



The 2015 Financial Report of the Archdiocese of Toronto



ARCHDIOCESE IN ACTION

The Gospel is mobile. Ships, farms, universities, and prisons are some of the places to which we bring the Word of God. We are grateful to Catholics across the Archdiocese who have shared their time, diverse talents and resources to build a vibrant faith community. Below you will find details on how these gifts were put into action by the Archdiocese along with notes to elaborate on the statements. Please contact the Accounting & Finance Office at 416-934-0606 if you would like to review the combined financial statements as audited by PricewaterhouseCoopers LLP.

We thank all of our parishioners for helping us make the presence of Christ known throughout our community and across the world.

DIOCESAN BALANCE SHEET AS AT DECEMBER 31, 2015 AND 2014

Assets*			Liabilities and Reserves*		
	2015	2014		2015	2014
Cash			Loans & payables	\$147,559,831	\$118,789,780
On hand	\$960,741	\$1,884,797			
Short-term deposits	18,089,820	10,288,699	Deferred revenue	21,429,837	14,930,645
Collateral for parish bank loans	25,136,969	25,121,490			
	<u>44,187,530</u>	<u>37,294,986</u>	Reserves		
Investments	42,190,199	44,381,238	Parish bank loan guarantee	25,136,969	25,121,490
Loans, receivables, prepayments	132,819,353	104,010,309	Discretionary funds and other	9,894,348	9,726,864
			General reserves	<u>15,176,098</u>	<u>17,117,755</u>
Properties	37,471,526	35,370,799	Total Reserves	50,207,415	51,966,109
Less: Amount expensed to general reserve	<u>(37,471,525)</u>	<u>(35,370,798)</u>			
	<u>1</u>	<u>1</u>			
Special diocesan collections pending disbursement	1,841,017	1,676,627	Special diocesan collections pending disbursement	1,841,017	1,676,627
Total Assets	\$221,038,100	\$187,363,161	Total Liabilities & Reserves	\$221,038,100	\$187,363,161

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

Assets

Cash: \$25.1 million of the \$44.1 million is collateral held by the bank for loans extended to parishes for construction and restoration work. Therefore, these funds are restricted from being used for other purposes.

Investments: \$42.1 million represents stocks and bonds reported at fair value. The income earned on investments is used to finance several of our ministries.

Loans, receivables, prepayments: Property loans to parishes account for \$116.5 million of the \$132.8 million reported, with the remainder being trade receivables, prepayments and accrued income.

Properties: \$37.4 million includes diocesan properties as well as land held for future parish sites.

Special diocesan collections: This \$1.8 million represents the remnant of special collections awaiting distribution at year-end e.g., Needs of the Canadian Church, Co-operative Mission Plan, etc. These are designated funds and are restricted from being used for any other purpose.

Liabilities

Loans & payables: The \$147.5 million has a few components. Namely, \$68.1 million of it represents building funds that parishes have deposited with the Archdiocese for future capital requirements, \$43 million is a loan for working capital needs, \$29.8 million represents trade payables, and \$6.6 million are diocesan funds.

Deferred revenue: The \$21.4 million includes \$11.8 million pledged for the Family of Faith Capital Campaign as well \$9.6 million in contributions from Catholic Cemeteries for future needs of the Archdiocese.

Special diocesan collections: \$1.8 million in liabilities represent the remaining balance of special collections awaiting distribution as described above.

Reserves

Parish bank loan guarantee: \$25.1 million represents restricted funds set aside as collateral for bank loans to finance parishes' capital expenditures.

Discretionary funds and other: \$9.8 million constitutes funds set aside to meet special needs of the diocese e.g., purchase of future church sites.

General reserve: The \$15.1 million is the accumulation of the diocese's net revenues and net losses over the years.



