

ST. PAUL'S ANGLICAN CHURCH

CHARLOTTETOWN, PRINCE EDWARD ISLAND

FINANCIAL STATEMENTS

(Unaudited - See Notice to Reader)

YEAR ENDED DECEMBER 31, 2013

ST. PAUL'S ANGLICAN CHURCH

(Unaudited - See Notice to Reader)

YEAR ENDED DECEMBER 31, 2013

CONTENTS

| | PAGE |
|--|-------------|
| NOTICE TO READER | 1 |
| FINANCIAL STATEMENTS | |
| General Fund - Statement of Revenues, Expenditures and Net Assets | 2 |
| General Fund - Statement of Financial Position | 3 |
| Capital Fund - Statement of Revenues, Expenditures and Net Assets - Endowment Fund | 4 |
| Capital Fund - Statement of Financial Position | 5 |
| General Fund - Statement of Revenues, Expenditures and Net Assets - Reserves | 6 |
| Capital Fund - Statement of Revenues, Expenditures and Net Assets - Trust Fund | 7 |
| Notes to Financial Statements | 8 - 9 |
| Schedule of Expenses | 10 - 11 |

51 Queen Street
Charlottetown, PE
C1A 4A5
Tel: (902) 628-2242
Fax: (902) 628-1347

207 Spring Lane
Tignish, PE
C0B 2B0
Tel: (902) 882-4448
Fax: (902) 628-1347

5236 AA MacDonald Hwy
Montague, PE
C0A 1R0
Tel: (902) 361-2242
Fax: (902) 361-1347

NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of the general fund and the capital fund of St. Paul's Anglican Church as at December 31, 2013 and the statements of revenue, expense and deficit, as well as the statement of reserves, endowment fund - capital funds and trust funds - capital fund for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

APRIL 30, 2014
CHARLOTTETOWN, PRINCE EDWARD ISLAND

Bradley Shea Handrahan
CHARTERED ACCOUNTANTS

ST. PAUL'S ANGLICAN CHURCH
GENERAL FUND- STATEMENT OF REVENUE, EXPENDITURES AND NET ASSETS
(Unaudited - See Notice to Reader)
YEAR ENDED DECEMBER 31, 2013

| | <u>2013</u> | | | <u>2012</u> |
|--|---------------------|------------------|---------------------|---------------------|
| | <u>UNRESTRICTED</u> | <u>RESERVES</u> | <u>TOTAL</u> | |
| REVENUES | | | | |
| Envelope offerings | \$ 209,821 | \$ - | \$ 209,821 | \$ 198,158 |
| Rental income | 27,942 | - | 27,942 | 35,308 |
| Fundraising | 40,237 | - | 40,237 | 29,757 |
| Bequests | 2,000 | - | 2,000 | 20,000 |
| DeBlois memorial trust fund revenue (Page 4) | 27,000 | - | 27,000 | 20,900 |
| Special offerings | 10,156 | - | 10,156 | 9,530 |
| Loose offerings | 5,072 | - | 5,072 | 5,819 |
| Interest revenue | 4,826 | - | 4,826 | 5,028 |
| Richards trust fund revenue (Page 4) | 2,800 | - | 2,800 | 3,100 |
| Other St Paul's endowment fund revenue | 3,051 | - | 3,051 | 2,662 |
| Other | - | - | - | 297 |
| Donations - reserves (Page 6) | - | 2,980 | 2,980 | - |
| | <u>332,905</u> | <u>2,980</u> | <u>335,885</u> | <u>330,559</u> |
| EXPENDITURES | | | | |
| Administration (Page 10) | 15,608 | - | 15,608 | 18,574 |
| Allotment | 54,720 | - | 54,720 | 50,801 |
| Building & grounds maintenance | 14,506 | - | 14,506 | 14,916 |
| Fuel | 37,896 | - | 37,896 | 36,963 |
| Ministry outreach (Page 10) | 2,159 | - | 2,159 | 4,558 |
| Office operations (Page 10) | 5,881 | - | 5,881 | 8,271 |
| Parish activities (Page 10) | 24,968 | - | 24,968 | 24,769 |
| Personnel (Page 11) | 144,554 | - | 144,554 | 147,484 |
| Power | 7,210 | - | 7,210 | 8,405 |
| Repairs | 12,693 | - | 12,693 | 6,256 |
| Specific trust funds | 27,000 | - | 27,000 | 19,000 |
| Sundry | 1,321 | - | 1,321 | - |
| | <u>348,516</u> | <u>-</u> | <u>348,516</u> | <u>339,997</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES | (15,611) | 2,980 | (12,631) | (9,438) |
| NET ASSETS, BEGINNING OF YEAR | <u>(193,774)</u> | <u>23,726</u> | <u>(170,048)</u> | <u>(160,610)</u> |
| NET ASSETS, END OF YEAR | <u>\$ (209,385)</u> | <u>\$ 26,706</u> | <u>\$ (182,679)</u> | <u>\$ (170,048)</u> |

