

**CENTRE STREET CHURCH**  
**Financial Statements**  
**Year Ended June 30, 2022**

**CENTRE STREET CHURCH**  
**Index to Financial Statements**  
**Year Ended June 30, 2022**

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## **Management's Responsibility for Financial Reporting**

The financial statements of Centre Street Church have been prepared in accordance with Canadian accounting standards for not-for-profit organizations. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Centre Street Church's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Governors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Finance and Audit Committee. The Finance and Audit Committee is appointed by the Board and meets periodically with management and the auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Finance and Audit Committee reports to the Board of Governors prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the members, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the members by Dart Bryant LLP, Chartered Professional Accountants, in accordance with Canadian generally accepted auditing standards.

  
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Mr. Gentry Stickel, Executive Pastor

Calgary, AB  
September 27, 2022



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## INDEPENDENT AUDITOR'S REPORT

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### To the Members of Centre Street Church

#### Opinion

We have audited the financial statements of Centre Street Church (the Church), which comprise the statement of financial position as at June 30, 2022, and the statements of operations and changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Church as at June 30, 2022 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

#### 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 are independent of the Church in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

Management is responsible for the other information. The other information comprises the information other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

#### 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 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 Church's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Church or to cease operations, or has no realistic alternative but to do so.

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

(continues)

### 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 Church'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 Church'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 Church 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.

September 27, 2022



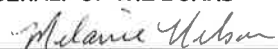
Chartered Professional Accountants

**CENTRE STREET CHURCH**  
**Statement of Financial Position**  
**As at June 30, 2022**

	City Mission General Fund 2022	Global Mission General Fund 2022	Other Funds 2022	Capital Funds 2022	Total 2022	Total 2021
<b>ASSETS</b>						
<b>CURRENT</b>						
Cash and cash equivalents	\$ 357,843	\$ 1,813	\$ 3,553,844	\$ 6,462,630	\$ 10,376,130	\$ 14,260,565
Investments (Note 5)	62,614	-	-	5,234,043	5,296,657	6,249,878
Accounts receivable (Note 4)	14,308	-	-	-	14,308	26,212
GST recoverable	307,395	-	-	-	307,395	409,549
Inventory (Note 2)	-	-	76,595	-	76,595	76,928
Security / tender deposits	15,000	-	-	54,100	69,100	35,000
Prepaid expenses	98,753	5,773	-	31,371	135,897	59,518
	855,913	7,586	3,630,439	11,782,144	16,276,082	21,117,650
<b>PROPERTY AND EQUIPMENT (Note 6)</b>						
	-	-	-	60,184,749	60,184,749	51,137,583
	\$ 855,913	\$ 7,586	\$ 3,630,439	\$ 71,966,893	\$ 76,460,831	\$ 72,255,233
<b>LIABILITIES AND FUND BALANCES</b>						
<b>CURRENT</b>						
Accounts payable and accrued liabilities	\$ 355,913	\$ 7,586	\$ -	\$ 1,750,224	\$ 2,113,723	\$ 1,919,391
Interfund loans	-	-	(500,000)	500,000	-	-
	355,913	7,586	(500,000)	2,250,224	2,113,723	1,919,391
<b>FUND BALANCES (Note 7)</b>						
Internally restricted: Capital invested (Note 6)	-	-	-	58,434,525	58,434,525	49,448,173
Internally restricted: Other (Notes 7, 8)	500,000	-	4,130,439	11,282,144	15,912,583	20,887,669
	500,000	-	4,130,439	69,716,669	74,347,108	70,335,842
	\$ 855,913	\$ 7,586	\$ 3,630,439	\$ 71,966,893	\$ 76,460,831	\$ 72,255,233

COMMITMENTS (Note 10)      SUBSEQUENT EVENT (Note 13)      CONTINGENCIES (Note 14)

**ON BEHALF OF THE BOARD**

 Governor

 Governor

**CENTRE STREET CHURCH**  
**Statement of Operations and Changes in Fund Balances**  
**For the Year Ended June 30, 2022**

