ST. MATTHEW'S ANGLICAN CHURCH, ISLINGTON

Financial Statements
(Unaudited)

December 31, 2024

ST. MATTHEW'S ANGLICAN CHURCH, ISLINGTON

Index to the Financial Statements

TUMMON
WALLINGTON
CHONG LLP
CHARTERED PROFESSIONAL
ACCOUNTANTS

INDEPENDENT PRACTITIONERS' REVIEW ENGAGEMENT REPORT

To the Members of St. Matthew's Anglican Church, Islington

We have reviewed the accompanying financial statements of St. Matthew's Anglican Church, Islington (the "Church") that comprise the statement of financial position as at December 31, 2024, and the statements of operations, changes in net assets and cash flows for each of the following funds – Operating Fund, Legacy Funds, Out of the Cold Fund and Restricted Funds - for the year then ended, and a summary of significant accounting policies and other explanatory information.

Churchwardens' Responsibility for the Financial statements
The Churchwardens are 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 the Churchwardens determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioners' 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 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. Matthew's Anglican Church, Islington as at December 31, 2024 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.

Tummon Wallington Chong LLP

Toronto, Ontario
February 18, 2025

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ST. MATTHEW'S ANGLICAN CHURCH, ISLINGTON

Statement of Financial Position
(Unaudited)

AS AT DECEMBER 31, 2024

ASSETS

	Operating Fund	Legacy Funds	Out of the Cold Fund	Restricted Funds	Total 2024	Total 2023
CURRENT						
Cash and deposits (note 3)	$ 59,174	$ -	$ -	$ 72,644	$ 131,818	$ 157,038
HST rebate	3,749	-	-	-	3,749	13,588
Investments (note 4)	-	404,243	-	-	404,243	373,741
	$ 62,923	$ 404,243	$ -	$ 72,644	$ 539,810	$ 544,367

LIABILITIES AND NET ASSETS

	Operating Fund	Legacy Funds	Out of the Cold Fund	Restricted Funds	Total 2024	Total 2023
CURRENT						
Accounts payable and accrued liabilities	$ 16,767	$ -	$ -	$ -	$ 16,767	$ 8,792
Interfund balances	111,660	(111,660)	-	-	-	-
	128,427	(111,660)	-	-	16,767	8,792
NET ASSETS	(65,504)	515,903	-	72,644	523,043	535,575
	$ 62,923	$ 404,243	$ -	$ 72,644	$ 539,810	$ 544,367

APPROVED:

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(See accompanying notes)

ST. MATTHEW’S ANGLICAN CHURCH, ISLINGTON

Statement of Changes in Net Assets
(Unaudited)

FOR THE YEAR ENDED DECEMBER 31, 2024

	Operating Fund	Legacy Funds	Out of the Cold Funds	Restricted Funds	Total 2024	Total 2023
Net assets, beginning of year	$ (32,887)	$ 488,152	$ 542	$ 79,768	$ 535,575	$ 523,177
Net operations for the year	(32,617)	27,751	(542)	(7,124)	(12,532)	12,398
Net assets, end of year	$ (65,504)	$ 515,903	$ -	$ 72,644	$ 523,043	$ 535,575

(See accompanying notes)

ST. MATTHEW’S ANGLICAN CHURCH, ISLINGTON

Statement of Operations
(Unaudited)

