



## **Quarterly CRA numbers comparing assets and revenues for 2011 to 2012 for the Charity Sector in Canada**

By Mark Blumberg (August 8, 2014)

I recently received from the Charities Directorate of CRA some charts showing the combined assets and revenues of the Canadian registered charity sector for 2011 and 2012. A few quick comments:

- 1) There was an increase in reported assets from 2011 to 2012 of about \$18 billion.
- 2) There is an increase in reported revenue of about \$10 billion.
- 3) Only about 11.5% of charities have annual revenue over \$1,000,000.
- 4) About ½ of charities have revenue under \$100,000.
- 5) About 20% of charities have 96% of the assets of the sector.

Please note I changed some of the words to be in turquoise because it is my favourite colour. CRA should not be held accountable for my colour selection. CRA seems to prefer red and black with a little yellow.

**Charities Directorate**

Registered Charities - total assets (line 4200) - total revenue (line 4700)  
 Information provided is from the *Registered Charity Information Return* (T3010) based  
 on the total number of registered charities that filed a return for the 2011 tax year as of June 2014

Range of Assets in Dollars	Total count of charities per range of assets	Total assets reported by charities per range	Percentage of Total Charities	Range of Revenue in Dollars	Total count of charities per range of revenue	Total revenue reported by charities per range	Percentage of Total Charities
Less than 0 (including negative and null value)	7,472	-\$6,465,339.00	8.82%	Less than 0 (including negative and null value)	4,867	-\$99,770,400.00	5.74%
0 to 25,000	17,986	\$164,106,183.00	21.22%	0 to 25,000	19,872	\$196,862,724.00	23.44%
25,001 to 50,000	6,883	\$249,663,324.00	8.12%	25,001 to 50,000	9,354	\$339,847,923.00	11.04%
50,001 to 100,000	7,862	\$569,947,343.00	9.28%	50,001 to 100,000	10,778	\$784,545,664.00	12.72%
100,001 to 500,000	19,914	\$4,974,757,804.00	23.49%	100,001 to 500,000	24,007	\$5,619,397,529.00	28.32%
500,001 to 1,000,000	8,370	\$5,978,512,341.00	9.87%	500,001 to 1,000,000	6,311	\$4,431,520,892.00	7.45%
1,000,001 and more	16,276	\$290,239,550,040.00	19.20%	1,000,001 and more	9,574	\$201,987,369,326.00	11.30%
<b>Total</b>	<b>84,763</b>	<b>\$302,170,071,696.00</b>	<b>100.00%</b>	<b>Total</b>	<b>84,763</b>	<b>\$213,259,773,658.00</b>	<b>100.00%</b>

Information provided is from the *Registered Charity Information Return (T3010)* based on the total number of registered charities that filed a return for the 2012 tax year as of June 2014

Range of Assets in Dollars	Total count of charities per range of assets	Total assets reported by charities per range	Percentage of Total Charities	Range of Revenue in Dollars	Total count of charities per range of revenue	Total revenue reported by charities per range	Percentage of Total Charities
Less than 0 (including negative and null value)	7,404	-\$19,133,249.00	8.71%	Less than 0 (including negative and null value)	4,833	-\$34,723,880.00	5.69%
0 to 25,000	17,704	\$162,988,517.00	20.83%	0 to 25,000	19,665	\$196,970,361.00	23.14%
25,001 to 50,000	6,833	\$249,070,505.00	8.04%	25,001 to 50,000	9,144	\$334,199,184.00	10.76%
50,001 to 100,000	7,847	\$571,344,533.00	9.23%	50,001 to 100,000	10,854	\$790,423,809.00	12.77%
100,001 to 500,000	20,020	\$5,006,515,676.00	23.56%	100,001 to 500,000	24,275	\$5,699,376,275.00	28.57%
500,001 to 1,000,000	8,446	\$6,045,863,044.00	9.94%	500,001 to 1,000,000	6,350	\$4,462,413,481.00	7.47%
1,000,001 and more	16,719	\$308,253,840,869.00	19.68%	1,000,001 and more	9,852	\$212,170,418,427.00	11.59%
<b>Total</b>	<b>84,973</b>	<b>\$320,270,489,895.00</b>	<b>100.00%</b>	<b>Total</b>	<b>84,973</b>	<b>\$223,619,077,657.00</b>	<b>100.00%</b>

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## **Limitations and Caveats**

There are a number of cautions in dealing with the information from the T3010. You can access on the CRA website directly information on each Canadian registered charity at:

<http://www.cra-arc.gc.ca/charities/>

As well, Imagine Canada has a website with some T3010 information at [www.charityfocus.ca](http://www.charityfocus.ca)

- 1) The data in this note is based on the 2010 T3010 Registered Charity Information Return filings. Although all charities are supposed to file their T3010 within 6 months of their fiscal year end some file late or do not file at all and then will lose their charitable status. Depending on the data set from CRA not every charity may have filed their T3010 or been inputted yet.
- 2) Registered charities complete the T3010 and one person signs the form. The T3010 information is not independently verified by CRA when it is posted on the CRA site or placed in the CRA database.
- 3) Although an important legal document, the T3010 is often completed by volunteers or others who may have little understanding of the nuances of the Income Tax Act, who may have limited language skills, and who may not have easy access to the correct information and are often in a hurry to file the form to avoid deregistration. In the case of larger institutions who would generally be those who are hiring people with higher salaries the likelihood is greater than the average that the information will be accurately prepared by the institution and its accountants or finance staff.
- 4) The T3010s are filed with CRA and in many cases needs to be coded by hand at CRA which can also introduce mistakes. Only a small number of T3010s have 2D bar code technology which will eliminate most processing error on CRA's part. Canadian charities still cannot electronically file the T3010.
- 5) In some cases those completing the T3010 for a charity are deliberately deceptive when completing the T3010. For example, an organizations knows that it has substantial

[www.globalphilanthropy.ca](http://www.globalphilanthropy.ca)

fundraising or political expenses but chooses to put them under charitable etc. Or an organization claims pharmaceuticals that it can purchase for \$50,000 are really worth \$50 million.

6) Don't rely on any of this information without checking with the charity and appropriate due diligence as required.

7) The T3010 is a tax form completed according to guidance provided by the CRA in a Guide (T-4033) and also various other CRA guidances and policies. The information inputted may not conform to Generally Accepted Accounting Principles (GAAP) and many not match what is in a financial statement. You can obtain copies of financial statements, whether audited or not, on any registered charity by requesting the financial statements from CRA. These financial statements are filed with CRA but not placed on the CRA website and they sometimes add further information.

8) The T3010 asks certain questions. Many important questions are not asked on the T3010. Relying on the T3010 to make decisions on whether a charity is efficient or worthwhile to support is prone to failure. We have established a website at [www.smartgiving.ca](http://www.smartgiving.ca) which discusses in detail questions donors may want to ask before donating to charity.

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