**DIOCESAN REVENUE, EXPENDITURES, AND GENERAL RESERVE
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	2015	2014
Revenue		
Parish assessment	11,069,307	10,884,791
Contributions, grants, other income	6,302,186	3,007,950
Investment income, interest, rents	5,607,466	6,932,069
Family of Faith Campaign	14,303,484	4,841,180
Donations and bequests	1,216,271	308,672
Total revenue	38,498,714	25,974,662
Expenditures		
Pastoral services ¹	8,336,083	8,254,001
Chancery office ¹	4,804,904	5,033,596
Subsidies and assessments ¹	3,511,370	2,976,210
Office of Clergy & Chaplaincy ¹	2,384,787	2,026,891
Family of Faith: Pastoral Plan Priorities	7,504,766	1,237,098
Family of Faith: Campaign Costs	4,926,822	3,604,082
Interest on borrowings	2,333,744	2,007,655
Grants and donations	1,258,690	1,168,777
Regional Bishops' offices	518,571	572,267
St. Augustine's Seminary	483,363	-
Maintenance of properties	262,476	290,864
Total expenditures	36,325,576	27,171,441
Net revenue (deficit)	2,173,138	(1,196,779)
Plus: Change in fair value of investments	(1,998,592)	1,287,695
Excess (deficiency) for year	174,546	90,916
Plus: General reserve, beginning of year	17,117,755	15,790,322
Additions to (withdrawals from) general reserve		
Parish bank loan guarantee	(15,478)	2,039,234
Property additions & restorations	(2,100,725)	(802,717)
General reserve, end of year	\$15,176,098	\$17,117,755

¹ Please see Statement of Diocesan Expenditures for details.



**STATEMENT OF DIOCESAN EXPENDITURES
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	2015	2014
Pastoral Services		
Hospital Chaplaincies	\$1,058,911	\$1,122,638
Office of Formation for Discipleship	748,260	954,451
Office of Public Relations & Communications	664,619	616,385
Office of Catholic Youth	598,876	608,383
Office for Refugees	455,485	364,495
Office of Development	391,550	370,276
Archives	363,525	356,315
Television Ministry	348,828	301,776
York University Chaplaincy	344,692	357,881
Office of the Permanent Diaconate	307,306	354,958
Newman Centre - University of Toronto Campus	277,000	234,665
Office for Vocations	276,581	352,752
Serra House	272,740	237,632
Office for Marriage & Family Life	183,258	217,193
Office of the Judicial Vicar	181,624	111,429
Inner City Apostolate	154,727	158,604
Ryerson University Chaplaincy	145,736	112,319
Office of Planning and Properties	145,360	146,365
Housing Ministry	145,360	146,320
New Beginnings	143,198	135,645
Other Chaplaincies	138,017	119,680
Volunteer Screening Initiative	127,440	154,143
Catechesis of the Good Shepherd	107,473	94,790
University of Toronto Chaplaincy - Mississauga Campus	99,650	98,525
Ministry to the Deaf	96,692	98,048
Pastoral Mission	87,191	97,373
Airport Chaplaincy	77,479	75,594
Parish Training Centre	69,323	-
Immigrant Peoples' Ministries	67,369	59,527
University of Toronto Chaplaincy - Scarborough Campus	64,267	-
Latin Mass Celebration	62,946	48,332
Catholic Information Centre	40,882	60,000
Co-operative Mission Plan	37,380	38,985
Migrant Workers' Chaplaincy	29,157	28,022
Native Peoples' Ministry	10,600	14,500
University of Ontario Institute of Technology Chaplaincy	6,581	-
Madonna House	6,000	6,000
	<hr/> \$8,336,083	<hr/> \$8,254,001
Chancery Office		
Salaries and benefits	\$2,643,282	\$2,659,069
Professional fees	825,576	1,202,496
Office and travel	857,672	861,270
Occupancy costs	246,458	199,262
Liturgical celebrations	231,916	111,499
	<hr/> \$4,804,904	<hr/> \$5,033,596
Subsidies and Assessments		
Matrimonial Tribunal	\$2,163,871	\$2,016,118
Other subsidies and donations	1,059,000	699,451
Assembly of Catholic Bishops of Ontario	253,159	236,010
Canadian Conference of Catholic Bishops	35,340	24,631
	<hr/> \$3,511,370	<hr/> \$2,976,210
Office of Clergy & Chaplaincy		
Education, sabbatical, other	\$1,911,691	\$1,592,885
Administration	473,096	434,006
	<hr/> \$2,384,787	<hr/> \$2,026,891



