

**THE CHURCH OF ST. MARK AND ST. PETER**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

# Patricia McGovern CPA

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Members of  
THE CHURCH OF ST. MARK AND ST. PETER

I have reviewed the accompanying financial statements of THE CHURCH OF ST. MARK AND ST. PETER that comprise the balance sheet as at December 31, 2020, and the statements of operations, changes in fund balances and cash flow for the initial year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these 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.

### *Practitioner's Responsibility*

My responsibility is to express a conclusion on the accompanying financial statements based on my review. I conducted my review in accordance with Canadian generally accepted standards for review engagements, which require me to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, I do not express an audit opinion on these financial statements.

*Conclusion*

Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of THE CHURCH OF ST. MARK AND ST. PETER as at December 31, 2020, and the results of its operations and its cash flows for the initial year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

*Patricia McQueen CPA*

Montreal, Québec  
February 17, 2021

**THE CHURCH OF ST. MARK AND ST. PETER**

**BALANCE SHEET**

**AS AT DECEMBER 31, 2020**

(unaudited)

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**ASSETS**

CURRENT ASSETS GENERAL FUND

Cash	\$	134,818
Term Deposit		2,500
Stewards Canada Bond (note 3)		50,000
Accounts receivable (note 4)		39,022

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226,340

CURRENT ASSETS-RECTORY FUND (note 5) 1,096,898

CURRENT ASSETS-ST. MARK'S FUND (notes 6 and 8) 225,684

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\$ 1,548,922

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**LIABILITIES**

CURRENT LIABILITIES GENERAL FUND

Accounts payable	\$	14,879
Deferred contributions (note 7)		6,306

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21,185

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**FUND BALANCES**

ST. MARK'S FUND 225,684

RESTRICTED FUND BALANCE-RECTORY FUND (note 5) 1,096,898

INTERNALLY RESTRICTED FUNDS (note 13) 9,566

GENERAL FUND - UNRESTRICTED 195,589

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1,527,737

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\$ 1,548,922

**On behalf of the Board,**

\_\_\_\_\_, Director

\_\_\_\_\_, Director

**THE CHURCH OF ST. MARK AND ST. PETER**  
**STATEMENT OF CHANGES IN FUND BALANCES**  
**FOR THE INITIAL YEAR ENDED DECEMBER 31, 2020**  
(unaudited)

	<b>Building Sale Fund - Restricted net assets</b>	<b>St. Mark's Fund</b>	<b>Endowment- Rectory Fund</b>	<b>Restricted Funds - (note 13 )</b>	<b>General Fund -Unrestricted</b>	<b>Total</b>
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 1,287,940	\$ 572,418	\$ 1,132,540	\$ 11,455	\$ 145,945	\$ 3,150,298
EXCESS OF REVENUES OVER EXPENSES	-	(37,734)	(35,642)	(1,889)	66,095	(9,170)
Building renovations	(1,302,618)	(287,054)	-	-	(23,719)	(1,613,391)
Interfund transfers (note 8)	14,678	(21,946)	-	-	7,268	-
<b>BALANCE, END OF YEAR</b>	\$ -	\$ 225,684	\$ 1,096,898	\$ 9,566	\$ 195,589	\$ 1,527,737

**THE CHURCH OF ST. MARK AND ST. PETER**

**STATEMENT OF OPERATIONS**

**FOR THE INITIAL YEAR ENDED DECEMBER 31, 2020**

**(unaudited)**

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**REVENUES**

Identifiable contributions	\$	137,026
Open		1,341
Rentals		13,100
Interest and investment income		58,575
Sundry		656

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**210,698**

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**EXPENSES**

Worship ministries (note 10)		26,028
Community/Fellowship ministries		553
Discipleship/Spirituality ministries		16,451
Mission ministries		6,477
Pastoral care ministries		11
Enabling ministries (note 11)		73,394
Synod - administrative assessment		7,361
Building and maintenance-Church operating		26,728

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**157,003**

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**EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS** **53,695**

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**BEQUESTS AND MEMORIALS** **12,400**

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**EXCESS OF REVENUES OVER EXPENSES** **\$ 66,095**

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**THE CHURCH OF ST. MARK AND ST. PETER**

**STATEMENT OF CASH FLOW**

**FOR THE INITIAL YEAR ENDED DECEMBER 31, 2020**

(unaudited)

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**OPERATING ACTIVITIES**

Deficiency of revenues over expenses	\$ (9,170)
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Net change in non-cash items related to operating activities:	
Accounts receivable	(13,810)
Term Deposit	(2,500)
Accounts payable	14,678
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	(1,632)
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	(10,802)

**INVESTING ACTIVITIES**

Proceeds from the sale of St. Peter's Building Sale Fund investments	1,287,940
Proceeds from the sale of St. Mark's Fund investments	309,000
Unrealized loss on change in market value of investments	73,376
Building renovations	(1,613,391)
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	56,925
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<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>46,123</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<b>88,695</b>
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<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 134,818</b>

Cash and cash equivalents consist of cash.

# THE CHURCH OF ST. MARK AND ST. PETER

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

(unaudited)

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### 1. INCORPORATION AND NATURE OF ACTIVITIES

The Church of St. Mark and St. Peter is a non-profit organization that is a merged entity of two former parishes, St. Mark's Church and St. Peter's Church as confirmed by Canada Revenue Agency on June 25, 2020. The Church began merged operations on January 1, 2020. The Church is also a charitable organization registered with both the Federal and Quebec taxation authorities and is not subject to income taxes.

