



# The 2010 Financial Report of the Archdiocese of Toronto

A Financial Report to the parishioners of the Archdiocese of Toronto for the year ended December 31, 2010

## ARCHDIOCESAN FINANCE COUNCIL

Archbishop Thomas Collins, Mr. John P. McGrath (Chancellor, Temporal Affairs), Mr. William C. Dunlop (Comptroller), Mr. J.J. Barnicke Sr., 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: \$31.0 million includes \$30.1 million held by the bank for the Archdiocese as collateral for parish bank loans
- Investments: \$47.6 million represents stocks, bonds and short term deposits reported at fair value.
- Loans, receivables, prepayments: \$42.1 million includes \$34.0 million in property loans to parishes.
- Properties: \$29.0 million includes diocesan land and buildings, and land held for future parish sites.
- Special Diocesan Collections: \$1.2 million represents special collections held pending distribution e.g. Needs of the Canadian Church, Co-operative Mission Plan, etc.

### DESCRIPTION OF LIABILITIES & RESERVES

- Loans, amounts payable: \$70.9 million includes \$48.6 million deposited by parishes with the diocese.
- Reserves
  - Parish Bank Borrowing guarantee: \$30.1 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: \$12.0 million represents residual between accumulated net revenues and accumulated appropriations.*
  - Accumulated unrealized loss on available-for-sale investments: \$1.7 million represents unrealized losses relative to cost of 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, 2010

	2010	2009		2010	2009
<b>Assets *</b>			<b>Liabilities and Reserves*</b>		
Cash			Loans, amounts payable	<b>70,966,837</b>	69,829,608
On hand	<b>922,340</b>	760,082	Reserves		
Collateral for parish bank loans	<b>30,142,072</b>	26,659,230	Parish bank borrowing guarantee	<b>30,142,073</b>	26,659,230
	<b>31,064,412</b>	27,419,312	Discretionary funds and other	<b>9,415,262</b>	9,415,262
Investments	<b>47,605,467</b>	54,896,921	General	<b>12,042,862</b>	18,928,175
Loans, receivables, prepayments	<b>42,141,836</b>	38,798,666	Accumulated unrealized gains on available-for-sale investments	<b>(1,755,318)</b>	(3,717,375)
Properties	<b>29,080,079</b>	25,397,714		<b>49,844,879</b>	51,285,292
Less: Amount transferred from general reserve	<b>(29,080,078)</b>	(25,397,713)			
	<b>1</b>	<b>1</b>			
Special diocesan collections	<b>1,276,873</b>	1,667,485	Special diocesan collections		
	<b>122,088,589</b>	122,782,385	Trust fund liabilities	<b>1,276,873</b>	1,667,485
				<b>122,088,589</b>	122,782,385

\* 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 Accounting and Finance, Archdiocese of Toronto, 1155 Yonge Street, Toronto.

We thank our parishioners whose generous support makes our faith community and ministry vibrant.

## DIOCESAN REVENUE, EXPENDITURES AND GENERAL RESERVE

Statement of Diocesan Revenue, Expenditures and General Reserve for the year ended December 31, 2010

	<u>Operating</u>		<u>General</u>		<u>Total</u>	
	2010	2009	2010	2009	2010	2009
<b>Revenue</b>						
Cathedraticum	10,317,065	10,236,345			10,317,065	10,236,345
Contributions, grants, other income			4,690,074	4,400,331	4,690,074	4,400,331
Investment income, interest, rents			2,786,292	3,418,840	2,786,292	3,418,840
Donations and bequests			558,737	179,592	558,737	179,592
	<u>10,317,065</u>	<u>10,236,345</u>	<u>8,035,103</u>	<u>7,998,763</u>	<u>18,352,168</u>	<u>18,235,108</u>
<b>Expenditures</b>						
Pastoral services <sup>1</sup>	6,444,534	6,277,286			6,444,534	6,277,286
Chancery office <sup>1</sup>	3,721,915	3,421,431			3,721,915	3,421,431
Office of Clergy & Chaplaincy <sup>1</sup>	1,690,382	1,584,531			1,690,382	1,584,531
Subsidies and assessments <sup>1</sup>	2,716,859	2,595,146			2,716,859	2,595,146
Grants and donations	788,808	1,294,893	500,000		1,288,808	1,294,893
Regional Bishops' offices	660,999	514,708			660,999	514,708
Maintenance of properties	196,741	225,091	61,047	101,456	257,788	326,547
Interest on borrowings			1,290,988	2,120,507	1,290,988	2,120,507
	<u>16,220,238</u>	<u>15,913,086</u>	<u>1,852,035</u>	<u>2,221,963</u>	<u>18,072,273</u>	<u>18,135,049</u>
<b>Net revenue (deficit) for year</b>	<b>(5,903,173)</b>	<b>(5,676,741)</b>	<b>6,183,068</b>	<b>5,776,800</b>	<b>279,895</b>	<b>100,059</b>
Transfer of operating deficit to general account	5,903,173	5,676,741	(5,903,173)	(5,676,741)	-	-
General reserve, beginning of year	-	-	18,928,175	18,594,497	18,928,175	18,594,497
General reserve, before appropriations	-	-	19,208,070	18,694,556	19,208,070	18,694,556
Appropriations (from) to general reserve						
Parish bank borrowing guarantee			(3,482,843)	(42,672)	(3,482,843)	(42,672)
Properties			(3,682,365)	276,291	(3,682,365)	276,291
	<u>-</u>	<u>-</u>	<u>(7,165,208)</u>	<u>233,619</u>	<u>(7,165,208)</u>	<u>233,619</u>
<b>General reserve, end of year</b>	<b>-</b>	<b>-</b>	<b>12,042,862</b>	<b>18,928,175</b>	<b>12,042,862</b>	<b>18,928,175</b>

