

**THE SYNOD OF THE DIOCESE OF CALGARY**  
**Financial Statements**  
**Year Ended December 31, 2020**

**THE SYNOD OF THE DIOCESE OF CALGARY**  
**Index to Financial Statements**  
**Year Ended December 31, 2020**

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## INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

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To the Council of The Synod of the Diocese of Calgary

We have reviewed the accompanying financial statements of The Synod of the Diocese of Calgary (the organization) that comprise the statement of financial position as at December 31, 2020, and the statements of operations, changes in net assets 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 (ASNPO), 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 The Synod of the Diocese of Calgary as at December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with ASNPO.

A handwritten signature in blue ink, appearing to read 'Dart Bryant LLP', is written over the printed name.

September 16, 2023

CHARTERED PROFESSIONAL ACCOUNTANTS

**THE SYNOD OF THE DIOCESE OF CALGARY**  
**Statement of Financial Position**  
**December 31, 2020**

	Operating 2020	Capital 2020	Restricted 2020	Total 2020	Total 2019
<b>ASSETS</b>					
<b>CURRENT</b>					
Cash	\$ 27,859	\$ 300,000	\$ 68,951	\$ 396,810	\$ 517,456
Accounts and loans receivable (Note 6)	666,233	-	-	666,233	133,589
Prepaid expenses	19,394	-	-	19,394	19,394
	713,486	300,000	68,951	1,082,437	670,439
INVESTMENTS (Note 5)	14,336,871	6,311,506	1,304,353	21,952,730	23,365,176
LOANS RECEIVABLE (Note 7)	272,467	330,500	-	602,967	864,967
PROPERTY (Note 8)	-	16,309,806	-	16,309,806	17,265,542
	<b>\$ 15,322,824</b>	<b>\$ 23,251,812</b>	<b>\$ 1,373,304</b>	<b>\$ 39,947,940</b>	<b>\$ 42,166,124</b>
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT</b>					
Accounts payable and accrued liabilities (Note 9)	\$ 285,811	\$ 50,000	\$ -	\$ 335,811	\$ 324,875
MANAGED ACCOUNTS (Note 5)	6,896,537	3,590,268	55,465	10,542,270	11,710,528
	7,182,348	3,640,268	55,465	10,878,081	12,035,403
<b>NET ASSETS</b>					
Invested in property (Note 8)	-	16,309,806	-	16,309,806	17,265,542
Internally restricted (Note 10)	6,983,123	2,738,410	-	9,721,533	10,196,995
Externally restricted (Note 11)	-	-	1,317,839	1,317,839	1,236,440
Unrestricted	1,157,353	563,328	-	1,720,681	1,431,744
	8,140,476	19,611,544	1,317,839	29,069,859	30,130,721
	<b>\$ 15,322,824</b>	<b>\$ 23,251,812</b>	<b>\$ 1,373,304</b>	<b>\$ 39,947,940</b>	<b>\$ 42,166,124</b>

CONTINGENCIES AND COMMITMENTS (Note 13)

