

**St. Helen's Anglican Church**  
**Financial Statements**  
For the year ended December 31, 2021  
(Unaudited)

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**Contents**

<b>Review Engagement Report</b>	2 - 3
<b>Financial Statements</b>	
Statement of Financial Position	4
Statement of Changes in Net Assets	5
Statement of Operations - General Fund	6
Statement of Operations - Internally Restricted Funds	7
Statement of Cash Flows	8
Notes to Financial Statements	9 - 12
<b>Supplementary Information</b>	
Schedule 1 - Revenues	13
Schedule 2 - Expenses	14 - 15

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## Independent Practitioner's Review Engagement Report

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### **To the members of St. Helen's Anglican Church**

We have reviewed the accompanying financial statements of St. Helen's Anglican Church that comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in fund balances and cash flows 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**

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us 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, we do not express an audit opinion on these financial statements.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of St. Helen's Anglican Church as at December 31, 2021, 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.

Chartered Professional Accountants, Licensed Public Accountants

Ottawa, Ontario  
Report Date

Draft - Subject to change

**St. Helen's Anglican Church**  
**Statement of Financial Position**  
**(Unaudited)**

December 31	2021	2020
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 337,628	\$ 288,340
Short-term investments (Note 2)	267,772	337,559
Other receivables	6,695	2,802
Prepaid expenses	520	134
	<b>\$ 612,615</b>	<b>\$ 628,835</b>
<b>Liabilities and Net Assets</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 16,092	\$ 14,480
Current portion of long-term debt (Note 6)	47,281	45,357
	<b>63,373</b>	<b>59,837</b>
Deferred contributions (Note 4)	48,889	47,196
Long-term debt (Note 6)	926,926	1,024,600
	<b>1,039,188</b>	<b>1,131,633</b>
<b>Uncertainty due to COVID-19 (Note 7)</b>		
<b>Net Assets</b>		
General fund (deficiency)	(753,787)	(795,903)
Building fund	22,452	22,759
Cash reserve fund	36,989	36,989
Trust fund	267,773	233,357
	<b>(426,573)</b>	<b>(502,798)</b>
	<b>\$ 612,615</b>	<b>\$ 628,835</b>

On behalf of the Parish:

\_\_\_\_\_ Warden

\_\_\_\_\_ Warden

**St. Helen's Anglican Church**  
**Statement of Changes in Net Assets**  
**(Unaudited)**

<u>For the year ended December 31, 2021</u>	<u>General Fund</u>	<u>Building Fund</u>	<u>Cash Reserve Fund</u>	<u>Trust Fund</u>	<u>Total</u>
Balance, beginning of the year	\$ (795,903)	\$ 22,759	\$ 36,989	\$ 233,357	\$ (502,798)
Excess (deficiency) of revenues over expenses	42,116	(307)	-	34,416	76,225
<b>Balance, end of the year</b>	<b>\$ (753,787)</b>	<b>\$ 22,452</b>	<b>\$ 36,989</b>	<b>\$ 267,773</b>	<b>\$ (426,573)</b>

<u>For the year ended December 31, 2020</u>	<u>General Fund</u>	<u>Building Fund</u>	<u>Cash Reserve Fund</u>	<u>Trust Fund</u>	<u>Total</u>
Balance, beginning of the year	\$ (877,570)	\$ 22,759	\$ 36,989	\$ 218,349	\$ (599,473)
Excess of revenues over expenses	81,667	-	-	15,008	96,675
<b>Balance, end of the year</b>	<b>\$ (795,903)</b>	<b>\$ 22,759</b>	<b>\$ 36,989</b>	<b>\$ 233,357</b>	<b>\$ (502,798)</b>

The notes are an integral part of these financial statements.

