

# **The Synod of the Diocese of Rupert's Land**

**Financial Statements  
December 31, 2022**



## Independent auditor's report

To the Diocesan Council of The Synod of the Diocese of Rupert's Land

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### Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of The Synod of the Diocese of Rupert's Land (the Diocese) 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.

#### What we have audited

The Diocese's financial statements comprise:

- the balance sheet as at December 31, 2022;
- the statement of operations for the year then ended;
- the statement of changes in fund balances for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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### Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We are independent of the Diocese in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements.

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### Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal

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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.

In preparing the financial statements, management is responsible for assessing the Diocese's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Diocese or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Diocese's financial reporting process.

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### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Diocese's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Diocese's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Diocese to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*PricewaterhouseCoopers LLP*

Chartered Professional Accountants

Winnipeg, Manitoba  
December 14, 2023

# The Synod of the Diocese of Rupert's Land

## Balance Sheet

As at December 31, 2022

	2022									2021
	Operating Fund \$	Property Capital Fund \$	New Church and Diocesan Ministry Development Fund \$	General Trust Fund \$	Hobson Trust Fund \$	Bird Trust Fund \$	Shared Ministry Investment Fund \$	Healing and Reconciliation Fund \$	St Stephen's Fund \$	Total \$
<b>Assets</b>										
Cash and term deposits	185,901	-	-	-	-	-	-	-	-	185,901
Accounts and loans receivable (note 4)	68,577	-	-	106,509	-	-	-	-	-	175,086
Prepaid expenses	14,018	-	-	-	-	-	-	-	-	14,018
Interfund balances	-	-	-	74,581	-	-	-	60,402	-	134,983
	268,496	-	-	181,090	-	-	-	60,402	-	509,988
<b>Investments (note 5)</b>	45,862	423,159	1,508,028	2,638,832	378,507	231,961	703,470	-	964,222	6,689,085
<b>Promissory note receivable (note 8)</b>	42,987	-	-	-	-	-	-	-	-	42,987
<b>Capital assets (note 6)</b>	-	63,782	-	-	-	-	-	-	-	63,782
	357,345	486,941	1,508,028	2,819,922	378,507	231,961	703,470	60,402	964,222	7,510,798
										7,745,534
<b>Liabilities</b>										
Accounts payable and accrued liabilities	231,285	1,709	-	13,374	500	1,938	2,839	-	-	251,645
Distributions payable	-	-	-	17,206	16,214	-	137,181	-	-	170,601
Due to The Bishop of the Diocese of Rupert's Land (a Corporation)	21,341	-	-	-	-	-	-	-	-	21,341
Interfund balances	61,115	40,460	6,589	-	-	10,201	16,618	-	-	134,983
Promissory note payable (note 8)	987	-	-	-	-	-	-	-	-	987
	314,728	42,169	6,589	30,580	16,714	12,139	156,638	-	-	579,557
<b>Promissory note payable (note 8)</b>	42,000	-	-	-	-	-	-	-	-	42,000
<b>Designated payables (note 7)</b>	12,258	-	-	1,094,892	-	-	-	-	-	1,107,150
	368,986	42,169	6,589	1,125,472	16,714	12,139	156,638	-	-	1,728,707
										2,225,660
<b>Fund Balances</b>										
Externally restricted	-	-	-	1,006,870	334,110	172,467	-	-	-	1,513,447
Internally restricted (note 9)	51,998	-	622,370	203,903	14,258	26,304	438,873	60,402	964,222	2,382,330
Unrestricted	(63,639)	444,772	879,069	483,677	13,425	21,051	107,959	-	-	1,886,314
	(11,641)	444,772	1,501,439	1,694,450	361,793	219,822	546,832	60,402	964,222	5,782,091
	357,345	486,941	1,508,028	2,819,922	378,507	231,961	703,470	60,402	964,222	7,510,798
										7,745,534

Approved by the Diocesan Council

*Stephen W. W. W.*

The accompanying notes are an integral part of these financial statements.



