

# **ShareLife**

Financial Statements  
**December 31, 2021**

**ShareLife**  
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**December 31, 2021**

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## Independent auditor's report

To the Trustees of ShareLife

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### Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of ShareLife (the Organization) as at December 31, 2021, and the results of its operations and its cash flows for the period from August 1, 2020 to December 31, 2021 in accordance with Canadian accounting standards for not-for-profit organizations.

#### What we have audited

The Organization's financial statements comprise:

- the statement of financial position as at December 31, 2021;
- the statement of financial activities for the period from August 1, 2020 to December 31, 2021;
- the statement of fund balances for the period from August 1, 2020 to December 31, 2021;
- the statement of cash flows for the period from August 1, 2020 to December 31, 2021; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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### Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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### Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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\*PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.



In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

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### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*PricewaterhouseCoopers LLP*

Chartered Professional Accountants, Licensed Public Accountants


Vaughan, Ontario  
May 19, 2022

# ShareLife

## Statement of Financial Position

	December 31, 2021 \$	July 31, 2020 \$
<b>Assets</b>		
<b>Current assets</b>		
Cash (note 3)	2,710,449	1,173,456
Bankers' acceptances (note 3)	1,999,740	1,499,805
Amounts receivable	149,702	135,331
Pledges receivable from annual campaign (note 6(a))	727,605	1,021,862
	<u>5,587,496</u>	<u>3,830,454</u>
<b>Investments – General Fund (note 5)</b>	2,236,759	1,814,699
<b>Investments – Legacy for Life Endowment Fund (note 4)</b>	9,405,459	7,617,895
	<u>17,229,714</u>	<u>13,263,048</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	212,231	120,508
Distributions payable (schedule 1 and note 6(b))	217,684	5,385,471
Deferred revenue	-	33,334
Loan payable to related party (note 6(a))	-	200,000
	<u>429,915</u>	<u>5,739,313</u>
<b>Fund Balances</b>		
<b>Legacy for Life Endowment Fund (note 4)</b>	10,760,203	7,943,340
<b>General Fund</b>	6,039,596	(419,605)
	<u>16,799,799</u>	<u>7,523,735</u>
	<u>17,229,714</u>	<u>13,263,048</u>

### Approved by the Trustees

 \_\_\_\_\_ Trustee \_\_\_\_\_ Trustee

The accompanying notes are an integral part of these financial statements.

# ShareLife

## Statement of Financial Activities

	Period from August 1, 2020 to December 31, 2021			Year ended July 31, 2020
	General Fund \$	Legacy for Life Endowment Fund \$	Total \$	Total \$
<b>Revenue</b>				
Annual campaign				
Archdiocesan parish appeal (note 6(a))	17,080,845	-	17,080,845	8,323,576
Corporations	1,212,137	-	1,212,137	795,527
Schools, employee campaigns, miscellaneous	2,198,231	-	2,198,231	1,427,086
	20,491,213	-	20,491,213	10,546,189
Other				
Bequests	-	1,478,557	1,478,557	2,127,834
Investment income	55,228	125,422	180,650	169,738
Contribution – Legacy for Life Endowment Fund	436,960	(436,960)	-	-
Government assistance	117,483	-	117,483	66,229
Miscellaneous donations	-	-	-	329
	21,100,884	1,167,019	22,267,903	12,910,319
<b>Expenses</b>				
Campaign and administrative (schedule 2)	1,993,079	-	1,993,079	1,643,187
<b>Excess of revenue over expenses before the undernoted items</b>				
	19,107,805	1,167,019	20,274,824	11,267,132
<b>Distributions (schedule 1 and note 6(b))</b>				
	13,041,196	-	13,041,196	11,507,553
<b>Excess (deficiency) of revenue over expenses before change in fair value of investments</b>				
	6,066,609	1,167,019	7,233,628	(240,421)
<b>Change in fair value of investments</b>				
	392,592	1,649,844	2,042,436	322,860
<b>Excess of revenue over expenses for the period</b>				
	6,459,201	2,816,863	9,276,064	82,439

The accompanying notes are an integral part of these financial statements.

