



# The 2020 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, 2020 AND 2019

	Assets*			Liabilities and Reserves*	
	2020	2019		2020	2019
Cash:					
On hand	\$9,635,666	\$4,514,372	Loans & payables	\$250,544,837	\$230,696,760
Short-term deposits	11,598,814	2,695,518			
Collateral for parish bank loans	42,170,098	39,533,781	Deferred revenue	3,654,948	4,039,794
	<u>63,404,578</u>	<u>46,743,671</u>			
Investments	32,944,253	30,710,617	Reserves:		
Loans, receivables, prepayments	236,930,827	231,828,102	Parish bank loan guarantee	42,170,098	39,533,781
Properties	44,655,484	37,150,295	Discretionary funds and other	10,178,352	9,996,141
Less: Amount expensed to general reserve	(44,655,483)	(37,150,294)	General reserves	<u>26,731,424</u>	<u>25,015,915</u>
	<u>1</u>	<u>1</u>	Total reserves	<u>79,079,874</u>	<u>74,545,837</u>
Special diocesan collections pending disbursement	1,055,306	1,728,052			
<b>Total assets</b>	<u><b>\$334,334,965</b></u>	<u><b>\$311,010,443</b></u>	Special diocesan collections pending disbursement	<u>1,055,306</u>	<u>1,728,052</u>
			<b>Total liabilities &amp; reserves</b>	<u><b>\$334,334,965</b></u>	<u><b>\$311,010,443</b></u>

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

## Assets

**Cash:** \$42.2 million of the \$63.4 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:** \$32.9 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 \$207.7 million of the \$236.9 million reported, with the remainder being trade receivables, prepayments and accrued income.

**Properties:** \$44.7 million includes diocesan properties as well as land held for future parish sites.

**Special Diocesan Collections:** This \$1.1 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 \$250.5 million has a few components. Namely, \$98.4 million of it represents building funds that parishes have deposited with the Archdiocese for future capital requirements, \$75.3 million are loans for capital projects, \$49.8 million represents trade payables, and \$27.0 million are designated diocesan funds.

**Deferred revenue:** The \$3.6 million represents pledges for the Family of Faith Capital Campaign.

**Special diocesan collections:** \$1.1 million in liabilities represent the remaining balance of special collections awaiting distribution as described above.

## Reserves

**Parish bank loan guarantee:** \$42.2 million represents collateral for bank loans to finance parishes' capital expenditures.

**Discretionary funds and other:** \$10.2 million constitutes funds set aside to meet special needs of the diocese e.g., purchase of future church sites.

**General Reserve:** The \$26.7 million is the accumulation of the diocese's net revenues and net losses over the years. The general reserve enables us to continue supporting the hundreds of parishes serving our 2 million Catholics through periods of financial hardship.





**DIOCESAN REVENUE, EXPENDITURES, AND GENERAL RESERVE  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
<b>Revenue</b>		
Parish assessment	11,066,073	11,716,258
Contributions, grants, other income	20,420,906	19,305,565
Investment income, interest, rents	2,598,346	5,527,035
Family of Faith Campaign	1,665,229	4,049,026
Donations and bequests	298,454	569,116
Canada Emergency Wage Subsidy	3,741,669	-
Gain on sale of properties	214,185	-
<b>Total Revenue</b>	<b>40,004,862</b>	<b>41,167,000</b>
<b>Expenditures</b>		
Pastoral services*	8,791,633	9,621,517
Chancery office*	6,043,558	6,082,138
Subsidies and assessments*	3,527,572	3,931,329
Office of Clergy & Chaplaincy*	2,062,547	2,454,024
Interest on borrowings	2,318,495	3,510,392
St Augustine's Seminary	2,520,942	934,696
Family of Faith: Pastoral Plan Priorities	1,290,580	1,927,343
Grants and donations	1,542,743	2,006,446
Family of Faith: Campaign Costs	387,889	628,234
Regional Bishops' offices	588,971	641,008
Maintenance of properties	552,401	431,485
<b>Total Expenditures</b>	<b>29,627,331</b>	<b>32,168,612</b>
<b>Net revenue (deficit)</b>	<b>10,377,531</b>	<b>8,998,388</b>
Plus: Change in fair value of investments	1,479,484	916,190
<b>Excess (deficiency) for year</b>	<b>11,857,015</b>	<b>9,914,578</b>
Plus: General reserve, beginning of year	25,015,915	15,187,716
Additions to (withdrawals from) general reserve:		
Parish bank loan guarantee	(2,636,317)	(2,978,241)
Property additions & restorations	(7,505,189)	2,891,862
<b>General reserve, end of year</b>	<b>26,731,424</b>	<b>25,015,915</b>

\* Please see Statement of Diocesan Expenditures for details.