**ON BEHALF OF THE COUNCIL:** \_\_\_\_\_ *Treasurer* \_\_\_\_\_ *Councillor*

**THE SYNOD OF THE DIOCESE OF CALGARY**  
**Statement of Operations**  
**Year Ended December 31, 2020**

	Operating 2020	Capital 2020	Restricted 2020	2020	2019
<b>REVENUES</b>					
Apportionment from parishes	\$ 1,345,810	\$ -	\$ -	\$ 1,345,810	\$ 1,333,989
Less: Apportionment reductions	(98,949)	-	-	(98,949)	(156,917)
	1,246,861	-	-	1,246,861	1,177,072
Donations and contributions	81,514	-	217,467	298,981	188,774
Trust and restricted contributions	32,885	-	-	32,885	462,371
Net investment income	163,245	57,512	22,424	243,181	229,579
Other income	169,220	-	-	169,220	37,302
Capital gains on investments	318,367	(67,807)	58,975	309,535	1,065,661
	2,012,092	(10,295)	298,866	2,300,663	3,160,759
<b>EXPENSES</b>					
Outside the Diocese	315,118	-	-	315,118	392,652
Inside the Diocese	295,238	-	-	295,238	153,633
Diocese office	1,092,282	-	-	1,092,282	1,144,001
Amortization	-	606,701	-	606,701	611,224
Trust and restricted withdrawals	40,500	173,290	-	213,790	568,986
	1,743,138	779,991	-	2,523,129	2,870,496
Gifts to parishes	-	-	217,467	217,467	182,872
Grants and subsidies to parishes (Note 12)	632,929	-	-	632,929	530,684
Recoveries	(12,000)	-	-	(12,000)	(68,504)
	2,364,067	779,991	217,467	3,361,525	3,515,548
<b>OPERATIONAL EXCESS (DEFICIENCY)</b>	\$ (351,975)	\$ (790,286)	\$ 81,399	\$ (1,060,862)	\$ (354,789)

**THE SYNOD OF THE DIOCESE OF CALGARY**  
**Statement of Changes in Net Assets**  
**Year Ended December 31, 2020**

	Operating	Capital	Restricted	2020	2019
<b>NET ASSETS - BEGINNING OF YEAR</b>	\$ 7,966,693	\$ 20,927,588	\$ 1,236,440	<b>\$ 30,130,721</b>	\$ 30,485,510
Deficiency of revenues over expenses	(351,975)	(790,286)	81,399	<b>(1,060,862)</b>	(354,789)
Interfund transfers:					
Advance of capital loans receivable from operating fund	-	-	-	-	-
Internally restricted operational fund transfer ( <i>Note 10</i> )	525,758	(525,758)	-	-	-
Release of Bishop's Discretionary Fund ( <i>Note 13</i> )	-	-	-	-	-
Investment distributions to Diocese investment fund	-	-	-	-	-
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 8,140,476</b>	<b>\$ 19,611,544</b>	<b>\$ 1,317,839</b>	<b>\$ 29,069,859</b>	<b>\$ 30,130,721</b>

**THE SYNOD OF THE DIOCESE OF CALGARY**  
**Statement of Cash Flows**  
**Year Ended December 31, 2020**

	Operating 2020	Capital 2020	Restricted 2020	Total 2020	Total 2019
<b>OPERATING ACTIVITIES</b>					
Excess (deficiency) of revenues over expenses	\$ (351,975)	\$ (790,286)	\$ 81,399	\$ (1,060,862)	\$ (354,789)
Items not affecting cash:					
Amortization of property	-	606,701	-	606,701	611,224
Unrealized loss/(gain) on investments	233,549	(707,549)	(81,399)	(555,399)	570,444
Loss on disposal of property	-	198,783	-	198,783	-
	(118,426)	(692,351)	-	(810,777)	826,879
Changes in non-cash working capital:					
Accounts and loans receivable	(532,644)	-	-	(532,644)	64,502
Accounts payable and accrued liabilities	10,936	-	-	10,936	(69,029)
	(521,708)	-	-	(521,708)	(4,527)
Cash flow from (used by) operating activities	(640,134)	(692,351)	-	(1,332,485)	822,352
<b>INVESTING ACTIVITIES</b>					
Repayment of loans and notes receivable	16,500	290,500	-	307,000	203,555
Addition to loans and notes receivable	(45,000)	-	-	(45,000)	(390,500)
Net investment (withdrawal) of investments	301,942	731,586	(53,954)	979,574	(655,511)
Purchase of property additions	-	(29,735)	-	(29,735)	-
Cash flow from (used by) investing activities	273,442	992,351	(53,954)	1,211,839	(842,456)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	(366,692)	300,000	(53,954)	(120,646)	(20,104)
Cash - beginning of year	394,551	-	122,905	517,456	537,560
<b>CASH - END OF YEAR</b>	\$ 27,859	\$ 300,000	\$ 68,951	\$ 396,810	\$ 517,456

# THE SYNOD OF THE DIOCESE OF CALGARY

## Notes to Financial Statements

Year Ended December 31, 2020

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### 1. PURPOSE OF THE ORGANIZATION