**St. Helen's Anglican Church  
Statement of Operations - General Fund  
(Unaudited)**

<b>For the year ended December 31</b>	<b>2021</b>	<b>2020</b>
<b>Revenues</b>		
Operating	\$ 403,425	\$ 408,685
Other revenue	2,567	3,176
Community net revenue	16,613	4,545
Contributions from designated funds - (Note 5)	2,300	4,543
	<u>424,905</u>	<u>420,949</u>
<b>Expenses</b>		
Governance	306,886	287,177
Stewardship	47,328	35,046
Worship	9,832	15,225
Outreach	18,055	-
Community	-	1,402
Discipleship	688	432
	<u>382,789</u>	<u>339,282</u>
<b>Excess of revenues over expenses</b>	<b>\$ 42,116</b>	<b>\$ 81,667</b>

**St. Helen's Anglican Church**  
**Statement of Operations - Internally Restricted Funds**  
**(Unaudited)**

For the year ended December 31	Trust Fund	
	2021	2020
<b>Revenues</b>		
Dividend income	\$ 7,443	\$ 7,056
Increase in unrealized gain on trust fund investment	26,973	7,952
	<b>34,416</b>	<b>15,008</b>
<b>Expenses</b>		
Decrease in unrealized loss on trust fund investment	-	-
Maintenance	-	-
	-	-
<b>Excess of revenues over expenses</b>	<b>\$ 34,416</b>	<b>\$ 15,008</b>

The notes are an integral part of these financial statements.

**St. Helen's Anglican Church**  
**Statement of Cash Flows**  
**(Unaudited)**

<b>For the year ended December 31</b>	<b>2021</b>	<b>2020</b>
<b>Cash flows from operating activities</b>		
Excess of revenues over expenses	\$ 42,116	\$ 81,667
- general fund		
Excess of revenues over expenses		
- internally restricted funds	34,109	15,008
Items not affecting cash:		
Increase in unrealized gain on investments	(26,973)	(7,952)
Net change from non-cash working capital balances		
Other receivables	(3,893)	1,165
Prepaid expenses	(386)	4,400
Accounts payable and accrued liabilities	1,612	(1,706)
Deferred contributions	1,693	(2,101)
	<u>48,278</u>	<u>90,481</u>
<b>Cash flows from investing activities</b>		
Proceeds on disposal of short-term investments	104,203	-
Purchase of short-term investments	(7,443)	(7,947)
	<u>96,760</u>	<u>(7,947)</u>
<b>Cash flows from financing activities</b>		
Repayment of long-term debt	(95,750)	(36,655)
	<u>(95,750)</u>	<u>(36,655)</u>
<b>Net increase in cash</b>	<b>49,288</b>	<b>45,879</b>
<b>Cash, beginning of the year</b>	<b>288,340</b>	<b>242,461</b>
<b>Cash, end of the year</b>	<b>\$ 337,628</b>	<b>\$ 288,340</b>



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# St. Helen's Anglican Church Notes to Financial Statements (Unaudited)

December 31, 2021

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## 1. Accounting Policies

### Status and Purpose of Organization

St. Helen's Anglican Church ("the Church") is a non-profit organization, a member of the Incorporated Synod of the Diocese of Ottawa, which was incorporated by a special act of the Ontario legislature. The Church is a Christian family called by God and led by the Holy Spirit. It proclaims the good news of Jesus Christ by worshipping in community; nurturing and growing in faith; witnessing in daily life and serving others through ministry.

The Church is a registered charity under the Income Tax Act and, as such, is exempt from income taxes and may issue income tax receipts to donors.

### Basis of Accounting

The Church applies the Canadian accounting standards for not-for-profit organizations.

### Internally Restricted Net Assets

The general fund accounts for day-to-day operations and maintenance of the property grounds. Unrestricted contributions (donations) are reported in this fund.

The building fund consists of the funds internally restricted by the Church for major repairs and maintenance to the building.

The cash reserve fund consists of funds internally restricted by the Church for emergency situations.

The trust fund consists of an investment held in trust by the Anglican Diocese.

### Revenue Recognition

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

Investment income is recognized as revenue when earned.

