

The 2009 Financial Report of the Archdiocese of Toronto

A Financial Report to the parishioners of the Archdiocese of Toronto for the year ended December 31, 2009

ARCHDIOCESAN FINANCE COUNCIL

His Grace, Archbishop Thomas Collins, Mr. John P. McGrath (Chancellor, Temporal Affairs),
Mr. William C. Dunlop (Comptroller), Mr. J.J. Barnicke, Mr. Robert Chisholm,
Mr. Patrick J. Keenan, Ms. Joanne De Laurentis, Mr. Edward Sorbara

EXCERPTS FROM THE DIOCESAN FINANCIAL STATEMENTS AND SUPPLEMENTAL FINANCIAL INFORMATION

DESCRIPTION OF ASSETS

- Cash: \$27.4 million includes \$26.6 million held by the bank for the Archdiocese as collateral for parish bank loans
- Investments: \$54.8 million represents stocks, bonds and short term deposits carried at fair value.
- Loans, receivables, prepayments: \$38.7 million includes \$30.5 million in property loans to parishes.
- Properties: \$25.3 million includes diocesan land and buildings, and land held for future parish sites.
- Special Diocesan Collections: \$1.6 million represents special collections held pending distribution e.g. Needs of the Canadian Church, Co-operative Mission Plan, etc.

DESCRIPTION OF LIABILITIES AND RESERVES

- Loans, amounts payable: \$69.8 million includes \$49.7 million deposited by parishes with the diocese.
- Reserves
 - Parish Bank Borrowing guarantee: \$26.6 million represents amounts set aside in respect of funds on deposit with the bank as collateral for bank loans to parishes.*
 - Discretionary funds and other: \$9.4 million constitutes funds set aside to meet special needs of the diocese e.g. purchase of church sites, etc.*
 - General Reserve Fund: \$18.9 million represents residual between accumulated net revenues and accumulated appropriations.*
 - Accumulated unrealized loss on available-for-sale investments: \$3.7 million represents unrealized losses relative to cost on investments.*
- Special diocesan collections: These liabilities are in respect of special collections awaiting distribution.

ASSETS, LIABILITIES AND RESERVES

Diocesan Balance Sheet as at December 31, 2009

	<u>2009</u>	<u>2008</u>		<u>2009</u>	<u>2008</u>
Assets *			Liabilities and Reserve*		
Cash			Loans, amounts payable	\$ 69,829,608	68,371,705
On hand	\$ 760,082	1,038,042	Reserves		
Collateral for parish bank loans	26,659,230	26,616,558	Parish bank borrowing guarantee	26,659,230	26,616,558
	<u>27,419,312</u>	<u>27,654,600</u>	Discretionary funds and other	9,415,262	9,415,262
Investments	54,896,921	50,307,886	General	18,928,175	18,594,497
Loans, receivables, prepayments	38,798,666	38,324,854	Accumulated unrealized gains on available-for-sale investments	<u>(3,717,375)</u>	<u>(6,710,681)</u>
Properties	25,397,714	25,674,005		<u>51,285,292</u>	<u>47,915,636</u>
Less: Amount transferred from general reserve	<u>(25,397,713)</u>	<u>(25,674,004)</u>			
	<u>1</u>	<u>1</u>			
Special diocesan collections	1,667,485	1,515,263	Special diocesan collections	1,667,485	1,515,263
	<u>\$ 122,782,385</u>	<u>117,802,604</u>	Trust fund liabilities	<u>1,667,485</u>	<u>1,515,263</u>
				<u>\$ 122,782,385</u>	<u>117,802,604</u>

* Amounts do not include assets, liabilities and reserves of parishes or other affiliated organizations within the Archdiocese of Toronto

A copy of the combined financial statements audited by the accounting firm of PricewaterhouseCoopers LLP is available for review at the Office of Public Relations and Communications, Archdiocese of Toronto, 1155 Yonge St. Toronto.

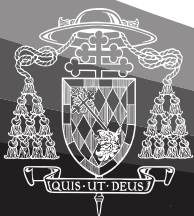


DIOCESAN REVENUE AND EXPENDITURES AND GENERAL RESERVE

Statement of Diocesan Revenue and Expenditures and General Reserve for the year ended December 31, 2009