The Synod of the Diocese of Calgary (the "organization") is a not-for-profit organization of Alberta. The Diocese is a religious organization that consists of the Bishops of the Diocese; the clergy of the Diocese who hold the license of the Bishop; those representatives of the laity who have been duly authorized under the Constitution of the Synod to be members of the Diocesan Synod (including members elected by the Parishes and members appointed by the Bishop); and, as officers of the Diocesan Synod, the Dean, the Executive Officer, the Chancellor, the Vice-Chancellor, the Solicitor, the Registrar, the Secretary and the Treasurer. The Synod of the Diocese of Calgary was incorporated under a private ordinance of incorporation (Ordinances of the North-West Territories, 1891 and amended by Statutes of Alberta). As a registered charity the organization is exempt from the payment of income tax under Section 149(1) of the Income Tax Act.

The Anglican Diocese of Calgary includes approximately 10,000 Anglicans in 71 active parishes in the southern part of the Province of Alberta. It provides administrative, pastoral, liturgical, and ecclesiastical oversight and support for the Anglican congregations within its geographic boundaries.

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### 2. RELATED ENTITIES AND CONSOLIDATION

The Diocese exercises control over the assets of its congregations by virtue of its ability to approve or disallow any purchase, modification, alteration, or financing of the land and buildings within the Diocese. However, each of the congregations is individually immaterial to the operation of the Diocese and therefore no financial information relating to the operation of individual congregations is required to be presented in these financial statements.

The Diocese also exercises control over a number of related operations or programs including the Dinka congregation, Cursillo, the Refugee Committee and the Companion Diocese Committee. However, these entities are all managed and operated separately from the Diocese and, since they are individually immaterial to the operation of the Diocese, no financial information relating to the day-to-day operation of these entities is presented in these financial statements.

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements were prepared on a going concern basis in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPO) and, in management's opinion, with consideration of materiality and within the framework of the following accounting policies:

#### **Fund accounting**

The Synod of the Diocese of Calgary follows the restricted fund method of accounting for contributions.

The Operating Fund accounts for the Diocese's program delivery and administrative activities. This fund reports unrestricted resources, and resources restricted internally by the Diocese.

The Capital Fund reports the assets, liabilities, revenues, and expenses related to the Diocese's tangible capital assets, including the land and buildings of its congregations, as well as capital reserve funds for the Diocese and the Parishes.

The Externally Restricted Fund reports those resources that are restricted in use by the donor. Most restricted resources are comprised of trust funds that have been established by donors who have specified the purpose and use of both the capital and income of the funds.

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# THE SYNOD OF THE DIOCESE OF CALGARY

## Notes to Financial Statements

Year Ended December 31, 2020

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### **Financial instruments**

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial instruments subsequently measured at amortized cost include cash, accounts receivable, loans receivable, accounts payable and accrued liabilities. Investments and managed account liabilities are measured at fair value.

#### **Revenue recognition**

The Synod of the Diocese of Calgary follows the restricted fund method of accounting for contributions.

Apportionment from parishes is recognized in revenue in the year in which it is assessed. Every year, the Diocese sets aside a certain estimate of funds as apportionment reduction. Any apportionment reduction applications approved by the Council are recorded as apportionment reduction.

Restricted contributions related to general operations are recognized as revenue of the Operating Fund in the year in which the related expenses are incurred. All other restricted contributions are recognized as revenue of the appropriate restricted fund.

Unrestricted contributions are recognized as revenue of the Operating Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

The Diocese acts as an agent to collect contributions and pay the clergy payroll and building insurance on the parishes behalf. As the Diocese only acts as an agent, it only recognizes contribution revenue when it issues donation receipt directly to the donor and expenses in grants and subsidies to parishes expenses when it provides relief to the parishes.

Trust and restricted contributions include amounts received from various sources (including parishes and donors) for certain specific purposes set out as either trust conditions or other restrictions on their use. Because ownership of the funds is transferred to the Diocese, these amounts are reflected in the Diocese's statement of operations in the period in which they are received. As trust conditions or other restrictions on the use of these funds are met, the amounts are withdrawn and recorded in the Diocese's statement of operation as an expense in trust and restricted withdrawals.