ST. PAUL'S ANGLICAN CHURCH
GENERAL FUND - STATEMENT OF FINANCIAL POSITION

(Unaudited - See Notice to Reader)

DECEMBER 31, 2013

| | <u>ASSETS</u> | | | <u>2012</u> |
|--------------------------------------|---------------------|------------------|------------------|------------------|
| | <u>2013</u> | | | |
| | <u>UNRESTRICTED</u> | <u>RESERVES</u> | <u>TOTAL</u> | |
| CURRENT | | | | |
| Cash | \$ 27,893 | \$ - | \$ 27,893 | \$ 47,464 |
| Receivables | - | - | - | 790 |
| Inventory - fund script | 3,650 | - | 3,650 | - |
| Tax rebates receivable | 3,296 | - | 3,296 | 1,728 |
| Prepays | 1,705 | - | 1,705 | 1,627 |
| Due from Unrestricted - General Fund | - | 26,706 | 26,706 | - |
| | <u>\$ 36,544</u> | <u>\$ 26,706</u> | <u>\$ 63,250</u> | <u>\$ 51,609</u> |

LIABILITIES

| | | | | |
|---------------------|----------------|----------|----------------|----------------|
| CURRENT | | | | |
| Payables | \$ 164,568 | \$ - | \$ 164,568 | \$ 164,195 |
| Due to Capital Fund | 54,655 | - | 54,655 | 33,736 |
| Due to reserves | 26,706 | - | 26,706 | - |
| | <u>245,929</u> | <u>-</u> | <u>245,929</u> | <u>197,931</u> |

NET ASSETS

| | | | | |
|--------------------------------|------------------|------------------|------------------|------------------|
| NET ASSETS (DEFICIENCY) | <u>(209,385)</u> | <u>26,706</u> | <u>(182,679)</u> | <u>(146,322)</u> |
| | <u>\$ 36,544</u> | <u>\$ 26,706</u> | <u>\$ 63,250</u> | <u>\$ 51,609</u> |

ST. PAUL'S ANGLICAN CHURCH
CAPITAL FUND - STATEMENT OF REVENUES, EXPENDITURES AND NET ASSETS - ENDOWMENT FUND
(Unaudited - See Notice to Reader)
YEAR ENDED DECEMBER 31, 2013

| | <u>2013</u> | | <u>2012</u> | |
|--|-------------------|------------------|-----------------|-------------------|
| REVENUES | | | | |
| Realized investment income (loss) | \$ 18,261 | \$ (3,521) | \$ - | \$ 24,475 |
| Unrealized gains on investments | <u>75,380</u> | <u>11,385</u> | <u>-</u> | <u>210,477</u> |
| | <u>\$ 93,641</u> | <u>7,864</u> | <u>-</u> | <u>234,952</u> |
| | | | | |
| | <u>(27,000)</u> | <u>(2,800)</u> | <u>-</u> | <u>(29,800)</u> |
| EXPENDITURES | | | | |
| Transfers to general fund | | | | <u>(24,000)</u> |
| | | | | |
| EXCESS REVENUES OVER EXPENDITURES | <u>66,641</u> | <u>7,864</u> | <u>-</u> | <u>210,952</u> |
| NET ASSETS, BEGINNING OF YEAR | <u>564,267</u> | <u>66,361</u> | <u>3,100</u> | <u>522,941</u> |
| NET ASSETS, END OF YEAR | <u>\$ 630,908</u> | <u>\$ 74,225</u> | <u>\$ 3,100</u> | <u>\$ 733,893</u> |
| | | | | |
| CONSISTS OF: | | | | |
| Restricted amount | \$ 210,000 | \$ 53,900 | \$ 3,100 | \$ 367,165 |
| Unrestricted amount | <u>420,908</u> | <u>20,325</u> | <u>-</u> | <u>366,728</u> |
| | <u>\$ 630,908</u> | <u>\$ 74,225</u> | <u>\$ 3,100</u> | <u>\$ 733,893</u> |



