

STATEMENT OF SOURCES AND DISTRIBUTION
OF FUNDS RECEIVED AND REPORT OF
INDEPENDENT CERTIFIED PUBLIC
ACCOUNTANTS

**BISHOP'S TWENTY-SIXTH ANNUAL APPEAL
OF THE DIOCESE OF ROCKVILLE CENTRE**

FROM INCEPTION OF THE TWENTY-SIXTH
ANNUAL APPEAL THROUGH DECEMBER 31, 2003

Grant Thornton 

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Most Reverend William F. Murphy, S.T.D., L.H.D.
Bishop of Rockville Centre:

We have audited the accompanying statement of sources and distribution of funds received of the Bishop's Twenty-Sixth Annual Appeal of the Diocese of Rockville Centre (the "Appeal") from inception of the Twenty-Sixth Annual Appeal through December 31, 2003. This financial statement is the responsibility of Diocesan management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit 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 statement of sources and distribution of funds received is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement of sources and distribution of funds received. 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 audit provides a reasonable basis for our opinion.

In our opinion, the statement of sources and distribution of funds received, referred to above, presents fairly, in all material respects, the sources and distribution of funds received of the Bishop's Twenty-Sixth Annual Appeal of the Diocese of Rockville Centre from inception of the Twenty-Sixth Annual Appeal through December 31, 2003, in conformity with accounting principles generally accepted in the United States of America.

Grant Thornton LLP

Melville, New York
February 4, 2004

Suite 300
445 Broad Hollow Road
Melville, NY 11747-3601
T 631.249.6001
F 631.249.6144
W www.grantthornton.com

Grant Thornton LLP
US Member of Grant Thornton International

Bishop's Twenty-Sixth Annual Appeal
of the Diocese of Rockville Centre

**STATEMENT OF SOURCES AND DISTRIBUTION OF FUNDS RECEIVED
FROM INCEPTION OF THE TWENTY-SIXTH ANNUAL APPEAL
THROUGH DECEMBER 31, 2003**

	<u>Note</u>	
	<u>Reference</u>	
Sources:		
Collection of pledges	1	\$ 9,312,845
Investment income	2	<u>172,803</u>
Total sources		<u>9,485,648</u>
Distributions:		
Parish sharing	3	1,463,270
Catholic Charities	4	1,900,000
Fund raising costs	5	<u>602,381</u>
Total distributions		<u>3,965,651</u>
Available for Diocesan programs	6	<u>\$ 5,519,997</u>

Notes:

1. Represents the final amount of pledges collected for the Bishop's Twenty-Sixth Annual Appeal (the "Appeal"). Amounts collected before December 31, 2003, but specified by the donors as gifts for the 2004 Catholic Ministries Appeal have not been included in this statement.
2. Represents investment income earned for the period from inception of the Appeal through December 31, 2003.
3. Parish sharing consists of the amounts earned by parishes for participating in the Appeal. Normally, a parish that exceeds 70% of its goal is entitled to the remaining 30% of its goal plus 80% of the cash collected in excess of its goal. Through December 31, 2003, \$642,760 has been remitted to the parishes. An additional \$820,510 of earned parish rebates was distributed to parishes in January 2004.
4. Represents the amount budgeted and distributed to Catholic Charities. As of December 31, 2003, the entire \$1,900,000 balance had been remitted to Catholic Charities.
5. Represents the fund raising costs incurred in connection with the Appeal. Included in this balance are the expenditures incurred in running the Bishop's Appeal Office, which handles all phases of the pledge system, from recording of the initial pledge to the collection of payments and follow-up billings.
6. Represents amounts available for Diocesan programs and needs after distributions to parishes and Catholic Charities and after fund raising costs incurred in connection with the Appeal.