### 2. SIGNIFICANT ACCOUNTING POLICIES

The Church applies the Canadian accounting standards for not-for-profit organizations in Part III of the CPA Canada Handbook – Accounting.

#### REVENUE RECOGNITION

The Church follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expense is incurred. Unrestricted contributions are recognized as revenue of the appropriate fund when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Endowment contributions are recognized as direct increases in net assets in the year.

Investment income earned by the General Fund and Rectory Funds includes dividend and interest income, realized investment gains and losses on sales of investments and unrealized gains and losses on investments measured at fair value.

#### CAPITAL ASSETS

Other than costs charged against the Building Sale Fund, expenditures considered of a capital or major maintenance nature, are charged against the General Fund as incurred.

#### FUND ACCOUNTING

Revenues and expenses related to the Church's day-to-day activities are reported in the General Fund. The proceeds from the sale of Church properties are reported in the Building Sale and Rectory Fund. Revenues from the Rectory Fund are not externally restricted.

#### CONTRIBUTED SERVICES

The Church would not be able to carry out its activities without the services of many volunteers who donate a considerable number of hours. Because of the difficulty in compiling these hours, contributed services are not recognized in the financial statements.

### 3. STEWARDS CANADA BOND

Stewards Canada Bond

\$ 50,000



**THE CHURCH OF ST. MARK AND ST. PETER**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

(unaudited)

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**4. ACCOUNTS RECEIVABLE**

Commodity taxes receivable	\$	24,635
Other receivable		1,131
Accrued interest receivable		13,256
	\$	39,022

**5. CURRENT ASSETS-RECTORY FUND**

In 2017 the rectory of the former St. Peter's Church was sold realizing net proceeds of \$1,148,195. Under an arrangement with the diocese, this amount was registered in the name of St. Peter's Church and invested in the Anglican Balanced Fund. The Church of St. Mark and St. Peter will continue to have access to the income earned on this investment.

Anglican Balance Fund measured at fair value	\$	1,096,898
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**6. CURRENT ASSETS-ST. MARK'S FUND**

Anglican Balanced Fund measured at fair value	\$	225,684
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**7. DEFERRED CONTRIBUTIONS**

Relating to designated donations for youth and French ministries:

BALANCE, end of year	\$	6,306
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**8. INTERFUND TRANSFERS**

An amount of \$14,678 was transferred from the General Fund to the St. Peter's Building Sale Fund in order to reimburse the diocese for some additional renovation expenses, and an amount of \$21,945.53 was transferred from the St. Mark's Fund to the General Fund to reimburse amounts paid earlier from the General Fund for building repairs required aside from the merger.

**9. INTERFUND BALANCES**

Interfund balances are without interest or repayment terms.

**THE CHURCH OF ST. MARK AND ST. PETER**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

(unaudited)

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**10. WORSHIP MINISTRIES**

Music	\$	25,023
Other		1,005
		<hr/>
		\$ 26,028

**11. ENABLING MINISTRIES**

Stipends and honoraria	\$	59,189
Office expense		14,205
		<hr/>
		\$ 73,394

**12. CONTINGENCIES AND COMMITMENT**

The Church anticipates an additional \$100,000 to \$150,000 may be spent in 2021 to complete the renovations to the new Church.

# THE CHURCH OF ST. MARK AND ST. PETER

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

(unaudited)

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### 13. INTERNALLY RESTRICTED FUNDS

In previous years, funds for theological education and special outreach/mission projects were merged by the former St-Peter's Church into the General Fund, but with restrictions maintained to ensure that amounts remaining would be spent in a manner consistent with intentions governing the creation of these Funds.

In 2013 the former St-Peter's Church established an "In Reach Fund" to provide financial assistance to parishioners in need, principally through provision of no-interest loans. As at December 31, 2020 a surplus of \$1,064 had accumulated in the fund.

	<b>Reserved for Parishioners In Need</b>	<b>Reserved for theological Education</b>	<b>Reserved for Special Outreach / Mission Projects</b>	<b>Total</b>
Balance, beginning of year	\$ 420	\$ 2,136	\$ 7,866	\$ 10,422
Excess (deficiency) revenues	644	(1,500)	(1,033)	(1,889)
<b>Balance, end of year</b>	<b>\$ 1,064</b>	<b>\$ 636</b>	<b>\$ 6,833</b>	<b>\$ 8,533</b>

# THE CHURCH OF ST. MARK AND ST. PETER

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

(unaudited)

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### 14. SUPPLEMENTARY INFORMATION - COMPARATIVE INCOME STATEMENT

The comparative figures for 2019 represent a compilation of consolidated amounts from the statements of operations of the financial statements of the former St. Mark and St. Peter parishes for information purposes only. The comparative numbers have not been audited or reviewed.

	2020	2019
<b>REVENUES</b>		
Identifiable contributions	\$ 137,026	\$ 149,192
Open	1,341	6,778
Special contributions	-	20,801
Rentals	13,100	21,875
Interest and investment income	58,575	69,279
Sundry	656	4,332
	<b>210,698</b>	<b>272,257</b>
<b>EXPENSES</b>		
Worship ministries	26,028	31,577
Community/Fellowship ministries	553	1,028
Discipleship/Spirituality ministries	16,451	22,605
Mission ministries	6,477	29,396
Pastoral care ministries	11	423
Enabling ministries	73,394	130,563
Synod - administrative assessment	7,361	39,384
Building and maintenance - Church operating	26,728	57,774
	<b>157,003</b>	<b>312,750</b>
EXCESS OF REVENUES (EXPENSES) FROM OPERATIONS	\$ 53,695	\$ (40,493)