Deferred revenue relates to restricted contributions where the related expenses are expected to occur in a future year.

### Recognition of Pledges

Because of the uncertainty surrounding the collectibility of pledges, the Church recognizes only those pledges for which amounts have been received at the date of completion of the financial statements.

**St. Helen's Anglican Church**  
**Notes to Financial Statements**  
**(Unaudited)**

**December 31, 2021**

**1. Accounting Policies (continued)**

**Financial Instruments**

*Initial and subsequent measurement*

The Church initially measures its financial assets and liabilities at fair value. The Church subsequently measures all its financial assets and liabilities at amortized cost, except for the short-term investment in the Anglican Diocese Consolidated Trust Fund which it chose to measure at fair value. Changes in fair value are recognized in the statement of operations in the year incurred.

*Impairment*

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment.

*Transaction costs*

Transaction costs related to financial instruments that will be subsequently measured at fair value are recognized in net income in the year incurred. Transaction costs related to financial instruments subsequently measured at amortized cost are included in the original cost of the asset or liability and recognized in net income over the life of the instrument using the straight-line method.

**Tangible Capital Assets**

Tangible capital assets held by the Church are recorded as expenses in the year they are acquired.

**Contributed Services**

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

**2. Short-term Investments**

	2021	2020
<b>Measured at fair value</b>		
Anglican Diocese Consolidated Trust Fund	\$ 267,772	\$ 233,356
<b>Measured at amortized cost</b>		
TD Canada Trust GIC at 1.35%, matured during the year	-	104,203
	\$ 267,772	\$ 337,559

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**St. Helen's Anglican Church  
Notes to Financial Statements  
(Unaudited)**

**December 31, 2021**

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**3. Tangible Capital Assets**

All significant tangible capital assets held by the Church are owned by the Incorporated Synod of the Diocese of Ottawa ("the Diocese of Ottawa"), therefore, no recognition of these tangible capital assets has been included in the financial statements.

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**4. Deferred Contributions**

Deferred contributions represent externally restricted donations received for projects that will take place in future years. The balance of deferred contributions for each project is as follows:

	<u>2021</u>	<u>2020</u>
GIFT	\$ 18,158	\$ 20,458
Quiet Garden	20,321	20,054
Altar guild	2,909	2,869
CLAY	2,614	2,614
Special fund	1,190	-
Memorial flower offering	<u>3,697</u>	<u>1,201</u>
<b>Balance, end of the year</b>	<b><u>\$ 48,889</u></b>	<b><u>\$ 47,196</u></b>

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**5. Capital Contributions**

During 2021, \$8,535 was spent on various tangible capital assets for use in the Church. Of this total, \$0 was offset against contributions from designated funds.

During 2020, \$459 was spent on various tangible capital assets for use in the Church. Of this total, \$263 was offset against contributions from designated funds.

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**St. Helen's Anglican Church**  
**Notes to Financial Statements**  
**(Unaudited)**

**December 31, 2021**

**6. Long-term Debt**

	2021	2020
Loan from the Diocese of Ottawa, 2.0%, renewable December 2025, payable by semi-annual installments of \$33,265, principal and interest.	\$ 974,207	\$ 1,069,957
Less: principal portion due within one year	47,281	45,357
	\$ 926,926	\$ 1,024,600

The principal payments for the next five years amount to: 2022, \$47,281; 2023, \$48,231; 2024, \$49,201; 2025, \$50,189; 2026, \$51,198. These payments have been calculated under the assumption that the repayment plan will be successfully renewed, based on the present payment terms and interest rates.

**7. Uncertainty due to COVID-19**

The global pandemic, COVID-19, has disrupted economic activities and supply chains. Although, the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of business disruption and the related financial impact cannot be reasonably estimated at this time. The Church's ability to continue to service debt and meet obligations as they come due is dependent on the continued ability to generate earnings and cash flows.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the Church's financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, and industry. COVID-19 has resulted in cancellation of programming.