FOR THE YEAR ENDED DECEMBER 31, 2024

	Budget Operating Fund	Operating Fund	Legacy Funds	Out of the Cold Fund	Restricted Funds	Total 2024	Total 2023
Revenue							
Congregation							
Envelopes	$ 183,000	$ 183,373	$ 25,000	$ -	$ 61,510	$ 269,883	$ 230,950
Festival and Special Events	21,100	17,610	-	-	-	17,610	26,420
Bequests and memorials	3,000	2,015	-	-	-	2,015	5,385
Open and non-receipted	2,550	2,518	-	-	-	2,518	1,958
	209,650	205,516	25,000	-	61,510	292,026	264,713
Other							
Fundraising	4,000	14,388	-	-	-	14,388	10,456
Use of facilities	89,861	99,033	-	-	-	99,033	86,093
Diocese Grant	-	-	-	-	-	-	29,000
Investment income	-	-	15,491	-	-	15,491	13,913
Investment gains	-	-	30,502	-	-	30,502	34,004
Miscellaneous	-	666	-	-	-	666	822
	93,861	114,087	45,993	-	-	160,080	174,288
Total Revenue	303,511	319,603	70,993	-	61,510	452,106	439,001
Expenses							
Salaries and wages	157,342	169,117	12,825	-	-	181,942	167,258
Church Building Costs							
Utilities	35,675	42,394	-	-	-	42,394	38,112
Janitorial, services and supplies	17,289	15,827	-	-	-	15,827	13,800
Repairs and maintenance	12,500	26,100	17,680	-	39,724	83,504	57,703
Insurance	12,400	12,939	-	-	-	12,939	12,069
	77,864	97,260	17,680	-	39,724	154,664	121,684
Rectory Costs							
Utilities	6,200	5,497	-	-	-	5,497	6,226
Property taxes	6,137	6,366	-	-	-	6,366	5,930
Repairs and maintenance	-	1,587	-	-	-	1,587	-
	12,337	13,450	-	-	-	13,450	12,156
Parish Programs	10,532	11,299	-	-	28,910	40,209	56,128
Office and Administration							
Postage, office supplies and computer	8,855	9,021	-	-	-	9,021	12,685
Telephone, internet and website	1,875	2,281	-	-	-	2,281	1,855
Miscellaneous	700	1,955	12,737	542	-	15,234	14,181
Bank charges	1,366	1,463	-	-	-	1,463	50
	12,796	14,720	12,737	542	-	27,999	28,771
Other Expenses							
Professional fees	3,000	4,564	-	-	-	4,564	4,242
Diocesan Allotment	41,810	41,810	-	-	-	41,810	36,364
	44,810	46,374	-	-	-	46,374	40,606
Total Expenses	315,681	352,220	43,242	542	68,634	464,638	426,603
Net Operations for the year	$ (12,170)	$ (32,617)	$ 27,751	$ (542)	$ (7,124)	$ (12,532)	$ 12,398

(See accompanying notes)

ST. MATTHEW'S ANGLICAN CHURCH, ISLINGTON

Statement of Cash Flows
(Unaudited)

FOR THE YEAR ENDED DECEMBER 31, 2024

	Operating Fund	Legacy Funds	Out of the Cold Fund	Restricted Funds	Total 2024	Total 2023
Operating activities						
Net operations for the year						
Operations	$ (32,617)	$ 12,260	$ 542	$ (7,124)	$ (28,023)	$ (1,514)
Investment income	-	15,491	-	-	15,491	13,913
Items not requiring a current cash flow:						
Unrealized gains (losses)	-	(30,502)	-	-	(30,502)	(34,004)
Change in non-cash working capital components	17,814	-	-	-	17,814	3,688
	(14,803)	2,751	542	(7,124)	(25,220)	(17,917)
Financing activities						
Interfund transfers	73,977	(73,977)	-	-	-	-
Net change in cash	59,174	(76,728)	(542)	(7,124)	(25,220)	(17,917)
Cash - beginning of year	-	76,728	542	79,768	157,038	174,955
Cash, end of year	$ 59,174	$ -	$ -	$ 72,644	$ 131,818	$ 157,038

(See accompanying notes)

1. ORGANIZATION

St. Matthew’s Anglican Church (the “Church”) is a member of the *Anglican Church* and is a parish of *The Incorporated Synod of the Diocese of Toronto* (the “Diocese). The Churchwardens, in essence the administrative officers for the Parish, represent the Church and its members, and in these financial statements are referred to collectively as the “Corporation”.

The mission of the Church is to *Share Jesus’ Love* and to strive to share that message in worship, children and youth programs, music and community activities.

The Church is registered as a charitable organization and is exempt from income tax.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. Canadian accounting standards for not-for-profit organizations are part of Canadian generally accepted accounting principles.

Canadian accounting standards for not-for-profit organizations require entities to select policies appropriate to their circumstances from policies provided in these standards. The following policies have been selected by the Corporation and applied in these financial statements.

Financial statements

The financial statements include the accounts of the Church and all related parish organizations.

a) Fund accounting

The Church follows the restricted fund method of accounting for contributions, whereby assets, liabilities, revenue and expenses are segregated into specific funds depending on their purpose. Inter-fund transfers from Unrestricted Funds and Externally Restricted Funds are not discretionary. The full amount of income available is transferred to the Operating Fund, provided that all restrictions imposed on the use of a particular fund are met.

Unrestricted funds

Donations from the congregation and others as well as revenue and expenses for service delivery activities and administration are recorded in the Operating Fund.

Legacies that are received without restriction as to their use are recorded in the Legacy Fund. The Fund is managed over a longer term and is utilized for projects or ministries that cannot be funded from normal operating resources. At the discretion of the Corporation, legacy funds can be used for any purpose.