	City Mission General Fund 2022	Global Mission General Fund 2022	Other Funds 2022	Capital Funds 2022	Total 2022	Total 2021
<b>REVENUES</b>						
Ministry & missions	\$ 9,713,996	\$ 2,531,722	\$ -	\$ 3,891,207	\$ 16,136,925	\$ 15,643,350
Missions designated	-	-	203,681	-	203,681	129,639
Programs	162,632	14,247	38,016	-	214,895	53,869
Sales and services	-	4,768	41,603	-	46,371	15,097
Investment income	9,400	-	13,703	60,153	83,256	196,179
Gain on sale of property	-	-	-	-	-	18,221
Government subsidies (Note 4)	68,325	-	255,393	6,000	329,718	1,424,849
	<u>9,954,353</u>	<u>2,550,737</u>	<u>552,396</u>	<u>3,957,360</u>	<u>17,014,846</u>	<u>17,481,204</u>
<b>EXPENSES</b>						
Staff and contract	6,067,225	571,604	765	-	6,639,594	6,015,874
Designated missions	-	-	203,860	-	203,860	129,459
Ministry, operations and support	2,517,555	1,558,092	237,160	501,141	4,813,948	4,217,598
Amortization	-	-	-	1,346,178	1,346,178	800,415
	<u>8,584,780</u>	<u>2,129,696</u>	<u>441,785</u>	<u>1,847,319</u>	<u>13,003,580</u>	<u>11,163,346</u>
<b>EXCESS (DEFICIENCY) OF OPERATIONS</b>	1,369,573	421,041	110,611	2,110,041	4,011,266	6,317,858
<b>TRANSFERS (Schedule 1)</b>						
Transfer of fund surpluses	(1,369,573)	(421,041)	(643,501)	2,434,115	-	-
	<u>-</u>	<u>-</u>	<u>(532,890)</u>	<u>4,544,156</u>	<u>4,011,266</u>	<u>6,317,858</u>
<b>FUND BALANCES - beginning of year</b>	500,000	-	4,663,329	65,172,513	70,335,842	64,017,984
<b>FUND BALANCES - end of year</b>	<u>\$ 500,000</u>	<u>\$ -</u>	<u>\$ 4,130,439</u>	<u>\$ 69,716,669</u>	<u>\$ 74,347,108</u>	<u>\$ 70,335,842</u>

# **CENTRE STREET CHURCH**

## **Statement of Cash Flows** **Year Ended June 30, 2022**

	City Mission General Fund 2022	Global Mission General Fund 2022	Other Funds 2022	Capital Funds 2022	Total 2022	Total 2021
<b>OPERATING ACTIVITIES</b>						
Excess (deficiency) of operations	\$ 1,369,573	\$ 421,041	\$ 110,611	\$ 2,110,041	\$ 4,011,266	\$ 6,317,858
Items not affecting cash:						
Amortization (Note 6)	-	-	-	1,346,178	1,346,178	800,415
Gain on sale of property	-	-	-	-	-	(18,221)
Interfund transfers	(1,369,573)	(421,041)	(643,501)	2,434,115	-	-
	-	-	(532,890)	5,890,334	5,357,444	7,100,052
Changes in non-cash working capital:						
Accounts receivable	(14,308)	-	26,212	-	11,904	459,106
Inventory	-	-	333	-	333	3,072
Accounts payable and accrued liabilities	125,932	7,585	-	60,813	194,330	229,779
Prepaid expenses	(72,725)	13,275	-	(16,928)	(76,378)	(74,518)
GST recoverable	(236,901)	-	-	339,055	102,154	(256,864)
Security / tender deposits	20,000	-	-	(54,100)	(34,100)	-
Interfund loan accounts	-	-	-	-	-	-
	(178,002)	20,860	26,545	328,840	198,243	360,575
Cash flow from (used by) operating activities	(178,002)	20,860	(506,345)	6,219,174	5,555,687	7,460,627
<b>INVESTING ACTIVITIES</b>						
Purchase of property and equipment	-	-	-	(10,393,344)	(10,393,344)	(15,247,278)
Investments	(47,335)	(19,047)	(480,952)	1,500,556	953,222	4,616,592
Proceeds on the disposal of equipment	-	-	-	-	-	18,221
Cash flow used by investing activities	(47,335)	(19,047)	(480,952)	(8,892,788)	(9,440,122)	(10,612,465)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	(225,337)	1,813	(987,297)	(2,673,614)	(3,884,435)	(3,151,838)
Cash and cash equivalents - beginning of year	583,180	-	4,541,141	9,136,244	14,260,565	17,412,403
<b>CASH AND CASH EQUIVALENTS (DEFICIENCY) - END OF YEAR</b>	\$ 357,843	\$ 1,813	\$ 3,553,844	\$ 6,462,630	\$ 10,376,130	\$ 14,260,565
<b>CASH CONSISTS OF:</b>						
Cash	\$ 357,843	\$ 1,813	\$ 2,316,913	\$ -	\$ 2,676,569	\$ 1,560,645
High interest saving accounts	-	-	1,086,750	-	1,086,750	9,480,640
Treasury Bill Savings account	-	-	150,181	-	150,181	3,219,280
Cashable GIC	-	-	-	6,462,630	6,462,630	-
	\$ 357,843	\$ 1,813	\$ 3,553,844	\$ 6,462,630	\$ 10,376,130	\$ 14,260,565