Investment income is recognized in the period in which it is earned, net of investment counsel fees. Investment income related to managed accounts are recognized on a net basis as these funds are managed on behalf of the related entities and are not to the benefit of the Diocese. Realized and unrealized gains and losses on investments are recognized in the period in which they arise.

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# THE SYNOD OF THE DIOCESE OF CALGARY

## Notes to Financial Statements

Year Ended December 31, 2020

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### **Measurement uncertainty**

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

The most significant estimates include: allowance for doubtful accounts, amortization and the estimated useful lives of property, impairment of property, valuation of investments and managed account liabilities, and provision of accrued liabilities.

#### **Cash and cash equivalents**

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

#### **Investments**

The Diocese operates a "Consolidated Investment Fund" to hold long-term investments on behalf of the three funds (Operating, Capital and Externally Restricted) and related entities such as Parishes and Trusts. Amounts belonging to related entities are reported as Managed Accounts, which are comprised of amounts managed by the Diocese on behalf of related entities (such as parishes and trusts). Accordingly, the market adjustments, income, deposits and withdrawals of these accounts are not reflected in the Diocese's Statement of Operations and Changes in Net Assets.

All gains and losses from the sale, collection, or other disposition of investments under the Diocese's own funds are accounted for in the fund that owned the assets. When a parish ceases its operation, the Diocese will recognize the residual balance of the managed accounts as revenue from trust and restricted contributions.

#### **Loans Receivable**

Loans receivable are initially recorded in the accounts at the principal amount outstanding. The loan balances are regularly assessed for collectability and appropriate allowances are recorded, if required.

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# THE SYNOD OF THE DIOCESE OF CALGARY

## Notes to Financial Statements

Year Ended December 31, 2020

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### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

#### **Property**

The Diocese, through its Ordinance of Incorporation together with its Constitution and Canons, controls, holds in trust, or owns all Diocesan and Parish real property. The Diocese has acquired the applicable interest in all of these properties with the assistance of the congregations in the Diocese and the Diocese's interest is deemed to take effect when the property is available for use. In situations where the congregation has ceased to operate, the use and enjoyment of the property reverts to the Diocese. The Diocese also owns other property used for particular purposes. All land and buildings are recorded at cost, with cost being established using available records. For older properties, a best estimate or, in the absence of records, a nominal value has been assigned. Properties that have been acquired by bequest or gift are recorded at fair market value at the date of contribution. When fair value cannot be reasonably estimated, the property is recorded at nominal value. Also, when fair value is not available, contributed tangible capital assets are recognized at nominal value.

Property is stated at cost or deemed cost less accumulated amortization and is amortized over its estimated useful life on a straight-line basis at the following rates:

Land	N/A
Buildings	40 years
Furniture and equipment	3 to 5 years

#### **Impairment of long lived assets**

The organization tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

#### **Net assets**

- a) Net assets invested in property and equipment represents the organization's net investment in property and equipment which is comprised of the unamortized amount of property and equipment purchased with restricted funds.
- b) Internally restricted net assets are funds which have been designated for a specific purpose by the Diocese's Council.
- c) Externally restricted net assets are funds which have been designated for a specific purpose by the specific donor.
- d) Unrestricted net assets comprise the excess of revenue over expenses accumulated by the organization each year, net of transfers, and are available for general purposes.

#### **Donated goods and securities**

Donated goods and securities are recorded at their fair market value at the time of the donation.

#### **Contributed services**

The operations of the organization depend on both the contribution of time by volunteers and donated materials from various sources. The fair value of donated materials and services cannot be reasonably determined and are therefore not reflected in these financial statements.

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# THE SYNOD OF THE DIOCESE OF CALGARY

## Notes to Financial Statements

Year Ended December 31, 2020

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### 4. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2020.

#### Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Diocese's credit risk is primarily attributable to its cash, investments, accounts receivables (Note 6) and loans receivable (Note 7). The Diocese mitigates its exposure to credit risk pertaining to cash and investments by placing its funds with reputable financial institutions and investment managers. The Diocese mitigates its exposure to accounts and loans receivable effectively through credit approval and monitoring procedures in the normal course of business.