# The Synod of the Diocese of Rupert's Land

## Statement of Operations

For the year ended December 31, 2022

										2022	2021
	Operating Fund \$	Property Capital Fund \$	New Church and Diocesan Ministry Development Fund \$	General Trust Fund \$	Hobson Trust Fund \$	Bird Trust Fund \$	Shared Ministry Investment Fund \$	Healing and Reconciliation Fund \$	St Stephen's Fund \$	Total \$	Total \$
Revenue											
Parish pledges	589,672	-	-	-	-	-	-	-	-	589,672	607,058
Trust income	13,468	-	-	55,602	-	-	-	-	-	69,070	36,624
Donations, bequests and other revenue (note 11)	195,464	1,375	-	-	-	-	1,375	1,400	-	199,614	406,382
Income (loss) from investments	-	(21,956)	(21,166)	(102,955)	(26,059)	(15,959)	(41,298)	-	(66,402)	(295,795)	459,317
Gain on sale of property	-	-	637,495	234,742	-	-	-	-	-	872,237	-
Designated receipts	-	-	-	79,541	-	-	-	-	-	79,541	95,783
Miscellaneous	23,286	-	-	-	-	-	-	-	-	23,286	21,475
	821,890	(20,581)	616,329	266,930	(26,059)	(15,959)	(39,923)	1,400	(66,402)	1,537,625	1,626,649
Expenditures											
Parishes	8,552	-	-	-	-	-	-	-	-	8,552	8,552
Episcopal supervision	133,045	-	-	-	-	-	-	-	-	133,045	124,639
Wider Church	183,612	-	-	-	-	-	-	-	-	183,612	164,828
Parish and Diocesan programs	131,648	-	40,629	-	-	-	-	501	-	172,778	195,074
Youth program	19,075	-	-	-	-	-	-	-	-	19,075	5,000
Administration and general	78,012	5,180	7,894	19,614	2,820	3,017	8,866	-	5,914	131,317	136,219
Diocesan staff	328,395	-	-	-	-	-	-	-	-	328,395	270,435
Pastoral and sundry	6,855	-	-	-	-	-	-	-	-	6,855	2,785
Retired clergy and widows	47,376	-	-	-	-	-	-	-	-	47,376	45,827
Interest	1,829	-	-	-	-	-	-	-	-	1,829	1,760
Distributions to beneficiaries (note 12)	-	-	-	54,580	16,213	3,000	26,331	-	38,713	138,837	122,243
Amortization	-	32,950	-	-	-	-	-	-	-	32,950	36,306
Designated disbursements	-	-	-	70,787	-	-	-	-	-	70,787	50,696
	938,399	38,130	48,523	144,981	19,033	6,017	35,197	501	44,627	1,275,408	1,164,364
Excess (deficiency) of revenue over expenditures	(116,509)	(58,711)	567,806	121,949	(45,092)	(21,976)	(75,120)	899	(111,029)	262,217	462,285

The accompanying notes are an integral part of these financial statements.

# The Synod of the Diocese of Rupert's Land

## Statement of Changes in Fund Balances

For the year ended December 31, 2022

	2022										2021
	Operating Fund \$	Property Capital Fund \$	New Church and Diocesan Ministry Development Fund \$	General Trust Fund \$	Hobson Trust Fund \$	Bird Trust Fund \$	Shared Ministry Investment Fund \$	Healing and Reconciliation Fund \$	St Stephen's Fund \$	Total \$	Total \$
<b>Unrestricted</b>											
Excess (deficiency) of revenue over expenditures	(116,509)	(58,711)	567,806	121,949	(45,092)	(21,976)	(75,120)	899	(111,029)	262,217	462,285
Interfund transfers (note 10)	35,799	-	-	(13,629)	-	(7,542)	(14,628)	-	-	-	-
Allocation to (from) internally restricted (note 10)	5,805	-	-	-	-	-	-	(899)	111,029	115,935	(102,346)
Balance – Beginning of year	11,266	503,483	311,263	375,357	58,517	50,569	197,707	-	-	1,508,162	1,148,223
Balance – End of year	(63,839)	444,772	879,069	483,677	13,425	21,051	107,959	-	-	1,886,314	1,508,162
<b>Externally restricted</b>											
Balance – Beginning and end of year	-	-	-	1,006,870	334,110	172,467	-	-	-	1,513,447	1,513,447
<b>Internally restricted</b>											
Relocation of funds (note 14)	-	-	-	-	-	-	-	-	-	-	1,019,483
Allocation (from) to unrestricted (note 10)	(5,805)	-	-	-	-	-	-	899	(111,029)	(115,935)	102,346
Balance – Beginning of year	57,803	-	622,370	203,903	14,258	26,304	438,873	59,503	1,075,251	2,498,265	1,376,436
Balance – End of year	51,998	-	622,370	203,903	14,258	26,304	438,873	60,402	964,222	2,382,330	2,498,265
	(11,641)	444,772	1,501,439	1,694,450	361,793	219,822	546,832	60,402	964,222	5,782,091	5,519,874

The accompanying notes are an integral part of these financial statements.