Please see accompanying notes to the financial statements  
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**CENTRE STREET CHURCH**  
**Notes to Financial Statements**  
**Year Ended June 30, 2022**

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**1. PURPOSE OF THE ORGANIZATION**

Centre Street Church ("the Church") is a member of the Evangelical Missionary Church of Canada (EMCC), operated through a federally incorporated body and registered with Canada Revenue Agency as a charitable organization and accordingly is exempt from income taxes.

The Biblical purpose for the Church is to glorify God through exalting Him, edifying one another and equipping believers for effective ministry and outreach, which is done by pursuing God, pursuing relationships, pursuing mission, pursuing generosity and pursuing simplicity.

The continued operation of the Church is dependent on the continued support of interested individuals.

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of presentation**

These financial statements are prepared in accordance with Canadian generally accepted accounting standards for not-for-profit organizations on a going concern basis and include the following policies:

**Fund accounting**

These financial statements include the revenues, expenses, assets, liabilities and fund balances of the funds controlled and administered directly by the Church.

The funds are summarized for reporting as follows;

- City Mission General fund,
- Global Mission General fund,
- Other funds (including Appleseed Resource, CSC Scholarship Funds, Café, City Mission Opportunity, Designated Missions, Global Mission Opportunity Fund, HR Contingency, Mission Trips, Pastoral Training, Wedding, Emergency Reserve Fund),
- Capital funds (including City Mission Capital Development, City Mission Sustaining Capital, and Global Mission Capital Development Fund).

**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 when there are indicators of impairment. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

Financial instruments of the Church include cash and cash equivalents, accounts receivable, investments, and accounts payable all measured at amortized cost.

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**CENTRE STREET CHURCH**  
**Notes to Financial Statements**  
**Year Ended June 30, 2022**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Cash and cash equivalents**

Cash and cash equivalents are comprised of cash and short term deposits with original maturities less than three months at the time of purchase or having the capacity of prompt liquidation.

**Inventory**

Inventory of books and other items for sale in the Appleseed Resource Centre is valued at the lower of cost and net realizable value with the cost being determined on a first-in, first-out basis. Inventory recognized as an expense during the year amounted to \$3,072 (2020: \$82,076).

**Property and equipment**

Property and equipment are recorded at cost less accumulated amortization. Property and equipment are amortized over their estimated useful lives at the following rates and methods:

Buildings	40 years	straight-line method
Parking lots	20 years	straight-line method
Furniture and equipment	5 years	straight-line method
Computer equipment	5 years	straight-line method
Audio Visual equipment	5 years	straight-line method
Motor vehicles	10 years	straight-line method

The Church regularly reviews its property and equipment to eliminate obsolete items.