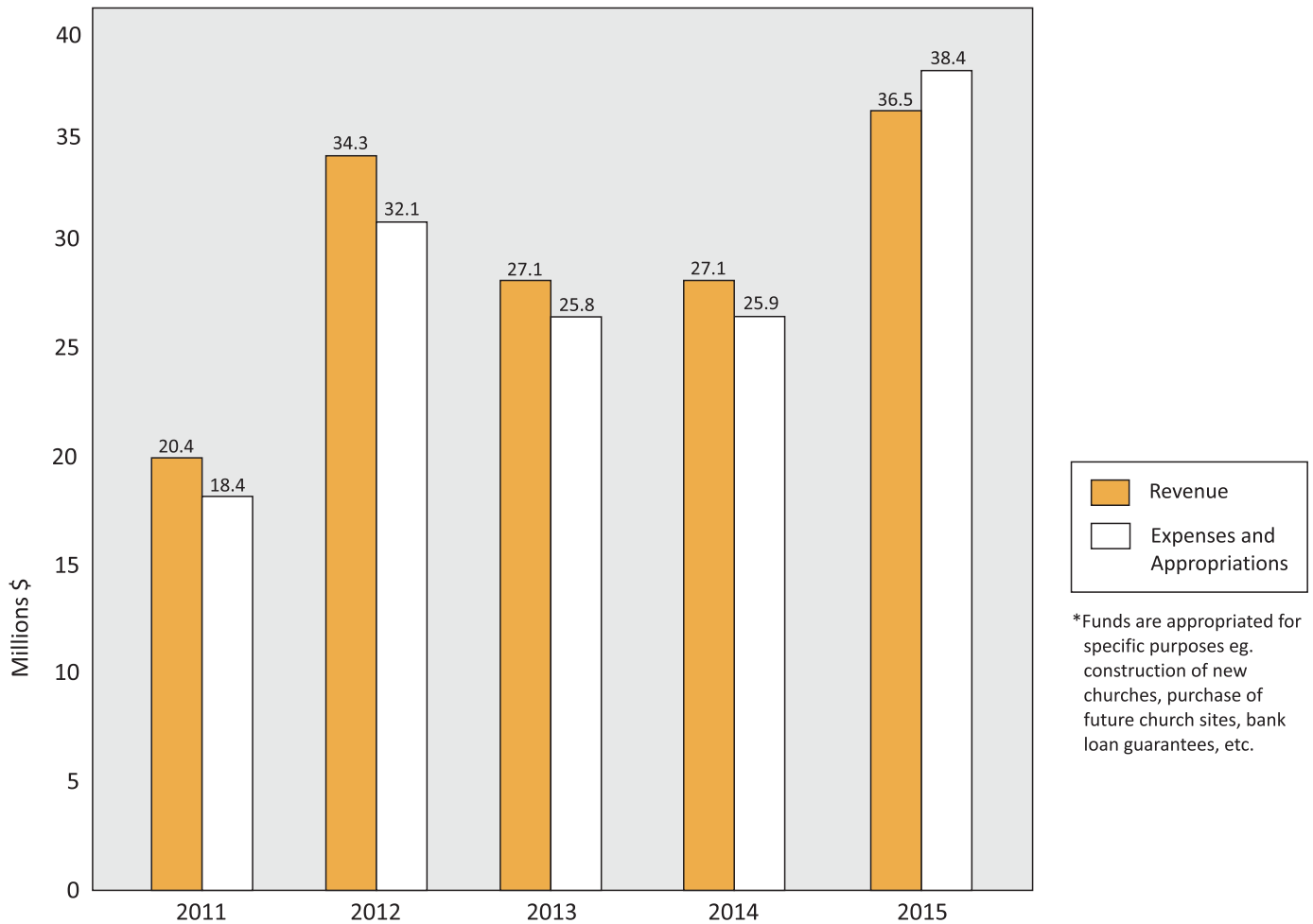
**PARISH REVENUES, EXPENDITURES AND RESERVES
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	2015	2014
Revenue		
Church receipts (incl. offertory, bequests and hall revenue)	\$81,808,234	\$82,634,943
Parish programs & specified donations (incl. building fund)	53,288,182	42,496,562
Investment income, interest, rents	2,632,133	2,289,041
Special diocesan collections (dedicated funds, incl. humanitarian aid)	16,663,932	15,466,502
Total revenue	154,392,481	142,887,048
Expenditures		
Church expenses (e.g. salaries, supplies, utilities, music)	69,283,050	67,665,455
Parish programs, catechism & events	15,731,172	12,547,668
Diocesan & Shepherds' Trust assessments	13,549,950	13,293,969
Rectory expenses	4,264,944	4,235,290
Furnishing & equipment	1,634,051	1,073,383
Interest on borrowings	937,639	1,109,452
Special diocesan collections disbursed	16,528,626	15,484,559
Total expenditures	121,929,432	115,409,776
Excess of revenue over expenditures	32,463,049	27,477,272
Less: Expenditures on properties	61,341,646	46,571,505
Excess (deficiency) for the year	(28,878,597)	(19,094,233)
Plus: Reserves, beginning of year	(7,902,063)	11,192,170
Reserves, end of year	\$ (36,780,660)	\$ (7,902,063)