**8. Financial Instruments**

Interest rate risk

The Church is exposed to interest rate risk on its fixed interest rate financial instruments. Fixed interest instruments subject the Church to a fair value risk since fair value fluctuates inversely to changes in market interest rates. The Church is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the value of its mortgage payable.

Other price risk

The Church is exposed to other price risk through its investments in the Anglican Diocese Consolidated Trust Fund.

The risks have not changed in the current year.

**St. Helen's Anglican Church  
Schedule 1 - Revenues  
(Unaudited)**

<b>For the year ended December 31</b>	<b>2021</b>	<b>2020</b>
<b>Operating</b>		
Preauthorized donations	\$ 259,900	\$ 247,738
General envelopes	110,707	119,672
Open offering	492	725
Non-designated mission and outreach	4,620	4,620
Canada Helps donations	27,307	34,638
United Way donations	399	292
Card reader receipted	-	1,000
	<u>\$ 403,425</u>	<u>\$ 408,685</u>
<b>Community Net Revenue</b>		
Art fair, net	\$ 1,441	\$ -
Bazaar, net	15,172	2,497
Community events revenue	-	1,903
CLAY Non Receipt	-	693
Less: Community events expenses	-	(548)
	<u>\$ 16,613</u>	<u>\$ 4,545</u>
<b>Other Revenue</b>		
Quiet Garden	\$ 685	\$ -
Rental	791	1,796
Memorial flower offerings	659	204
Miscellaneous	282	284
Investment revenue	150	892
	<u>\$ 2,567</u>	<u>\$ 3,176</u>

**St. Helen's Anglican Church**  
**Schedule 2 - Expenses**  
**(Unaudited)**

<b>For the year ended December 31</b>	<b>2021</b>	<b>2020</b>
<b>Governance</b>		
Cost of priestly services	\$ 153,018	\$ 138,578
Diocesan fair share	70,828	63,237
Interest - long-term	21,294	32,993
Housing	43,882	35,755
Office	11,672	9,043
Insurance	6,071	4,139
Communication	121	252
Training (from GIFT)	-	3,180
	<b>\$ 306,886</b>	<b>\$ 287,177</b>
<b>Stewardship</b>		
Quiet Garden	\$ 685	\$ -
Capital contributions to the Diocese of Ottawa (Note 5)	8,535	459
Hydro	3,928	4,055
Professional fees	6,160	6,060
Winter maintenance	5,748	5,478
Telephone	4,911	4,860
Gas	3,892	4,001
Heating/Cooling maintenance	1,500	1,948
Photocopier	2,589	2,834
Property maintenance	1,221	430
Internet	2,416	2,406
Alarm	374	911
Floor and professional cleaning	2,339	-
Water	1,733	1,604
Fire safety	1,297	-
	<b>\$ 47,328</b>	<b>\$ 35,046</b>
<b>Worship</b>		
Honoraria	\$ 8,200	\$ 14,056
Liturgical supplies	784	435
Music supplies	138	-
License fees	710	734
	<b>\$ 9,832</b>	<b>\$ 15,225</b>

**St. Helen's Anglican Church**  
**Schedule 2 - Expenses (Continued)**  
**(Unaudited)**

<b>For the year ended December 31</b>	<b>2021</b>	<b>2020</b>
<b>Outreach</b>		
Building a Community of Hope	\$ 15,000	\$ -
Other community outreach	3,055	-
	<b>\$ 18,055</b>	<b>\$ -</b>
<b>Discipleship</b>		
Church school	\$ 404	\$ 368
Youth ministry	284	40
Sacramental preparation	-	24
	<b>\$ 688</b>	<b>\$ 432</b>
<b>Community</b>		
CLAY	\$ -	\$ 693
Men's group-valentine breakfast	-	461
Art fair expenses	-	248
	<b>\$ -</b>	<b>\$ 1,402</b>