<sup>1</sup> See Statement of Diocesan Expenditures for details.

## SUPPLEMENTAL FINANCIAL INFORMATION

### Statement of Parish Revenue & Expenditures and Excess of Accumulated Net Revenue over Accumulated Appropriations for the Year Ended December 31, 2010

	2010	2009
<b>Revenue</b>		
Church receipts (includes offertory, bequests and hall revenue)	76,152,998	78,235,096
Specific donations (includes restoration and building campaigns)	34,219,518	31,797,926
Investment income, interest, rents	1,878,186	2,689,010
Special diocesan collections	18,531,804	15,091,917
	<u>130,782,506</u>	<u>127,813,949</u>
<b>Expenditures</b>		
Church expenses (includes property repairs and maintenance)	60,621,328	62,140,404
Diocesan assessments	11,969,980	11,875,866
Parish programs, events, other	10,460,742	7,252,606
Rectory expenses	4,014,343	4,094,886
Interest on borrowings	992,549	1,195,383
Special diocesan collections disbursed	18,541,370	15,108,286
	<u>106,600,312</u>	<u>101,667,431</u>
<b>Excess of revenue over expenditures before appropriations</b>	24,182,194	26,146,518
Appropriations to properties reserves	<u>(28,928,270)</u>	<u>(29,573,107)</u>
Net revenue (deficit) after appropriations	(4,746,076)	(3,426,589)
Excess of accumulated net revenue over accumulated appropriations, beginning of year	<u>15,297,416</u>	<u>18,724,005</u>
Excess of accumulated net revenue over accumulated appropriations at year-end	<u>10,551,340</u>	<u>15,297,416</u>

**Note: This statement reflects the combined financial activity of 219 Archdiocesan parishes and missions.**

# STATEMENT OF DIOCESAN EXPENDITURES FOR THE YEAR ENDED DECEMBER 31, 2010

	2010	2009
<b>Pastoral Services</b>		
Office of Formation for Discipleship	1,006,159	335,103
Hospital Chaplaincies	612,133	628,986
Office of Catholic Youth	465,640	447,069
Inner City Apostolate	370,760	395,207
Office of Public Relations & Communications	360,020	337,000
Archives	327,111	308,028
Office for Refugees	298,296	212,892
Office of Development	275,902	273,080
Office of Vocations	250,108	204,638
York University Chaplaincy	218,554	208,143
Office of Permanent Diaconate	187,190	216,791
Newman Centre Catholic Mission	174,401	180,503
Serra House	172,059	148,308
Office of the Judicial Vicar	169,053	193,639
Other Chaplaincies	166,443	116,278
Television Ministry	165,591	223,452
Office of Marriage & Family Life	161,652	156,180
Volunteer Screening Initiative	130,403	103,500
Housing Ministry	129,432	129,443
Office of Planning and Properties	129,432	129,443
Ryerson University Chaplaincy	97,733	119,661
New Beginnings	91,535	43,983
Airport Chaplaincy	85,581	78,738
Pastoral Mission	82,016	81,124
Catechesis of the Good Shepherd	71,595	70,629
Ministry of the Deaf	64,021	54,890
Catholic Information Centre	60,000	60,000
Oblate Mission	45,480	44,640
Native Peoples' Ministry	24,600	26,600
Immigrant Peoples' Ministries	23,048	22,847
Co-operative Mission Plan	22,586	-
Madonna House	6,000	6,000
Office of Religious Education	-	354,615
Lay Ministry and Chaplaincy	-	165,368
Parish Social Ministry	-	151,137
Office of Stewardship	-	49,371
	<u>6,444,534</u>	<u>6,277,286</u>
<b>Chancery Office</b>		
Salaries and benefits	1,989,357	1,992,284
Professional fees	720,835	652,139
Office and travel	634,682	603,991
Liturgical celebrations	237,678	50,990
Occupancy costs	139,363	122,027
	<u>3,721,915</u>	<u>3,421,431</u>
<b>Office of Clergy &amp; Chaplaincy</b>		
Education, sabbatical, other	1,243,195	1,261,383
Administration	302,137	287,210
Contribution to clergy health care	145,050	35,938
	<u>1,690,382</u>	<u>1,584,531</u>
<b>Subsidies and Assessments</b>		
Matrimonial Tribunals	1,949,075	1,891,015
Other subsidies	478,050	406,815
Assembly of Catholic Bishops of Ontario	215,919	206,685
Canadian Conference of Catholic Bishops	73,815	90,631
	<u>2,716,859</u>	<u>2,595,146</u>