2. SIGNIFICANT ACCOUNTING POLICIES – continued

Externally restricted funds

Out of the Cold (“OOTC”)

This fund consists of contributions received by way of bequests, gifts, special donations or donations from other churches and not-for-profit organizations that are restricted for the exclusive use of the *Out of the Cold* program.

Other externally restricted funds

These funds consist of contributions received by way of bequests, gifts or special donations that are received with restrictions for their use.

b) Revenue recognition

Cash donations are recorded in the period received. Members of the congregation volunteer their time to assist in the church’s activities. Because of the difficulty in determining their fair value, donated services are not recognized in these financial statements.

c) Investments

Investments are recorded at fair value. Unrealized gains and losses arising from the change in value of investments are recorded in the Statement of Operations.

Investments are primarily held in externally managed pooled funds and investment income is allocated to each fund on the basis of the average fund asset value proportionate to the total value of funds throughout the period.

Investments that can be realized within one year are classified in the Statement of Financial Position as current assets. All other investments are considered long-term in nature.

d) Use of estimates

The Corporation reviews the carrying amounts of items in the financial statements at each statement of financial position date to assess the need for revision of any possibility of impairment. Certain items in the preparation of these financial statements require the Corporation’s best estimate. The Corporation determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action. These estimates are reviewed periodically, and adjustments are made to assets, liabilities and excess (deficiency) of revenues over expenses as appropriate in the year they become known.

e) Cash and cash equivalents

Cash and cash equivalents include cash on hand and deposits with the Canadian Imperial Bank of Commerce (“CIBC”).

2. SIGNIFICANT ACCOUNTING POLICIES – continued

f) Financial instruments

The Church initially measures its financial assets at fair value, except for certain non-arm's length transactions. Transaction costs related to financial assets are recognized in the Statements Operations in the year in which they are incurred. The Church subsequently measures its financial assets and liabilities at amortized cost unless the Corporation has elected to carry the instruments at fair value. The Church has elected to carry its investments at fair value. Changes in fair value are recognized in the Statement of Operations. Financial assets measured at amortized cost include HST/GST receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

g) Capital assets

Since the annual gross revenue for the current and preceding year is less than $500,000, the Church is exempt under Canadian accounting standards for not-for-profit organizations from the requirement to capitalize and amortize capital assets over their estimated future lives.

3. CASH AND CASH EQUIVALENTS

	2024	2023
Operating Fund		
Bank deposit	$ 59,174	$ -
Legacy Funds		
Bank deposit	-	76,728
Out of the Cold Fund		
Bank deposit	-	542
Restricted Funds		
Bank deposit	72,644	79,768
Total cash and equivalents	$ 131,818	$ 157,038

4. INVESTMENTS - MUSSON FUND

Number of Shares	Security	2024 Market	2023 Market
1,339	The Incorporated Synod of the Diocese of Toronto	$ 404,243	$ 373,741

5. LEGACY FUNDS

Legacy funds consist of the following:

	Opening Balance	Donation Receipts	Investment Dividends	Unrealized Gain/(Loss)	Disbursements	Closing Balance
Musson Fund	$ 502,808	$ -	$ -	$ 30,502	$ -	$ 533,310
Musson Ministry	(126,762)	-	-	-	(12,825)	(139,587)
Musson Cash	167,611		15,491	-	(16,786)	166,316
Musson Gardens	(104,644)	-	-	-	(15,600)	(120,245)
Other Legacy Funds	1,887	-	-	-	(229)	1,659
Barbara Franklin Funeral Bequest	1,898	-	-	-	-	1,898
Covid Booked 2020	-	-	-	-	4,278	4,278
Don Lloyd Memorial Fund	24,626	-	-	-	(2,080)	22,546
Charlie Oxman Memorial Fund	3,174	-	-	-	-	3,174
Anna Stuart	7,554	-	-	-	-	7,554
Sylvia & Jack Ingram Fund	10,000	-	-	-	-	10,000
Irja Cook	-	25,000	-	-	-	25,000
	$ 488,152	$ 25,000	$ 15,491	$ 30,502	$ (43,242)	$ 515,903

ST. MATTHEW'S ANGLICAN CHURCH, ISLINGTON

Notes To Financial Statements
(Unaudited)

FOR THE YEAR ENDED DECEMBER 31, 2024

6. RESTRICTED FUNDS

Restricted funds consist of the following:

	Opening Balance	Donation Receipts	Grant Income	Transfer from Operating	Disbursements	Closing Balance
Building capital	$ 3,937	$ 1,050	$ -	$ -	$ (3,192)	$ 1,795
Organ/music	3,167	6,281	-	-	(5,020)	4,428
Maintenance – Living Waters	-	36,411	-	-	(36,331)	80
Adult education/Alpha	244	-	-	-	-	244
Club Matt	2,200	-	-	-	(2,200)	-
Youth	1,765	1,157	-	-	(2,922)	-
Family Ministry	-	377	-	-	(377)	-
AV Tech	17,217	-	-	-	-	17,217
Sign	4,372	-	-	-	(624)	3,748
Honours Gift	460	-	-	-	-	460
Baseball Program	2,955	-	-	-	-	2,955
Messy Church	(423)	-	-	-	423	-
Discretionary Funds – Rector's	608	-	-	-	-	608
Youth Ministry – Dev. Grant	257	-	-	-	-	257
Reach Grant	91	-	-	-	-	91
Youth Grant YMAP	1,624	-	-	-	(911)	713
Food Cupboard	1,482	25	-	-	(91)	1,416
Cadence	2,543	-	-	-	-	2,543
Greening	6,671	-	-	-	-	6,671
Outreach – regular	5,075	2,436	-	-	(1,441)	6,070
Outreach – PWDRF	-	2,343	-	-	(2,343)	-
Outreach – Faithworks	-	8,030	-	-	(8,030)	-
Prayer books	2,515	-	-	-	-	2,515
Student bursary	3,919	-	-	-	-	3,919
Camps	(7,833)	3,400	-	-	(5,575)	(10,008)
Drama	(1,486)	-	-	-	-	(1,486)
Condo	(592)	-	-	-	-	(592)
New Ministry Grant	29,000	-	-	-	-	29,000
	$ 79,768	$ 61,510	$ -	$ -	$ (68,634)	$ 72,644

7. FINANCIAL INSTRUMENTS - RISK MANAGEMENT

The Church is exposed to various risks through its financial instruments. The following analysis provides a measure of the Church's risk exposure and concentrations at December 31, 2024.

Credit risk

The Church is subject to credit risk related to accounts and other amounts receivable. Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. In the opinion of the Corporation, credit risk exposure is not significant.

Liquidity risk

Liquidity risk is the risk that the Church will encounter difficulty in meeting obligations associated with financial liabilities. The Church is exposed to this risk mainly in respect to its accounts payable. The Church maintains sufficient cash resources to maintain liquidity. In the opinion of the Corporation, liquidity risk exposure to the Church is not significant.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The assets subject to market risk are $404,243 (2023 - $373,741).

Currency risk

Currency risk arises when the fair value of financial instruments that are denominated in a currency other than the Canadian dollar, which is the Church's reporting currency, fluctuates due to changes in exchange rates. The Church is subject to currency risk to the extent that any investments held in The Consolidated Trust Fund of the Diocese are denominated in a foreign currency. No assets were subject to currency risk in 2024 or 2023.

Interest rate risk

Interest rate risk is the risk that the fair value of interest-bearing financial instruments fluctuates due to changes in the prevailing levels of market interest rates. Cash and short-term investments do not expose the Church to significant amounts of interest rate risk. The Church is subject to interest rate risk to the extent that investments are made in fixed income instruments. No assets were subject to interest rate risk in 2024 or 2023.

Other price risk

Other price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market values (other than those arising from interest rate risk and currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present risk of capital loss. This risk is managed by careful selection of investments. The Church is subject to other price risk to the extent that its proportionate share of investments held by The Consolidated Trust Fund of the Diocese might be affected by any of the factors referred to above.

8. LEASE COMMITMENT

The Church leases a photocopier under an operating lease that expired in August 2024. Minimum annual payments were $5,398.

9. CAPITAL ASSETS

As explained in Note 2, tangible capital assets are not capitalized and amortized. Major categories of tangible capital assets which have not been recorded include church and rectory furnishings and equipment, electronic organ and speakers, computer hardware and software, projection equipment and screen, and major renovations, additions and improvements to the Church and Rectory buildings and grounds that have occurred since the Church was founded.

The cost of the land and structures pertaining to the Church and Rectory are not recorded because they are owned by the Diocese. All risks insurance coverage for the year 2024 is as follows:

Church buildings and contents	$ 5,872,320
Rectory buildings and contents	$ 573,506

The basis of loss settlement is replacement cost. No tangible assets were acquired in 2024 or 2023.