



SAINT JOHN'S SEMINARY

BOSTON, MASSACHUSETTS

Office of the Vice President for Finance and Administration

Financial Statement Summary **Fiscal Year 2019**

The Fiscal 2019 financial statements show progress towards financial stability and growth, as this is the initial year of the new management and leadership team. Focus was placed on effective cost management and reducing the outstanding debt. Both of those objectives were initiated during fiscal year 2019.

The financial statements reflect a significant reduction in liabilities, specifically in accounts payable and accrued expenses. The statements also show the operating expenses being reduced from prior year in accordance with goal toward reducing deficit.

The following discussion provides additional information and data related to the financial operations of SJS for the fiscal year ended June 30, 2019.

Statement of Financial position (Total Assets, Liabilities and Net Assets)

The total assets of SJS decreased from \$113.5 million to \$109.2 million from fiscal year end 2018 to 2019. The decrease is largely due to the \$4 million reduction to the fair market value of the endowments. Conversely, the interest in net assets of related foundation increased by \$1 million over the same time period.

The total liabilities of SJS decreased by almost \$2 million from fiscal year end 2018 to 2019. This decrease is in large part due to the \$1.6 million reduction in accounts payable and accrued expenses as well as the elimination of \$700 thousand in amount due to related organization. SJS management made a concerted effort during fiscal year to pay down the outstanding liabilities and the financial statements show the success resulting from those efforts.

The net assets of SJS decreased from \$113.5 million to \$109.2 million from fiscal year end 2018 to 2019. The \$4 million decrease in net assets is directly resulted from the reduction in fair market value of the endowment, as noted in paragraphs above.

Statement of Activities (Operating Revenues and Expenses)

SJS total operating revenues increased from \$7.6 million to \$8.6 million from fiscal year end 2018 to 2019. The increase of \$1 million is related to the Investment return appropriated for operations. Specifically, that is the money that is drawn from the investment accounts and used for the purposes of seminary operations.

The total operating expenses of SJS decreased from \$8.7 million to \$7.4 million from fiscal year end 2018 to 2019. The decrease was in operating costs associated with the School of Theology, specifically educational assistance, professional services and dining.

The decrease in net assets from SJS operations went from -\$1.6 million to -\$2.4 million from fiscal year end 2018 to 2019. This change is largely due to a \$2 million reduction in investment return in the same time period.