**STATEMENT OF DIOCESAN EXPENDITURES  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
<b>Pastoral Services</b>		
Faith formation initiatives	1,684,513	1,853,262
University chaplaincies	1,229,724	1,258,244
Hospital chaplaincies	1,074,211	1,220,920
Office of Catholic Youth	811,672	862,185
Office of Public Relations and Communications	686,417	778,208
Office for Refugees	667,846	698,470
Outreach programs	390,248	501,599
Archives	355,805	402,474
Office of Vocations	340,194	390,982
Planning and Properties/Housing Ministry	323,071	314,097
Office of Development	306,239	376,983
Office of the Judicial Vicar	256,134	138,111
Office of the Permanent Diaconate	249,864	302,043
Stewardship and Parish Vitality	136,108	196,172
Volunteer Screening Initiative	106,739	177,124
Group Procurement Program	87,444	-
Parish Training Centre	85,404	150,643
	<b>8,791,633</b>	<b>9,621,517</b>
<b>Chancery Office</b>		
Salaries and benefits	\$3,401,797	\$3,348,086
Office and travel	1,519,879	1,501,736
Professional fees	553,212	688,041
Occupancy costs	345,063	414,694
Liturgical celebrations	223,607	129,581
	<b>\$6,043,558</b>	<b>\$6,082,138</b>
<b>Subsidies and Assessments</b>		
Matrimonial Tribunal	\$1,995,679	\$2,195,884
Other subsidies and donations	1,130,000	1,256,099
Canadian Conference of Catholic Bishops	208,354	258,840
Assembly of Catholic Bishops of Ontario	193,539	220,506
	<b>\$3,527,572</b>	<b>\$3,931,329</b>
<b>Office of Clergy &amp; Chaplaincy</b>		
Education, sabbatical, other	\$1,533,147	\$1,910,600
Administration	529,400	543,424
	<b>\$2,062,547</b>	<b>\$2,454,024</b>





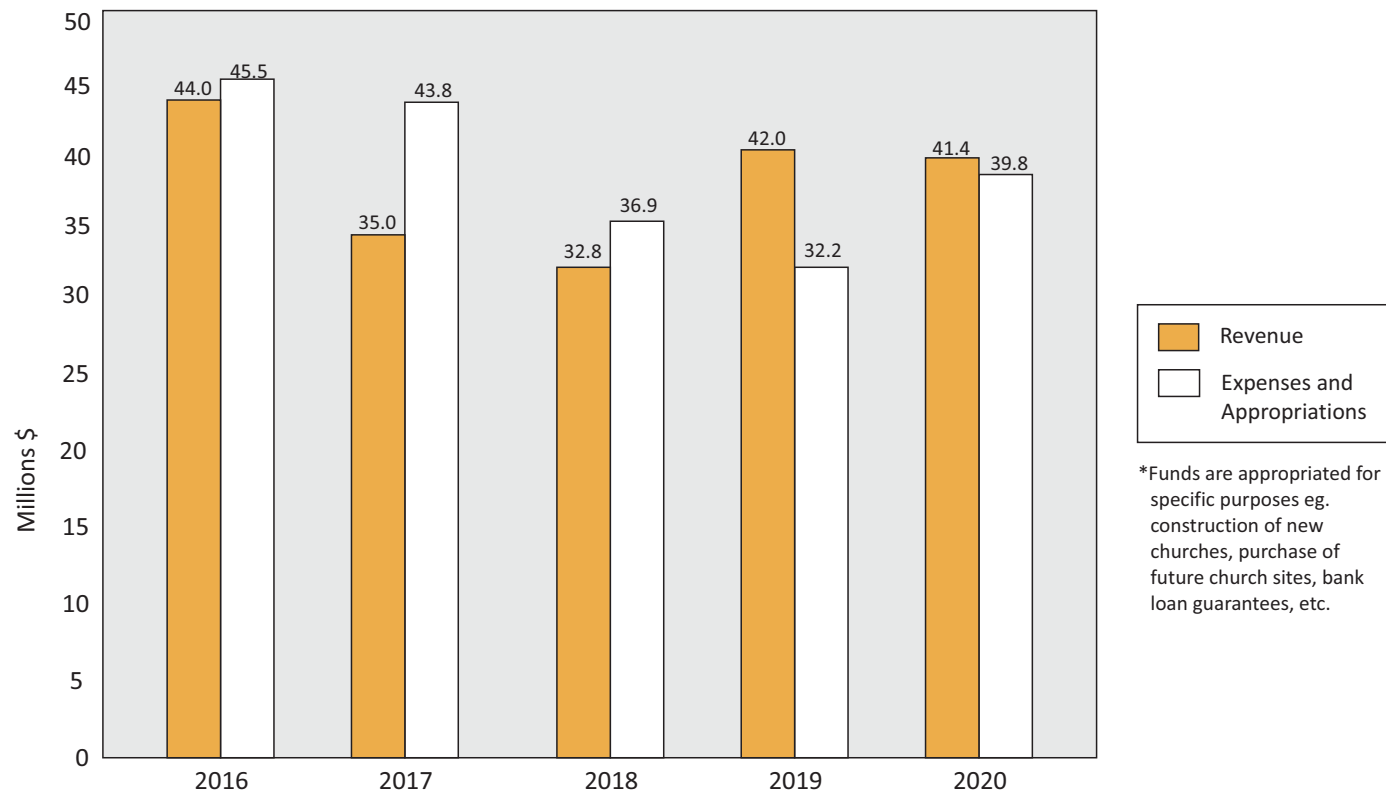
**PARISH REVENUES, EXPENDITURES AND RESERVES  
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