	Operating		General		Total	
	2009	2008	2009	2008	2009	2008
Revenue						
Cathedraticum	\$10,236,345	10,569,881			10,236,345	10,569,881
Contributions, grants, other income			4,400,331	3,502,722	4,400,331	3,502,722
Investment income, interest, rents			3,418,840	5,058,235	3,418,840	5,058,235
Donations and bequests			179,592	246,016	179,592	246,016
	10,236,345	10,569,881	7,998,763	8,806,973	18,235,108	19,376,854
Expenditures						
Pastoral services ⁽¹⁾	6,277,286	6,200,534			6,277,286	6,200,534
Chancery office ⁽¹⁾	3,421,431	3,589,112			3,421,431	3,589,112
Ministry to priests ⁽¹⁾	1,584,531	1,524,969			1,584,531	1,524,969
Subsidies and assessments ⁽¹⁾	2,595,146	2,406,088			2,595,146	2,406,088
Grants and donations	1,294,893	2,257,213		669,500	1,294,893	2,926,713
Regional Bishops' offices	514,708	432,114			514,708	432,114
Maintenance of properties	225,091	224,461	101,456	39,460	326,547	263,921
Interest on borrowings			2,120,507	1,996,340	2,120,507	1,996,340
	15,913,086	16,634,491	2,221,963	2,705,300	18,135,049	19,339,791
Net revenue (deficit) for year	(5,676,741)	(6,064,610)	5,776,800	6,101,673	100,059	37,063
Transfer of operating deficit to general account	5,676,741	6,064,610	(5,676,741)	(6,064,610)	-	-
General reserve, beginning of year	-	-	18,594,497	18,780,576	18,594,497	18,780,576
General reserve, before appropriations	-	-	18,694,556	18,817,639	18,694,556	18,817,639
Appropriations (from) to general reserve						
Parish bank borrowing guarantee			(42,672)	287,776	(42,672)	287,776
Properties			276,291	(510,918)	276,291	(510,918)
Other			-	-	-	-
	-	-	233,619	(223,142)	233,619	(223,142)
General reserve, end of year	-	-	18,928,175	18,594,497	18,928,175	18,594,497

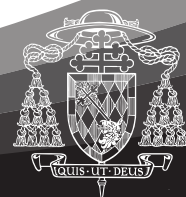
(1) See Statement of Diocesan Expenditures



SUPPLEMENTAL PARISH FINANCIAL INFORMATION

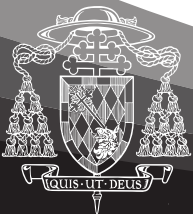
Statement of Parish Revenue and Expenditures and Excess of Accumulated Net Revenue over Accumulated Appropriations for the year ended December 31, 2009

	<u>2009</u>	<u>2008</u>
Revenue		
Church receipts (including special offerings, legacies and hall revenue)	\$78,235,096	77,335,818
Other receipts	31,797,926	30,660,935
Special diocesan collections	15,091,917	15,810,450
Investment income, interest, rents	2,689,010	3,129,765
	<u>127,813,949</u>	<u>126,936,968</u>
Expenditures		
Church expenses (including repairs, replacements and sundry small additions to property accounts)	62,140,404	62,494,986
Special diocesan collections disbursed	15,108,286	15,905,310
Diocesan assessments	11,875,866	12,153,782
Other	7,252,606	7,067,914
House	4,094,886	4,053,014
Interest on borrowings	1,195,383	1,391,629
	<u>101,667,431</u>	<u>103,066,635</u>
Excess of revenue over expenditures before appropriations	26,146,518	23,870,333
Appropriations to properties reserves	<u>(29,573,107)</u>	<u>(21,024,828)</u>
Net revenue for the year after appropriations	(3,426,589)	2,845,505
Excess of accumulated net revenue over accumulated appropriations, beginning of year	18,724,005	15,878,500
Excess of accumulated net revenue over accumulated appropriations, end of year	<u>\$15,297,416</u>	<u>18,724,005</u>