Purchases less than \$10,000 with a life less than 5 years are expensed as purchased. Contributed assets are recorded at their estimated fair value at their date of contribution.

Buildings under construction will not be amortized until in use.

**Impairment of Long Lived Assets**

The Church 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.

**Revenue recognition**

The Church follows the deferral method of accounting for contributions where externally restricted contributions are recognized as revenue in the year in which the related expenses are incurred and, if the restricted contribution is for the purchase of non-depreciable capital assets, directly as an increase to fund balances. Unrestricted contributions to specific funds are recognized when received or receivable.

Programs, services and sales revenue are recorded as earned and include such programs as Alpha, CS Camps, and various events for which participation is considered more important than the completeness of revenue. Investment income is recorded as earned.

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**CENTRE STREET CHURCH**  
**Notes to Financial Statements**  
**Year Ended June 30, 2022**

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)***

**Contributed services and goods**

Volunteers contribute a significant number of hours each year to assist the Church in carrying out its mission. Because of the difficulty in determining their fair value, contributed services are not recognized in the financial statements. Contributed goods would only be recorded if the value can be determined and the item would otherwise be purchased (none recognized).

**Allocated expenses**

The Church reports its expenses based on function (Staff and contract, Designated missions, Ministry, operations and support) with expenses not directly related to a function being included in Ministry, operations and support.

No fundraising costs have been incurred in 2022 nor 2021. All general expenses are included in general fund operations.

**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.

In the financial statements of the Church, the more significant areas for which management is required to make estimates include the valuation and impairment of accounts receivable, inventory and property and equipment, the amounts of accrued liabilities. Actual amounts could differ from those estimates.

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**CENTRE STREET CHURCH**  
**Notes to Financial Statements**  
**Year Ended June 30, 2022**

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**3. FINANCIAL INSTRUMENTS**

The Church's financial instruments in the balance sheet are comprised of cash and cash equivalents, accounts receivable, GST recoverable, investments, and accounts payable and all current liabilities. All are recorded at amortized cost.

Credit risk

Credit risk arises from the possibility that third parties may default on their financial obligations. The Church is exposed to credit risk on cash which is minimized by ensuring that cash is held with credible financial institutions.

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 Church is mainly exposed in regards to stock donations received which are liquidated shortly after receipt.

a) Currency risk

Currency risk is the risk that the value of financial instruments denominated in currencies other than the reporting currency of the Church will fluctuate due to changes in foreign exchange rates. The Church is not exposed to foreign currency risk.

b) 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. The Church is exposed to interest rate risk on its fixed and floating rate cash and cash equivalents. In seeking to minimize the risks from interest rate fluctuations, the Church manages these risks through diversified short term deposits with financial institutions.

c) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Church is not exposed to significant other price risk.

Liquidity risk

Liquidity risk is the risk that the Church will encounter difficulty in meeting obligations associated with financial liabilities. In minimizing the liquidity risk, the Church prepares annual budgets for each fund and actively monitors its cash flows from operating, investing and financing activities.

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**CENTRE STREET CHURCH**  
**Notes to Financial Statements**  
**Year Ended June 30, 2022**

**4. ACCOUNTS RECEIVABLE**

Below is a summary of subsidies and grants the Church received during the year:

	2022	2021
<u>Government assistance received</u>		
Grants received for compassion ministries:		
- Federal grant	\$ -	\$ 75,000
- Provincial emergency resilience grants	-	270,000
- Alberta grant	-	90,000
	-	435,000
CERS rent subsidy received	10,458	36,989
Canada Recovery Hiring Program (1)	80,416	-
Provincial facility re-launch grant	-	5,000
Alberta Security Infrastructure Program	6,000	-
Summer student grant	68,325	9,330
CEWS wage subsidy received	164,519	938,528
Total support revenue received	329,718	1,424,847
Amounts received during the year	(315,410)	(1,398,635)
Accounts receivable	\$ 14,308	\$ 26,212

(1) The Canada Recovery Hiring Program's outstanding amount (\$14,308) was received subsequent to year end.