# The Synod of the Diocese of Rupert's Land

## Statement of Cash Flows

For the year ended December 31, 2022

	2022 \$	2021 \$
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Excess of revenue over expenditures	262,217	462,285
Items not affecting cash		
Amortization	32,950	36,306
Realized and unrealized loss (gain) on investments	295,795	(459,317)
	590,962	39,274
Changes in non-cash working capital items		
Prepaid expenses	(1,429)	781
Accounts and loans receivable	108,578	(140,440)
Promissory note receivable	5,841	5,172
Accounts payable and accrued liabilities	(196,294)	151,214
Distributions payable	(40)	33,211
Designated payables	(3,100)	(72,187)
Due to The Bishop of the Diocese of Rupert's Land (a Corporation)	(2,378)	1,631
	502,140	18,656
<b>Financing and investing activities</b>		
Purchase of capital assets – net	(17,438)	(2,254)
Purchase of investments	(901,617)	(163,818)
Proceeds on disposal of investments	400,865	279,667
Promissory note payable	(5,841)	(5,172)
Designated payables – General Trust Fund – net	(203,213)	58,686
	(727,244)	167,109
<b>(Decrease) increase in cash and term deposits during the year</b>	<b>(225,104)</b>	<b>185,765</b>
<b>Cash and term deposits – Beginning of year</b>	<b>411,005</b>	<b>225,240</b>
<b>Cash and term deposits – End of year</b>	<b>185,901</b>	<b>411,005</b>

The accompanying notes are an integral part of these financial statements.



# **The Synod of the Diocese of Rupert's Land**

## **Notes to Financial Statements**

**December 31, 2022**

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### **1 Purpose of organization**

The purpose and objective of The Synod of the Diocese of Rupert's Land (the Diocese) is the government and administration of the affairs of The Anglican Church of Canada within the Diocese of Rupert's Land.

The Diocese operates within the auspices of The Anglican Church of Canada. The ongoing operations of the Diocese are dependent on the continued financial support of parishes within the Diocese of Rupert's Land.

### **2 Summary of significant accounting policies**

#### **Basis of presentation**

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO) and include the following significant accounting policies.

The presentation and disclosure of certain comparative information has been changed.

#### **Fund accounting**

- **Operating Fund**

Revenue and expenses related to the Diocese's operations are reported in the Operating Fund. All other revenue and expenses are reported in their respective funds.

- **Property Capital Fund**

The Property Capital Fund reports the assets, liabilities, revenue and expenses related to the Diocese's capital assets, including investments related thereto.

- **New Church and Diocesan Ministry Development Fund**

The New Church and Diocesan Ministry Development Fund reports the assets, liabilities, revenue and expenses related to new church and ministry development within the Diocese of Rupert's Land.

- **General Trust Fund**

The General Trust Fund consists of a group of trusts funded through donations and investment income from trust funds that are administered by the Diocese of Rupert's Land with the income allocated for specific beneficiaries or purposes. This fund also includes proceeds from the sale of real property of parishes within the Diocese of Rupert's Land, which are being held in trust for future use by the parish.

- **Hobson Trust Fund**

Under provisions of the last will and testament of William Edward Hobson, revenue from the Hobson Trust Fund is to be used for the general purposes of St. John's College.

# The Synod of the Diocese of Rupert's Land

## Notes to Financial Statements

December 31, 2022

- Bird Trust Fund

The Bird Trust Fund was created from proceeds given to the Diocese by Mr. Hubert John Bird. Revenue earned on the original endowment is used for the advancement of religion and education.

- Shared Ministry Investment Fund

The Shared Ministry Investment Fund was created in 2004 out of the remaining proceeds from the sale of Anglican Island. The purpose of this fund is to provide ongoing support to the Diocesan operating budget as well as to provide support to parish projects. The original distribution of revenue from this fund was as follows: 30% to the Diocesan Operating Budget; 30% to the Diocesan Youth Ministry Program; 30% to Parish Projects; and 10% to Parish and Diocesan Emergencies.