STATEMENT OF DIOCESAN EXPENDITURES FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>2009</u>	<u>2008</u>
Pastoral services		
Hospital Chaplaincies	\$628,986	527,016
Office of Catholic Youth	447,069	388,602
Inner City Apostolate	395,207	490,691
Office of Religious Education	354,615	541,289
Public Relations and Communications	337,000	299,108
Office of Formation for Discipleship	335,103	-
Archives	308,028	298,849
Office of Development	273,080	256,642
Television Ministry	223,452	255,537
Office of Permanent Diaconate	216,791	255,314
Office of Refugees	212,892	-
York University Chaplaincy	208,143	207,685
Office of Vocations	204,638	175,999
Office of the Judicial Vicar	193,639	292,748
Newman Centre Catholic Mission	180,503	205,886
Lay Ministry and Chaplaincy	165,368	299,478
Office of Marriage and Family Life	156,180	150,900
Parish Social Ministry	151,137	272,359
Serra House	148,308	131,058
Housing Ministry	129,443	129,706
Office of Planning and Properties	129,443	129,706
Ryerson University Chaplaincy	119,661	113,944
Other Chaplaincies	116,278	97,925
Volunteer Screening Initiative	103,500	68,720
Pastoral Mission	81,124	81,964
Airport Chaplaincy	78,738	84,518
Catechesis of the Good Shepherd	70,629	71,493
Catholic Information Centre	60,000	60,000
Ministry of the Deaf	54,890	52,302
Office of Stewardship	49,371	31,041
Oblate Mission	44,640	42,702
New Beginnings	43,983	89,555
Native Peoples' Ministry	26,600	43,175
Immigrant Peoples' Ministries	22,847	24,622
Madonna House	6,000	6,000
Metro Home Chaplaincy	-	24,000
	<u>6,277,286</u>	<u>6,200,534</u>
Chancery Office		
Salaries and benefits	1,992,284	1,908,581
Office and travel	603,991	857,845
Professional fees	652,139	609,389
Occupancy costs	122,027	166,872
Other	50,990	46,425
	<u>3,421,431</u>	<u>3,589,112</u>
Ministry to priests		
Education, sabbatical, other	1,261,383	1,216,198
Administration	287,210	272,833
Contribution to clergy health care	35,938	35,938
	<u>1,584,531</u>	<u>1,524,969</u>
Subsidies and assessments		
Matrimonial Tribunals	1,891,015	1,958,769
Other subsidies	406,815	150,000
Assembly of Catholic Bishops of Ontario	206,685	205,987
Canadian Conference of Catholic Bishops	90,631	91,332
	<u>\$2,595,146</u>	<u>\$2,406,088</u>

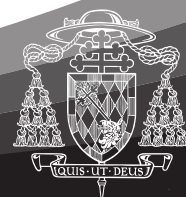


HIGHLIGHTS FROM THE 2009 FINANCIAL STATEMENTS

- Diocesan revenues decreased from \$19.3 million in 2008 to \$18.2 million in 2009. Correspondingly, expenditures also decreased from \$19.3 million in 2008 to \$18.1 million in 2009. Thus, for the year 2009, the diocese reported net revenue of \$0.1 million. With recoveries of appropriations of \$0.23 million, the General reserve fund increased to \$18.9 million.
- Parish revenues increased from \$126.9 million in 2008 to \$127.8 million in 2009. Parish expenditures decreased 1.4% to \$101.6 million in 2009. Deficit for 2009, after appropriation for properties of \$29.5 million, is \$3.4 million.
- Capital expenditures of \$29.7 million were incurred by the diocese and parishes for construction of new churches, restorations and additions, and purchase of future parish sites. Proceeds of \$0.829 million were received from the sale of properties.
- At December 31, 2009, 128 parishes maintained cash deposits with the diocese of \$49.7 million, (in 2008 - 123 parishes; total: \$50.4 million) earning interest of 4% per annum. During 2009, new deposits from parishes amounted to \$12.0 million and withdrawals to \$12.7 million. Parish funds on deposit with the diocese are used to assist other parishes in need of financing for capital projects.
- Bank loans to 61 parishes totaled \$26.1 million at year-end (2008 - 64 parishes, total: \$26.0 million). These bank loans are supported by the Archdiocese.
- At year-end, property loans by the diocese to 49 parishes largely for the acquisition of land for church sites totalled \$30.5 million (2008 - 50 parishes, total: \$30.1 million).
- Parishioners contributed \$11.4 million towards the annual parish ShareLife appeal, which supports Catholic Agencies, Third World Missions & Development, St. Augustine's Seminary and the Office of Catholic Youth. Collections received and remitted in respect of humanitarian relief efforts amounted to \$0.23 million. In the same period, the corporate community contributed \$1.3 million to the Sharelife Corporate Appeal.
- Special parish collections were received for the following specific needs identified by the diocese:

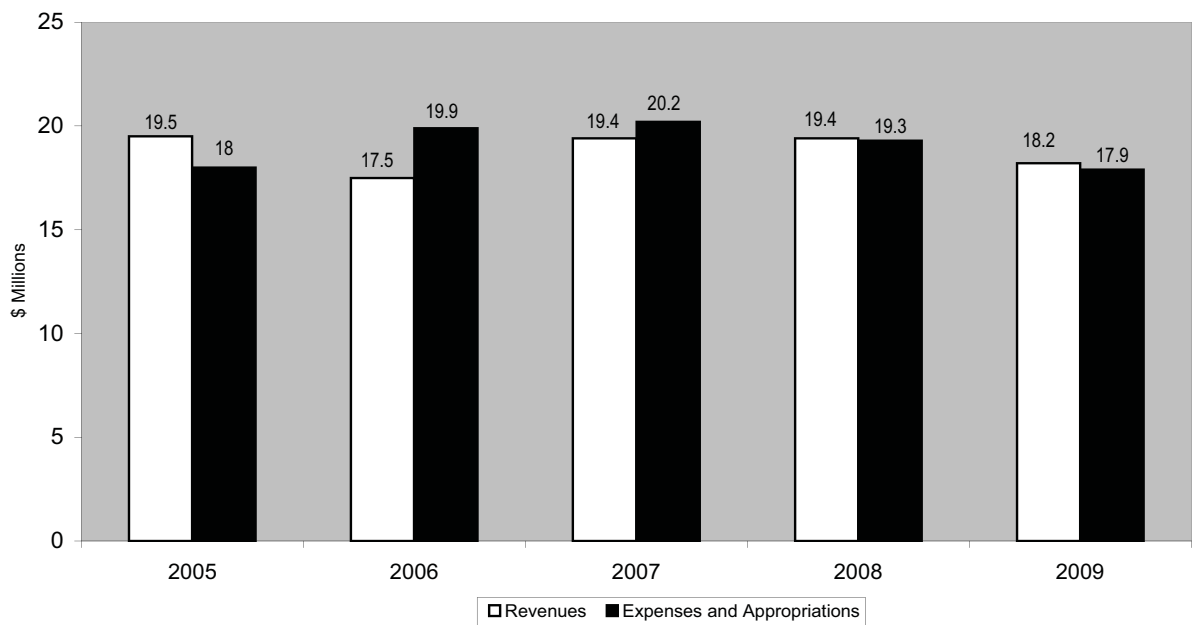
The Shepherds' Trust *	\$1,254,624
Co-operative Mission Plan	756,218
Propagation of the Faith	464,560
Papal Charities	348,659
Needs of the Canadian Church	339,243
Marygrove Camp	363,594
Holy Land	590,441
Catholic Missions In Canada	164,268
Scarborough Foreign Mission Society	164,268

- * We also received and transferred to Religious Orders \$325,509 (funds received from parishes staffed by priests from those Orders).
- ** The charts on the next page present an overview of the diocesan and parish revenues, expenses and appropriations.

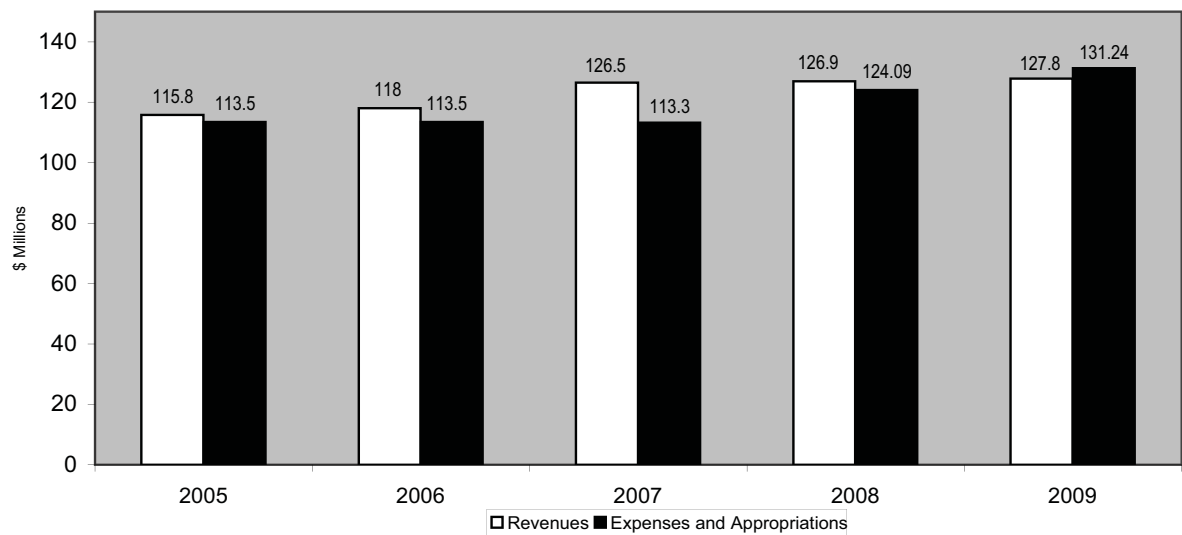


HIGHLIGHTS FROM THE 2009 FINANCIAL STATEMENTS

DIOCESAN REVENUES, EXPENSES AND APPROPRIATIONS*



PARISH REVENUES, EXPENSES AND APPROPRIATIONS*



* Funds are appropriated for specific purposes e.g. construction of new churches, purchase of future church sites, bank loan guarantees, etc.