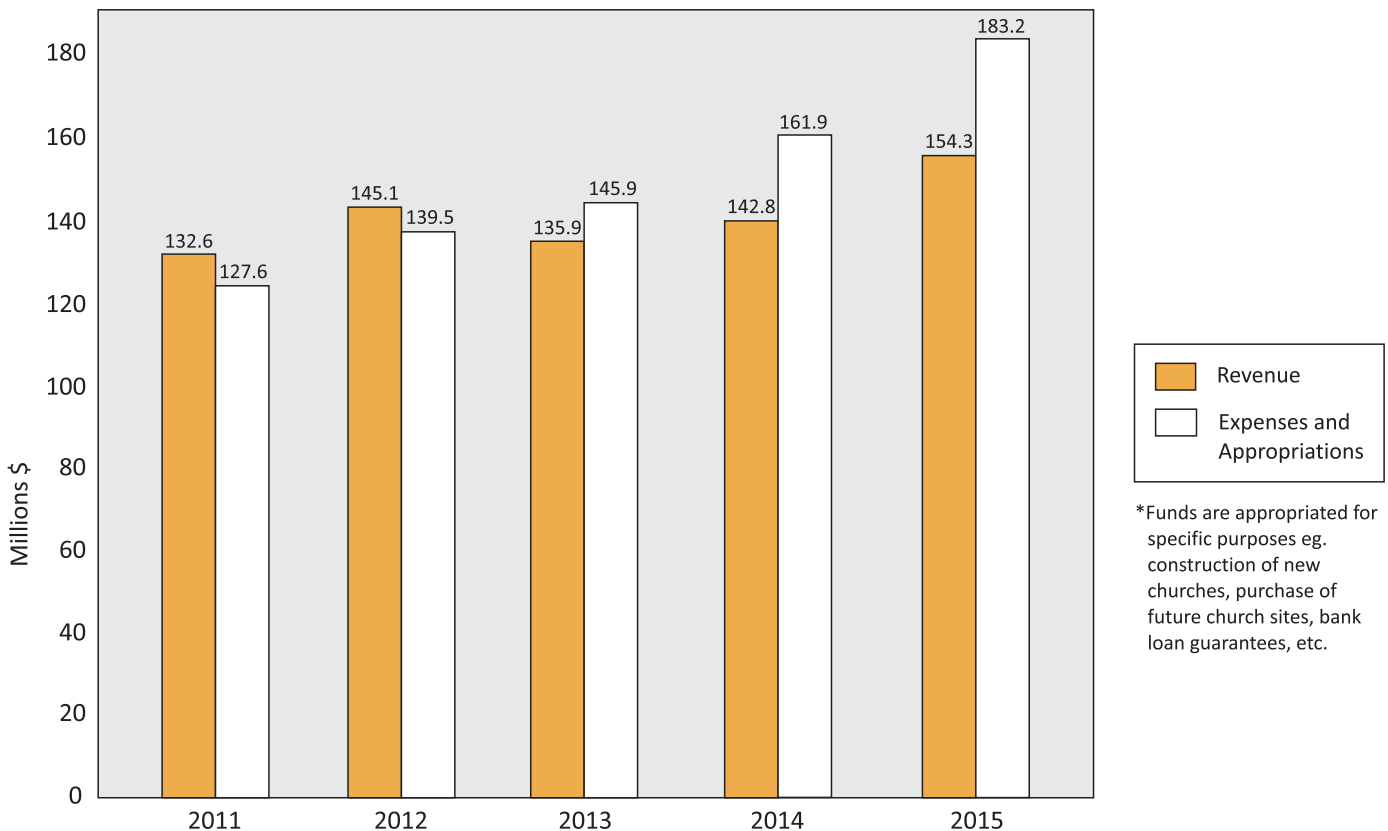
Please note that this statement reflects the combined financial activity of all diocesan-owned parishes and missions.

HIGHLIGHTS FROM THE 2015 FINANCIAL STATEMENTS

DIOCESAN REVENUES, EXPENSES AND APPROPRIATIONS*



PARISH REVENUES, EXPENSES AND APPROPRIATIONS*





SUMMARY OF THE 2015 FINANCIAL STATEMENTS

Diocesan Revenue & Expenditures

The Archdiocese is financed by a portion of parishes' income ('Parish Assessment'), as well as donations and earnings on capital investments. These funds are then used to provide programs on a diocesan-wide level such as hospital & university chaplaincies, faith formation programs, as well as dedicated refugee resettlement workers.