Furthermore, the Diocese collects monthly pre-authorized deposits and remits payroll and building insurance payments on behalf of its parishes. The Diocese is exposed to credit risk from its parishes if they failed to reimburse the Diocese for the expenses incurred and NSF returns (Note 12).

#### 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 rate risk, interest rate risk and other price risk. The organization is mainly exposed to currency risk and market risk.

#### Currency risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The organization is exposed to foreign currency exchange risk on portfolio investments denominated in U.S. dollars. At December 31, 2020, the foreign content of the investments was 43% (2019 - 31%) (Note 5). The Diocese does not use derivative instruments to reduce its exposure to currency and other price risk.

#### Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the organization manages exposure through its normal operating and financing activities. The organization is exposed to interest rate risk primarily through its floating interest rate bank credit facilities (Note 11).

#### Other price risk

A considerable portion of the Diocese financial assets is in equity securities, such as common shares, or in equity-like securities, such as mutual funds. The value of these securities changes in response to changes in the business, financial condition, management and other relevant factors affecting the company that issued the securities, as well as changes in the general economic condition of the markets in which they operate, thereby exposing the Diocese to these fluctuations in value.

The fair market value of the investments at December 31, 2020 is \$21,952,730 (2019 - \$23,365,176) (Note 5).

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# THE SYNOD OF THE DIOCESE OF CALGARY

## Notes to Financial Statements

Year Ended December 31, 2020

### 5. INVESTMENTS AND MANAGED ACCOUNTS

The Diocese operates a "Consolidated Investment Fund" to hold long-term investments on behalf of the three funds (Operating, Capital and Externally Restricted) and related entities such as Parishes and Trusts. Amounts belonging to related entities are reported as Managed Accounts, which are comprised of amounts managed by the Diocese on behalf of related entities (such as parishes and trusts). Accordingly, the market adjustments, income, deposits and withdrawals of these accounts are not reflected in the Diocese's Statement of Operations and Changes in Net Assets (Note 2).

The following table summarizes the annual transactions related to the investments, which are held with a third party investment manager:

	<u>2020</u>	<u>2019</u>
<u>Consolidated investment fund</u>		
Market value, beginning of the year	\$ 23,365,176	\$ 22,866,073
Net deposit / (withdrawals)	(2,836,549)	(2,291,434)
Net investment income	416,399	430,680
Fair market value gain/(loss)	<u>1,007,704</u>	<u>2,359,857</u>
Market value, end of the year	<u>\$ 21,952,730</u>	<u>\$ 23,365,176</u>

Included in net investment income was \$119,412 (2019 - \$104,943) investment counsel fees paid.

#### Managed accounts

Market value, beginning of the year	\$ 11,710,528	\$ 11,227,901
Distributions from dissolved parishes	-	(422,252)
Net deposit / (withdrawals)	(1,799,860)	(610,133)
Net investment income	189,321	220,816
Fair market value gain/(loss)	<u>442,281</u>	<u>1,294,196</u>
Market value, end of the year	<u>\$ 10,542,270</u>	<u>\$ 11,710,528</u>

During the prior year, the Anglican Diocese of Calgary Foundation and three parishes were dissolved and all of their remaining assets were distributed to the Diocese.

#### Diocese office portion of the investment fund

Market value, beginning of the year	\$ 11,654,648	\$ 11,638,172
Distributions from dissolved parishes	-	422,252
Net deposit / (withdrawals)	(1,036,689)	(1,681,301)
Net investment income	227,078	209,864
Fair market value gain/(loss)	<u>565,423</u>	<u>1,065,661</u>
Market value, end of the year	<u>\$ 11,410,460</u>	<u>\$ 11,654,648</u>

### 6. ACCOUNTS RECEIVABLE

	<u>2020</u>	<u>2019</u>
Apportionments and other receivables from parishes	\$ 470,845	\$ 125,392
CEWS Receivable	180,555	-
GST recoverable	<u>14,833</u>	<u>8,197</u>
	<u>\$ 666,233</u>	<u>\$ 133,589</u>

# THE SYNOD OF THE DIOCESE OF CALGARY

## Notes to Financial Statements

Year Ended December 31, 2020

### 7. LOANS RECEIVABLE

The Diocese has advanced 7 loans (2019 - 8 loans) to its parishes, related entities and clergies, bearing interest at 0% (2019 - 0% to 2.70%). At year end, \$272,467 (2019 - \$243,967) of the loans were unsecured and \$330,500 (2019 - \$621,000) of the loans were secured by the buildings in which the funds were advanced to acquired.