**ShareLife**  
Statement of Fund Balances

	Period from August 1, 2020 to December 31, 2021		Year ended July 31, 2020
	General Fund \$	Legacy for Life Endowment Fund \$	Total \$
<b>Fund balances – Beginning of period</b>	(419,605)	7,943,340	7,523,735
Excess of revenue over expenses for the period	6,459,201	2,816,863	9,276,064
<b>Fund balances – End of period</b>	<b>6,039,596</b>	<b>10,760,203</b>	<b>16,799,799</b>

The accompanying notes are an integral part of these financial statements.



# ShareLife

## Statement of Cash Flows

	Period from August 1, 2020 to December 31, 2021 \$	Year ended July 31, 2020 \$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess of revenue over expenses for the period	9,276,064	82,439
Items not affecting cash		
Change in fair value of investments	(2,042,436)	(322,860)
Investment income reinvested	(167,188)	(189,942)
Changes in non-cash working capital		
Pledges receivable from annual campaign	294,257	162,522
Amounts receivable	(14,371)	119,210
Distributions payable	(5,167,787)	(207,044)
Accounts payable and accrued liabilities	91,723	(34,757)
Deferred revenue	(33,334)	(33,333)
	<u>2,236,928</u>	<u>(423,765)</u>
<b>Financing activities</b>		
Proceeds of loan from related party	-	1,000,000
Repayment of loan from related party	(200,000)	(800,000)
	<u>(200,000)</u>	<u>200,000</u>
<b>Investing activities</b>		
Purchases of Legacy for Life Endowment Fund investments	-	(1,500,000)
Proceeds from sale of bankers' acceptances	28,996,645	11,183,341
Purchases of bankers' acceptances	(29,496,580)	(8,788,580)
	<u>(499,935)</u>	<u>894,761</u>
<b>Increase in cash during the year</b>	<b>1,536,993</b>	<b>670,996</b>
<b>Cash – Beginning of year</b>	<b>1,173,456</b>	<b>502,460</b>
<b>Cash – End of year</b>	<b>2,710,449</b>	<b>1,173,456</b>

The accompanying notes are an integral part of these financial statements.

**ShareLife**

## Schedule of Distributions and Distributions Payable

Schedule 1

Distributions			Period from August 1, 2020 to December 31, 2021	Year ended July 31, 2020
	Paid to December 31, 2021	Remaining to be paid at December 31, 2021	Allocations	Allocations
	\$	\$	Total \$	Total \$
<b>Distributions to participants in annual ShareLife appeal</b>				
Catholic Charities	9,385,463	-	9,385,463	8,608,820
St. Augustine's Seminary of Toronto	1,700,000	-	1,700,000	1,700,000
Canadian Catholic Organization for Development and Peace	-	100,000	100,000	100,000
Pastoral Mission Fund	482,316	117,684	600,000	600,000
Office for Refugees	302,400	-	302,400	302,400
Catholic Youth Ministry	170,000	-	170,000	120,000
St. John Paul II Centre	100,000	-	100,000	100,000
	12,140,179	217,684	12,357,863	11,531,220
<b>Distributions of grants-in-aid</b>				
Hospital Chaplaincy	200,000	-	200,000	200,000
Office of Vocations	100,000	-	100,000	100,000
Good Shepherd Refuge	95,000	-	95,000	95,000
Canadian Food for Children	85,000	-	85,000	85,000
Redemptoris Mater Seminary	85,000	-	85,000	85,000
New Beginnings	35,000	-	35,000	35,000
Mary's Meals	33,333	-	33,333	33,333
Right to Life Association	40,000	-	40,000	30,000
DeVeber Institute	10,000	-	10,000	12,500
St. Maxmilian Kolbe Youth Group	-	-	-	500
	683,333	-	683,333	676,333
	12,823,512	217,684	13,041,196	12,207,553
Impact of change in accounting estimate relating to 2019 distribution allocation to Canadian Catholic Organization for Development and Peace (note 2)	-	-	-	(700,000)
	12,823,512	217,684	13,041,196	11,507,553