In 2022, this allocation was modified as follows: 50% to the Diocesan Operating Budget; 10% to the Diocesan Youth Ministry Program; 30% to Parish Projects; and 10% to Parish and Diocesan Emergencies to help reduce the Diocesan operating deficit.

- Healing and Reconciliation Fund

The Healing and Reconciliation Fund was created to fund local programs and initiatives developed by indigenous people for indigenous people.

- St Stephen's Fund

The St Stephen's Fund was created in 2021 from the proceeds from the sale of St Stephen's Church, previously held as a designated payable. The proceeds and accumulated interest were transferred from designated payables to the newly created St Stephen's Fund in 2021.

The funds are designated for the fund projects identified in the table below. The balances represent the allocations and accumulated interest as at December 31, 2022.

	2022 \$	2021 \$
\$10,000 – Diocesan archives	10,834	11,681
\$75,000 – St Stephen's Bursary Fund for Theological Education – Capital funds held in trust by the Diocese; interest available for disbursement at the Bishop's discretion for theological education purposes	81,260	87,610
\$10,000 – Shared Ministry Fund – Youth	10,834	11,681
\$90,000 – Epiphany Indigenous Anglican Church immediate needs	94,171	101,531
\$410,000 – Bishop's Proposal for Reconciliations initiatives in supporting life and growth of Epiphany Indigenous Anglican Church	406,003	462,530
\$348,000 – Trust fund for Ministry Development in the Diocese of Rupert's Land	361,120	400,218
	<u>964,222</u>	<u>1,075,251</u>

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# The Synod of the Diocese of Rupert's Land

## Notes to Financial Statements

December 31, 2022

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### Cash and term deposits

Cash and term deposits include cash on hand as well as cash and term deposits held at financial institutions.

### Revenue recognition

Restricted contributions are recognized as revenue of the appropriate fund in the year in which the related expenditures are incurred. Unrestricted contributions are recognized as revenue of the appropriate fund as received.

Restricted investment income is recognized as revenue of the appropriate fund in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

### Capital assets

- Property Capital Fund

Purchased capital assets are recorded in the Property Capital Fund at cost. Amortization is provided on a straight-line basis over the assets' estimated useful lives:

Buildings	40 years
Building improvements	10 years
Equipment	3 to 7 years

Contributions received for capital assets are amortized on the same basis as the related assets.

### Financial instruments

- Measurement of financial instruments

The Diocese initially measures its financial assets and financial liabilities at fair value adjusted by, in the case of a financial instrument that will not be measured subsequently at fair value, the amount of transaction costs directly attributable to the instrument.

The Diocese subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments, which are subsequently measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash and term deposits and accounts and loans receivable and promissory note receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities, designated payables, distributions payable and promissory note payable, due to The Bishop of the Diocese of Rupert's Land (a Corporation).

# The Synod of the Diocese of Rupert's Land

## Notes to Financial Statements

December 31, 2022

### 3 Related party transactions

The Diocese is a related party to both The Bishop of the Diocese of Rupert's Land (a Corporation) and Rupert's Land Capital Fund Inc. as the entities share key members of governance, creating common influence. The Diocese has both payable and receivable balances outstanding with The Bishop of the Diocese of Rupert's Land (a Corporation) and Rupert's Land Capital Fund Inc. Receivable balances relate to The Bishop of the Diocese of Rupert's Land (a Corporation)'s expenses for the bishops, retired clergy and widows, and retired bishops and widows paid for by the Diocese, and distributions from Rupert's Land Capital Fund Inc. and The Bishop of the Diocese of Rupert's Land (a Corporation) (note 4). Payable balances relate to The Bishop of the Diocese of Rupert's Land (a Corporation)'s proportionate share of investments held by the Diocese and a promissory note payable to Rupert's Land Capital Fund Inc. (note 8). All transactions are measured at amortized cost.

### 4 Accounts and loans receivable

	2022 \$	2021 \$
<b>Operating Fund</b>		
Clergy loans	5,924	5,563
Receivable from parishes	2,217	203,174
Due from Rupert's Land Capital Fund Inc.	3,202	5,468
Due from The Bishop of the Diocese of Rupert's Land (a Corporation)	25,609	27,293
Other receivables	31,625	36,023
	<u>68,577</u>	<u>277,521</u>
<b>General Trust Fund</b>		
Other receivables	<u>106,509</u>	<u>6,143</u>
	<u>175,086</u>	<u>283,664</u>

The Diocese is the beneficiary of trust funds held in The Bishop of the Diocese of Rupert's Land (a Corporation) (the Bishop's Corporation). The amount due from the Bishop's Corporation represents income from the trust funds not yet remitted to the Diocese.