	2020	2019
Operating fund		
Sanctum Retreat	\$ 100,000	\$ 100,000
Holy Cross, Calgary	91,829	91,829
Holy Trinity, Calgary	35,638	52,138
All Saints	45,000	-
Capital fund subtotal	272,467	243,967
Joint Ownership Agreements	330,500	621,000
	<b>\$ 602,967</b>	<b>\$ 864,967</b>

### 8. PROPERTY

	Cost	Accumulated amortization	2020 Net book value	2019 Net book value
Land	\$ 2,188,613	\$ -	\$ 2,188,613	\$ 2,188,613
Buildings	24,378,616	10,257,423	14,121,193	15,076,929
	<b>\$ 26,567,229</b>	<b>\$ 10,257,423</b>	<b>\$ 16,309,806</b>	<b>\$ 17,265,542</b>

# THE SYNOD OF THE DIOCESE OF CALGARY

## Notes to Financial Statements

Year Ended December 31, 2020

### 9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2020	2019
Accounts payable and accrued liabilities	\$ 181,300	\$ 171,405
Distributions payable	104,511	83,470
Deferred revenue	-	20,000
Operating fund subtotal	285,811	274,875
Deferred revenue (capital fund)	50,000	50,000
	<u>\$ 335,811</u>	<u>\$ 324,875</u>

### 10. INTERNALLY RESTRICTED FUNDS

These internally restricted amounts in the Operating Fund are not available for unrestricted purposes without the approval of the Diocesan Council:

	2019	Contributions (utilized)	Income (loss)	2020
Mission and Ministry Spending	\$ 997,961	\$ -	\$ 73,010	\$ 1,070,971
Mission and Ministry Endowment	1,921,406	-	140,493	2,061,899
Reserve funds	863,396	(69,333)	59,964	854,027
Diocese operational funds	3,323,186	(506,414)	179,454	2,996,226
	<u>7,105,949</u>	<u>(575,747)</u>	<u>452,921</u>	<u>6,983,123</u>
Capital reserve funds	3,091,046	(558,296)	205,660	2,738,410
Capital operational funds	-	-	-	-
	<u>3,091,046</u>	<u>(558,296)</u>	<u>205,660</u>	<u>2,738,410</u>
	<u>\$ 10,196,995</u>	<u>\$ (1,134,043)</u>	<u>\$ 658,581</u>	<u>\$ 9,721,533</u>

# THE SYNOD OF THE DIOCESE OF CALGARY

## Notes to Financial Statements

Year Ended December 31, 2020

### 11. EXTERNALLY RESTRICTED FUNDS

	2019	Contributions (Utilized)	Income (loss)	2020
Pastoral Care Fund	\$ 295,467	\$ -	\$ 23,961	\$ 319,428
Appleby Bequest Fund	129,975	-	9,504	139,479
Robert White Memorial Fund	115,202	-	8,424	123,626
Florence Milligan ACW Fund	86,550	(3,120)	6,327	89,757
Native Ministry Fund	109,111	-	7,948	117,059
Sower Fund	86,049	-	6,292	92,341
Youth Ministry Fund	66,140	-	4,847	70,987
Clergy Car Fund	65,440	-	-	65,440
Parish Endowment Fund	50,642	(2,581)	3,779	51,840
Archdeacon Tims Memorial Fund	52,009	-	3,803	55,812
Lally Fund	43,705	-	3,196	46,901
Gordon White Memorial Fund	42,849	-	3,133	45,982
Companion Diocese Fund	42,138	-	3,078	45,216
Rural Ministry Fund	28,933	-	2,116	31,049
Densmore Trust Fund	13,964	-	1,022	14,986
E.S. Jackson Memorial Fund	1,443	(31)	107	1,519
Bishop's Discretionary Fund	6,823	(406)	-	6,417
	<b>\$ 1,236,440</b>	<b>\$ (6,138)</b>	<b>\$ 87,537</b>	<b>\$ 1,317,839</b>