**ShareLife**

## Schedule of Campaign and Administrative Expenses

Schedule 2

	Period from August 1, 2020 to December 31, 2021 \$	Year ended July 31, 2020 \$
<b>Campaign</b>		
Salaries and benefits	630,360	423,282
Direct mail	270,543	393,389
Printing	24,241	58,823
Special events	5,000	42
Donations processing fees	104,283	64,175
Design and artwork	3,294	32,809
Advertising	20,141	17,951
Awards and recognition	907	15,222
Shipping	11,898	9,518
Postage	4,230	8,524
Meetings	(2)	5,345
Telephone	1,650	1,027
Film and video	5,993	3,800
Photography	832	2,512
	<u>1,083,370</u>	<u>1,036,419</u>
<b>Administrative</b>		
Salaries and benefits	630,360	423,282
Rent	60,928	43,008
Accounting and other support services	51,000	36,000
Audit, legal and other fees	12,181	12,865
Car and travel	11,020	9,125
Supplies	11,530	11,155
Membership and licence fees	46,814	29,493
Banking and investment fees	68,060	15,848
Postage	4,230	8,524
Office equipment and software	7,764	5,779
Education	153	2,059
Equipment rental and maintenance	757	5,749
Insurance	3,262	2,854
Telephone	1,650	1,027
	<u>909,709</u>	<u>606,768</u>
<b>Campaign and administrative expenses</b>	<u>1,993,079</u>	<u>1,643,187</u>

# ShareLife

## Notes to Financial Statements

December 31, 2021

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### 1 Purpose of the organization

ShareLife is the Catholic community's response to providing care and outreach to those in need through its 42 agencies by raising and allocating funds effectively and fulfilling its obligation to respect life at all stages.

ShareLife was established by the Roman Catholic Episcopal Corporation for the Diocese of Toronto in Canada (the Archdiocese) under a declaration of trust and is classified under the Income Tax Act (Canada) as a registered charitable public foundation.

In 2021, ShareLife changed the timing of its annual campaign to occur throughout the calendar year. To align its reporting with the timing of campaign fundraising and distribution activities, ShareLife changed its fiscal year-end from July 31 to December 31. Amounts presented for the 2021 reporting period are for a 17-month period. Comparative figures are for a 12-month period. Consequently, comparative amounts for the statement of financial position, statement of financial activity, statement of fund balances, statement of cash flows and related notes are not entirely comparable.

### 2 Summary of significant accounting policies

#### Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) – Part III of the Chartered Professional Accountants of Canada Handbook – Accounting. The significant accounting policies followed by ShareLife are as follows.

#### Revenue recognition

ShareLife follows the deferral method of accounting for contributions. Revenues from the annual campaign and bequests are recognized as revenue when received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured. Contributions to the Legacy for Life Endowment Fund are endowed and the investment income is to be used for the long-term support of ShareLife agencies.

Government assistance is recognized as revenue when receivable.

Restricted donations are deferred and are recognized as revenue in the year in which the related expenditure is recognized. These amounts are deemed externally restricted contributions as designated by the donors.

Investment income is accrued as it is earned and includes distributions and interest income.

#### Campaign distributions and grants-in-aid

Distributions from campaign revenues represent amounts approved by the Trustees on a calendar year basis for the annual operations of the specified participants in the annual appeal of ShareLife.

Grants-in-aid are amounts approved by the Trustees for the initiation or maintenance of the services of other organizations that are not specified participants in the annual appeal of ShareLife.

# ShareLife

## Notes to Financial Statements

December 31, 2021

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Distributions and grants-in-aid are recorded in the financial statements in the fiscal year for which they are approved by the Trustees.

During the year ended July 31, 2020, the Trustees of ShareLife met and determined that the 2019 ShareLife distribution allocation for Canadian Catholic Organization for Development and Peace would be reduced from \$800,000 to \$100,000. As this was a change in estimate, the amount was adjusted for prospectively and resulted in a \$700,000 reduction of the 2020 distribution.

### Capital assets

Capital assets, which are not significant to the annual operations of ShareLife, are expensed in the year of acquisition.

### Pension costs

Certain lay employees of ShareLife are members of a defined contribution pension plan sponsored by the Archdiocese. The pension costs associated with current service are expensed and funded in the year in which the service is rendered.

### Use of estimates

The preparation of financial statements in accordance with ASNPO requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

### Financial instruments

ShareLife initially measures all its financial assets and financial liabilities at fair value and subsequently at amortized cost, except for investments and Legacy for Life Endowment Fund, which are recorded at fair value, and related party transactions, which are recorded at the exchange amount established and agreed to by the related parties. Changes in fair value are recognized in the statement of financial activities. Financial assets are tested for impairment at the end of each reporting period when there are indicators the assets may be impaired.

Transactions are recorded on a settlement date basis and are expensed as incurred.