All other amounts, except for clergy loans, are non-interest bearing and are due on demand.

# The Synod of the Diocese of Rupert's Land

## Notes to Financial Statements

December 31, 2022

### 5 Investments

	2022 \$	2021 \$
Investments in Integra Balanced Mutual Funds		
Balanced Funds		
New Church and Diocesan Ministry Development Fund	1,356,095	757,485
General Trust Fund	2,186,415	2,424,274
Hobson Trust Fund	308,549	362,317
Bird Trust Fund	188,672	222,921
Property Capital Fund	359,050	336,695
Shared Ministry Investment Fund	583,101	618,448
St Stephen's Fund	790,161	911,881
	<u>5,772,043</u>	<u>5,634,021</u>
Investments in TREZ Capital Fund		
New Church and Diocesan Ministry Development Fund	151,933	142,600
General Trust Fund	452,417	424,626
Hobson Trust Fund	69,958	65,661
Bird Trust Fund	43,289	40,630
Property Capital Fund	64,109	60,170
Shared Ministry Investment Fund	120,369	112,975
St Stephen's Fund	174,061	163,370
	<u>1,076,136</u>	<u>1,010,032</u>
Investments in Canadian Imperial Bank of Commerce Funds		
Operating Fund – Money Market Fund	45,862	45,032
	<u>6,894,041</u>	<u>6,689,085</u>

### 6 Capital assets

#### Property Capital Fund

	2022			2021		
	Cost \$	Accumulated amortization \$	Net \$	Cost \$	Accumulated amortization \$	Net \$
Land	26,058	-	26,058	26,058	-	26,058
Buildings	302,571	290,536	12,035	302,571	282,973	19,598
Building improvements	284,852	260,467	24,385	278,045	232,322	45,723
Equipment	64,486	55,430	9,056	53,856	48,693	5,163
	<u>677,967</u>	<u>606,433</u>	<u>71,534</u>	<u>660,530</u>	<u>563,988</u>	<u>96,542</u>
Deferred contributions	(94,960)	(87,208)	(7,752)	(94,960)	(77,712)	(17,248)
	<u>583,007</u>	<u>519,225</u>	<u>63,782</u>	<u>565,570</u>	<u>486,276</u>	<u>79,294</u>

# The Synod of the Diocese of Rupert's Land

## Notes to Financial Statements

December 31, 2022

### 7 Designated payables

Designated payables are externally restricted contributions that are received and deposited by the Diocese for the exclusive use of various programs or events in subsequent years. These funds are held until they are either required for their specific designated use or are required to be remitted.

Proceeds from the sale of real property are generally reported in the New Church Diocesan Ministry Development Fund. However, where there is an expectation that the parish will be rebuilt or relocated in the future, the proceeds are held in the General Trust Fund on the balance sheet.

As at December 31, 2022, the Diocese held the following externally restricted contributions:

	2022 \$	2021 \$
Operating Fund		
St. George Woodlands Cemetery	12,258	15,358
General Trust Fund		
Church of the Good Shepherd	473,816	538,121
St. Chad's	160,347	241,908
St. Francis	205,682	233,693
Archdeaconry Kenora/St. Alban's	255,047	284,384
	1,094,892	1,298,106
	1,107,150	1,313,464

### 8 Promissory notes

The promissory note receivable relates to St. Aidan's Anglican Church's loan with an outstanding balance of \$42,987 (2021 – \$48,828) and is due in full by June 30, 2029. The interest rate is fixed on the anniversary date of the loan each year at prime plus 1% (currently 4.7%). The interest is to be paid on the anniversary date, with periodic payments of principal.

The promissory note payable is payable to Rupert's Land Capital Fund Inc., relates to the promissory note receivable and has the same terms and conditions as noted above.