	2020	2019
<b>Revenue</b>		
Church receipts (includes offertory, bequests and hall revenue)	<b>\$62,917,872</b>	\$82,235,755
Parish programs & specified donations (includes building fund)	<b>40,693,612</b>	55,534,466
Investment income, interest, rents	<b>3,275,883</b>	3,881,867
Canada Emergency Wage Subsidy	<b>15,431,351</b>	-
Special diocesan collections (dedicated funds, includes humanitarian aid)	<b>8,392,952</b>	15,054,345
<b>Total Revenue</b>	<b>130,711,670</b>	156,706,433
<b>Expenditures</b>		
Church expenses (e.g. salaries, supplies, utilities, music)	<b>66,092,761</b>	74,465,940
Parish programs, catechism & events	<b>11,275,902</b>	11,932,929
Diocesan & Shepherds' Trust assessments	<b>14,372,030</b>	15,106,309
Rectory expenses	<b>5,094,961</b>	5,035,957
Furnishing	<b>1,476,809</b>	2,274,389
Interest on borrowings	<b>1,209,489</b>	1,511,386
Special diocesan collections disbursed	<b>8,559,015</b>	14,918,934
<b>Total Expenditures</b>	<b>108,080,967</b>	125,245,844
<b>Excess of revenue over expenditures</b>	<b>22,630,703</b>	31,460,589
Less: Expenditures on properties	<b>20,040,711</b>	43,789,255
<b>Excess (deficiency) for the year</b>	<b>2,589,992</b>	(12,328,666)
Plus: Reserves, beginning of year	<b>(111,841,821)</b>	(99,513,155)
<b>Reserves, end of year</b>	<b><u>\$(109,251,829)</u></b>	<b><u>\$(111,841,821)</u></b>

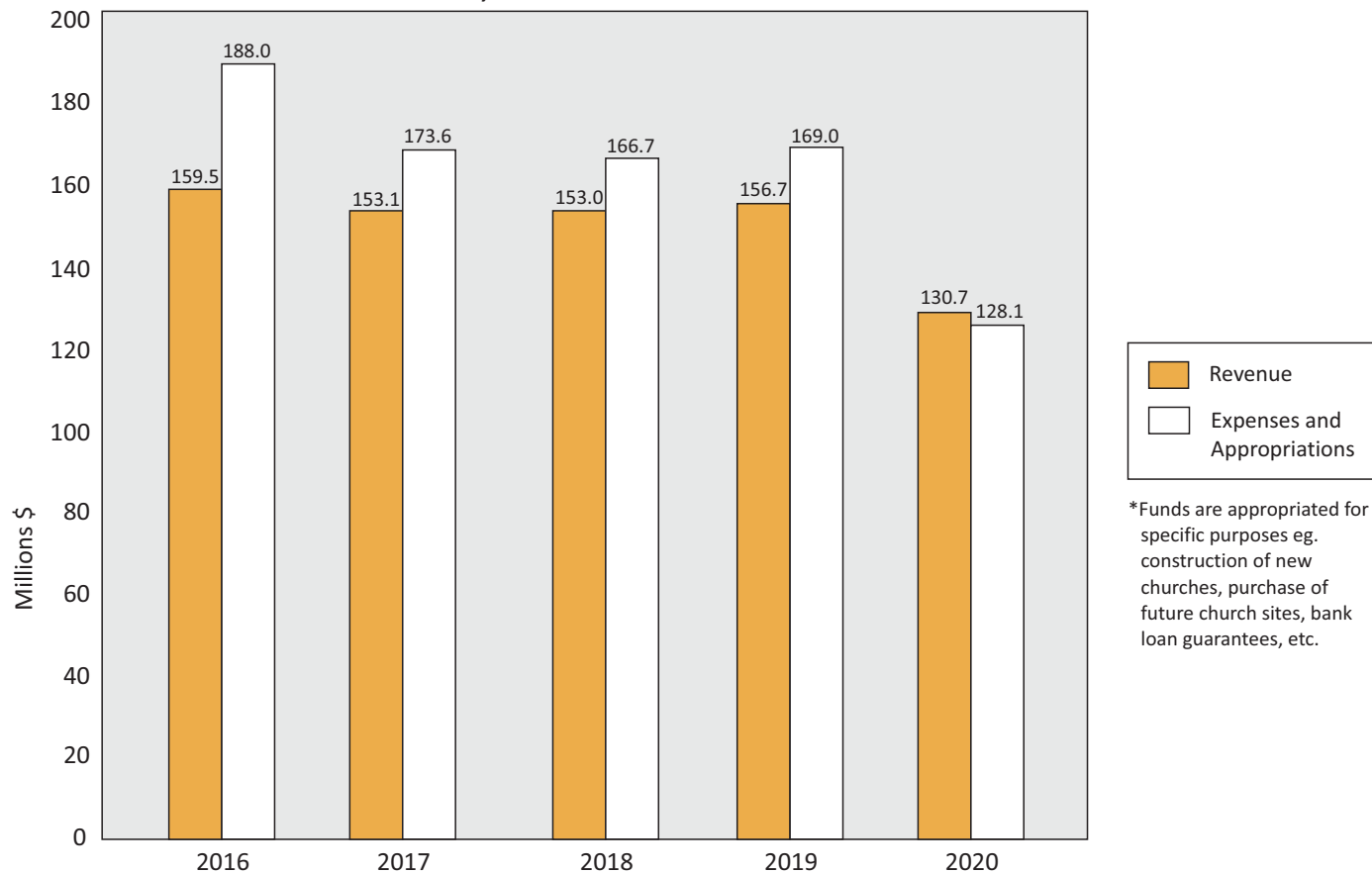
Please note that this statement reflects the combined financial activity of all diocesan-owned parishes and missions.