ST. PAUL'S ANGLICAN CHURCH
CAPITAL FUND - STATEMENT OF FINANCIAL POSITION

(Unaudited - See Notice to Reader)

DECEMBER 31, 2013

| | 2013 | | | 2012 |
|---|------------------------|--------------------|---------------------------|---------------------|
| ASSETS | ENDOWMENT FUNDS | TRUST FUNDS | UNRESTRICTED FUNDS | TOTAL |
| CURRENT | | | | |
| Cash | \$ 3,197 | - | \$ 1,122 | \$ 4,319 |
| Receivables | - | - | 57,094 | 57,798 |
| Current portion of mortgage receivable (Note 2) | - | - | 4,858 | 4,647 |
| Investments: | | | | |
| DeBlois memorial trust | 631,012 | - | - | 631,012 |
| Richards trust | 97,062 | - | - | 97,062 |
| St. Paul's trust | - | - | 102,274 | 102,274 |
| Due from unrestricted funds | <u>77,216</u> | <u>223,356</u> | <u>29,043</u> | <u>329,615</u> |
| | 808,487 | 223,356 | 194,391 | 1,226,234 |
| MORTGAGE RECEIVABLE (Note 2) | - | - | 101,102 | 105,961 |
| PROPERTY, BUILDING AND EQUIPMENT - AT COST | - | - | <u>1,059,530</u> | <u>1,059,530</u> |
| | <u>\$ 808,487</u> | <u>\$ 223,356</u> | <u>\$ 1,355,023</u> | <u>\$ 2,386,866</u> |
| LIABILITIES | | | | |
| DUE TO ENDOWMENT FUND | \$ - | - | \$ 77,079 | \$ 77,079 |
| DUE TO TRUST FUND | - | - | 218,414 | 218,414 |
| | - | - | <u>295,493</u> | <u>295,493</u> |
| NET ASSETS | | | | |
| ENDOWMENT FUNDS (Page 4) | \$ 808,487 | - | - | \$ 808,487 |
| TRUST FUNDS (Page 7) | - | 223,356 | - | 223,356 |
| INVESTMENT IN PROPERTY, BUILDING AND EQUIPMENT | - | - | <u>1,059,530</u> | <u>1,059,530</u> |
| | <u>\$ 808,487</u> | <u>\$ 223,356</u> | <u>\$ 1,355,023</u> | <u>\$ 2,386,866</u> |



ST. PAUL'S ANGLICAN CHURCH

GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES AND NET ASSETS - RESERVES

(Unaudited - See Notice to Reader)

YEAR ENDED DECEMBER 31, 2013

| | | | | | <u>2013</u> | <u>2012</u> | |
|---|--------------------------|------------------------------------|---|-------------------------------------|------------------------------------|------------------|------------------|
| | <u>Memorial Fund</u> | <u>Refugee Family Fund</u> | <u>Spiritual Development Fund</u> | <u>Sanctuary Guild Fund</u> | <u>Ministry Teams Fund</u> | <u>Total</u> | <u>Total</u> |
| REVENUES | | | | | | | |
| Donations | \$ - | \$ 180 | \$ 2,800 | \$ - | \$ - | \$ 2,980 | \$ 3,370 |
| EXPENDITURES | | | | | | | |
| Expenses | - | - | - | - | - | - | 950 |
| EXCESS OF REVENUES OVER EXPENDITURES | - | 180 | 2,800 | - | - | 2,980 | 2,419 |
| NET ASSETS, BEGINNING OF YEAR | <u>5,321</u> | <u>354</u> | <u>12,921</u> | <u>3,286</u> | <u>1,844</u> | <u>23,726</u> | <u>21,306</u> |
| NET ASSETS, END OF YEAR | <u>\$ 5,321</u> | <u>\$ 534</u> | <u>\$ 15,721</u> | <u>\$ 3,286</u> | <u>\$ 1,844</u> | <u>\$ 26,706</u> | <u>\$ 23,726</u> |

ST. PAUL'S ANGLICAN CHURCH
NOTES TO FINANCIAL STATEMENTS

(Unaudited - See Notice to Reader)

DECEMBER 31, 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BEQUESTS

The Church is the beneficiary under various wills and trust agreements, the total realizable amounts of which may not be immediately determinable. The Church records such bequests when proceeds are received.

PROPERTY, BUILDING AND EQUIPMENT

Property, buildings, building renovations and certain equipment owned by the church are recorded on the balance sheet of the capital fund at cost. Repairs and alterations are expensed in the general fund in the year incurred. Proceeds from dispositions are netted against the cost of related assets.

