005
Fundraising	\$ 893,098	\$ 489,113
General and administrative	610,194	39,124
Investment management	<u>21,944</u>	<u>14,120</u>
	<u>\$ 1,525,236</u>	<u>\$ 542,357</u>

Note K - Capital Campaign Results

In 2004, the Foundation commenced an Endowment and Capital Campaign intended to:

- Provide endowments for education, priest retirement, seminarians, Diaconate formation, The Institute for Leadership in Ministry, pastoral ministry training and formation, youth and young adult ministry, recruitment and training, social justice education.
- Provide capital for Catholic Charities, Diocesan debt reduction.
- Provide for all expenses relating to the Campaign.
- Excess funds over the Campaign goal will be shared with the Parishes.

All donations, pledges and expenses relating to the Campaign are included in the financial statements of the Foundation. Contributions for the benefit of Catholic Charities, reduction of long term debt of the Diocese of San Jose and direct parish support are not included in revenues but are shown as liabilities to those entities and are classified as beneficial interest payable in the accompanying balance sheet.

THE CATHOLIC FOUNDATION OF SANTA CLARA COUNTY
NOTES TO FINANCIAL STATEMENTS
For the Years Ended December 31, 2006 and 2005

Note K - Capital Campaign Results (continued)

As of December 31, 2006, the cumulative campaign results are as follows:

Total amount raised (contributions and pledges)	
Education endowment	\$ 3,592,643
Seminarian endowment	1,174,333
Cathedral Basilica endowment	1,075,203
Parish repair and maintenance endowment	129,588
ILM endowment	12,247
Pastoral ministry endowment	11,200
Young adult ministry endowment	500
Clergy retirement endowment	241,155
New Parish fund	253,334
Other endowments	40,000
Unrestricted funds	17,273,783
Catholic Charities	1,087,243
Diocese debt reduction	<u>509,333</u>
Subtotal	25,400,562
Less: Net present value discounts	(1,601,968)
Less: Beneficial interests	<u>(1,994,490)</u>
Total campaign revenue	<u>\$ 21,804,104</u>
Total fundraising expenses	<u>\$ 1,515,083</u>
Total cash received from contributors	<u>\$ 8,619,160</u>
Total distributions	<u>\$ 107,065</u>

The following are intentions to give that have not been recognized in the financial statements because they do not meet the requirements of unconditional promises to give:

Land for new parishes	\$ 5,000,000
Beneficial interests in charitable remainder trusts	6,500,000
Bequests	<u>50,000</u>
	<u>\$ 11,550,000</u>

THE CATHOLIC FOUNDATION OF SANTA CLARA COUNTY
SUPPLEMENTARY FINANCIAL INFORMATION
For the Years Ended December 31, 2006 and 2005

**INDEPENDENT AUDITORS' REPORT ON
SUPPLEMENTARY FINANCIAL INFORMATION**

To the Board of Directors of
The Catholic Foundation of Santa Clara County
San Jose, California

Our report on our audit of the basic financial statements of The Catholic Foundation of Santa Clara County as of December 31, 2006 and 2005, appears on page one. The audit was made for the purposes of forming an opinion on the basic financial statements taken as a whole.

Schedules of Temporary and Permanently Restricted Activities on the following pages are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Delucchi, Hawn & Co., LLP

San Jose, California
June 26, 2007

THE CATHOLIC FOUNDATION OF SANTA CLARA COUNTY
SCHEDULE OF TEMPORARILY RESTRICTED ACTIVITIES

For the Year Ended December 31, 2006

	Parish Repair	Cathedral Maintenance	Seminarian	Priest Retirement	Education	ILM	Pastoral Ministry	Young Adult Ministry	New Parishes	Other Endowments	Total
Revenues, gains and other support											
Donations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 253,042	\$ -	\$ 253,042
Interest and dividends on investments	873	33,905	5,848	-	32,276	-	-	-	7,600	1,953	82,455
Net realized and unrealized gains on investments	-	70,021	-	-	359	-	-	-	-	-	70,380
Change in donor restrictions	-	-	-	-	-	-	-	-	-	-	-
	<u>873</u>	<u>103,926</u>	<u>5,848</u>	<u>-</u>	<u>32,635</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>260,642</u>	<u>1,953</u>	<u>405,877</u>
Supporting services											
General and administrative expenses	-	-	-	-	-	-	-	-	-	-	-
Bad debt expense	-	-	-	-	-	-	-	-	187	-	187
Investment and brokerage fees	-	13,769	-	-	-	-	-	-	-	-	13,769
Office expenses	-	-	-	-	-	-	-	-	-	-	-
Total expenses	<u>-</u>	<u>13,769</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>187</u>	<u>-</u>	<u>13,956</u>
Change in net assets	873	90,157	5,848	-	32,635	-	-	-	260,455	1,953	391,921
Net assets, beginning of year	-	118,883	-	-	2,376	-	-	-	-	-	121,259
Net assets, end of year	<u>\$ 873</u>	<u>\$ 209,040</u>	<u>\$ 5,848</u>	<u>\$ -</u>	<u>\$ 35,011</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 260,455</u>	<u>\$ 1,953</u>	<u>\$ 513,180</u>

THE CATHOLIC FOUNDATION OF SANTA CLARA COUNTY
SCHEDULE OF PERMANENTLY RESTRICTED ACTIVITIES

For the Year Ended December 31, 2006

	Parish Repair	Cathedral Maintenance	Seminarian	Priest Retirement	Education	ILM	Pastoral Ministry	Young Adult Ministry	New Parishes	Other Endowments	Total
Revenues, gains and other support											
Donations	\$ 8,639	\$ 70,826	\$ 31,798	\$ 192,807	\$ 345,273	\$ 12,116	\$ 10,229	\$ 445	\$ -	\$ -	\$ 672,133
Interest and dividends on investments	-	-	-	-	-	-	-	-	-	-	-
Net realized and unrealized gains on investments	-	60,008	-	-	-	-	-	-	-	-	60,008
Change in donor restrictions	-	-	-	-	75,000	-	-	-	-	(50,000)	25,000
	8,639	130,834	31,798	192,807	420,273	12,116	10,229	445	-	(50,000)	757,141
Supporting services											
General and administrative expenses											
Bad debt expense	88	2,800	172	2,619	11,712	84	84	35	-	-	17,594
Investment and brokerage fees	-	324	-	-	1,858	165	-	-	-	-	2,347
Office expenses	-	-	-	-	23	-	-	-	-	-	23
Total expenses	88	3,124	172	2,619	13,593	249	84	35	-	-	19,964
Change in net assets	8,551	127,710	31,626	190,188	406,680	11,867	10,145	410	-	(50,000)	737,177
Net assets, beginning of year	114,373	1,000,000	1,043,600	-	3,046,223	-	-	-	-	90,000	5,294,196
Net assets, end of year	\$ 122,924	\$ 1,127,710	\$ 1,075,226	\$ 190,188	\$ 3,452,903	\$ 11,867	\$ 10,145	\$ 410	\$ -	\$ 40,000	\$ 6,031,373

See Notes to Financial Statements