# The Synod of the Diocese of Rupert's Land

## Notes to Financial Statements

December 31, 2022

### 9 Internally restricted funds

	2022 \$	2021 \$
Operating Fund		
Clergy loan fund	29,246	29,246
Reserve for Lambeth/General Synod	22,752	28,557
	51,998	57,803
New Church and Diocesan Ministry Development Fund – capital	622,370	622,370
General Trust Fund – capital	203,903	203,903
Hobson Trust Fund – capital	14,258	14,258
Bird Trust Fund – capital	26,304	26,304
Shared Ministry Investment Fund – capital	438,873	438,873
Healing and Reconciliation Fund – Healing and Reconciliation	60,402	59,503
St Stephen's Fund	964,222	1,075,251
	2,382,330	2,498,265

### 10 Fund transfers

The following interfund transfers were made to allocate trust income to the Operating Fund and were approved by the Board of Directors:

	2022 \$	2021 \$
Diocesan General Trust	13,629	16,335
Bird Trust	7,542	9,675
Shared Ministry Investment Trust	14,628	10,572
	35,799	36,582

In addition to the interfund transfers noted above, there were allocations made between the internally restricted and unrestricted funds that were approved by the Board of Directors.

# The Synod of the Diocese of Rupert's Land

## Notes to Financial Statements

December 31, 2022

### 11 Donations, bequests and other revenue

	2022 \$	2021 \$
Operating Fund		
New England Co.	30,500	16,200
Anderson Trust	47,376	45,827
Parishioners' contributions	14,390	80,163
Rupert's Land Capital Fund Inc.	10,264	11,835
Rupert's Land News	10,876	5,681
Warnum Trust	4,587	5,498
Youth Ministry Trust	19,075	11,280
Rent	10,690	9,960
Shared Ministry	26,331	24,667
Fund transfer	(14,628)	(10,572)
New Church and Diocesan Ministry Development Fund	36,003	-
	<u>195,464</u>	<u>200,539</u>
General Trust Fund		
Parishioners' contributions	-	40,019
Property Capital Fund		
Parishioners' contributions	1,375	55,278
Shared Ministry Investment Fund		
Parishioners' contributions	1,375	55,278
Healing and Reconciliation Fund		
Parishioners' contributions	<u>1,400</u>	<u>55,278</u>
	<u>4,150</u>	<u>205,853</u>
	<u>199,614</u>	<u>406,392</u>

### 12 Distributions to beneficiaries

	2022 \$	2021 \$
St. John's College	18,877	23,586
Other distributions	<u>119,960</u>	<u>98,657</u>
	<u>138,837</u>	<u>122,243</u>

### 13 Employee pension plan

The Diocese is a member of The Anglican Church of Canada's pension plan providing pension benefits to its employees and is required to make a defined contribution each year to the plan. The net expense for the year is \$61,609 (2021 – \$60,133).

# **The Synod of the Diocese of Rupert's Land**

## **Notes to Financial Statements**

**December 31, 2022**

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### **14 Accounting treatment of St Stephen's Fund**

In 2019, the building owned by St Stephen's Church was sold for proceeds of approximately \$943,000. The original intent for St Stephen's Church was that it would continue to exist as a parish and per internal policy, was categorized as a designated payable.

In 2020, St Stephen's Church was disestablished. In accordance with internal policy, an internally restricted fund has been created and the proceeds plus accrued interest have been transferred to this fund.

### **15 Financial instruments**

#### **Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with its financial liabilities. The Diocese is exposed to liquidity risk mainly in respect to its accounts payable and accrued liabilities, distributions payable, amounts due to The Bishop of the Diocese of Rupert's Land (a Corporation) and promissory note payable.

#### **Interest rate risk**

Interest rate risk refers to the adverse consequences of interest rate changes in the Diocese's cash flows, financial position and expenses. The risk arises from differences in the timing and amount of cash flows related to the Diocese's liabilities. All promissory notes payable bear interest at prime plus 1%, which is updated annually on the anniversary date of the loan.

#### **Credit risk**

Credit risk is the risk that a financial loss could arise from a counterparty not being able to meet its obligations. The Diocese's financial assets that are exposed to credit risk consisting of accounts and loans receivable. The Diocese performs regular assessments on the collectibility of its accounts and loans receivable. Accounts and loans receivable are due from a wide variety of sources, which minimizes the concentration of credit risk.

#### **Market risk**

Market risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in the marketplace. The Diocese holds significant investments in mutual funds comprising both equity and bond holdings, which are susceptible to market fluctuation.

### **16 Contingencies**

The Diocese has ongoing litigation that has a risk of having material impact to the financial statements. The outcome of the claim is currently undeterminable and the amount of the liability cannot be reasonably estimated.