## HIGHLIGHTS FROM THE 2010 FINANCIAL STATEMENTS

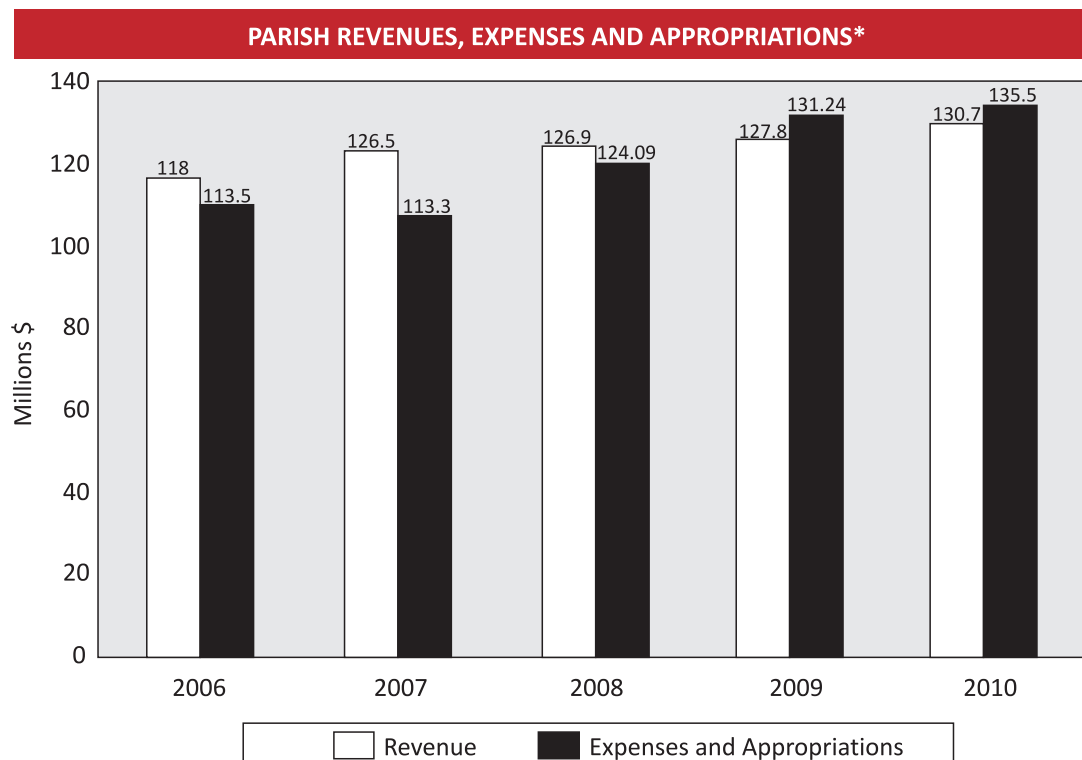
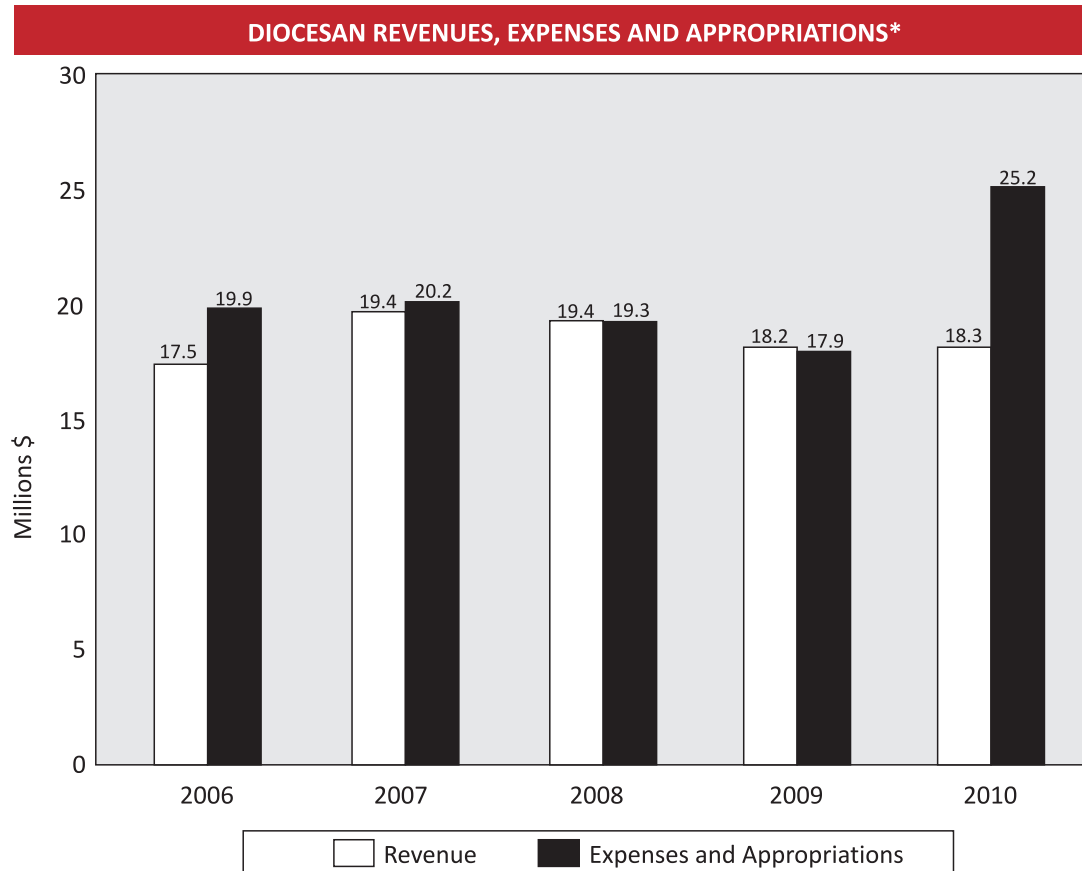
- Diocesan revenues increased from \$18.2 million in 2009 to \$18.3 million in 2010. Expenditures decreased from \$18.1 million in 2009 to \$18.0 million in 2010. For the year 2010, the diocese reported net revenue of \$0.28 million. The General Reserve, after appropriations of \$7.1 million, decreased to \$12.0 million.
- Parish revenues increased 2.3% from \$127.8 million in 2009 to \$130.7 million in 2010. Correspondingly, parish expenditures increased 4.9% from \$101.6 million in 2009 to \$106.6 million in 2010. Deficit for 2010, after appropriation for properties of \$28.9 million, is \$4.7 million.
- Capital expenditures of \$34.4 million were incurred by the diocese and parishes for construction of new churches, restorations, additions, and purchase of future parish sites. Proceeds of \$1.9 million were received from the sale of properties.
- At December 31, 2010, 129 parishes maintained cash deposits of \$48.6 million with the diocese, earning interest of 2.5% per annum. New deposits from parishes during 2010 amounted to \$9.0 million and withdrawals to \$10.1 million. These parish funds are used to assist other parishes in need of financing for capital projects.
- Bank loans to 62 parishes totalled \$29.6 million at year-end (2009 - 61 parishes; total: \$26.1 million). These bank loans are supported by the Archdiocese.
- At year-end, property loans by the diocese to 47 parishes largely for the acquisition of land for church sites amounted to \$34.0 million (2009 - 49 parishes, total: \$30.5 million).
- Parishioners contributed \$11.9 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 \$4.5 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	\$1,225,324 *
Co-operative Mission Plan	\$633,817
Propagation of the Faith	\$463,431
Papal Charities	\$367,425
Needs of the Canadian Church	\$339,795
Marygrove Camp	\$363,595
Holy Land	\$628,268
Catholic Missions In Canada	\$199,687
Scarborough Foreign Mission Society	\$199,686

\* We also received and transferred \$293,612 to Religious Orders whose priests serve some of our parishes.

\*\*The charts on the next page present an overview of the diocesan and parish revenue, expenses and appropriations.

## HIGHLIGHTS FROM THE 2010 FINANCIAL STATEMENTS



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

We thank our parishioners whose generous support makes our faith community and ministry vibrant.