Family of Faith Capital Campaign

The Archdiocese of Toronto embarked on a capital campaign to raise funds to strengthen our Catholic family by investing in programs for youth, catechism, vocations, evangelization, social justice, as well as building new and restoring existing churches.

In 2015, a total of \$27.8 million was received from the campaign outreach made to parishes. Of that figure, \$14.3 million was recognized in revenue to offset the costs incurred to run the campaign as well as specific campaign distributions that were made towards objectives of the Pastoral Plan. As at December 31, 2015, the campaign has received a total of \$41.9 million.

The campaign is to continue over the next year with funds to be received from pledges over the next five years.



Parish Revenue & Expenditures

Parish revenues of \$154.3 million reflect an increase of \$11.5 million from 2014 due to distributions from the Family of Faith Campaign to parishes as well as subsidies granted to them from Family of Faith proceeds, according to the Pastoral Plan. Operating expenses increased \$6.5 million, mainly due to an increase in youth activities, staff, and program expenses. However, when capital expenditures of \$61.3 million for Cathedral restoration and parish construction work are factored in, there was a deficiency of \$28.8 million.

Capital Expenditures

The Church takes care to provide both parishioners and visitors with welcoming, inspiring places to encounter the Lord and worship Him together. In 2015, \$61.3 million was incurred among 125 parishes in restoration projects, including the Cathedral, as well as the construction of new churches.

Parish Deposits with the Archdiocese

All buildings require upkeep and attention, including the House of God. It is the place in which we gather and from which we go out bearing the Good News. Parishes do their best to raise funds for future building and operational needs which they keep on reserve with the diocese until their need arises or they are able to proceed with a project. At December 31, 2015, 135 parishes maintained a reserve of \$64.3 million with the diocese (2014: 131 parishes, \$67.9 million). These funds are also used in the interim to assist other parishes in need of financing for current capital projects.

An additional \$3.8 million in Family of Faith funds was held on reserve for 87 of our parishes thus far.

Parish Debt

The Archdiocese has extended the following loans to parishes to help them address their pressing capital needs where they had a shortfall in building funds: Bank loans to 53 parishes totalled \$24.9 million at year-end (2014 - 56 parishes; total: \$24.9 million). These loans are for the restoration or construction of parish properties and are backed by cash collateral from the Archdiocese, as noted on our balance sheet.

At year-end, property loans by the diocese to 49 parishes amounted to \$116.5 million (2014 - 45 parishes, total: \$84.3 million). These loans were extended for the purchase of parish land sites, restoration of parish property, and to assist in the construction of new churches. The increase in the balance of these loans is primarily due to the restoration of our 168 year-old Cathedral, one of the focuses of our Pastoral Plan.

Special Diocesan Collections

Parishioners generously contributed \$12.4 million towards the annual parish ShareLife appeal which supports such vital work as that done by Catholic Charities, St. Augustine's Seminary, the Office for Refugees, the Office of Catholic Youth, and mission churches in developing countries.

Parishioners also responded to the following needs identified by the diocese:

Project Hope – Refugee Resettlement	\$2,988,447
The Shepherds' Trust	\$1,071,849*
Co-operative Mission Plan	\$920,212
Holy Land	\$765,170
Humanitarian Relief	\$500,000
Propagation of the Faith	\$415,635
Papal Charities	\$408,231
Needs of the Canadian Church	\$378,270
Marygrove Camp	\$387,609
Scarborough Foreign Mission Society	\$175,493
Catholic Missions in Canada	\$175,493

*We also received and transferred \$313,383 to Religious Orders whose priests serve some of our parishes.

Archdiocesan Finance Council

His Eminence Thomas Cardinal Collins is joined by the following professionals who volunteer on our Finance Council to ensure that your funds are spent in an optimal and responsible way:

Mr. James B. Milway (Chancellor, Temporal Affairs), Mr. William C. Dunlop (Comptroller), Mr. Robert Chisholm, Ms. Joanne De Laurentiis, Mr. Celeste Iacobelli, Ms. Colleen Johnston, Mr. Edward Sorbara, Mr. Tom Woods

Thank You

None of the above would have been achieved without the grace of God and the active participation of our parishioners who have been generous with their time, talents and resources. They have built not only a vibrant Archdiocese here but have reached out to make the light of Christ known across the world. We are most thankful to and celebrate our parishioners for serving their neighbours, both near and far.



Archdiocese
of Toronto

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