### 12. GRANTS AND SUBSIDIES TO PARISHES

During the year, the Diocese advanced gross payroll and building insurance payments totalling \$4,998,301 (2019 - \$4,989,834). Payroll and insurance grants of \$1,053,863 (2019 - \$430,578) were provided to parishes, offset by \$746,452 (2019 - \$nil) of CEWS received by the Diocese related to the parishes. During the year, the Diocese assessed net apportionments of \$1,246,861 (2019 - \$1,177,072) and did not collect \$316,032 (2019 - \$114,405) which was recorded as a grant. In 2020, loans which had previously been written off of \$70,000 (2019 - \$49,192) were received, which was recorded as a reduction in the grant. During 2020, \$79,486 (2019 - \$34,893) was paid in approved grants and subsidies of expenses paid on behalf of parishes.

### 13. CONTINGENCIES AND COMMITMENTS

#### Contingencies:

From time to time the Diocese acts as guarantor for loans made to parishes that have funds or assets held by the Diocese. Currently, the Diocese is contingently liable as guarantor for the indebtedness its parishes for \$85,604 (2019 - \$85,604).

The guarantee for the parishes will be in effect until such time as the related funds borrowed by the parish from a Canadian chartered bank and national church organization have been repaid. In each case, the funds were borrowed by the parish to complete a renovation project and will be repaid as soon as parish fundraising efforts permit. The guarantees are unsecured. If either parish is unable to raise the necessary funds, then the Diocese could be required to pay the applicable obligation to the maximum amount noted.

(continues)



## THE SYNOD OF THE DIOCESE OF CALGARY

### Notes to Financial Statements

Year Ended December 31, 2020

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#### 13. CONTINGENCIES AND COMMITMENTS *(continued)*

##### **Commitments:**

The Diocese has signed a lease agreement for office space. Under the terms of this lease, the Diocese is committed to make annual lease payments in the amount of \$88,993 from May 1, 2020 to April 30, 2025.

The Diocese is also committed to advance payroll and building insurance payments on behalf of its parishes. The Diocese will then collect from the parishes behalf. From time to time, parishes facing financial difficulty may not be able to fulfill its obligation to reimburse the Diocese (Note 12).

The Diocese offers on behalf of its parishes to collect pre-authorized monthly donation payments from their donors. From time to time, the Diocese will suffer financial loss due to NSF returns and charges days after paying out to its parishes (Note 12).

##### **Pension:**

Diocesan office staff and all clergy in the Diocese in receipt of salary participate in the General Synod Pension Plan, a multi-employer target benefit pension plan operated by the Anglican Pension Office Corporation, and registered in the Province of Ontario. In addition, certain employees of parishes participate in the Lay Retirement Plan, a defined contribution plan also operated by the Anglican Pension Office Corporation, and registered in the Province of Ontario. As payroll agent for the parishes, the Diocese is responsible to remit monthly to the Pension Office Corporation the required employee and employer contributions on behalf of the parishes (2020 - \$637,894; 2019 - \$667,572). These figures include the required employer contributions on behalf of the Diocese's direct employees.

##### **Credit facility:**

As at December 31, 2020, the Diocese has a letter of credit in the amount of \$88,000 (2019 - \$88,000) outstanding to collateralize payment for property development work done by a parish.

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#### 14. HEALTH PANDEMIC

During the year, the World Health Organization categorized the outbreak of a strain of the novel coronavirus (COVID-19) as a pandemic which has led to a number of public health and emergency measures which have been put in place by various levels of government to attempt to combat the spread of the virus. The duration and potential impact of COVID-19 is unknown and it is not possible to reliably estimate the impact these events may have on the financial results and condition of the organization in future periods.

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