**5. INVESTMENTS**

	2022	2021
GIC with ATB Securities at interest rate of 1.25% and maturity February 14, 2023	\$ 3,013,972	\$ -
GIC with ATB Securities at interest rate of 0.60% and maturity September 23, 2022	2,220,071	-
GIC with ATB Securities at interest rate of 0.68% and maturity July 2, 2021	-	1,510,145
GIC with ATB Securities at interest rate of 0.68% and maturity July 3, 2021	-	2,516,860
GIC with ATB Securities at interest rate of 0.45% and maturity September 3, 2021	-	2,207,594
RBC Direct Investing	62,614	15,279
	\$ 5,296,657	\$ 6,249,878

**CENTRE STREET CHURCH**  
**Notes to Financial Statements**  
**Year Ended June 30, 2022**

**6. PROPERTY AND EQUIPMENT**

	Cost	Accumulated amortization	2022 Net book value	2021 Net book value
Land	\$ 16,644,081	\$ -	\$ 16,644,081	\$ 16,644,081
Buildings	29,667,608	7,178,112	22,489,496	8,516,986
Buildings - under construction	18,562,139	-	18,562,139	24,736,543
Parking lots	1,851,291	1,012,127	839,164	157,344
Furniture and equipment	8,249,648	7,829,476	420,172	169,547
Motor vehicles	17,410	10,446	6,964	10,446
Computer equipment	442,571	268,376	174,195	234,658
Audio Visual equipment	1,609,707	561,169	1,048,538	667,978
	<u>\$ 77,044,455</u>	<u>\$ 16,859,706</u>	<u>\$ 60,184,749</u>	<u>\$ 51,137,583</u>

On November 1, 2017, the Church received a donation of \$11 million for the purpose of purchasing land for the Bearspaw Campus. Land costing \$11,271,153 was purchased on November 1, 2017.

The capitalized costs (Build More Room For God) to date are \$35,095,566 (2021: \$24,736,543). This includes Buildings - under construction for the Central Campus (\$18,562,139) and the Bearspaw Campus (\$16,533,427) which is now fully operational and classified under the appropriate classes.

**7. CHANGES IN FUND BALANCES**

	Fund Balances			
	Capital Invested	Internally Restricted		Total
		(Note 8)	Unrestricted	
	\$	\$	\$	\$
<b>OPENING</b>	49,448,173	20,887,669	-	70,335,842
Net excess of			4,011,266	4,011,266
revenues over expenses				
Changes in Capital				
- amortization	(1,346,178)		1,346,178	-
- purchases	10,393,344		(10,393,344)	-
- payables increase relating				
to build	(60,814)	-	60,814	-
Changes in Internally Restricted				
- Other funds		(532,890)	532,890	-
- Capital		(4,442,196)	4,442,196	-
<b>ENDING</b>	<u>58,434,525</u>	<u>15,912,583</u>	<u>-</u>	<u>74,347,108</u>

**CENTRE STREET CHURCH**  
**Notes to Financial Statements**  
**Year Ended June 30, 2022**

**8. INTERNALLY RESTRICTED FUNDS**

	<b>2022</b>	<b>2021</b>
<b>City Missions General</b>		
Reserve	\$ 500,000	\$ 500,000
<b>Other Funds</b>		
Appleseed Resource	36,566	25,789
CSC Scholarship Funds	144,754	151,225
Café	-	25,000
City Mission Opportunity	1,704,179	2,478,188
Global Mission Opportunity Fund	1,317,990	1,620,180
HR Contingency	-	200,711
Pastoral Training	102,365	102,365
Wedding	-	8,957
Mission trips	12,085	50,734
Emergency reserve fund	812,500	-
Designated missions fund	-	180
	<b>4,130,439</b>	<b>4,663,329</b>
<b>Capital</b>		
City Mission Capital Development	8,841,257	13,057,083
City Mission Sustaining Capital	2,081,061	1,749,566
Global Mission Capital Development	359,826	917,691
	<b>11,282,144</b>	<b>15,724,340</b>
<b>Grand total</b>	<b>\$ 15,912,583</b>	<b>\$ 20,887,669</b>

**9. CREDIT FACILITY**

The Church has credit facilities with ATB Financial, which includes an approved operating line that can be drawn upon to a maximum of \$10,000,000, which bears interest at prime and is secured by a land mortgage on the real property and a General Security Agreement. As at June 30, 2022, the amount owing, which is due on demand, was \$Nil (2021: \$Nil).

