

THE CHURCH OF ST. MARK AND ST. PETER
FINANCIAL STATEMENTS
DECEMBER 31, 2022

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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, 2022, and the statements of operations, changes in net assets and cash flow for the 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, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Patrick McQueen CPA

Montréal, Québec
February 8, 2023

¹ By CPA auditor, public accountancy permit No. A111895

THE CHURCH OF ST. MARK AND ST. PETER

BALANCE SHEET

AS AT DECEMBER 31, 2022

(unaudited)

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	2022	2021
ASSETS		
CURRENT ASSETS		
Cash	\$ 74,252	\$ 102,133
Term Deposit	2,500	2,500
Stewards Canada Bond	50,000	50,000
Accounts receivable (note 3)	17,952	23,665
Prepaid expenses	924	1,172
	145,628	179,470
CURRENT ASSETS-RECTORY FUND (note 4)	1,039,089	1,188,680
CURRENT ASSETS-ST. MARK'S FUND (note 5)	190,009	247,024
	\$ 1,374,726	\$ 1,615,174
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	\$ 512	\$ 11,513
Deferred contributions (note 6)	6,306	6,306
	6,818	17,819
NET ASSETS		
ST. MARK'S FUND	132,805	247,024
RESTRICTED FUND BALANCE-RECTORY FUND	1,039,089	1,188,680
INTERNALLY RESTRICTED FUNDS	4,970	5,792
GENERAL FUND - UNRESTRICTED	191,044	155,859
	1,367,908	1,597,355
	\$ 1,374,726	\$ 1,615,174

On behalf of the Board,

_____, Director

_____, Director

THE CHURCH OF ST. MARK AND ST. PETER
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022
(unaudited)

	2022		2021			
	St. Mark's Fund internally restricted (note 2)	Endowment Rectory Fund (note 2)	Restricted Funds (note 8)	General Fund - Unrestricted	Total	Total
BALANCE, BEGINNING OF YEAR	\$ 247,024	\$ 1,188,680	\$ 5,792	\$ 155,859	\$ 1,597,355	\$ 1,637,085
(DEFICIENCY) EXCESS OF REVENUES OVER EXPENSES	(34,828)	(149,591)	(822)	12,998	(169,787)	53,649
Building renovations	(57,204)	-	-	-	(57,204)	(93,379)
Interfund transfer (note 7)	(22,187)	-	-	22,187	-	-
BALANCE, END OF YEAR	\$ 132,805	\$ 1,039,089	\$ 4,970	\$ 191,044	\$ 1,370,364	\$ 1,597,355

THE CHURCH OF ST. MARK AND ST. PETER**STATEMENT OF OPERATIONS****FOR THE YEAR ENDED DECEMBER 31, 2022****(unaudited)****Page 4**

	2022	2021
REVENUES		
Identifiable contributions	\$ 185,263	\$ 154,256
Open	345	162
Rentals	33,170	22,000
Interest and investment income	53,638	58,435
Sundry	603	373
	273,019	235,226
EXPENSES		
Worship ministries	30,923	31,674
Community/Fellowship ministries	1,578	1,924
Discipleship/Spirituality ministries	26,253	18,124
Mission ministries	11,274	10,569
Pastoral care ministries	472	652
Enabling ministries	141,706	81,543
Synod - administrative assessment	19,000	12,835
Building and maintenance - Church operating	38,905	31,218
Evangelism & Church Growth	-	538
	270,111	189,077
EXCESS OF REVENUES OVER EXPENSES FROM OPERATIONS	2,908	46,149
BEQUESTS AND MEMORIALS	10,090	7,500
EXCESS OF REVENUES OVER EXPENSES	\$ 12,998	\$ 53,649

THE CHURCH OF ST. MARK AND ST. PETER**STATEMENT OF CASH FLOW****FOR THE YEAR ENDED DECEMBER 31, 2022****(unaudited)****Page 5**

	2022	2021
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 12,998	\$ 53,649
Net change in non-cash items related to operating activities:		
Accounts receivable	5,713	15,357
Prepaid expenses	248	(1,172)
Accounts payable	(11,001)	(3,366)
	(5,040)	10,819
	7,958	64,468
INVESTING ACTIVITIES		
Disbursements from internally restricted funds	(822)	(3,774)
Building renovations	(57,204)	(93,379)
Transfer from St. Mark's Fund	22,187	-
	(35,839)	(97,153)
DECREASE IN CASH AND CASH EQUIVALENTS	(27,881)	(32,685)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	102,133	134,818
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 74,252	\$ 102,133

Cash and cash equivalents consist of cash.

THE CHURCH OF ST. MARK AND ST. PETER

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(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 June 1, 2019, but began merged financial 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.

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 the Rectory and St. Mark's 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

At the discretion of the Corporation of the Church, expenditures considered of a capital or major maintenance nature are charged against either the St. Mark's Fund or 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.

As of the AGM 2020, the St. Mark's Fund is an internally restricted fund, whereby its capital is used only for major property and building expenses outside the normal operating budget, and its interest income is automatically reinvested to build the capital of the Fund.

By diocesan regulations, the Rectory Fund is an externally restricted fund because it contains the proceeds of the sale of the former St. Peter's Rectory; that is, diocesan regulations permit the parish to use the interest income from the Rectory Fund for operating expenses, but the capital of the Fund can only be expended with the approval of the Executive Officer and the Treasurer of the Diocese of Montreal.

THE CHURCH OF ST. MARK AND ST. PETER

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

(unaudited)

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2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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. ACCOUNTS RECEIVABLE

	2022	2021
Commodity taxes receivable	\$ 6,827	\$ 9,273
Other receivable	445	-
Accrued interest receivable	10,680	14,392
	<u>\$ 17,952</u>	<u>\$ 23,665</u>

4. CURRENT ASSETS-RECTORY FUND

	2022	2021
Anglican Balance Fund measured at fair value	\$ 1,039,089	\$ 1,188,680

5. CURRENT ASSETS-ST. MARK'S FUND

	2022	2021
Anglican Balanced Fund measured at fair value	\$ 190,009	\$ 247,024

6. DEFERRED CONTRIBUTIONS

Relating to designated donations for youth and French ministries:

BALANCE, end of year	<u>\$ 6,306</u>
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7. INTERFUND TRANSFER

An amount of \$22,187 was transferred from the St. Mark's Fund to the General Fund in order to reimburse amounts paid for building repairs.

THE CHURCH OF ST. MARK AND ST. PETER

NOTES TO FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2022

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8. 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, 2022 a balance of \$876 remained in the fund.

	Reserved for Parishioners In Need	Reserved to Theological Education	Reserved for Special Outreach / Mission Projects	Total
BALANCE, beginning of year	\$ 123	\$ 636	\$ 5,033	\$ 5,792
Excess (Deficiency) of revenues	753	-	(1,575)	(822)
BALANCE, end of year	\$ 876	\$ 636	\$ 3,458	\$ 4,970

9. WORSHIP MINISTRIES

	2022	2021
Music and Tech	\$ 27,502	\$ 25,787
Equipment improvements	2,284	4,642
Other	1,137	1,245
	\$ 30,923	\$ 31,674

10. ENABLING MINISTRIES

	2022	2021
Stipends and honoraria	\$ 129,570	\$ 69,627
Office expense	12,136	11,916
	\$ 141,706	\$ 81,543