Equipment that is funded through general operating revenue is expensed as incurred in the general fund.

No depreciation is recorded on building and equipment.

PLEDGE REVENUE

Pledge revenue is recognized when the funds are received.

RESERVES

The Reserve Funds have been used to finance operations in lieu of borrowing money from the bank. The line of credit can be used as required to fund these reserves.

RESTRICTED CASH

These amounts are restricted by trust fund instructions specifying the nature of the expenditure the funds can be used towards.

INVESTMENTS

Investments are stated at market value. Adjustments to market value are recognized into income during the period the value changes.

2. MORTGAGE RECEIVABLE

| | <u>2013</u> | <u>2012</u> |
|--|-------------------|-------------------|
| Mortgage receivable 4.49%, matures in June 2029, repaid in monthly principal and interest installments of \$789. | \$ 105,960 | \$ 110,608 |
| Less: Current portion of mortgage receivable | <u>4,858</u> | <u>4,647</u> |
| | <u>\$ 101,102</u> | <u>\$ 105,961</u> |

ST. PAUL'S ANGLICAN CHURCH
NOTES TO FINANCIAL STATEMENTS
(Unaudited - See Notice to Reader)
DECEMBER 31, 2013

3. DONATIONS

St. Paul's Anglican Church collects donations on behalf of other charities and remits the donations to the designated charity. During the last two years, St. Paul's collected and remitted the following amounts:

| | <u>2013</u> | <u>2012</u> |
|--------------------|-----------------|-----------------|
| Donations received | \$ <u>5,053</u> | \$ <u>3,660</u> |
| Amounts remitted | <u>5,053</u> | <u>3,660</u> |
| Amount retained | <u>\$ -</u> | <u>\$ -</u> |

ST. PAUL'S ANGLICAN CHURCH

SCHEDULE OF EXPENSES

(Unaudited - See Notice to Reader)

DECEMBER 31, 2013

| | <u>2013</u> | <u>2012</u> |
|---------------------------------|------------------|------------------|
| ADMINISTRATION | | |
| Bank charges | \$ 1,350 | \$ 1,023 |
| Insurance | 10,152 | 9,557 |
| Professional fees | 1,880 | 3,855 |
| Property taxes and water | <u>2,226</u> | <u>4,139</u> |
| | <u>\$ 15,608</u> | <u>\$ 18,574</u> |
| MINISTRY OUTREACH | | |
| Charlottetown Christian Council | \$ 75 | \$ - |
| Diocesan Church Society | 1,665 | 1,399 |
| Old Protestant Cemetery | 100 | 100 |
| Spiritual Development | <u>319</u> | <u>3,059</u> |
| | <u>\$ 2,159</u> | <u>\$ 4,558</u> |
| OFFICE OPERATIONS | | |
| Office supplies | \$ 950 | \$ 2,370 |
| Photocopying | 1,775 | 1,638 |
| Postage | 204 | 220 |
| Telephone | <u>2,952</u> | <u>4,043</u> |
| | <u>\$ 5,881</u> | <u>\$ 8,271</u> |
| PARISH ACTIVITIES | | |
| Christian education and Youth | \$ 294 | \$ 701 |
| Parish and church supplies | 10,554 | 5,563 |
| Music | 3,398 | 2,048 |
| Outreach and Social Action | 9,891 | 16,457 |
| Synod | <u>831</u> | <u>-</u> |
| | <u>\$ 24,968</u> | <u>\$ 24,769</u> |

ST. PAUL'S ANGLICAN CHURCH

SCHEDULE OF EXPENSES

(Unaudited - See Notice to Reader)

DECEMBER 31, 2013

| | <u>2013</u> | <u>2012</u> |
|---------------------------------|-------------------|-------------------|
| PERSONNEL | | |
| Rector | | |
| Stipend | \$ 43,752 | \$ 41,573 |
| Housing | 18,054 | 19,695 |
| Travel | 4,545 | 4,545 |
| Pension | 8,877 | 8,516 |
| Administrative Assistant | | |
| Salary | 13,000 | 13,000 |
| Sexton and Janitor | | |
| Salary and rent benefit | 22,971 | 22,971 |
| Organist | | |
| Salary | 20,826 | 20,827 |
| Other | | |
| Casual relief | 705 | 1,185 |
| Staff pension | 4,566 | 4,261 |
| Wage benefits | <u>7,258</u> | <u>10,911</u> |
| | <u>\$ 144,554</u> | <u>\$ 147,484</u> |