In support of the construction, the Rocky View County required standby letters of credit in their favour to be held in aggregate to the amount of \$624,593 (2021: \$Nil), which was not drawn upon and expires on September 13, 2023. Should the facility be drawn upon, it will bear interest at prime plus 3%.

The Church adhered to all required covenants.

**CENTRE STREET CHURCH**  
**Notes to Financial Statements**  
**Year Ended June 30, 2022**

**10. COMMITMENTS**

The Church has leases with respect to church campuses. Future minimum lease payments as at year end are as follows:

2023	\$	205,434
2024		100,764
2025		100,764
2026		100,764
2027		100,764
Thereafter		15,502
	<u>\$</u>	<u>623,992</u>

**11. PENSIONS**

The Church participates in a defined contribution pension plan through the Evangelical Missionary Church of Canada, the funds of which are administered by Sunlife. The current pension expense is \$95,013 (2021:\$92,627). At the year end, the Church had no unrecorded pension liabilities.

**12. TRANSACTIONS WITH AFFILIATED MINISTRIES**

Payments to and support for affiliated ministries of EMCC have been made during the year. These amounts have been recorded as payments in missions, operations and support.

	<u>2022</u>	<u>2021</u>
EMCC and EMCC affiliated camps, schools and mission projects	<u>\$ 375,339</u>	<u>\$ 398,795</u>
	<u>\$ 375,339</u>	<u>\$ 398,795</u>

All these transactions are recorded at the exchange amount, which is the consideration agreed to by the parties.

**13. SUBSEQUENT EVENT**

The venue the Church's South Campus rents suffered fire damage on August 12, 2022. Damages to Church equipment cannot be determined at this point, but management estimates it to be minimal. Services at the South Campus will be disrupted in the interim.



**CENTRE STREET CHURCH**  
**Notes to Financial Statements**  
**Year Ended June 30, 2022**

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**14. CONTINGENCIES**

The World Health Organization categorized the outbreak of a strain of the novel coronavirus (COVID-19) as a pandemic which has lead 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. At this time, 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.

At the end of the fiscal year end, the majority of public health measures were lifted in Alberta and management has implemented appropriate actions to return to more normal operations in fiscal 2023.

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**CENTRE STREET CHURCH**  
**Transfers**  
**Year Ended June 30, 2022**

(Schedule 1)

	City Mission General Fund 2022	Global Mission General Fund 2022	Other Funds 2022	Capital Funds 2022	Total 2022	Total 2021
<b>Operations subsidies and surplus transfers</b>						
Transfer to City Missions						
Sustaining capital (5%)	\$ (485,700)	\$ -	\$ -	\$ 485,700	\$ -	\$ -
Transfer from Other funds to						
Global Mission Capital	-	-	(50,734)	50,734	-	-
Development fund	-	-	(50,734)	50,734	-	-
Transfers to City Mission						
Opportunity fund	(383,873)	-	383,873	-	-	-
Transfer from Other funds to						
City Mission Sustaining	-	-	(63,062)	63,062	-	-
Capital fund	-	-	(63,062)	63,062	-	-
Transfer from Other funds to						
City Mission Capital	-	-	(34,619)	34,619	-	-
Development fund	-	-	(34,619)	34,619	-	-
Transfers from Global						
Missions General fund	-	(421,041)	121,041	300,000	-	-
Transfer to City Mission						
Capital Development fund	\$ (500,000)	\$ -	\$ (1,000,000)	\$ 1,500,000	\$ -	\$ -
<b>Total Interfund transfers</b>	<b>\$ (1,369,573)</b>	<b>\$ (421,041)</b>	<b>\$ (643,501)</b>	<b>\$ 2,434,115</b>	<b>\$ -</b>	<b>\$ -</b>