## 3 Cash and cash equivalents

Cash and cash equivalents comprise:

	December 31, 2021 \$	July 31, 2020 \$
Cash – General Fund	1,355,705	848,011
Cash – LFLE Fund	1,354,744	325,445
Bankers' acceptances	1,999,740	1,499,805
	<u>4,710,189</u>	<u>2,673,261</u>

# ShareLife

## Notes to Financial Statements

December 31, 2021

The bankers' acceptances have a yield of 0.14% (2020 – 0.15%) with a maturity date of January 6, 2022 (2020 – August 30, 2020).

#### 4 Legacy for Life Endowment Fund (the Fund)

The Fund was established in 2003 by ShareLife and is an externally endowed fund. The investment income earned on the funds is to be used for the long-term support of ShareLife agencies. The capital of the Fund is increased by donations from individuals wishing to contribute to the Fund and bequests received during the year. The Fund contributes 4% of average market investments over the past three years to operations. In the current fiscal year ended December 31, 2021, \$436,960 (July 31, 2020 – \$254,369) was transferred to operations.

The capital of the Fund is invested in a separate pooled fund investment account, as recommended by the Trustees. The investments are administered in accordance with the Trustees' statement of investment policies and procedures. In order to preserve the principal value of the Fund over the long term, a portion of the investment income, which is determined by a formula approved by the Trustees after adjusting for inflation, is transferred into the Fund each year from the General Fund.

Investments of the Fund comprise:

	December 31, 2021		July 31, 2020	
	Cost \$	Fair value \$	Cost \$	Fair value \$
Pooled funds	8,050,835	9,405,459	7,539,846	7,617,895

Activities in the Fund were as follows:

	December 31, 2021 \$	July 31, 2020 \$
Balance – Beginning of year	7,943,340	5,729,519
Investment income earned	125,422	107,607
Less: Transfer to operations	(436,960)	(254,369)
Bequests received	1,478,557	2,127,834
Change in fair value of investments	1,649,844	232,749
Balance – End of year	10,760,203	7,943,340
Comprised of:		
Pooled funds	9,405,459	7,617,895
Cash	1,354,744	325,445
	10,760,203	7,943,340

# ShareLife

## Notes to Financial Statements

December 31, 2021

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### 5 Investments – General fund

Investments comprise:

	December 31, 2021		July 31, 2020	
	Cost \$	Fair value \$	Cost \$	Fair value \$
Pooled funds	1,920,158	2,236,759	1,801,395	1,814,699

### 6 Related party transactions and balances

- a) The Archdiocese, which includes the Parishes, controls ShareLife through its right to appoint all of its Trustees. ShareLife had the following transactions with the Archdiocese:

	Period from August 1, 2020 to December 31, 2021 \$	Year ended July 31, 2020 \$
Revenue – Archdiocesan parish appeal	17,080,245	8,323,576
Office accommodation and administrative services	111,928	79,008

ShareLife has the following related party balances with the Archdiocese as at:

	December 31, 2021 \$	July 31, 2020 \$
Pledges receivable from annual campaign	727,510	929,711
Loan payable	-	200,000

# ShareLife

## Notes to Financial Statements

December 31, 2021

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- b) ShareLife provides distributions to various ministries of the Archdiocese and its related institutions. ShareLife had the following transactions with these related parties for the fiscal years ended:

	December 31, 2021 \$	July 31, 2020 \$
Distributions paid		
St. Augustine's Seminary of Toronto	1,700,000	991,668
Pastoral Mission Fund	482,316	341,736
Office for Refugees	302,400	-
Hospital Chaplaincy	200,000	-
Catholic Youth Ministry	170,000	-
Office of Vocations	100,000	-
St. John Paul II Centre	100,000	58,334
Redemptoris Mater Seminary	85,000	85,000
New Beginnings	35,000	35,000

ShareLife has the following related party balances with these related parties as at:

	December 31, 2021 \$	July 31, 2020 \$
Distributions payable		
Pastoral Mission Fund	117,684	258,264
St. Augustine's Seminary of Toronto	-	708,332
Office for Refugees	-	302,400
Hospital Chaplaincy	-	200,000
Catholic Youth Ministry	-	120,000
Office of Vocations	-	100,000
St. John Paul II Centre	-	41,666

## 7 Comparative figures

Certain comparative figures have been reclassified to conform to the current year's financial statements.