HIGHLIGHTS FROM THE 2020 FINANCIAL STATEMENTS

DIOCESAN REVENUES, EXPENSES AND APPROPRIATIONS\*



PARISH REVENUES, EXPENSES AND APPROPRIATIONS\*







## SUMMARY OF THE 2020 FINANCIAL STATEMENTS

### Diocesan Revenue & Expenditures

The Archdiocese is financed by a portion of parishes' income ('Parish Assessment'), as well as donations and earnings on investments. These funds are then used to provide programs on a diocesan-wide level such as hospital & university chaplaincies, faith formation programs, and 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 2020, a total of \$8.6 million was received from the campaign outreach made to parishes. Of that figure, \$1.7 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. The remainder of the Family of Faith funds were held on reserve for parishes to use towards restoration and capital projects. As at December 31, 2020, the campaign received total funds of \$143.0 million.

Pledges from the campaign will continue to be received over the next year.



## Parish Revenue & Expenditures

The coronavirus pandemic in year 2020 resulted in the closure of parishes and increased reliance on the work being done by Catholic organizations. The \$15.4 million in Canada Emergency Wage Subsidy received in 2020 partially offset the revenue decline and provide much needed operational and financial support for parishes to continue serving the faithful across the Archdiocese.

Even after considering the impact of the wage subsidy, parish revenues dropped by \$26.0 million in 2020 compared to the previous year (2020 - \$130.7 million, 2019 - \$156.7 million). There was also a corresponding decline in parish expenses of \$17.2 million (2020 - \$108.1 million, 2019 - \$125.2 million) as a result of the restrictions on mass attendance and cost containment measures implemented. When capital expenditures of \$20.0 million for parish restoration and new parish construction are factored in, we have a surplus of \$2.6 million for the year 2020.

## 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 2020, \$20.0 million was incurred among 118 parishes in restoration projects and 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, 2020, 153 parishes maintained a reserve of \$73.9 million with the diocese (2019: 143 parishes, \$72.2 million). These funds are also used in the interim to assist other parishes in need of financing for current capital projects. An additional \$24.4 million in Family of Faith funds was held on reserve for 217 parishes (2019: 209 parishes, \$22.0 million).

## 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 64 parishes totalled \$42.2 million at year-end (2019: 56 parishes; total: \$39.5 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 69 parishes amounted to \$207.6 million (2019: 57 parishes, total: \$204.3 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.

### Special Diocesan Collections

Parishioners generously contributed \$3.6 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:

Humanitarian Relief	\$278,534
The Shepherds' Trust *	\$420,093
Co-operative Mission Plan	\$1,078,317
Holy Land	\$163,066
Propagation of the Faith	\$293,476
Marygrove Camp	\$74,280
Canadian Missions	\$219,794
Papal Charities	\$120,857
Needs of the Canadian Church	\$417,988

\*We also received and transferred \$109,374 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. Michael Schuck (Controller), Mr. Robert Chisholm, 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

[www.archtoronto.org](http://www.archtoronto.org)

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